



Seed Dealer Stewardship Policies

Seed dealers who are authorized to sell seed containing Bayer Technologies are responsible for clearly communicating Bayer's stewardship policies to employees, especially those who manage customer communications and seed sales. Market research confirms that **growers listen to their seed dealers when it comes to stewardship**. Dealers are integral in communicating not just the importance of proper product stewardship but also in educating employees and customers on Bayer's Stewardship Policies.

Bayer's Stewardship Policies are focused on the following key areas:

1. Grower Licensing & Technology Stewardship Agreement
2. Integrated Pest Management
3. Insect Resistance Management
4. Weed Resistance Management
5. Seed Intellectual Property Protection
6. Commodity Marketing Stewardship
7. Glyphosate Endangered Species Initiative

1. Grower Licensing & Technology Stewardship Agreement

- Seed containing Bayer Technologies can be sold only to growers who are properly licensed. Alfalfa, canola, corn, cotton, soybeans, sugarbeets and sweet corn seed containing patented traits and germplasm can be sold only to growers who have a current and active Technology Stewardship Agreement (TSA).
- The TSA is a limited-use license that allows growers to access Bayer's patented traits and germplasm and to use seed solely for a single planting of a commercial crop.
- IT IS **RECOMMENDED** THAT THE DEALER ENSURE THAT EACH GROWER IS PROPERLY LICENSED AT THE TIME OF PLACING THE SEED ORDER, AND IT IS **REQUIRED** THAT THE DEALER ENSURE THAT THE GROWER IS PROPERLY LICENSED PRIOR TO DELIVERY OF SEED. Regularly check the "Grower License Lookup" list and the "Unauthorized Grower List" posted on www.mymonsanto.com and www.corn-states.com, as these lists can change daily.
- The dealer should also confirm each grower's Agronomic Zone assignment at the time of order to minimize invoicing errors.

How to Obtain a Technology Stewardship Agreement

Bayer uses the AgCelerate stewardship platform for grower licensing. AgCelerate is an industry-wide licensing solution to assist our dealers in ensuring that growers meet current TSA licensing requirements. The AgCelerate platform enables the grower to take ownership of their licensing requirements, thus removing some of the dealer's administrative responsibilities.

Dealers should take advantage of AgCelerate by enrolling at www.AgCelerate.com. Once enrolled, AgCelerate will provide them with current license and demographic information for each of their growers. AgCelerate also updates daily the list of growers recognized as "Unauthorized." AgCelerate provides multiple options for dealers to ensure that growers are properly licensed, which enables speed, transparency, and accuracy associated with the processing of a TSA.

Dealers should visit www.AgCelerate.com for more information or call the AgCelerate Support Team at 1-866-784-4630. A dealer may also visit www.mymonsanto.com or www.corn-states.com for license status inquiries.

Please note: Paper TSA's are still an option for growers even though use of the AgCelerate website is strongly encouraged. If a dealer or grower would like a paper copy(ies) of the TSA form, they should contact the AgCelerate Support Team at 1-866-784-4630.

Every year Bayer provides each licensed grower with a letter reminding them of their TSA obligations and a website link to the current Technology Use Guide (TUG), which also contains the updated Terms and Conditions of the TSA. The TUG can be found at <http://tug.bayer.com>. If a dealer or grower would like a paper copy(ies) of the TUG, they should contact 1-866-99-BAYER.

2. Integrated Pest Management

Dealers should encourage growers to follow recommended Integrated Pest Management (IPM) practices, including proper crop rotation, planting seed containing trait stacks that confer multiple modes of action, scouting, and good soil management practices. Sustainable IPM programs use current, comprehensive information on the life cycles of pests and their interaction with the environment. Additional information about IPM is available in the current TUG, which can be accessed at <http://tug.bayer.com>. IPM programs include a combination of best management practices that integrate appropriate products, seeding rates, and planting technologies specific for each crop and geographical area. Some of these practices include:

- Use of proper crop rotation practices and multiple modes of action to control pests to make it more difficult for pests to adapt.
- Use of appropriate scouting techniques and treatment decisions to preserve beneficial insects that can provide additional insect pest control.
- Destruction of crop residue immediately after harvest to avoid regrowth and minimize selection for resistance in late-season infestations.
- Use of soil management practices that encourage destruction of over-wintering pests.

