

U. S. DEPARTMENT OF AGRICULTURE
Natural Resources Conservation Service (NRCS)
On behalf of the
Commodity Credit Corporation (CCC)

APPENDIX TO FORM NRCS-CPA-1202
CONSERVATION PROGRAM CONTRACT
For
Conservation Stewardship Program (CSP) and
Regional Conservation Partnership Program (RCPP)
(which is administered under and subject to CSP regulations)

1 PROGRAM ELIGIBILITY REQUIREMENTS

- A** The Participant must complete and file Form AD-1026 Highly Erodible Land Conservation (HEL) and Wetland Conservation (WC) Certification or any successor form and meet the requirements set forth therein, in accordance with Title XII of the Food Security Act of 1985, as amended. By signing this Conservation Program Contract (Contract), the Participant certifies that the Participant has completed and filed the AD-1026 and meets the payment eligibility requirements set forth in the Highly Erodible Land Conservation-Wetland Conservation (HELC-WC) provisions at 7 CFR part 12.
- B** The Participant must meet the requirements of, complete, and file Form CCC-941 (Average Adjusted Gross Income Certification and Consent to Disclosure of Tax information) or any successor form. By signing this Contract, the Participant certifies that the Participant has met the requirements of, completed, and filed the applicable form. A person or legal entity shall not be eligible to receive any benefit during a crop, fiscal, or program year, as appropriate, if the person or legal entity (other than a joint venture or general partnership) does not meet the adjusted gross income (AGI) limitations established by Section 1001D of the Food Security Act of 1985, as amended, and implemented through regulations at 7 CFR part 1400. The amount of any payment or benefit shall be reduced by an amount that is commensurate with the direct and indirect ownership interest in the entity participant (legal entity or joint operation) of each person or legal entity who has income in excess of the applicable limitation specified. To assist in RCPP implementation, the Chief may also waive the applicability of the adjusted gross income (AGI) limitation in section 1001D(b)(2) of the Food Security Act of 1985 for participating producers if the Chief determines that the waiver is necessary to fulfill RCPP objectives.
- C** The Participant must complete and file Form CCC-901 Member's Information, or its equivalent, if the Participant represents a business classified as a legal entity or joint operation by the U.S. Department of Agriculture (USDA) under 7 CFR part 1400. The Farm Service Agency must be timely notified in writing of any changes to the member's information provided, including changes in membership due to death or otherwise provided in 7 CFR part 1400.
- D** At Least one Participant must be the operator of record in the Farm Service Agency (FSA) farm records management system for the agricultural operation being offered for enrollment in the program and have effective control of the land for this Contract period. NRCS may grant exceptions to this "operator of record"

requirement for producers, tenants, and owners in the FSA farm records management system that demonstrate to the satisfaction of NRCS that they operate and have effective control of the land at the time of application and enrollment. Other Participants with shares greater than zero must have effective control of the land for the contract period and demonstrate to the satisfaction of NRCS that they are an eligible producer and part of the daily management, administration, and performance of the operation and share in the risk. By signing this Contract, the Participant certifies that the Participant has included in the Contract all eligible land and intends to control the land subject to this Contract for the term of this Contract. The Participant shall, upon request, provide evidence to the Commodity Credit Corporation (CCC) demonstrating that such Participant had control of the land at the time of enrollment and has continued to maintain control of the contracted land. Where applicable, NRCS will consult with the U.S. Department of Interior, Bureau of Indian Affairs (BIA) to determine Tribal land eligibility.

- E** The Participant shall not be eligible for Contract payments for any of the following: (1) activities that the Participant is required to implement to address non-compliance with the HELC and WC provisions at 7 CFR part 12; (2) new conservation activities applied with financial assistance through any other USDA conservation program; (3) the design, construction, or maintenance of animal waste storage or treatment facilities or associated waste transport devices for animal feeding operations; (4) conservation activities that were initiated or implemented prior to contract approval, unless the State Conservationist granted a waiver prior to the activity implementation, and (5) conservation activities for which there is no cost incurred or income forgone by the Participant.
- F** Land used for crop production after December 20, 2018, that had not been planted, considered to be planted, or devoted to crop production for at least 4 of the 6 years preceding this date shall not be eligible for any payment under the program, unless the land does not meet the requirement because: (1) the land had previously been enrolled in the Conservation Reserve Program; (2) the land has been maintained using long-term crop rotation practices, as determined by CCC; or (3) the land is incidental land needed for efficient operation of the farm or ranch, as determined by CCC.
- G** Land otherwise eligible for the CSP shall not be eligible if the land is publicly-owned (including land owned by a Federal, State, or local unit of government); if the land is enrolled in the Conservation Reserve Program, Wetlands Reserve Program, Wetland Reserve Easement through the Agricultural Conservation Easement Program, or is subject to a deed or other legal restriction prohibiting the application of the conservation plan and associated conservation activities; or where a benefit has or will be obtained from a Federal or State agency (including political subdivisions and entities thereof) in return for the Participant's agreement not to implement the conservation plan and associated conservation activities on the land during the same time as the land would be enrolled in this Contract. By applying for the program Contract, the Participant certifies as a condition for payment that no such restrictions apply to the subject land.

