

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
 1934**

**For the quarterly period ended March 31, 2020
OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
 OF 1934**

Commission File Number 001-38710

Corteva, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

82-4979096

(State or other Jurisdiction of Incorporation or Organization)

(I.R.S. Employer Identification No.)

974 Centre Road, Wilmington, Delaware 19805

(302) 485-3000

(Address of Principal Executive Offices) (Zip Code)

(Registrant's Telephone Number, including area code)

Commission File Number 1-815

E. I. du Pont de Nemours and Company

(Exact Name of Registrant as Specified in Its Charter)

Delaware

51-0014090

(State or other Jurisdiction of Incorporation or Organization)

(I.R.S. Employer Identification No.)

974 Centre Road, Wilmington, Delaware 19805

(302) 485-3000

(Address of Principal Executive Offices) (Zip Code)

(Registrant's Telephone Number, including area code)

Securities registered pursuant to Section 12(b) of the Act for Corteva, Inc.:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	CTVA	New York Stock Exchange

Securities registered pursuant to Section 12(b) of the Act for E. I. du Pont de Nemours and Company:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
\$3.50 Series Preferred Stock	CTAPrA	New York Stock Exchange
\$4.50 Series Preferred Stock	CTAPrB	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Corteva, Inc. Yes No

E. I. du Pont de Nemours and Company Yes No

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Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Corteva, Inc. Yes No
E. I. du Pont de Nemours and Company Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Corteva, Inc.	Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer <input type="checkbox"/>	Non-Accelerated Filer	<input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>	Emerging growth company <input type="checkbox"/>
E. I. du Pont de Nemours and Company	Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer <input type="checkbox"/>	Non-Accelerated Filer	<input checked="" type="checkbox"/>	Smaller reporting company <input type="checkbox"/>	Emerging growth company <input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Corteva, Inc.
E. I. du Pont de Nemours and Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Corteva, Inc. Yes No
E. I. du Pont de Nemours and Company Yes No

Corteva, Inc. had 748,370,000 shares of common stock, par value \$0.01 per share, outstanding at April 30, 2020.

E. I. du Pont de Nemours and Company had 200 shares of common stock, par value \$0.30 per share, outstanding at April 30, 2020, all of which are held by Corteva, Inc.

E. I. du Pont de Nemours and Company meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q (as modified by a grant of no-action relief dated February 12, 2018) and is therefore filing this form with reduced disclosure format.

CORTEVA, INC.
E. I. DU PONT DE NEMOURS AND COMPANY

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Explanatory Note

On June 1, 2019, Corteva, Inc. became an independent, publicly traded company through the previously announced separation (the "Separation") of the agriculture business of DowDuPont. The separation was effectuated through a pro rata distribution (the "Corteva Distribution") of all of the then-issued and outstanding shares of common stock, par value \$0.01 per share, of Corteva, Inc., which was then a wholly-owned subsidiary of DowDuPont, to holders of record of DowDuPont common stock as of the close of business on May 24, 2019.

Corteva owns 100% of the outstanding common stock of EID, and EID owns, directly or indirectly, 100% of DAS. EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Securities Exchange Act of 1934, as amended.

Unless otherwise indicated or the context otherwise requires, references in this Quarterly Report on Form 10-Q to:

- "Corteva" or "the company" refers to Corteva, Inc. and its consolidated subsidiaries (including EID);
- "EID" refers to E. I. du Pont de Nemours and Company and its consolidated subsidiaries or E. I. du Pont de Nemours and Company excluding its consolidated subsidiaries, as the context may indicate;
- "DowDuPont" refers to DowDuPont Inc., and its subsidiaries prior to the Separation of Corteva defined below;
- "Historical Dow" refers to the Dow Chemical Company and its consolidated subsidiaries prior to the Internal Reorganization defined below;
- "Historical DuPont" refers to EID prior to the Internal Reorganization, defined below;
- "Internal Reorganizations" refers to the series of internal reorganization and realignment steps undertaken by EID and Historical Dow to realign its business into three groups: agriculture, materials science and specialty products. These steps include:
 1. the April 1, 2019 transfer of the assets and liabilities aligned with EID's material science businesses including EID's ethylene and ethylene copolymers business, excluding its ethylene acrylic elastomers business, ("EID ECP") to DowDuPont, which were ultimately conveyed by DowDuPont to Dow;
 2. the May 1, 2019 distribution of EID legal entities containing the assets and liabilities of EID's specialty products business (the "EID Specialty Products Entities") to DowDuPont;
 3. the May 2, 2019 conveyance of Dow Ag Entities to EID; and
 4. the May 31, 2019 contribution of EID to Corteva, Inc. Refer to the company's Annual Report on Form 10-K for the year ended December 31, 2019 for further information.
- "Dow Distribution" refers to the separation of DowDuPont's materials science business into a separate and independent public company, effective as of 5:00 pm ET on April 1, 2019, by way of a distribution of Dow Inc. through a pro rata dividend in-kind of all of the then-issued and outstanding shares of Dow's common stock, par value \$0.01 per share, to holders of DowDuPont's common stock, as of the close of business on March 21, 2019;
- "Distributions" refers to the Dow Distribution and the Corteva Distribution;
- "Merger" refers to the all-stock merger of equals strategic combination between Historical Dow and EID;
- "Merger Effectiveness Time" refers to August 31, 2017 at 11:59 pm ET;
- "Dow" refers to Dow Inc. after the Dow Distribution;
- "DuPont" refers to DuPont de Nemours, Inc. after the Separation of Corteva; and
- "DAS" refers to the agriculture business of Historical Dow, Dow AgroSciences.

