

**AMENDMENT No. 1 TO THE 2012 STANDARD REINSURANCE AGREEMENT
(THIS AMENDMENT IS OPTIONAL)**

The Standard Reinsurance Agreement, between the Federal Crop Insurance Corporation and the undersigned Company, is hereby amended for the 2012 and subsequent reinsurance years to modify section III of Appendix IV as follows:

(I) Section III-(b)(1) is amended to read as follows:

- (1) Data Mining Reviews. Unless FCIC provides specific review requirements that are to be implemented, the Company shall conduct an inspection of eligible crop insurance contracts for which anomalies have been identified by FCIC. These reviews will not exceed three percent of eligible crop insurance contracts for the reinsurance year, unless FCIC provides notice that additional inspections are required to address specific program integrity concerns. These reviews will include, but are not limited to, eligible crop insurance contracts with anomalous actual production history (APH) certifications or identified misapplication of policy or FCIC procedures. FCIC will meet with AIPs annually to consult on the types and scope of data mining reviews to be conducted.

(II) Sections III-(b)(3)(B) (i) and (ii) are amended to read as follows:

- (i) 15 percent of the eligible crop insurance contracts on which the same adjuster has signed a claim for indemnity in three consecutive crop years for their Company; and
- (ii) 15 percent of any additional eligible crop insurance contracts, identified by FCIC, on which the same adjuster has signed a claim for indemnity in three consecutive crop years between multiple AIPs.

(III) Sections III-(b)(3)(C)(i)(I) and (II), and (ii)(I) and (II) are amended to read as follows:

- (C) \$200,000 Indemnity Reviews. The Company shall identify and conduct an inspection on any eligible crop insurance contract with an indemnity of \$200,000 or more, where:
 - (i) For prevented planting losses:
 - (I) Any single indemnity exceeding \$200,000; and

(II) Any aggregate indemnity, including claims that were closed, and subsequent claims exceeding \$200,000.

(ii) For all other losses:

(I) Any single indemnity exceeding \$200,000; and

(II) Any aggregate indemnity, including claims that were closed, and subsequent claims exceeding \$200,000.

(IV) Section III-(b)(3)(E) is deleted.

(V) Section III-(b)(3)(F) is re-designated as section III (b)(3)(D).

(VI) Sections III-(c)(2)(ii) and (iii) are amended to read as follows:

(ii) If an error or omission is identified, but when corrected would not affect the current crop year's premium or liability (e.g. correcting the error or omission does not change the approved yield for the current crop year), determine that the remaining years of records required to be maintained by the policyholder exist;

(iii) If an error or omission is identified in the most recent year of records used to support the APH that, when corrected, would affect the current crop year's premium or liability, and prior year records exist, conduct a review and verification of all records required to be available for such review; and

APPROVED AND ACCEPTED

For

Federal Crop Insurance Corporation

The Company

Signature

Signature

Name

Name

Title

Title

Date

Date