



The Biotech Yield Endorsement and Insurable Units

The Biotech Yield Endorsement (BYE) requires that a farmer plant at least 75 percent of their insured acres within each insured unit to non-irrigated corn for grain hybrids that contain YieldGard VT Triple™ and/or YieldGard® Plus with Roundup Ready® Corn 2 (BYE-qualifying hybrids). The grower must also purchase a qualifying type of insurance policy (APH, CRC or RA). In most cases, insurable units are not the same as total corn acres. Most farmers have the option to divide corn acres into multiple insurable units. Hence, most farmers could take advantage of BYE while not planting BYE-qualifying hybrids on all non-refuge acres.

Insurable Units

Four different units are allowed: whole-farm, enterprise, basic, and optional units. Whole-farm will contain the most acres while optional units will include the least (see Figure 1).

All of the above divisions apply to farmland in a county. If a farmer has land in more than one county, the above divisions apply to each county. For example, a farmer who farms in two counties named Powell and Jasper will have two whole-farm units: one in Powell County and one in Jasper County. A farmer could use BYE on the whole-farm unit in Powell County and not use it on the whole-farm unit in Jasper County and vice versa.

Units will be illustrated for George Farr.

George has 800 acres of corn in Powell County. He has corn on 160 acres of owned farmland, 400 on cash rent farmland, and 240 acres on share rent farmland. The share rent farmland is from three landlords.

Figure 2 shows how George's land is divided into sections.

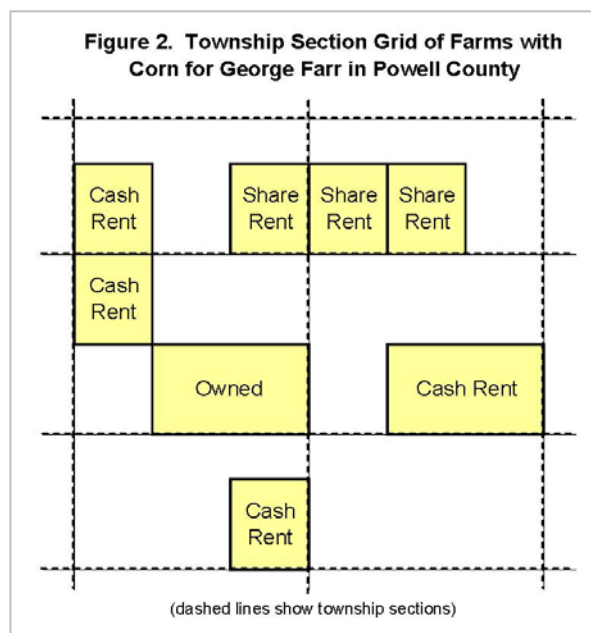
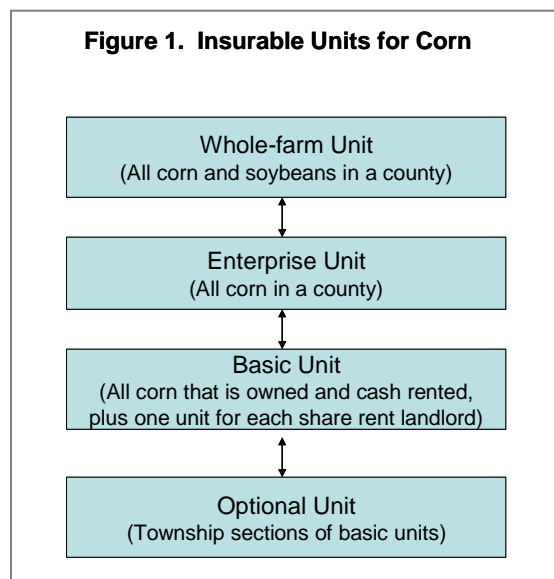
A. Whole-farm units

Whole-farm units cover all corn and soybean acres in a county. For whole-farm units, BYE covers all corn acres in the county, implying that George Farr would have one whole-farm unit for Powell County and BYE-qualifying hybrids will have to be planted on at least 75 percent of his BYE-qualifying corn acres. Few farmers use whole-farm units.

B. Enterprise units

Enterprise units insure all of one crop in a county. A farmer with corn and soybeans in one county has two enterprise units: one for corn and one for soybeans. For enterprise units, BYE will apply to all non-irrigated corn for grain in the county.

George Farr would have one enterprise unit for corn in Powell County and would need to plant at least 75% of his BYE-qualifying corn acres to BYE-qualifying hybrids.

