

2017 Grower Shared Risk Program:

For FiberMax and Stoneville Cotton Grown in West Region













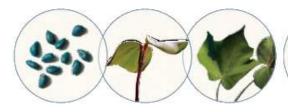
Program Objective

To provide risk protection to cotton growers who plan for success by investing in high quality seeds and traits and implement Best Management Practices.

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2017 Grower Shared Risk:

Summary of Risk Protection Coverage

FiberMax and Stoneville Cotton

Irrigated and Dryland Cotton							
Per Bag Grower Responsibility			What is Reimbursed?	NOTES			
Seed Count	220K	170K					
Replant	\$25	\$20	Grower invoice price for Seed, Trait & Aeris/Trilex Advanced and COPeO Prime* (if applicable) minus \$25 / \$20	South TX: Through May 15, 2017 Remaining geography: Through June 30, 2017			
Crop Loss	\$170	\$135	Grower invoice price for Seed and Trait minus \$170 / \$135	Loss occurs within 60 days of final planting			
Dryland	Dryland Cotton Only						
Per Bag Grower Responsibility			What is Reimbursed?	NOTES			
Seed Count	220K	170K					
< 200 lbs.	\$100	\$80	Grower invoice price for Seed and Trait minus \$100 / \$80	No enrollment required. Loss of yield due to drought only			
200 to 399 lbs.	\$235	\$180	Grower invoice price for Seed, Trait & Aeris/Trilex Advanced and COPeO Prime* (if	Grower enrollment required by June 30, 2017			

^{*} For Stoneville cottonseed COPeO Prime is included in base seed treatment. For FiberMax cottonseed COPeO Prime is added to Bayer applied premium seed treatment.

applicable) minus \$235 / \$180

Replant

To provide risk protection to cotton growers who plan for success by investing in high quality seeds and traits and implement Best Management Practices.

Support Cotton Grower when FiberMax and/or Stoneville cotton and/or Credenz soybean is replanted.

QUALIFYING PRODUCTS	ACTIVITY	Per Bag GROWER RESPONSIBILITY 220K 170K		REIMBURSED			
Replant with FiberMax and/or Stoneville Cotton							
FiberMax Cotton Stoneville Cotton LibertyLink, GlyTol, TwinLink, Roundup Ready Flex and Bollgard II Technologies Aeris/Trilex Advanced COPeO Prime Velum Total	First Replant Only	\$25	\$20	Grower invoice price for Seed, Trait & Aeris/Trilex Advanced and COPeO Prime(if applicable) minus \$25 / \$20			
Replant with Corn or Sorghum	Replant with Corn or Sorghum						
FiberMax Cotton Stoneville Cotton LibertyLink, GlyTol, TwinLink, Roundup Ready Flex and Bollgard II Technologies	Grower elects to replant with corn or sorghum	\$155	\$125	Grower invoice price for Seed & Trait minus \$155 / \$125			
Replant with Credenz Soybeans							
FiberMax Cotton Stoneville Cotton LibertyLink, GlyTol, TwinLink, Roundup Ready Flex and Bollgard II Technologies	Grower elects to replant with Credenz Soybeans	\$170 & 50% of Credenz	\$135 & 50% of Credenz	Grower invoice price for Cotton Seed & Trait minus \$170 / \$135 & 50% of suggested retail price of Credenz Soybeans			

Program Period

2017 Replant Program Dates:

- South Texas (South of I-10): Through May 15, 2017
- Remaining geography in the program: Through June 30, 2017

Program Elements

Replant Program Requirements:

The program applies to all acres planted with FiberMax and/or Stoneville cottonseed.

An eligible cotton crop that is destroyed by an act of God; limited to wind, hail and/or flooding events only.

Loss of early season cotton stands due to soil crusting, cold temperatures, disease and insects are covered when demonstration of Best Management Practices (as established by University Extension Services for local growing region) are followed:

Seeding Rate
Planting Date
Weed Control
Other Acceptable Farming Practices

Reimbursement (if eligible) will be made on products that are purchased and consumed in 2017. Reimbursement will not exceed cost of products used at first planting based on the original grower invoice document and will not exceed the grower price.