H The Participant is responsible for obtaining the authorities, permits, easements, or other approvals necessary for the implementation, operation, and maintenance of the conservation activities in accordance with applicable laws

and regulations. A Participant must comply with all laws and is responsible for all effects or actions resulting from the Participant's performance under this Contract.

I The Participant will provide to NRCS written authorization from the landowner that identifies the Participant has authority to install structural or vegetative practices. The landowner's concurrence for purposes of authorizing such practices does not qualify the landowner for program payments unless the landowner is a signatory to the Contract and all other program participation and payment eligibility requirements are met, as determined by NRCS.

J The Participant must be an eligible producer as defined in 7 CFR part 1470.

2 CONTRACT

A The term "Contract" as used in this Appendix means the following program documents, including:

- Conservation Program Contract, Form NRCS-CPA-1202 along with the—
 - Appendix to Form NRCS-CPA-1202, Form NRCS-CPA-1202-CPC (Appendix);
 - Conservation Plan Schedule of Operations, Form NRCS-CPA-1155;
 - Revision of Plan/Schedule of Operations or Modification of a Contract, Form NRCS-CPA-1156; and
 - Transfer Agreement, form NRCS-CPA-152 for the transferee(s).
 - Other supporting documents as set forth above in Paragraph 4(1), including the Conservation Activity Evaluation Tool (CAET) Summary report.

The Contract shall set forth the terms and conditions for Conservation Program participation and receipt of Conservation Program payments.

B The Contract is not in effect until it is fully executed and signed by the designated approving official of CCC. NRCS provides applicants with a courtesy copy of this Appendix at the time of application so that they can review the program requirements prior to entering into a contract with NRCS.

3 AGREEMENT

The Participant agrees to:

- (1) Enroll all eligible land under their effective control into the program for the period of time as specified on Form NRCS-CPA-1202 beginning on the date this Contract is executed by CCC;
- (2) Not start any financially-assisted conservation activity before this Contract is executed by CCC, unless NRCS approves a waiver. The Participant may submit a written request to waive this requirement for financially-assisted conservation activities. For purposes of determining whether a Participant has started a conservation activity prior to

- contract approval, NRCS may consider whether equipment, materials, or labor have been dedicated to such conservation activity;
- (3) Schedule, install, and adopt at least one additional conservation activity within the first 12 months from the date this Contract is executed by CCC unless a waiver is requested and approved by the NRCS Chief;
 - (4) Schedule, install, and adopt all enhancements and enhancement bundles by the end of the third fiscal year of the Contract, unless the NRCS Chief has approved a different implementation schedule;
 - (5) Maintain for the life of the Contract at least the level of existing conservation performance identified at the time the contract is executed by CCC, unless a waiver has been approved by NRCS for operational or land use changes as per paragraph 9. Existing conservation performance is documented in the CAET Summary report, which is incorporated into the Contract herein;
 - (6) Install and adopt, to NRCS Standards and Specifications or applicable job sheets, conservation activities described in this Contract as scheduled, to operate and maintain these conservation activities for the intended purpose and life span identified in this Contract, and to comply with the terms and conditions of this Contract and all applicable Federal, State, Tribal, and local laws. In cases where the land is transferred to new or re-structured ownership, management, or operation during the contract period, the Participant must also ensure these responsibilities are transferred to subsequent owners, managers, or operators as provided herein;
 - (7) Provide written notice to CCC within 60 days of any voluntary or involuntary loss of control of any acreage under the CPC, including changes in a participant's ownership structure or corporate form. The notice must include the name of a new producer, and the new producer must be determined eligible by CCC and willing to accept the transfer of the contract's terms and conditions by completing Form NRCS-CPA-152 Conservation Program Contract Transfer Agreement. CCC will terminate the contract if timely notice is not provided, if an eligible producer is not identified in the notice, the new producer is not approved by CCC to accept the terms and conditions of the contract, or if CCC determines that due to the transfer the participant or new producer can no longer meet the purposes of CSP. Until CCC approves the transfer of contract rights, a new producer is not a participant and may not receive payment for conservation activities commenced prior to approval of the contract transfer;
 - (8) Share responsibility for ensuring that Form NRCS-CPA-1155, Conservation Plan or Schedule of Operations, is accurate and complete. CCC has no authority to compensate Participants for conservation activities that are not identified in the Contract at the time of obligation;
 - (9) Not undertake any action on land under the Participant's effective control