3. Insect Resistance Management

The best way to preserve the benefits of insect-protection traits is to develop and implement an Insect Resistance Management (IRM) plan. It is the dealer's responsibility to make growers aware that IRM is a requirement when purchasing insect-protected seed.

The US EPA requires that Bayer implement, and that growers who purchase insect-protected products follow, an IRM plan. IRM programs for *B.t.* traits are based upon an assessment of the biology of the major target pests, grower needs and practices, and appropriate pest management practices. These mandatory regulatory programs have been developed and updated in cooperation with grower and consultant organizations, including the National Corn Growers Association and the National Cotton Council, extension specialists, academic scientists, and regulatory agencies.

These programs contain several important elements. One key component is a refuge. A refuge is simply a portion of the relevant crop (corn or cotton) that does not contain a *B.t.* technology for the insect pests targeted by the planted trait(s). The lack of exposure to *B.t.* proteins allows susceptible insects emerging from the refuge to mate with the rare resistant insects that may emerge from the *B.t.* crop. Susceptibility to the specific *B.t.* technology is then passed on to their offspring, helping to preserve the long-term effectiveness of that and possibly other *B.t.* technologies.

Growers who purchase seed containing a *B.t.* technology must plant a refuge. Refuge size, configuration and management are described in detail in the current IRM Grower Guide (found on seed bag tags) and the Corn and Cotton sections of the TUG.

There are several sources of information available to help dealers and growers fully understand the IRM requirements for corn and cotton seed that contain *B.t.* traits:

- The IRM Grower Guide for *B.t.* corn products is located on the seed bag tag and can be accessed online by growers and dealers at <https://traits.bayer.com> and www.corn-states.com. Dealers may also access this information at www.mymonsanto.com
- The IRM Calculator is a corn refuge calculator app that can be downloaded from <https://iwilltakeaction.com/refuge-lookup>.

Specific IRM requirements apply to products containing the following Bayer Technologies (including those that are stacked with other traits):

Corn

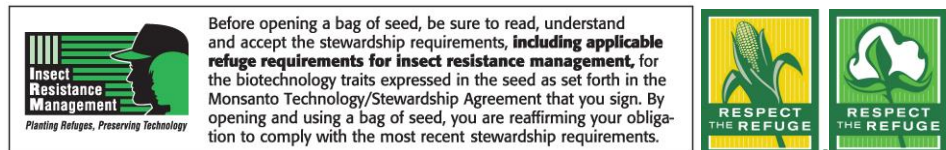
- VT Double PRO® Corn
- VT Double PRO® RIB Complete® Corn Blend
- DroughtGard® Hybrids with VT Double PRO® Corn
- DroughtGard® Hybrids with VT Double PRO® RIB Complete® Corn Blend
- SmartStax® Corn
- SmartStax® RIB Complete® Corn Blend
- Trecepta® Corn
- Trecepta® RIB Complete® Corn Blend
- Performance Series® Sweet Corn

Cotton

- Bollgard II® with Roundup Ready® Flex Cotton
- Bollgard II® XtendFlex® Cotton
- Bollgard® 3 XtendFlex® Cotton

RIB Complete® Corn Blend is a mixture of *B.t.* seed mixed with non-*B.t.* seed within a single lot of licensed seed. This product satisfies the refuge requirements in all regions except the Cotton-Growing Area defined in the TUG. RIB Complete® Corn Blend does not require the planting of a structured refuge except in the Cotton-Growing Area where corn earworm is a significant pest.

A dealer should never deliver seed with these traits without proper bag tags and other relevant product information. IRM logos are available for use by the seed industry and can be found at www.mymonsanto.com. They should be used on all communications related to crops containing Bayer's insect-protection traits including bag tags.