On June 1, 2019, DowDuPont Inc. changed its registered name to DuPont de Nemours, Inc. Beginning on June 3, 2019, Corteva's common stock is traded on the New York Stock Exchange under the ticker symbol "CTVA".

This Quarterly Report on Form 10-Q is a combined report being filed separately by Corteva, Inc. and EID. The information in this Quarterly Report on Form 10-Q is equally applicable to Corteva, Inc. and EID, except where otherwise indicated.

The separate EID financial statements and footnotes for areas that differ from Corteva, are included within this Quarterly Report on Form 10-Q and begin on page 64. Footnotes of EID that are identical to that of Corteva are cross-referenced accordingly.

PART I. FINANCIAL INFORMATION
Item 1. CONSOLIDATED FINANCIAL STATEMENTS
Corteva, Inc.
Consolidated Statements of Operations (Unaudited)

(In millions, except per share amounts)	Three Months Ended March 31,	
	2020	2019
Net sales	\$ 3,956	\$ 3,396
Cost of goods sold	2,269	2,211
Research and development expense	280	299
Selling, general and administrative expenses	757	735
Amortization of intangibles	163	101
Restructuring and asset related charges - net	70	61
Integration and separation costs	—	212
Other income - net	1	31
Interest expense	10	59
Income (loss) from continuing operations before income taxes	408	(251)
Provision for (benefit from) income taxes on continuing operations	127	(67)
Income (loss) from continuing operations after income taxes	281	(184)
Income from discontinued operations after income taxes	1	360
Net income	282	176
Net income attributable to noncontrolling interests	10	12
Net income attributable to Corteva	\$ 272	\$ 164
Basic earnings per share of common stock:		
Basic earnings (loss) per share of common stock from continuing operations	\$ 0.36	\$ (0.26)
Basic earnings per share of common stock from discontinued operations	—	0.48
Basic earnings per share of common stock	\$ 0.36	\$ 0.22
Diluted earnings per share of common stock:		
Diluted earnings (loss) per share of common stock from continuing operations	\$ 0.36	\$ (0.26)
Diluted earnings per share of common stock from discontinued operations	—	0.48
Diluted earnings per share of common stock	\$ 0.36	\$ 0.22

See Notes to the Consolidated Financial Statements beginning on page 8.

Corteva, Inc.
Consolidated Statements of Comprehensive (Loss) Income (Unaudited)

(In millions)	Three Months Ended March 31,	
	2020	2019
Net income	\$ 282	\$ 176
Other comprehensive loss - net of tax:		
Cumulative translation adjustments	(672)	(72)
Adjustments to pension benefit plans	—	(3)
Adjustments to other benefit plans	3	—
Derivative instruments	6	1
Total other comprehensive loss	(663)	(74)
Comprehensive (loss) income	(381)	102
Comprehensive income attributable to noncontrolling interests - net of tax	10	12
Comprehensive (loss) income attributable to Corteva	\$ (391)	\$ 90

See Notes to the Consolidated Financial Statements beginning on page 8.

Corteva, Inc.
Condensed Consolidated Balance Sheets (Unaudited)

(In millions, except share amounts)	March 31, 2020	December 31, 2019	March 31, 2019
Assets			
Current assets			
Cash and cash equivalents	\$ 1,963	\$ 1,764	\$ 1,759
Marketable securities	10	5	5
Accounts and notes receivable - net	6,775	5,528	6,507
Inventories	4,401	5,032	5,019
Other current assets	1,530	1,190	1,318
Assets of discontinued operations - current	—	—	9,453
Total current assets	14,679	13,519	24,061
Investment in nonconsolidated affiliates	64	66	77
Property, plant and equipment - net of accumulated depreciation (March 31, 2020 - \$3,406; December 31, 2019 - \$3,326; March 31, 2019 - \$2,970)	4,358	4,546	4,521
Goodwill	10,027	10,229	10,203
Other intangible assets	11,241	11,424	11,961
Deferred income taxes	273	287	294
Other assets	2,336	2,326	2,368
Assets of discontinued operations - non-current	—	—	56,617
Total Assets	\$ 42,978	\$ 42,397	\$ 110,102
Liabilities and Equity			
Current liabilities			
Short-term borrowings and finance lease obligations	\$ 1,996	\$ 7	\$ 3,201
Accounts payable	3,021	3,702	3,120
Income taxes payable	143	95	195
Accrued and other current liabilities	4,039	4,434	4,061
Liabilities of discontinued operations - current	—	—	3,501
Total current liabilities	9,199	8,238	14,078
Long-Term Debt	614	115	6,297
Other Noncurrent Liabilities			
Deferred income tax liabilities	911	920	1,523
Pension and other post employment benefits - noncurrent	6,186	6,377	5,554
Other noncurrent obligations	1,989	2,192	2,064
Liabilities of discontinued operations - non-current	—	—	5,512
Total noncurrent liabilities	9,700	9,604	20,950
Commitments and contingent liabilities			
Stockholders' equity			
Common stock, \$0.01 par value; 1,666,667,000 shares authorized; issued at March 31, 2020 - 748,369,000; and December 31, 2019 - 748,577,000	7	7	
Additional paid-in capital	27,906	27,997	
Divisional equity			78,005
Accumulated deficit	(155)	(425)	
Accumulated other comprehensive loss	(3,933)	(3,270)	(3,434)
Total Corteva stockholders' equity	23,825	24,309	74,571
Noncontrolling interests	254	246	503
Total equity	24,079	24,555	75,074
Total Liabilities and Equity	\$ 42,978	\$ 42,397	\$ 110,102

See Notes to the Consolidated Financial Statements beginning on page 8.