Cotton Seed Replant:

- If a grower who originally planted with FiberMax and/or Stoneville elects not to replant with FiberMax and/or Stoneville then grower is not eligible for program.
- The grower will receive reimbursement for the invoiced price of FiberMax or Stoneville cotton seed and trait technology less \$25 per 220K bag equivalent unit (\$20 per 170K bag)
- If the original planted variety with the same technology is not available then another with FiberMax and/or Stoneville variety with the same technology must be substituted in order to be eligible for this program.
- This program is only offered for the first replanting of the season and does not cover multiple replant situations
- Bayer shall be the final arbiter as to cause of loss.
- Copies of the first plant and replant invoices must be included along with a signed claim form.
- Required documentation must include FSA Form 576, or PRODUCTION WORKSHEET / PROOF OF LOSS.

Corn & Sorghum Replant for seed zones CD & CE only

- A grower who originally planted FiberMax and/or Stoneville cotton and is unable to replant to cotton may elect to replant with corn or sorghum.
- The grower will receive reimbursement for the invoiced price of FiberMax or Stoneville cottonseed and trait technology, less \$155 per 220K bag equivalent unit (\$120 per 170K bag).
- Reimbursement eligibility is limited to an equal number or less of cotton (original crop loss acres) and corn and/or sorghum acres (replanted acres).
- This program is offered only in situations where it is not conducive to replant with FiberMax and/or Stoneville Cotton Seed.
- Required documentation must include FSA Form 576, or PRODUCTION WORKSHEET / PROOF OF LOSS.

Credenz Soybeans Replant:

- A grower who originally planted FiberMax and/or Stoneville cottonseed and is unable to replant to cotton may elect to replant with Credenz soybeans.
- The grower will receive reimbursement for the invoiced price of FiberMax or Stoneville cottonseed and trait technology less \$170 per 220K bag equivalent unit (\$135 per 170K bag) and 50% of suggested retail price of Credenz Soybeans.
- Reimbursement eligibility is limited to an equal number of cotton and soybean acres.
- This program is offered in situations where it is not conducive to replant with FiberMax and/or Stoneville Cotton Seed.
- Required documentation must include FSA Form 576, or PRODUCTION WORKSHEET / PROOF OF LOSS.

At Plant Products

Aeris/Trilex Advanced and COPeO Prime and/or Velum Total Requirements:

- Treat FiberMax and/or Stoneville with Aeris/Trilex Advanced and COPeO Prime and/or Velum Total at labeled rate.
- Claim reimbursement value will not exceed recommended label rates
- The program applies to all acres planted with Bayer Cotton Seed and treated with Aeris/Trilex Advanced and COPeO Prime and/or Velum Total followed by replanting with Bayer Cotton Seed treated with Aeris/Trilex Advanced and COPeO Prime. Application of Velum Total is not a requirement on replant.

Crop Loss

To provide risk protection to cotton growers who plan for success by investing in high quality seeds and traits and implement Best Management Practices.

Support cotton growers who lose their final cotton planting due to certain weather events, with options to compensate for Trait Technologies, Liberty herbicide and/or Velum Total on FiberMax and/or Stoneville cotton.

QUALIFYING PRODUCTS	ACTIVITY		WER SIBILITY	REIMBURSED	NOTES	
		220K	170K			
FiberMax Cotton Stoneville Cotton LibertyLink, GlyTol, TwinLink, Roundup Ready Flex and Bollgard II Technologies Aeris/Trilex Advanced COPeO Prime	Cotton Crop Loss	\$170 & Aeris/Trilex Advanced and COPeO Prime (if appli- cable)	\$135 & Aeris/Trilex Advanced and COPeO Prime (if appli- cable)	Grower invoice price for Seed & Trait minus \$170 / \$135	Loss must occur within 60 days after planting	

QUALIFYING	ACTIVITY	LIBERTY	VELUM TOTAL
PRODUCTS		REIMBURSED	REIMBURSED
FiberMax Cotton Stoneville Cotton Liberty Velum Total	Failed Cotton Acres	Invoice price on up to 58 ounces of Liberty per applied acre on cotton Crop Loss Acres	Invoice price up to 14 ounces of Velum Total per applied acre on failed cotton Crop Loss Acres

Program Period

2017 Crop Loss Program Dates:

- · Loss occurs within 60 days of final planting
- Final dates of submission
 - o Seed Zone CD July 31, 2017
 - o Seed Zones CE, CF, CH, CJ August 15, 2017

Program Elements

Crop Loss Program Requirements:

If grower's cotton crop is lost and destroyed and cannot be replanted, the Grower Shared Risk Crop Loss program protects grower's investment on LibertyLink and/or GlyTol and/or TwinLink and/or Roundup Ready Flex and/or Bollgard II Technology, and/or Liberty and/or Velum Total.