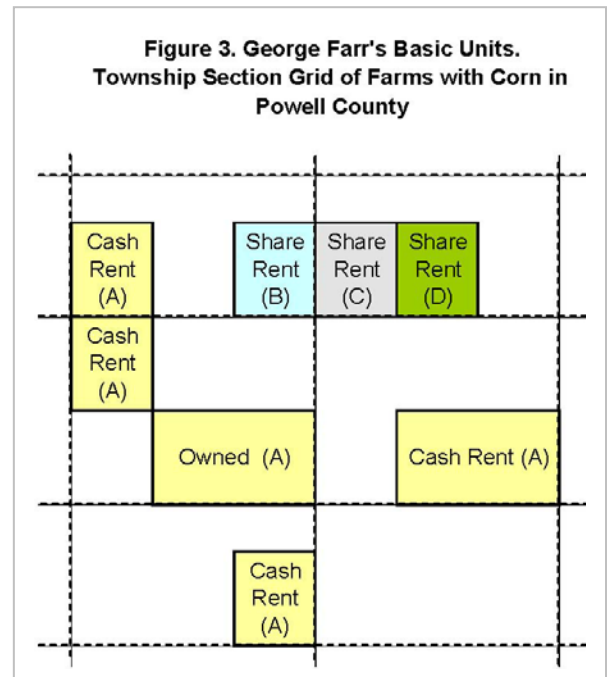


C. Basic units

Basic units divide acres by ownership split for each crop in a county. One basic unit will contain all owned and cash rented land of one crop in a county. Additional basic units will exist for each share-rent landlord.

As an example, George Farr grows corn on farmland that is owned, cash rented, and share rented in one county. Share rent farmland is rented from three landlords. George will have four basic units for corn: one basic unit contains the owned and cash rented farmland while three basic units contain land for each of the three landlords. The BYE could be applied to any of the basic units. For example, BYE could be applied to three of the basic units while BYE is not used on the fourth unit. Remember, one of the main requirements is that the farmer plant at least 75% of his BYE-qualifying corn acres to BYE-qualifying hybrids within each insured unit and still meet current EPA refuge requirements.

George Farr has four basic units (see Figure 3). Unit A includes all owned and cash rented farmland. Units B, C and D represent three basic units (one with each share rent landlord). In order to be eligible for the BYE on all of his BYE qualifying corn acres, George would need to plant at least 75% of these acres in each basic unit to BYE-qualifying hybrids.



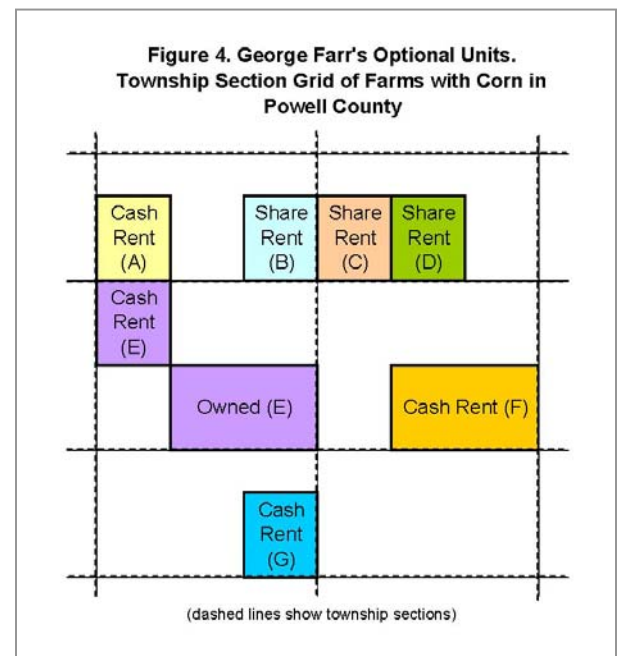
D. Optional units

An optional unit divides basic units into smaller acreages based on township sections. In many cases, a township section is a square mile. Take for example a basic unit that has farmland in six township sections. The basic unit will have six optional units, one for each section. The BYE could be applied to each optional unit. A farmer could also insure three optional units using BYE and three optional units without the BYE.

For this example assume George Farr's share rented land is with three landlords, two in one township and one in a different township. George Farr could have seven optional units (see color coding Figure 4). Land contained in different basic units is divided into alternative optional units. George would need to plant at least 75% of his BYE-qualifying corn acres to BYE-qualifying hybrids within each optional unit.

Summary

BYE will not necessarily require a farmer to plant BYE-qualifying hybrids on all non-irrigated corn for grain acres. BYE can be applied to any BYE eligible insured unit.



IMPORTANT: The following information is current as of December 13, 2007: YieldGard Plus and YieldGard Rootworm with Roundup Ready Corn 2 are grandfathered for import and use in processed feed in the E.U. YieldGard Plus with Roundup Ready Corn 2, YieldGard VT Rootworm/RR2 and YieldGard VT Triple are neither approved nor grandfathered and there is zero tolerance for these traits in processed feed imported in the E.U. Growers of all products bearing the Market Choices mark must talk to their grain handler to confirm the handler's buying position for grain from these products. **It is a violation of national and international law to move material containing biotech traits across boundaries into nations where import is not permitted.**

YieldGard corn products are not yet registered in all states. Check with your Monsanto representative for the registration status in your state. **ALWAYS READ AND FOLLOW PESTICIDE LABEL DIRECTIONS.** Roundup Ready® crops contain genes that confer tolerance to glyphosate, the active ingredient in Roundup® agricultural herbicides. Roundup® agricultural herbicides will kill crops that are not tolerant to glyphosate. Roundup®, Roundup Ready®, YieldGard®, YieldGard Rootworm with Roundup Ready® Corn2, YieldGard VT™ and Design, and YieldGard VT Triple™ are trademarks of Monsanto Technology LLC. ©2007 Monsanto Company.