Corteva, Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)

(In millions)	Three Months Ended March 31,	
	2020	2019
Operating activities		
Net income	\$ 282	\$ 176
Adjustments to reconcile net income to cash used for operating activities:		
Depreciation and amortization	283	726
Provision for (benefit from) deferred income tax	26	(220)
Net periodic pension benefit	(102)	(75)
Pension contributions	(28)	(50)
Net loss (gain) on sales of property, businesses, consolidated companies and investments	46	(65)
Restructuring and asset related charges - net	70	106
Amortization of inventory step-up	—	205
Other net loss	138	92
Changes in operating assets and liabilities - net	(2,645)	(2,436)
Cash used for operating activities	(1,930)	(1,541)
Investing activities		
Capital expenditures	(128)	(663)
Proceeds from sales of property, businesses and consolidated companies - net of cash divested	11	125
Proceeds from sales of ownership interests in nonconsolidated affiliates	—	21
Purchases of investments	(67)	(16)
Proceeds from sales and maturities of investments	58	36
Other investing activities - net	(4)	(5)
Cash used for investing activities	(130)	(502)
Financing activities		
Net change in borrowings (less than 90 days)	1,619	814
Proceeds from debt	875	1,000
Payments on debt	(1)	(284)
Repurchase of common stock	(50)	—
Proceeds from exercise of stock options	14	35
Dividends paid to stockholders	(97)	—
Distributions to DowDuPont	—	(317)
Contributions from Dow	—	88
Other financing activities	(16)	(24)
Cash provided by financing activities	2,344	1,312
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(117)	20
Increase (decrease) in cash, cash equivalents and restricted cash	167	(711)
Cash, cash equivalents and restricted cash at beginning of period	2,173	5,024
Cash, cash equivalents and restricted cash at end of period¹	\$ 2,340	\$ 4,313

¹ See page 19 for reconciliation of cash and cash equivalents and restricted cash presented in interim Condensed Consolidated Balance Sheets to total cash, cash equivalents and restricted cash presented in the interim Condensed Consolidated Statements of Cash Flows.

See Notes to the Consolidated Financial Statements beginning on page 8.

Corteva, Inc.
Consolidated Statements of Equity (Unaudited)

(In millions)	Common Stock	Additional Paid-in Capital	Divisional Equity	Retained Earnings (Accumulated deficit)	Accumulated Other Comp Loss	Treasury Stock	Non-controlling Interests	Total Equity
2019								
Balance at January 1, 2019	\$ —	\$ —	\$ 78,020	\$ —	\$ (3,360)	\$ —	\$ 493	\$ 75,153
Net income			164				12	176
Other comprehensive loss					(74)			(74)
Distributions to DowDuPont			(317)					(317)
Issuance of DowDuPont stock			35					35
Share-based compensation			18					18
Contributions from Dow			88					88
Other - net			(3)				(2)	(5)
Balance at March 31, 2019	\$ —	\$ —	\$ 78,005	\$ —	\$ (3,434)	\$ —	\$ 503	\$ 75,074

(In millions)	Common Stock	Additional Paid-in Capital	Divisional Equity	(Accumulated deficit) Retained Earnings	Accumulated Other Comp Loss	Treasury Stock	Non-controlling Interests	Total Equity
2020								
Balance at January 1, 2020	\$ 7	\$ 27,997		\$ (425)	\$ (3,270)	\$ —	\$ 246	\$ 24,555
Net income				272			10	282
Other comprehensive loss					(663)			(663)
Common dividends (\$0.13 per share)		(97)						(97)
Issuance of Corteva stock		14						14
Share-based compensation		2						2
Common Stock Repurchase		(50)						(50)
Other - net		40		(2)			(2)	36
Balance at March 31, 2020	\$ 7	\$ 27,906		\$ (155)	\$ (3,933)	\$ —	\$ 254	\$ 24,079

See Notes to the Consolidated Financial Statements beginning on page 8.

Corteva, Inc.

Notes to the Consolidated Financial Statements (Unaudited)

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Interim Financial Statements**

The accompanying unaudited interim Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") for interim financial information and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair statement of the results for interim periods have been included. Results for interim periods should not be considered indicative of results for a full year. These interim Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and Notes thereto contained in the company's Annual Report on Form 10-K for the year ended December 31, 2019, collectively referred to as the "2019 Annual Report." The interim Consolidated Financial Statements include the accounts of the company and all of its subsidiaries in which a controlling interest is maintained.

Basis of Presentation

Certain reclassifications of prior year's data have been made to conform to current year's presentation. On April 1, 2019, EID completed the transference of the assets and liabilities aligned with EID's materials science business, including EID's ethylene and ethylene copolymers business, excluding its ethylene acrylic elastomers business, ("EID ECP") to separate legal entities (the "Materials Science Entities") that were ultimately conveyed by DowDuPont to Dow. On May 1, 2019, EID completed the transfer of the assets and liabilities aligned with the EID's specialty products business to separate legal entities ("EID Specialty Products Entities"), which were then distributed to DowDuPont.

In accordance with GAAP, the financial position and results of operations of EID ECP and the EID Specialty Products Entities are presented as discontinued operations and, as such, have been excluded from continuing operations and segment results for all periods presented. The sum of the individual earnings per share amounts from continuing operations and discontinued operations may not equal the total company earnings per share amounts due to rounding. The cash flows, comprehensive (loss) income, and equity related to EID ECP and the EID Specialty Products Entities have not been segregated and are included in the Condensed Consolidated Statements of Cash Flows, Consolidated Statements of Comprehensive Income (Loss), and Consolidated Statements of Equity, respectively, for all periods presented. Amounts related to EID ECP and the EID Specialty Products Entities are consistently included or excluded from the Notes to the interim Consolidated Financial Statements based on the respective financial statement line item. See Note 3 - Divestitures and Other Transactions, for additional information.