- which tends to defeat the purposes of the program or statutory authority, as determined by CCC;
- (10) Discontinue work or conservation activity implementation and notify CCC immediately if during the construction of any conservation activity a previously unknown or unidentified endangered species, archeological, cultural, or historical site is encountered;
 - (11) Provide records and receipts, as necessary, as proof of completion and payments; maintain documentation for three (3) years after the end of the Federal fiscal year in which the conservation activity was completed; and to present this documentation to CCC within 30 days if selected for administrative compliance check;
 - (12) Allow access to the land under Contract to the CCC representative or their agent, including NRCS or Technical Service Providers representing NRCS, for monitoring progress on this Contract. NRCS shall provide reasonable notification to the Participant prior to entering the land under Contract;
 - (13) Supply records and information as required by CCC to determine compliance with the Contract and requirements of the program within 30 days of request;
 - (14) Accept applicable program contract and payment limits as found in Subchapter B of Chapter 4 of the Food Security Act of 1985, 7 CFR part 1400, program regulations at 7 CFR part 1470, and this Appendix: The Participant, if a person or legal entity, hereby agrees that the total amount of all CSP payments received, directly or indirectly, do not in the aggregate exceed \$40,000 during any fiscal year and \$200,000 for all CSP Contracts entered into during fiscal years 2019 through 2023, regardless of the number of Contracts entered into under the CSP by the person or legal entity. Any CSP contract entered into with a person or legal entity will be limited to \$40,000 per fiscal year and \$200,000 over the term of the 5-year contract period. Any CSP contract entered into with a joint operation will be limited to \$80,000 per fiscal year and \$400,000 over the term of the 5-year contract period. Indian tribes are excluded from payment and contract limits. Payments received in excess of these limits are subject to refund to CCC.
 - (15) Notify CCC within 30 days or less as required, of Contract acres accepted for enrollment in the Conservation Reserve Program, Wetland Reserve Easement through the Agricultural Conservation Easement Program, or other Federal or State programs that offer greater natural resource protection in order to allow NRCS to remove these acres from the Contract. Participants will not be subject to liquidated damages or refund of payments received for enrolling land in these programs. However, CCC will evaluate whether or not the removal of these acres will allow the participant to continue to meet the CSP requirements or if this action warrants termination of the Contract.

4 CONSERVATION PLAN

By signing the Contract, the Participant agrees:

- (A) That the - NRCS-CPA-1155, Conservation Plan or Schedule of Operations, the Customer Service Toolkit Conservation Stewardship Plan document, and all supporting job sheets and attachments including but not limited to the CAET Summary report are hereby incorporated as a part of the Contract; and
- (B) To install, adopt, and maintain the conservation activities as identified and scheduled in the Contract as described above and in compliance with Paragraph 6 of this Appendix—Operation and Maintenance of Conservation Activities.