- Failed acres must qualify for coverage under the Multiple Peril Crop Insurance Program.
- Required documentation must include FSA Form576, or PRODUCTION WORKSHEET/PROOF OF LOSS, original purchase invoice copy, signed claim form.

Trait Technology and Liberty Herbicide Requirements:

If a grower's eligible cotton crop is damaged, as described under general program requirements, to the extent that it qualifies for crop loss, Bayer will reimburse the grower for their invoiced price of seed and trait technologies, less \$170 per 220K bag equivalent unit (\$135 per 170K).

- All FiberMax and Stoneville varieties are eligible.
- Premium seed treatment is not reimbursable on a Crop Loss claim.
- Affected acres cannot be replanted back to cotton and must be destroyed.
- Crop must be destroyed after submitting a claim and validated by Bayer representative.
- Liberty reimbursement up to use rate of 58 ounces of Liberty per acre minimum purchase of 20 gallons of Liberty in 2017.
- Velum Total reimbursement up to use rate of 14 ounces of Velum Total per acre.

Dryland Protection

(Less than 200 lbs./acre)

To provide risk protection to cotton growers who plan for success by investing in high quality seeds and traits and implement Best Management Practices.

To encourage use of Best Management Practices and to share in grower risk of losing their final cotton planting, due to certain weather events, as described in the program elements section below, by offering options to compensate for Trait Technologies on FiberMax and/or Stoneville cotton.

QUALIFYING PRODUCTS	ACTIVITY		WER SIBILITY	REIMBURSED	NOTES	
		220K	170K			
FiberMax Cotton Stoneville Cotton LibertyLink, GlyTol, TwinLink, Roundup Ready Flex and Bollgard II Technologies Aeris, Trilex Advanced, COPeO Prime	Yield of less than 200 lbs. lint per acre	\$100 & Aeris/Trilex Advanced and COPeO Prime (if appli- cable)	\$80 & Aeris/Trilex Advanced and COPeO Prime (if appli- cable)	Grower invoice price for Seed, Trait minus \$100 / \$80	Must occur on validated dryland acres	

Program Period

2017 Dryland Protection Program (less than 200 lbs.) Dates:

- Seed Zone CD: May 15, 2017 through November 15, 2017
- Seed Zone CE, CJ, CF and CH: July 14, 2017 through March 30, 2018

Eligible Cotton Acres

Grower's cotton crop must be covered under the Multiple Peril Crop Insurance Program.

Program Elements

This program applies only to Dryland acres

Grower agrees to allow inspection of field by Bayer representative.

Dryland Protection Program Requirements:

If fields qualify for program, grower must file a claim with Bayer sales rep by:

- November 15, 2017 for East Texas (seed zone CD)
- March 30, 2018 for remaining West Region (seed zones CE, CJ, CF and CH).

Primary cause of Loss must be attributable to drought as noted on FSA Form 578 - PRODUCTION WORKSHEET/PROOF OF LOSS. Use one of the three following documents to validate yield: insurance production worksheet, FSA Form 503, or gin tickets.

Required documentation must include: FSA Form 578, original purchase invoice copy, signed Bayer Shared Risk claim form, APH summary or Production Worksheet.

Bayer will be the final arbiter as to the cause of loss.

If a grower's eligible cotton crop fails or yields less than 200 lbs. due to drought, then Bayer will reimburse the grower their invoiced price of seed and trait technology, less \$100/ bag 220K equivalent unit (\$80 per 170K).

Dryland Protection

(From 200 to 399 lbs./acre)

To provide risk protection to cotton growers who plan for success by investing in high quality seeds and traits and implement Best Management Practices.

To reward FiberMax and Stoneville cotton growers, for growing a harvestable cotton crop, following Bayer recommendations, with an additional tier of protection when dryland yields are from 200 to 399 lbs. lint per acre.