Prior to the Corteva Distribution, these combined financial statements were derived from the consolidated financial statements and accounting records of EID as well as the carve-out financial statements of DAS. The DAS carve-out financial statements reflect the historical results of operations, financial position, and cash flows of Historical Dow's Agricultural Sciences Business and include allocations of certain expenses for services from Historical Dow, including, but not limited to, general corporate expenses related to finance, legal, information technology, human resources, ethics and compliance, shared services, employee benefits and incentives, insurance, and stock-based compensation. These expenses were allocated on the basis of direct usage when identifiable, with the remainder allocated under the basis of headcount or other measures. Beginning in the second quarter 2019, the financial statements are presented on a consolidated basis.

The company's Condensed Consolidated Balance Sheets at March 31, 2020 and December 31, 2019 consist of Corteva, Inc. and its consolidated subsidiaries. The company's Condensed Consolidated Balance Sheet at March 31, 2019 consists of the combined balances of Historical EID and DAS. The Balance Sheets will be referred to as the "Condensed Consolidated Balance Sheets" throughout this document.

The company's Consolidated Statements of Operations (the "Consolidated Statements of Operations") for all periods prior to April 30, 2019 consist of the combined results of operations for Historical EID and DAS. The Consolidated Statements of Operations for all periods after May 1, 2019 represent the consolidated balances of the company. Intercompany balances and transactions with Historical EID and DAS have been eliminated.

During the first quarter 2020, the company recorded an increase of \$40 million to Additional Paid-in Capital relating to net assets recorded as transferred as part of the 2019 Internal Reorganizations that were retained.

NOTE 2 - RECENT ACCOUNTING GUIDANCE**Recently Adopted Accounting Guidance**

In June 2016, the FASB issued ASU 2016-13, Financial Instruments (Topic 326): Credit Losses - Measurement of Credit Losses on Financial Statements, which requires financial assets measured at amortized cost basis to be presented at the net amount expected to be collected. The amortized cost basis of financial assets should be reduced by expected credit losses to present the net carrying value in the financial statements at the amount expected to be collected. The measurement of expected credit losses is based on past events, historical experience, current conditions and forecasts that affect the collectability of the financial assets. Additionally, credit losses relating to available-for-sale debt securities should be recorded through an allowance for credit losses.

The company adopted the guidance in the first quarter of 2020. The primary impact of adoption related to the credit losses on accounts and notes receivable, which is applied using a cumulative-effect adjustment in the period of adoption, and prior periods are not restated. The adoption of ASU 2016-13 did not have a material impact on the company's financial position, results of operations or cash flows. See Note 10 - Accounts and Notes Receivable - Net, to the Consolidated Financial Statements for additional information.

In November 2018, the FASB issued ASU 2018-18, Collaborative Arrangements (Topic 808): Clarifying the Interaction between Topic 808 and Topic 606, which provides guidance on whether certain transactions between collaborative arrangement participants should be accounted for as revenue under Topic 606 when the collaborative arrangement participant is a customer in the context of a unit of account. Accordingly, this amendment added unit of account guidance in Topic 606 when an entity is assessing whether the collaborative arrangement, or a part of the arrangement, is within the scope of Topic 606. In addition, the amendment provides certain guidance on presenting the collaborative arrangement transaction together with Topic 606. ASU 2018-18 is effective for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years and early adoption is permitted. This ASU is to be applied retrospectively to the date of initial application of Topic 606. The company adopted this guidance on January 1, 2020 and it did not have a material impact on the company's financial position, results of operations or cash flows.

In March 2020, the FASB issued ASU 2020-04, Facilitation of the Effects of Reference Rate Reform on Financial Reporting (Topic 848), which provides companies with optional financial reporting alternatives to reduce the cost and complexity associated with the accounting for contracts and hedging relationships affected by reference rate reform. The amendments in this Update are effective for all entities as of March 12, 2020 through December 31, 2022. The adoption of ASU 2020-04 did not have a material impact on the company's financial position, results of operations or cash flows, and will apply to future changes.

Accounting Guidance Issued But Not Adopted as of March 31, 2020

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, which was part of the FASB's Simplification Initiative to identify, evaluate, and improve areas of U.S. GAAP for which cost and complexity can be reduced, while maintaining or improving the usefulness of the information provided to users of financial statements. This ASU amends ASC 740, Income Taxes, by removing certain exceptions to the general principles, and clarifying and amending current guidance. The new standard is effective for fiscal years, and periods within those fiscal years, beginning after December 15, 2020. Early adoption is permitted, however all amended guidance must be adopted in the same period and should be reflected as of the beginning of the annual period if initially adopted and applied during an interim period. The company is currently evaluating the impact of adopting this guidance.

NOTE 3 - DIVESTITURES AND OTHER TRANSACTIONS*Separation Agreements*

In connection with the Distributions, DuPont, Corteva, and Dow (together, the "Parties" and each a "Party") have entered into certain agreements to effect the Separation, provide for the allocation of DowDuPont's assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities) among the Parties, and provide a framework for Corteva's relationship with Dow and DuPont following the separations and Distributions (collectively, the "Separation Agreements"). For further details on the Separation Agreements, refer to the 2019 Annual Report.

DuPont

Pursuant to the Separation Agreements, DuPont and Corteva indemnifies the other against certain litigation, environmental, tax, workers' compensation and other liabilities that arose prior to the Corteva Distribution. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. At March 31, 2020, the indemnification assets are \$25 million within accounts and notes receivable - net and \$54 million within other assets in the interim Condensed Consolidated Balance Sheet. At March 31, 2020, the indemnification liabilities are \$8 million within accrued and other current liabilities and \$69 million within other noncurrent obligations in the interim Condensed Consolidated Balance Sheet.