Seed dealers must ensure employees are aware that they must report IRM non-compliance at 1-866-99-BAYER.

Dealers are required to support and assist Bayer's EPA-mandated annual Grower IRM Compliance Assessment Program.

Corn Rootworm (CRW) Best Management Practices include planting the required refuge, crop rotation, trait rotation, planting products with multiple *B.t.* technologies for CRW, and insecticide application. These best practices are also listed at <https://traits.bayer.com/Stewardship/Pages/Product-Stewardship.aspx>.

4. Weed Resistance Management

Proactively implementing diversified weed control strategies to help minimize selection for weed populations resistant to one or more herbicides is recommended. A diversified weed management program may include the use of multiple herbicides with different mechanisms of action and overlapping weed spectrum with or without mechanical operations (e.g., tillage) and/or other cultural practices. Research has demonstrated that using the labeled rate of the herbicide and following label use directions are important steps that help delay the selection for herbicide resistance in weeds. Scouting after a herbicide application is important because it can facilitate the early identification of weed shifts and/or possible herbicide-resistant weeds and thus provide direction on future weed management practices. One of the best ways to manage resistant populations is to implement measures to avoid allowing weeds to reproduce by seed or proliferate vegetatively. Cleaning equipment between sites and avoiding movement of plant material between sites will greatly aid in slowing the spread of resistant weed seed.

Various weed biotypes are known to be resistant to glufosinate, glyphosate and/or dicamba. For regional weed management recommendations specifically related to cotton and soybeans in the Roundup Ready® Xtend Crop System, refer to www.roundupreadyxtend.com, and for more information on the Integrated Weed Management Program, visit www.iwm.bayer.com. In addition, visit the Weed Science Society of America site at <http://wssa.net> to access herbicide resistance training, and www.iwilltakeaction.com for additional stewardship program resources.

Seed dealers should assist growers in proactively implementing diversified weed control strategies to help minimize selection for weed populations resistant to one or more herbicides. Additional information can be found in the TUG at <http://tug.bayer.com>. Recommendations should include the following:

- Start with a clean field, free of weeds.
- Use a diverse set of weed control tools, including residual herbicides that have a different mechanism of action and are effective on the target weeds.
- Add other herbicide products, at the right rate and timing for postemergent weed control as allowed by the product label.
- Control weed escapes and remove weeds before they set seed.

5. Intellectual Property and Seed Patent Infringement Matters

Patents provide inventors exclusive, time-limited rights for their inventions and are recognized as an incentive to foster the development of new innovations. In agriculture, plant varieties and seeds enhanced with biotech traits may be patent-protected whether soybean, vegetable, or another crop. Bayer is one of many seed companies that patent their innovations and enforce their intellectual property (IP) rights. Intellectual property includes not only trait patents but also patents on specific varieties and Plant Variety Protection certificates that plant breeders obtain when they develop a new variety. Protecting Bayer's IP rights enables the company to bring new innovations to market, such as XtendFlex® Soybeans. It also helps to ensure a level playing field for the vast majority of honest growers who abide by their limited-use license agreements and discourages the planting seed that has been saved from a prior harvest to gain an unfair advantage.

Bayer makes every effort to resolve patent violations without litigation, and we treat every grower with respect and integrity. Whereas grower education is Bayer's first and most effective means to ensure our IP protection, litigation is our last line of defense. The company uses a variety of professionals and consultants to enforce its patents. Most attempts to settle cases of IP infringement are successful; however, Bayer continues to stand firm in its commitment to litigate cases when necessary. Additionally, Bayer pursues cases of illegal transfer or use of seed containing its patented traits.

Whether the grower settles quickly or the case settles during or through trial, proceeds are returned to rural America and regional communities, including through programs that support Ag Youth initiatives and programs that benefit those who live and work in rural communities. Bayer has given millions of dollars to Ag Youth initiatives, such as the national FFA and 4-H, as well as to the development of university programs and scholarships to benefit farm youth pursuing an education and career in agriculture.