5 PAYMENTS

- A** Subject to the availability of funds, CCC will make payment at the rate specified in this Contract, with consideration to person or legal entity payment limits as described in 5B, after a determination by CCC that conservation activities have been installed and maintained in compliance with the conservation plan, and in accordance with appropriate NRCS standards and specifications or job sheets. In order to receive payment, the Participant, upon technical certification of the completed conservation activity, must execute and file with CCC a Form NRCS-CPA-1245, Practice Approval and Payment Application, and if requested, any applicable receipts, invoices or supporting documentation. Except for reasons beyond the control of the Participant, failure of the Participant to report completion of conservation activities on Form NRCS-CPA-1245 during the contract period of performance will result in forfeiture of all rights to payment under this Contract.
- B** Contract obligation level is determined at the time of contract execution by CCC and verified at the time of payments. Person, legal entity, or joint operation payment limitations are verified during the payment process. Payment amounts may change prior to payment approval to enforce the direct and indirect payment limitations in 3(14). Contract payment amounts will not increase after contract approval due to re-structuring of the agricultural operation, including but not limited to creating new joint operations that may assume Contract responsibilities.
- C** CCC will provide annual payments to compensate a Participant for installing and adopting additional conservation activities as scheduled in the conservation plan and for maintaining existing activities to at least the level of performance identified at the time the contract is executed by CCC and documented in the CAET Summary report. A Participant's annual payments will be determined by land use. CCC may provide a supplemental payment for adopting or improving a resource conserving crop rotation on cropland to a Participant receiving annual payments. Payments will be issued based on the payment rate and the amount of the actual conservation activity extent implemented, as documented on Form NRCS-CPA-1245. Form NRCS-CPA-1155, Plan/Schedule of Operations and Form NRCS-CPA-1156, Revision of Plan/Schedule of Operations or Modification of a Contract, reflect the applicable payment rate(s) in effect for the fiscal year of Contract obligation.
- D** CCC may make a minimum contract payment of \$1,500 to participants in any

fiscal year that a contract's payment amount total is less than \$1,500. CCC will not apply a minimum contract payment of \$1500 to a Contract for newly acquired land that is part of an operation which is under an active CSP Contract.

- E** All payments received as part of a Contract are reported to the United States Internal Revenue Service (IRS). For information related to tax liabilities, it is recommended that the Participant consult with a tax accountant or refer to IRS publication 225, "Farmers Tax Guide" or successor IRS publications.
- F** Payments will only be issued for installed or adopted conservation activities that are completed within the contract period of performance and meet or exceed the standards described in the NRCS Standards and Specifications or applicable job sheets. Annual payments for completed conservation activities will be issued in the fiscal year following installation or adoption of the conservation activities.
- G** Collection of amounts due from a Participant for improper payment or any other reason will follow procedures found at 7 CFR part 1403. CCC will notify the Participant and provide the reason for the collection and the amount owed. Unpaid debts due to the CCC accrue interest beginning 30 days after the billing date at the current value of funds rate published in the Federal Register by the United States Department of Treasury.
- H** Any Participant that will receive any share of a payment made for the implementation of this Contract must be a signatory on the Contract and eligible for such payment. Any Participant on the Contract may approve payment applications for the Contract unless signatory is specifically not granted or assigned on the Contract form NRCS-CPA-1202 or NRCS-CPA-152.
- I** Any payment that has or will be received through another USDA program or from other sources must be disclosed to the NRCS Approving Official at the time a payment application, NRCS-CPA-1245, is submitted. CCC may reduce payments to account for the funds received from other sources in accordance with program requirements. CCC will delay CSP payment until confirmation is received that any CRP payments have ceased for those lands that are enrolled in CSP.
- J** If a Participant receiving a Contract payment is indebted to another Federal agency and the outstanding debt has been referred to the Treasury Offset Payment System, the Contract payment due the Participant will be reduced by Treasury for the amount owed to the U.S. Government. Though the Participant will not be notified by NRCS that a payment offset has occurred, CCC records will reflect full Contract payment to the Participant.
- K** Contract payment will not be delayed for activities completed while in non-compliance with the HELC-WC provisions or for the purpose of circumventing the payment eligibility requirements set forth in 7 CFR part 12.

6 OPERATION AND MAINTENANCE OF CONSERVATION ACTIVITIES (O&M Agreement)

- A** The Participant agrees to operate and maintain (O&M) all conservation activities

included within this Contract for the practice lifespan as listed on Form NRCS-CPA-1155, Conservation Plan or Schedule of Operations, and any subsequent conservation activities resulting from revisions on Form NRCS-CPA-1156, Revision of Plan/Schedule of Operations or Modification of a Contract. This requirement also extends to those conservation activities installed before Contract execution but included in the Contract because their maintenance is necessary to obtain the conservation performance level agreed upon in this Contract and reflected in the conservation activity evaluation and ranking process. The Participant will operate and maintain existing conservation activities to at least the level of conservation performance identified at the time of Contract execution, including all conservation activities as documented in the CAET Summary report, for the Contract period and operate and maintain additional activities which are installed and adopted over the term of the Contract.