Dow

Pursuant to the Separation Agreements, Dow and Corteva indemnifies the other against certain litigation, environmental, tax and other liabilities that arose prior to the Corteva Distribution. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. At March 31, 2020, the indemnification assets are \$30 million within accounts and notes receivable - net in the interim Condensed Consolidated Balance Sheet. At March 31, 2020, the indemnification liabilities are \$158 million within accrued and other current liabilities and \$13 million within other noncurrent obligations in the interim Condensed Consolidated Balance Sheet.

EID ECP Divestiture

As discussed in Note 1 - Summary of Significant Accounting Policies, on April 1, 2019, EID completed the transfer of the entities and related assets and liabilities of EID ECP to Dow.

As a result, the financial results of EID ECP are reflected as discontinued operations, as summarized below:

(In millions)	Three Months Ended March 31, 2019	
Net sales	\$	362
Cost of goods sold		259
Research and development expense		4
Selling, general and administrative expenses		9
Amortization of intangibles		23
Restructuring and asset related charges - net		2
Integration and separation costs		44
Other income - net		2
Income from discontinued operations before income taxes		23
Provision for income taxes on discontinued operations		4
Income from discontinued operations after income taxes	\$	19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The following table presents the depreciation, amortization of intangibles, and capital expenditures of the discontinued operations related to EID ECP:

(In millions)	Three Months Ended March 31, 2019	
Depreciation	\$	28
Amortization of intangibles	\$	23
Capital expenditures	\$	16

The carrying amount of major classes of assets and liabilities classified as assets and liabilities of discontinued operations at March 31, 2019 related to EID ECP consist of the following:

(In millions)	March 31, 2019	
Cash and cash equivalents	\$	32
Accounts and notes receivable - net		221
Inventories		448
Other current assets		25
Total current assets of discontinued operations		726
Investment in nonconsolidated affiliates		109
Property, plant and equipment - net		753
Goodwill		3,585
Other intangible assets		1,118
Deferred income taxes		15
Other assets		5
Non-current assets of discontinued operations		5,585
Total assets of discontinued operations	\$	6,311
Short-term borrowings and finance lease obligations		2
Accounts payable		187
Income tax payable		9
Accrued and other current liabilities		26
Total current liabilities of discontinued operations		224
Long-term Debt		2
Deferred income tax liabilities		374
Pension and other post employment benefits - noncurrent		5
Other noncurrent obligations		4
Non-current liabilities of discontinued operations		385
Total liabilities of discontinued operations	\$	609

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

EID Specialty Products Divestiture

As discussed in Note 1 - Summary of Significant Accounting Policies, on May 1, 2019, the company completed the transfer of the entities and related assets and liabilities of EID Specialty Products Entities to DuPont.

As a result, the financial results of the EID Specialty Products Entities are reflected as discontinued operations, as summarized below:

(In millions)	Three Months Ended March 31, 2019	
Net sales	\$	3,816
Cost of goods sold		2,535
Research and development expense		153
Selling, general and administrative expenses		401
Amortization of intangibles		201
Restructuring and asset related charges - net		43
Integration and separation costs		164
Other income - net		120
Income from discontinued operations before income taxes		439
Provision for income taxes on discontinued operations		98
Income from discontinued operations after income taxes	\$	341

The following table presents the depreciation, amortization of intangibles, and capital expenditures of the discontinued operations related to the EID Specialty Products Entities:

(In millions)	Three Months Ended March 31, 2019	
Depreciation	\$	216
Amortization of intangibles	\$	201
Capital expenditures	\$	423

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The carrying amount of major classes of assets and liabilities classified as assets and liabilities of discontinued operations at March 31, 2019 related to the EID Specialty Products Entities consist of the following:

(In millions)	March 31, 2019	
Cash and cash equivalents	\$	2,042
Marketable securities		13
Accounts and notes receivable - net		2,722
Inventories		3,640
Other current assets		310
Total current assets of discontinued operations		8,727
Investment in nonconsolidated affiliates		1,192
Property, plant and equipment - net		8,061
Goodwill		28,194
Other intangible assets		12,822
Deferred income taxes		106
Other assets		657
Non-current assets of discontinued operations		51,032
Total assets of discontinued operations	\$	59,759
Short-term borrowings and finance lease obligations		16
Accounts payable		2,075
Income taxes payable		47
Accrued and other current liabilities		1,139
Total current liabilities of discontinued operations		3,277
Long-term Debt		25
Deferred income tax liabilities		3,408
Pension and other post employment benefits - noncurrent		1,084
Other noncurrent obligations		610
Non-current liabilities of discontinued operations		5,127
Total liabilities of discontinued operations	\$	8,404

NOTE 4 - REVENUE**Revenue Recognition***Products*

Substantially all of Corteva's revenue is derived from product sales. Product sales consist of sales of Corteva's products to farmers, distributors, and manufacturers. Corteva considers purchase orders, which in some cases are governed by master supply agreements, to be a contract with a customer. Contracts with customers are considered to be short-term when the time between order confirmation and satisfaction of the performance obligations is equal to or less than one year. However, the company has some long-term contracts which can span multiple years.

Licenses of Intellectual Property

Corteva enters into licensing arrangements with customers under which it licenses its intellectual property. Revenue from the majority of intellectual property licenses is derived from sales-based royalties. Revenue for licensing agreements that contain sales-based royalties is recognized at the later of (i) when the subsequent sale occurs or (ii) when the performance obligation to which some or all of the royalty has been allocated is satisfied.