The Dealer's Role in Helping Curb Seed Intellectual Property Infringement

Dealers play an important role in protecting the value of Bayer's germplasm and biotech technologies. Educating their employees is the first step in curbing seed IP infringement. As dealers, it is imperative to make it clear to employees that they **may not** overlook or participate in seed IP infringement or cover up infringement. Employees have an obligation to cooperate with any IP enforcement action.

Below are some important specific guidelines that dealers should share with their employees:

- Do Not create or issue invoices to cover the use of saved seed or sales followed by "returns" for the same purpose.
- Do Not participate in fraudulent activities.
- Do Not allow employees to sign TSA's, U.C.C. Credit/Documentation, or Rebate Submissions on a grower's behalf.
- Do Not improperly report Grower Point of Sale (GPOS) information.
- Do Not allow seed to leave the dealer's premises until verification of a valid TSA is complete.
- Cooperate with seed IP infringement verification and investigations by the patent holders.
- **Dealers and their employees can report seed IP infringement issues anonymously by calling 1-866-99-BAYER.**

More information can be found at <https://traits.bayer.com/Stewardship/Pages/Product-Stewardship.aspx>. Additionally, a list of Bayer patents can be found at www.monsantotechnology.com.

Bayer has instituted policies and procedures that help protect the privacy and dignity of growers, dealers, and others in the reporting, investigation, and resolution of all allegations of actions against our mutual interests. Therefore, it is important to observe those policies and procedures in a way that allows Bayer to legally and ethically provide the desired protection.

- **"Confidential"** reporting results when a person reports information to Bayer in such a way that the reporting person's identity is known to Bayer. Every effort will be made to protect a person's identity but it is important to understand that a court may order Bayer to reveal the identity of people who are "known" to have supplied relevant information.
- **"Anonymous"** reporting results when a person reports information to Bayer in such a way that the identity of the person reporting the information cannot be identified. This kind of reporting includes telephone calls requesting anonymity and unsigned letters. Anonymous calls can be made to 1-866-99-BAYER. Anonymous letters can be sent to: Bayer Intellectual Property Stewardship, 800 N. Lindbergh Boulevard, E3NA, St. Louis, MO 63167.

For those seed dealers who condition seed, a "Seed Indemnification" form can be downloaded from www.mymonsanto.com to help protect their operation.

Seed Innovation & Protection Alliance

The Seed Innovation & Protection Alliance (SIPA) assists participating seed industry members to promote the understanding and value of seed innovations as well as to facilitate and promote the respect of IP rights for the benefit of members, growers, industry associates, consumers and the agricultural community. Information on SIPA and seed IP can be found at www.seedipalliance.com.

6. Commodity Marketing Stewardship

Bayer is committed to ensuring the appropriate regulatory approvals are in place prior to the full launch of products and is a member of the cross-industry organization Excellence Through Stewardship®. This commitment is conveyed on any and all printed materials, including promotions, marketing materials, and packaging, etc., that contain Bayer trait technologies as follows:

Bayer is a member of Excellence Through Stewardship® (ETS). Bayer products are commercialized in accordance with ETS Product Launch Stewardship Guidance, and in compliance with Bayer's Policy for Commercialization of Biotechnology-Derived Plant Products in Commodity Crops. Commercialized products have been approved for import into key export markets with functioning regulatory systems. Any crop or material produced from this product can only be exported to, or used, processed or sold in countries where all necessary regulatory approvals have been granted. It is a violation of national and international law to move material containing biotech traits across boundaries into nations where import is not permitted. Growers should talk to their grain handler or product purchaser to confirm their buying position for this product. Excellence Through Stewardship® is a registered trademark of Excellence Through Stewardship.

7. Glyphosate Endangered Species Initiative

Before making applications of glyphosate-based herbicide products, licensed growers of crops containing Roundup Ready® technology must access the website www.pre-serve.org to determine whether any mitigation requirements apply to the planned application of those crops and must follow all applicable requirements. The mitigation measures described on the website are appropriate for all applications of glyphosate-based herbicides to all crop lands.