- B** The term Operation and Maintenance (O&M) as used in the Contract includes:
- **Operation:** The administration, management, and performance of non-maintenance activities necessary to keep a conservation activity safe and functioning as planned;
 - **Maintenance:** The recurring activities necessary to retain or restore a conservation activity in a safe and functioning condition, including, but not limited to, the management of vegetation, the repair or replacement of failed components or conservation activity, the prevention or treatment of deterioration, and the repair of damages caused by vandalism or negligence, but excluding damage caused by a local, state or nationally recognized natural disaster;
 - **Repair:** The actions to return a deteriorated, damaged, abandoned, or failed conservation activity and/or component to an acceptable and functional condition; and
 - **Replacement:** The removal of a conservation activity or component and implementation of a similar, functional conservation activity or component.
- C** The Participant is responsible for the O&M activities and acknowledges these activities may require labor, funds, and management in order to ensure the appropriate program purposes are met.
- D** The Participant's O&M responsibilities begin when the conservation activity implementation is completed, as determined by NRCS, and shall continue through the end of the practice lifespan.
- E** The Participant acknowledges that the "conservation activity lifespan" is the time period in which the conservation activities are to be used and maintained for their intended purposes as defined by NRCS technical references and documented on either Forms NRCS-CPA-1155 or NRCS-CPA-1156.
- F** Specific O&M requirements for conservation activities covered within this Contract are defined in the conservation practice standard and are documented

within the conservation plan narrative, Contract provision, enhancement job sheet, and/or implementation requirement sheet.

- G** The Participant acknowledges that conservation activities implemented before the Contract execution, but included in the Contract to obtain the environmental benefits agreed upon within the conservation activity evaluation and application ranking process, including as documented in the CAET Summary report, must be operated and maintained as specified in the Contract and within this paragraph.
- H** The Participant agrees to the O&M requirements as listed within this Paragraph (6) and failure to carry-out the terms and conditions listed may result in CCC termination of this Contract. (Refer to Paragraph 11 of this Appendix—Contract Termination).

7 PROVISIONS RELATING TO TENANTS AND LANDLORDS

No payment will be approved for the current year if CCC determines that any of the following conditions exist:

- (1) The landlord or operator has not given the tenants that have an interest in the agricultural operation covered by the Contract, or that have a lease that runs through the Contract term at the time of sign-up, an opportunity to participate in the benefits of the program.
- (2) The landlord or operator has adopted any other scheme or device for the purpose of depriving any tenant of any benefits to which such tenant would otherwise be entitled. If any such conditions occur or are discovered after payments have been made, all or any part of the payments, as determined by CCC, must be refunded according to Paragraph 5F of this Appendix and no further payments shall be made.

8 MISREPRESENTATION AND SCHEME OR DEVICE

- A** A Participant who is determined to have erroneously represented any fact affecting a determination with respect to this Contract and the regulations applicable to this Contract, adopted any scheme or device which tends to defeat the purposes of this Contract, or made any fraudulent representation with respect to this Contract, will not be entitled to payments or any other benefits made under this Contract. The Participant must refund to CCC all payments received plus interest. In addition, CCC will terminate the Participant's interest in all CSP contracts.
- B** CCC will charge interest on monies it determines to be due and owing to CCC under this Contract. Under debt collection procedures, unpaid bills accrue interest beginning 30 days after the billing date. The interest rate will be determined using the current value of funds rate, published annually in the Federal Register by the United States Department of Treasury.
- C** The provisions of this Paragraph of the Appendix shall be applicable in addition to any other criminal and civil fraud statutes.