Remaining Performance Obligations

Remaining performance obligations represent the transaction price allocated to unsatisfied or partially unsatisfied performance obligations. At March 31, 2020, the company had remaining performance obligations related to material rights granted to customers for contract renewal options of \$106 million (\$108 million and \$100 million at December 31, 2019 and March 31, 2019, respectively). The company expects revenue to be recognized for the remaining performance obligations over the next 1 year to 6 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
Contract Balances

Contract liabilities primarily reflect deferred revenue from prepayments under contracts with customers where the company receives advance payments for products to be delivered in future periods. Corteva classifies deferred revenue as current or noncurrent based on the timing of when the company expects to recognize revenue. Contract assets primarily include amounts related to contractual rights to consideration for completed performance not yet invoiced. Accounts receivable are recorded when the right to consideration becomes unconditional.

Contract Balances (In millions)	March 31, 2020	December 31, 2019	March 31, 2019
Accounts and notes receivable - trade ¹	\$ 5,779	\$ 4,396	\$ 5,060
Contract assets - current ²	\$ 20	\$ 20	\$ 18
Contract assets - noncurrent ³	\$ 49	\$ 49	\$ 46
Deferred revenue - current ⁴	\$ 1,996	\$ 2,584	\$ 2,057
Deferred revenue - noncurrent ⁵	\$ 104	\$ 108	\$ 103

^{1.} Included in accounts and notes receivable - net in the interim Condensed Consolidated Balance Sheets.

^{2.} Included in other current assets in the interim Condensed Consolidated Balance Sheets.

^{3.} Included in other assets in the interim Condensed Consolidated Balance Sheets.

^{4.} Included in accrued and other current liabilities in the interim Condensed Consolidated Balance Sheets.

^{5.} Included in other noncurrent obligations in the interim Condensed Consolidated Balance Sheets.

Revenue recognized during the three months ended March 31, 2020 from amounts included in deferred revenue at the beginning of the period was \$822 million (\$677 million in the three months ended March 31, 2019).

Disaggregation of Revenue

Corteva's operations are classified into two reportable segments: Seed and Crop Protection. The company disaggregates its revenue by major product line and geographic region, as the company believes it best depicts the nature, amount and timing of its revenue and cash flows. Net sales by major product line are included below:

(In millions)	Three Months Ended March 31,	
	2020	2019
Corn	\$ 1,864	\$ 1,468
Soybean	181	131
Other oilseeds	248	225
Other	162	143
Seed	2,455	1,967
Herbicides	823	771
Insecticides	378	377
Fungicides	229	220
Other	71	61
Crop Protection	1,501	1,429
Total	\$ 3,956	\$ 3,396

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Sales are attributed to geographic regions based on customer location. Net sales by geographic region and segment are included below:

Seed (In millions)	Three Months Ended March 31,	
	2020	2019
North America ¹	\$ 1,290	\$ 913
EMEA ²	881	804
Latin America	216	178
Asia Pacific	68	72
Total	\$ 2,455	\$ 1,967

Crop Protection (In millions)	Three Months Ended March 31,	
	2020	2019
North America ¹	\$ 475	\$ 479
EMEA ²	586	560
Latin America	218	187
Asia Pacific	222	203
Total	\$ 1,501	\$ 1,429

1. Represents U.S. & Canada.

2. Europe, Middle East, and Africa ("EMEA").

NOTE 5 - RESTRUCTURING AND ASSET RELATED CHARGES - NET
Execute to Win Productivity Program

During the first quarter of 2020, Corteva approved restructuring actions designed to improve productivity through optimizing certain operational and organizational structures primarily related to the Execute to Win Productivity Program. As a result of these actions, the company expects to record total pre-tax restructuring charges of approximately \$185 million, comprised of approximately \$125 million of asset related charges (of which \$30 million relates to asset retirement obligations), and \$60 million of severance and related benefit costs. Of the \$185 million, approximately \$110 million relates to crop protection, \$15 million relates to seed, and \$60 million relates to corporate expenses. Future cash payments related to this charge are anticipated to be approximately \$90 million, primarily related to the payment of severance and related benefits and asset retirement obligations.

The Execute to Win Productivity Program charges related to the segments, as well as corporate expenses, were as follows:

(In millions)	Three Months Ended March 31,	
	2020	
Seed	\$	3
Crop Protection		18
Corporate expenses		42
Total	\$	63

A reconciliation of the December 31, 2019 to the March 31, 2020 liability balances related to the Execute to Win Productivity Program is summarized below:

(In millions)	Severance and Related Benefit Costs	Asset Related Charges	Total
Balance at December 31, 2019	\$ —	\$ —	\$ —
Charges to income from continuing operations for the three months ended March 31, 2020	42	21	63
Asset write-offs	—	(15)	(15)
Balance at March 31, 2020	\$ 42	\$ 6	\$ 48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

In addition to the above, the company has recorded asset retirement obligations of \$27 million as of March 31, 2020. The asset retirement obligations relate to the company's required demolition and removal for buildings and equipment at third party leased sites and will be recognized as asset related charges over the remaining useful lives of the related assets. The company's leases require these assets be removed from leased land within 12-24 months of operations being ceased. The company expects operations will cease in 2020 and the assets will be removed within the contractual timeframe.

DowDuPont Cost Synergy Program

In September and November 2017, DowDuPont and EID approved post-merger restructuring actions under the DowDuPont Cost Synergy Program (the "Synergy Program"), adopted at the time by the DowDuPont Board of Directors. The Synergy Program was designed to integrate and optimize the organization following the Merger and in preparation for the Distributions. The company recorded pre-tax restructuring charges of \$842 million inception-to-date under the Synergy Program, consisting of severance and related benefit costs of \$319 million, contract termination costs of \$193 million, and asset write-downs and write-offs of \$330 million. The company does not anticipate any additional material charges under the Synergy Program. Actions associated with the Synergy Program, including employee separations, were substantially complete by the end of 2019.