QUALIFYING PRODUCTS	ACTIVITY		WER ISIBILITY 170K	REIMBURSED	NOTES
FiberMax Cotton Stoneville Cotton LibertyLink, GlyTol, TwinLink, Roundup Ready Flex and Bollgard II Technologies Aeris, Trilex/Advanced, COPeO Prime	Yield between 200 to 399 lbs. lint per acre	\$235	\$180	Grower invoice price for Seed, Trait & Aeris Trilex Advanced and COPeO Prime (if applicable) minus \$235 for 220K or \$180 for 170K)	Must occur on dryland acres and be enrolled by June 30, 2017

Program Period

2017 Dryland Protection Program (between 200 to 399 lbs.) Dates:

• Seed Zone CD, CE, CJ, CF and CH: March 1, 2017 through March 30, 2018

Program Elements

The program applies only to dryland acres planted with FiberMax and/or Stoneville Cotton Seed. Grower will purchase and plant 60% of their total bags in FiberMax and/or Stoneville for 2017; excluding replant bags. The purchase requirement applies to all cotton acres including both irrigated and dryland.

Dryland Protection Program Requirements:

Enrollment form and/or a retailer invoice summary or copies of all purchase invoices for all cottonseed purchases for 2017 must be submitted to the Bayer sales rep by June 30, 2017. If grower has a claim, required documentation must include: signed Bayer Shared Risk claim form, FSA Form 578, and one of the three following documents to validate yield: insurance production worksheet, FSA Form 503, or gin tickets.

FiberMax and/or Stoneville Cotton Seed and Trait Refund Requirements:

If a grower's eligible dry land cotton crop yields from 200 to 399 lbs. per acre, grower is reimbursed for the invoiced price of seed, trait, and if applicable Aeris/Trilex Advanced and COPeO Prime seed treatment less \$235/bag 220K equivalent unit (\$180 per 170K).

Seed Drop Zones

List of counties by Seed Drop Zones.



CD. East Texas

Counties: East Texas: Anderson, Angelina, Aransas, Atascosa, Austin, Bandera, Bastrop, Bee, Bell, Bexar, Blanco, Bosque, Brazoria, Brazos, Brooks, Burleson, Burnet, Caldwell, Calhoun, Cameron, Camp, Chambers, Cherokee, Clay, Collin, Colorado, Comal, Cooke, Coryell, Dallas, Delta, Denton, Dewitt, Dimmit, Duval, Edwards, Ellis, Falls, Fannin, Fayette, Fort Bend, Franklin, Freestone, Frio, Galveston, Gillespie, Goliad, Gonzales, Grayson, Gregg, Grimes, Guadalupe, Hardin, Harris, Hays, Henderson, Hidalgo, Hill, Hood, Hopkins, Houston, Hunt, Jack, Jackson, Jasper, Jefferson, Jim Hog, Jim Wells, Johnson, Karnes, Kaufman, Kendall, Kenedy, Kerr, Kimble, Kinney, Kleberg, Lamar, Lampasas, La Salle, Lavaca, Lee, Leon, Liberty, Limestone, Live Oak, McLennan, McMullen, Madison, Mason, Matagorda, Maverick, Medina, Menard, Milam, Montague, Montgomery, Morris, Nacogdoches, Navarro, Nueces, Orange, Palo Pinto, Parker, Polk, Rains, Real, Red River, Refugio, Robertson, Rockwall, Rusk, San Augustine, San Jacinto, San Patricio, Smith, Somervell, Starr, Tarrant, Titus, Travis, Trinity, Tyler, Upshur, Uvalde, Val Verde, Van Zandt, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Williamson, Wilson, Wise, Wood, Zapata, Zavala