9 CHANGES TO TERMS AND CONDITIONS OF THIS CONTRACT

- A** CCC may unilaterally cancel this Contract when the implemented conservation activity would cause adverse impacts to significant cultural and/or environmental resources without mitigation action unless CCC and the Participant modify this Contract to address such impacts.
- B** The Participant and CCC may modify this Contract by mutual agreement when:
- (1) Both the Participant and CCC agree to this modification;
 - (2) At the request of the Participant, and upon determination and approval of CCC the modification is in the public interest; and
 - (3) A transfer of this Contract occurs, provided CCC approval is obtained, and an eligible transferee accepts all terms and responsibilities under this Contract including operation and maintenance of those conservation activities already implemented or to be implemented and the contract payment amounts.
 - (4) CCC may approve limited changes to the land use during the term of the Contract provided:
 - i the Participant requests CCC approval prior to implementing the change;
 - ii the change will be in the public interest and further CSP purposes, as determined by NRCS, subject to such limitations as NRCS may require; and
 - iii there is no increase in annual payment to the Participant, unless approved by the Chief or designee. Depending upon the change and the impact upon stewardship levels, the annual payment may be reduced and NRCS may require repayment of prior payments associated with the change, including the payment of liquidated damages.
- C** CCC uses a payment schedule to document estimated costs incurred and income foregone associated with conservation activity implementation to justify the payment rates used in this Contract. Each payment schedule has conservation activity payment scenarios that represent the typical costs associated with implementation of a conservation activity under various site and related conditions. The payment rates incorporated into this Contract are based upon the conservation activity scenario within the payment schedule that CCC determined best approximates the site conditions for this Contract. The Participant and CCC may modify this Contract by mutual agreement to substitute a different payment scenario for a conservation activity upon which to base the payment rates used in this Contract provided that CCC determines, in its sole discretion that:
- (1) The original payment scenario was selected in error or an appropriate payment scenario was inadvertently omitted;
 - (2) Substantive design changes are required prior to conservation activity installation;

- (3) CCC determines that the proposed substitute scenario is within the existing payment schedule associated with this Contract and better approximates the site conditions as identified by the design changes;
- (4) There is sufficient difference in implementation requirements between the original payment scenario and the substitute payment scenario to increase or decrease the estimated payment by more than 10 percent;
- (5) Specifications are clearly documented in the narrative or substitute payment scenario description; and
- (6) The planned conservation activity has not been implemented.

D The Participant and CCC may agree to revise the schedule of operations to substitute conservation activities scheduled for implementation, provided that such revisions are within the general scope of this Contract and the resulting conservation performance, by land use, is equal to or greater than the conservation performance of the current contract. The authorized CCC official will not make an adjustment in the overall total contract payment except in limited circumstances as approved by the Chief or designee. Contract modifications will not increase the financial obligations or provide for payments over and above the amount as specified in the current contract including transfers to a successor in interest or transfer of payment shares.

E All modifications that require CCC approval must be approved in writing by the authorized CCC official and the Participant or an individual granted signature authority through a valid Power of Attorney filed in the local Service Center. Any Participant on the Contract may approve modifications for the Contract on behalf of all Participants unless such signature authority is specifically denied on the NRCS-CPA-1202.

10 CORRECTIONS

CCC reserves the right to correct all errors in entering data or the results of computations in this Contract. If the Participant does not agree to such corrections, CCC shall terminate the Contract.

11 CONTRACT TERMINATION

A If a Participant fails to carry-out the terms and conditions of this Contract, CCC may terminate this Contract. CCC may require the Participant to refund payments received under this Contract, or if not terminated, require the Participant to accept such adjustments in subsequent payments as are determined to be appropriate by CCC. Refunds shall be subject to the provisions in Paragraph 5G of this Appendix.

B The CCC may terminate this Contract, in whole or in part, without liability, if CCC determines that continued operation of this Contract will result in the violation of a statute or regulation, if CCC determines that termination would be in the public interest, or to remove contract acres enrolled in the Conservation Reserve

Program, Wetlands Reserve Program, or other Federal or State programs that offer greater natural resource protection.

- C** A Participant shall not be considered in violation of the Contract for failure to comply with the Contract due to circumstances beyond the control of the Participant, including a disaster or related condition, as determined by the CCC. However, the Participant's annual payment will be adjusted to reflect the extent to which scheduled additional conservation activities have actually been implemented.
- D** The Contract terminates upon death of the Participant unless the Participant appointed an executor or other estate representative to act on the Participant's behalf. The designated representative must provide written notice to CCC within 60 days of the participant's death or the date the representative is made aware of the existence of the CSP Contract or the CCC will terminate the Contract. The notice must identify whether the estate will act on behalf of the participant in accordance with 7 CFR part 1400, or alternatively include the name of a new producer, and the new producer must be determined eligible by CCC and willing to assume the contract terms and conditions. The contract must be transferred to either the estate per 7 CFR part 1400 or to an alternative eligible new producer by completing Form NRCS-CPA-152 Conservation Program Transfer Agreement. The transfer agreement is not in effect until approved by CCC.