The Synergy Program (benefits) charges related to the segments, as well as corporate expenses, were as follows:

(In millions)	Three Months Ended March 31,	
	2020	2019
Seed	\$ (3)	\$ 24
Crop Protection	—	27
Corporate expenses	—	11
Total	\$ (3)	\$ 62

The below is a summary of (benefits) charges incurred related to the Synergy Program for the three months ended March 31, 2020 and 2019:

(In millions)	Three Months Ended March 31,	
	2020	2019
Severance and related benefit costs	\$ —	\$ 14
Contract termination charges	—	20
Asset related (benefits) charges	(3)	28
Total restructuring and asset related (benefits) charges - net	\$ (3)	\$ 62

A reconciliation of the December 31, 2019 to the March 31, 2020 liability balances related to the Synergy Program is summarized below:

(In millions)	Severance and Related Benefit Costs	Costs Associated with Exit and Disposal Activities ¹	Asset Related (Benefits) Charges	Total
Balance at December 31, 2019	\$ 29	\$ 40	\$ —	\$ 69
Payments	(6)	—	2	(4)
Asset write-offs	—	—	(2)	(2)
Balance at March 31, 2020	\$ 23	\$ 40	\$ —	\$ 63

¹ Relates primarily to contract terminations charges.

Other Asset Related Charges

During the three months ended March 31, 2020, the company recognized \$10 million in restructuring and asset related charges, net in the interim consolidated statement of operations, from non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield[®] and Roundup Ready 2 Xtend[®] herbicide tolerance traits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
NOTE 6 - RELATED PARTIES
Services Provided by and to Historical Dow and its affiliates

Following the Merger and prior to the Dow Distribution, Corteva reports transactions with Historical Dow and its affiliates as related party transactions.

Purchases from Historical Dow and its affiliates were \$42 million for the three months ended March 31, 2019.

Transactions with DowDuPont

In February 2019, the DowDuPont Board declared first quarter dividends per share of DowDuPont common stock payable on March 15, 2019. EID declared and paid distributions to DowDuPont of \$317 million for the three months ended March 31, 2019, primarily to fund a portion of DowDuPont's dividend payment.

In addition, at March 31, 2019, EID had a payable to DowDuPont of \$103 million included in accounts payable in the interim Condensed Consolidated Balance Sheet related to its estimated tax liability for the period beginning with the Merger through the date of the Dow Distribution, during which time the parties filed a consolidated United States ("U.S.") tax return. See Note 8 - Income Taxes, for additional information.

NOTE 7 - SUPPLEMENTARY INFORMATION

Other Income - Net	Three Months Ended	
	March 31,	
(In millions)	2020	2019
Interest income	\$ 18	\$ 16
Equity in losses of affiliates - net	(1)	—
Net loss on sales of businesses and other assets ¹	(46)	(13)
Net exchange losses	(61)	(27)
Non-operating pension and other post employment benefit credit ²	91	51
Miscellaneous income (expenses) - net	—	4
Other income - net	\$ 1	\$ 31

1. Includes a loss of \$(53) million relating to the expected sale of the La Porte site, for which the company signed an agreement during the three months ended March 31, 2020 and a loss of \$(24) million relating to DAS's sale of a joint venture related to synergy actions for the three months ended March 31, 2019.
2. Includes non-service related components of net periodic benefit credits (costs) (interest cost, expected return on plan assets, amortization of unrecognized (gain) loss, and settlement loss).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The following table summarizes the impacts of the company's foreign currency hedging program on the company's results of operations. The company routinely uses foreign currency exchange contracts to offset its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities. The objective of this program is to maintain an approximately balanced position in foreign currencies in order to minimize, on an after-tax basis, the effects of exchange rate changes on net monetary asset positions. The hedging program gains (losses) are largely taxable (tax deductible) in the U.S., whereas the offsetting exchange gains (losses) on the remeasurement of the net monetary asset positions are often not taxable (tax deductible) in their local jurisdictions. The net pre-tax exchange gains (losses) are recorded in other income - net and the related tax impact is recorded in (benefit from) provision for income taxes on continuing operations in the Consolidated Statements of Operations.

(In millions)	Three Months Ended March 31,	
	2020	2019
Subsidiary Monetary Position Losses		
Pre-tax exchange losses	\$ (226)	\$ (10)
Local tax benefits (expenses)	23	(10)
Net after-tax impact from subsidiary exchange losses	\$ (203)	\$ (20)
Hedging Program Gains (Losses)		
Pre-tax exchange gains (losses)	\$ 165	\$ (17)
Tax (expenses) benefits	(40)	4
Net after-tax impact from hedging program exchange gains (losses)	\$ 125	\$ (13)
Total Exchange Losses		
Pre-tax exchange losses	\$ (61)	\$ (27)
Tax expenses	(17)	(6)
Net after-tax exchange losses	\$ (78)	\$ (33)

Cash, cash equivalents and restricted cash

The following table provides a reconciliation of cash and cash equivalents and restricted cash (included in other current assets) presented in the Condensed Consolidated Balance Sheets to the total cash, cash equivalents and restricted cash presented in the Condensed Consolidated Statements of Cash Flows.

(In millions)	March 31, 2020	December 31, 2019	March 31, 2019
Cash and cash equivalents	\$ 1,963	\$ 1,764	\$ 1,759
Restricted cash	377	409	438
Total cash, cash equivalents and restricted cash	2,340	2,173	2,197
Cash and cash equivalents of discontinued operations ¹	—	—	2,074
Restricted cash of discontinued operations ²	—	—	42
Total cash, cash equivalents and restricted cash	\$ 2,340	\$ 2,173	\$ 4,313

1. Refer to Note 3 - Divestitures and Other Transactions, for additional information.

2. Amount included in other current assets within assets of discontinued operations - current. Refer to Note 3 - Divestitures and Other Transactions, for additional information.