CE. Oklahoma, West Texas, Kansas, and New Mexico

Counties: Oklahoma: All counties West Texas: Andrews, Archer, Armstrong, Bailey, Baylor, Borden, Brewster, Briscoe, Brown, Callahan, Carson, Castro, Childress, Cochran, Coke, Coleman, Collingsworth, Comanche, Concho, Cottle, Crane, Crockett, Crosby, Culberson, Dallam, Dawson, Deaf Smith, Dickens, Donley, Eastland, Ector, El Paso, Erath, Fisher, Floyd, Foard, Gaines, Garza, Glasscock, Gray, Hale, Hall, Hamilton, Hansford, Hardeman, Hartley, Haskell, Hemphill, Hockley, Howard, Hudspeth, Hutchinson, Irion, Jeff Davis, Jones, Kent, King, Knox, Lamb, Lipscomb, Llano, Loving, Lubbock, Lynn, Martin, McCulloch, Midland, Mills, Mitchell, Moore, Motley, Nolan, Ochiltree, Oldham, Parmer, Pecos, Potter, Presidio, Randall, Reagan, Reeves, Roberts, Runnels, San Saba, Schleicher, Scurry, Shackelford, Sherman, Stephens, Sterling, Stonewall, Sutton, Swisher, Taylor, Terrell, Terry, Throckmorton, Tom Green, Upton, Ward, Wheeler, Wichita, Wilbarger, Winkler, Yoakum, Young Kansas: All counties New Mexico: All counties

CF. Western Arizona and Imperial Valley, California

Arizona: All counties except Apache, Cochise, Graham, Greenlee, and Navajo **California**: Imperial, Riverside, San Bernardino, San Diego

CH. San Joaquin/Sacramento Valley, California

Counties: All California counties except Imperial, Riverside, San Bernadino, San Diego

CJ. Eastern Arizona

Arizona: Apache, Cochise, Graham, Greenlee, and Navajo

Program Requirements

Qualifying Customers

Cotton growers who use Qualifying Products purchased from a Bayer authorized agent (distributor) or sub-agent (retailer).

Payments will be released only to growers who have a valid signed Bayer Grower Technology Agreement and/or a Monsanto Technology Stewardship Agreement (required for Monsanto traited seed).

Program Elements

Growing Practices:

Growers must use sound farm management practices, making every attempt to establish a stand and produce a crop. Growers are encouraged to follow Right Variety. Right Field. Right Yield.™ strategy. Planting multiple varieties on their farm will increase profit potential and reduce risk.

General Program Requirements:

The program applies only to dryland acres planted with FiberMax and/or Stoneville Cotton Seed.

Best Management Practices established by University Extension Service for local growing region must have been followed:

Seeding Rate

Planting Date

Weed Control

Other Acceptable Farming Practices

Program Procedures

- Growers must notify the agent / sub-agent, from whom the seed was purchased, of the grower shared risk claim.
- Grower must furnish correct mailing addresses with verifying documentation as required on the claims reimbursement form.
- Validation of Seed purchases will be conducted prior to processing claim.
- For replant, the agent / sub-agent will contact the local Bayer Sales Representative prior to replant.
- For crop loss, the agent / sub-agent will contact the local Bayer Sales Representative within 10 days of the crop loss.
- All claim forms must be signed by the grower, agent / sub-agent, and sales representative.
- Bayer Sales Representative will verify the need for grower shared risk reimbursement.
- Bayer representative must inspect the field prior to tillage or replanting.
- Claim reimbursement will be mailed to the Bayer Sales Representative, delivered to the agent / sub-agent and made payable to the grower.
- Claims will be audited.
- Bayer shall be the final arbiter as to the cause of loss.
- Grower agrees to allow inspection of field by Bayer representative.
- Growers who plant FiberMax and/or Stoneville with Monsanto technology, e.g., Genuity® Bollgard® II and/or Roundup Ready® Flex traits, must have a valid Monsanto Technology Stewardship Agreement.

Program Conditions

BAYER RESERVES THE RIGHT TO MODIFY OR WITHDRAW THIS PROGRAM OR ANY PORTION THEREOF WITHOUT PRIOR NOTICE.

Reimbursement will not be made on invoices that have been artificially inflated or fabricated. Bayer makes no warranty or guarantee regarding availability of Qualifying Products including specific varieties of product for replanting purposes. All federal, state or local taxes on payments received under this program are the sole responsibility of the payment recipient, individuals, or reseller, and not of Bayer, its parent company, or its agents. Fraudulent reporting of sales and product use are grounds for withholding or invalidating all program money. Bayer reserves the right to verify all claims for allowances under this program, and in matters of discrepancy, reserves the right of final decision. Bayer reserves the right to debit payments from future programs or collect amounts directly from growers if errors are discovered after payments have been issued.

Fraudulent claims hotline: **1-877-976-8286**. Your call is anonymous and will help maintain the integrity of Bayer programs for those who qualify appropriately.