12 RECOVERY OF COST

- A** In the event a Participant violates the terms of this Contract, the Participant voluntarily terminates this Contract before any contractual payments have been made, or this Contract is terminated with cause by CCC, the CCC will incur substantial costs in administering this Contract which may not be possible to quantify with certainty. Therefore, in addition to the refund of payments as set forth in Paragraph 11 of this Appendix, the Participant agrees to pay at the time of termination, liquidated damages in an amount equal to 10 percent of the total financial assistance obligated to the Participant in this Contract. This liquidated damages payment is for recovery of administrative and technical services and is not a penalty.
- B** The Participant may be required by the CCC to refund all or a portion of any assistance earned under the program if the Participant sells or loses control of the land under this Contract and the new producer or transferee is not eligible for the program or refuses to assume responsibility under the Contract.

13 PERIOD OF PERFORMANCE

This Contract is effective when signed by the Participant and an authorized representative of CCC and shall have a term not to exceed 5 years from the date of Contract execution as indicated on the NRCS-CPA-1202 or NRCS-CPA-1156. Except as otherwise provided for herein, this Contract may not be terminated or modified unless by mutual agreement between the parties. Within the dates established by CCC, this Contract must be signed by all required Participants. In the event that a statute is enacted during the period of this Contract which would materially change the terms and conditions of this Contract, the CCC may require the Participant to elect between modifying this Contract consistent with the provisions of such statute or Contract termination.

14 GENERAL TERMS

- A** The regulations in 7 CFR part 1470, and any other applicable regulations are incorporated, by reference, herein. In the event of a conflict between these regulations and the terms of this Appendix, the provisions of the regulations will prevail.
- B** This Contract shall be carried out in accordance with all applicable Federal statutes and regulations. Any ambiguities in this Contract and questions as to the validity of any of its specific provisions shall be resolved in favor of CCC so as to give maximum effect to the conservation purposes of this Contract.
- C** NRCS is administering this Contract on behalf of the CCC. Therefore, where this Contract refers to "CCC", NRCS may act on its behalf for the purposes of administering this Contract. When the term "Participant" is used in this Contract, it shall be construed to mean all Participants signing this Contract. Likewise, when the term "Applicant" is used in this Contract, it means all Applicants signing the program application.
- D** Certification Regarding Debarment, Suspension, and Other Responsibility Matters -Primary Covered Transactions (2 CFR part 417 and 2 CFR part 180, as applicable).
- (1) The Participant certifies to the best of the Participant's knowledge and belief, that the Participant and his or her principals:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) Have not within the three-year period preceding this agreement had a criminal conviction or civil judgment rendered against them for commission of fraud in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local government) contract, including violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses set forth above in Paragraph 14D(1)(b) of this certification; and
 - (d) Have not within the three-year period preceding this agreement had one or more public contracts (Federal, State or local) terminated for cause or default.

(2) If the Participant is unable to certify to any of the statements set forth in paragraph 14D (1), the Participant shall attach an explanation to this agreement. The Participant must notify CCC immediately if the circumstances supporting certification of any such statements change during the term of the Contract or the Participant may incur additional liability or penalties in accordance with applicable law.

E This Contract is a financial assistance agreement, not a procurement contract. As such, it is **not subject to 5 CFR part 1315, Prompt Payment Act** and is governed by the terms set forth herein.

F The terms “Socially Disadvantaged”, “Limited Resource Farmer or Rancher”, “Beginning Farmer or Rancher”, and “Veteran Farmer or Rancher” are defined in NRCS-CPA-1200-CPC and are incorporated herein.

G “Indian Tribe” means any Indian Tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians.

Note: “Indian tribes recognized as eligible to receive services by the United States Bureau of Indian Affairs” is available through the United States Bureau of Indian Affairs.

H The term “Agricultural Operation” as used in this Appendix includes the Nonindustrial Private Forest Land component of the operation.

I The term “conservation activities” as used in the Appendix means conservation systems, enhancements, enhancement bundles, conservation practices, or management measures needed to address a resource concern or improve environmental quality through the treatment of natural resources.

J The term “Participant” as used in this Appendix means a person, legal entity, joint operation, or Indian tribe that is a producer who has applied for participation in the program, has been selected as eligible for participation, and who has entered into this Contract as responsible for implementing its terms and conditions.

K At the end of the initial 5-year contract period, NRCS may allow the producer to renew the contract in accordance with applicable program requirements at the time of contract renewal.

15 RIGHTS TO APPEAL AND REQUEST EQUITABLE RELIEF

A The Participant may appeal an adverse decision under this Contract in accordance with the appeal procedures set forth at 7 CFR part 11, Subpart A, and part 614. Pending the resolution of an appeal, no payments shall be made under this Contract. Before a Participant seeks judicial review, the Participant must exhaust all appeal rights granted within these regulations.

- B** The Participant may also request equitable relief as provided under 7 U.S.C. 7996 and 7 CFR part 635.

16 EXAMINATION OF RECORDS

- A** The Participant agrees to give the CCC, the Office of the Inspector General or the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to this Contract. The Participant agrees to retain all records related to this Contract for a period of three (3) years after completion of the terms of this Contract in accordance with the applicable Office of Management and Budget circular.
- B** The Participant authorizes CCC to obtain tax data from the Internal Revenue Service (IRS) for Adjusted Gross Income compliance verification purposes and the Participant will take all necessary actions required by the terms and conditions of the IRS disclosure laws so that CCC can obtain such data.

17 DRUG-FREE WORKPLACE (2 CFR part 182 and 2 CFR part 421)

By signing this Contract, the Participant certifies that the Participant will comply with the requirements of 2 CFR part 182 and 2 CFR 421. If it is later determined that the Participant knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.; 2 CFR part 182 and 2 CFR 421,) CCC, in addition to any other remedies available to CCC under this contract or in general to the United States, may take action authorized under the Drug-Free Workplace Act.

**18 CERTIFICATION REGARDING LOBBYING (2 CFR part 418)
(Applicable if this agreement exceeds \$100,000)**

The Participant certifies, to the best of the Participant's knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Participant, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any agreement; Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- (3) The Participant shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including sub contracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

19 CERTIFICATION AND ASSURANCES REGARDING COMPLIANCE WITH PROVISIONS APPLICABLE TO FINANCIAL ASSISTANCE (See 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards)

As a condition of this Contract, the Participant certifies and assures that it is in compliance with and will comply in the course of the agreement with all applicable laws, regulations, Executive Orders and other generally applicable requirements, including those applicable to non-profit institutions, which are hereby incorporated into this Contract by reference, and such other regulatory and statutory provisions as are specifically set forth herein.

Without limiting the general applicability of Paragraph 19, the Participant, if it is a non-profit organization, further agrees to comply with the provisions of 2 CFR part 200 subpart D, including the contract provisions required at Appendix A.

20 CSP GRASSLAND CONSERVATION INITIATIVE (GCI)

For Participants enrolled in the GCI, all Contract terms outlined in this Appendix apply to the GCI Contract, except for the following which apply solely to Contracts enrolled in GCI and supersede any similar requirements identified above.

- (1) Eligible land enrolled in the GCI means cropland for which base acres have been maintained under section 1112(d)(3) of the Agricultural Act of 2014.
- (2) The Participant may make a 1-time election to enroll all or a portion of the Participant's eligible acres into a GCI Contract.
- (3) GCI Contracts will not be evaluated using the CAET; therefore, no CAET Summary report is required.
- (4) Land enrolled in the GCI Contract will be managed and maintained as grassland as documented in the grassland conservation plan and hereby incorporated as part of the Contract.
- (5) GCI Contract payments will be made at the rate of \$18/acre not to exceed the eligible base acres enrolled under this Contract.
- (6) The GCI Contract is not subject to the payment limitations or contract limits outlined in Paragraph 3(14).
- (7) The Participant may request to terminate the GCI Contract at any time without refund of payments received.
- (8) The GCI Contract is not eligible for renewal as provided in Paragraph 14(K).
- (9) Land enrolled in a GCI Contract will be considered planted to a covered commodity during each crop year covered by the Contract.
- (10) The Participant may enroll eligible land not enrolled under a GCI Contract in a CSP general contract, but a Participant may not have the same land enrolled in more than one CSP Contract at the same time.

The following Participants, by entering their signature, acknowledge receipt of this Form NRCS-CPA-1202-CPC (Appendix) and agree to its terms and conditions thereof. Further, if the undersigned are succeeding to an existing Contract, the undersigned agree and certify that no agreement exists or will be entered into between the undersigned, the previous owner and operator of the property, or mortgage holder that would, maintain or create an interest in the property for any previous Participant on this Contract for that property, or to receive payments under the contracts.

By signing this document you acknowledge and agree that all the information provided is true and accurate on your behalf. Any false certifications made by Participants by signing this Appendix may subject the Participants to criminal and civil fraud statutes. You further acknowledge that you have read and accept all terms and conditions provided.

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Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

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