EID entered into a trust agreement in 2013 (as amended and restated in 2017), establishing and requiring EID to fund a trust (the "Trust") for cash obligations under certain non-qualified benefit and deferred compensation plans upon a change in control event as defined in the Trust agreement. Under the Trust agreement, the consummation of the Merger was a change in control event. Restricted cash at March 31, 2020, December 31, 2019, and March 31, 2019 is related to the Trust.

NOTE 8 - INCOME TAXES

For periods between the Merger Effectiveness Time and the Corteva Distribution, Corteva and its subsidiaries were included in DowDuPont's consolidated federal income tax group and consolidated tax return. Generally, the consolidated tax liability of the DowDuPont U.S. tax group for each year was apportioned among the members of the consolidated group based on each member's separate taxable income. Corteva, DuPont and Dow intend that to the extent Federal and/or State corporate income tax liabilities are reduced through the utilization of tax attributes of the other, settlement of any receivable and payable generated from the use of the other party's sub-group attributes will be in accordance with a tax matters agreement. See Note 3 - Divestitures and Other Transactions, for further information related to indemnifications between Corteva, Dow and DuPont.

Each year the company files hundreds of tax returns in the various national, state and local income taxing jurisdictions in which it operates. These tax returns are subject to examination and possible challenge by the tax authorities. Positions challenged by the tax authorities may be settled or appealed by the company. As a result, there is an uncertainty in income taxes recognized in the company's financial statements in accordance with accounting for income taxes and accounting for uncertainty in income taxes. The ultimate resolution of such uncertainties is not expected to have a material impact on the company's results of operations.

During the three months ended March 31, 2019, the company recognized a tax charge of \$32 million to provision for (benefit from) income taxes on continuing operations related to U.S. state blended tax rate changes associated with the Internal Reorganizations.

During the three months ended March 31, 2019, the company recognized a tax benefit of \$102 million to provision for (benefit from) income taxes on continuing operations, related to an internal legal entity restructuring associated with the Internal Reorganizations.

For further discussion of pre-tax and after-tax impacts of the company's foreign currency hedging program and net monetary asset programs, refer to Note 7 - Supplementary Information.

NOTE 9 - EARNINGS PER SHARE OF COMMON STOCK

On June 1, 2019, the date of the Corteva Distribution, 748,815,000 shares of the company's common stock were distributed to DowDuPont shareholders of record as of May 24, 2019.

The following tables provide earnings per share calculations for the periods indicated below:

Net Income for Earnings Per Share Calculations - Basic and Diluted	Three Months Ended March 31	
	2020	2019
(In millions)		
Income (loss) from continuing operations after income taxes	\$ 281	\$ (184)
Net income attributable to continuing operations noncontrolling interests	10	8
Income (loss) from continuing operations available to Corteva common stockholders	271	(192)
Income from discontinued operations, net of tax	1	360
Net income attributable to discontinued operations noncontrolling interests	—	4
Income from discontinued operations available to Corteva common stockholders	1	356
Net income available to common stockholders	\$ 272	\$ 164

Earnings Per Share Calculations - Basic	Three Months Ended March 31	
	2020	2019
(Dollars per share)		
Earnings (loss) per share of common stock from continuing operations	\$ 0.36	\$ (0.26)
Earnings per share of common stock from discontinued operations	—	0.48
Earnings per share of common stock	\$ 0.36	\$ 0.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Earnings Per Share Calculations - Diluted	Three Months Ended March 31	
	2020	2019
(Dollars per share)		
Earnings (loss) per share of common stock from continuing operations	\$ 0.36	\$ (0.26)
Earnings per share of common stock from discontinued operations	—	0.48
Earnings per share of common stock	\$ 0.36	\$ 0.22

Share Count Information	Three Months Ended March 31	
	2020	2019
(Shares in millions)		
Weighted-average common shares - basic ¹	749.9	749.4
Plus dilutive effect of equity compensation plans ²	2.6	—
Weighted-average common shares - diluted	752.5	749.4
Potential shares of common stock excluded from EPS calculations ³	9.1	—

1. Share amounts for all periods prior to the Corteva Distribution were based on 748.8 million shares of Corteva, Inc. common stock distributed to holders of DowDuPont's common stock on June 1, 2019, plus 0.6 million of additional shares in which accelerated vesting conditions have been met.
2. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect.
3. These outstanding potential shares of common stock were excluded from the calculation of diluted earnings per share because the effect of including them would have been anti-dilutive.

NOTE 10 - ACCOUNTS AND NOTES RECEIVABLE - NET

(In millions)	March 31, 2020	December 31, 2019	March 31, 2019
Accounts receivable – trade ¹	\$ 5,367	\$ 4,225	\$ 4,683
Notes receivable – trade ²	412	171	377
Other ³	996	1,132	1,447
Total accounts and notes receivable - net	\$ 6,775	\$ 5,528	\$ 6,507

1. Accounts receivable – trade is net of allowances of \$203 million at March 31, 2020, \$174 million at December 31, 2019, and \$148 million at March 31, 2019. Allowances are equal to the estimated expected credit losses. The estimate at March 31, 2020 was developed using a loss-rate method. The estimate at December 31, 2019 and March 31, 2019 is based on historical collection experience, current economic and market conditions, and review of the current status of customers' accounts.
2. Notes receivable – trade primarily consists of receivables for deferred payment loan programs for the sale of seed products to customers. These loans have terms of one year or less and are primarily concentrated in North America. The company maintains a rigid pre-approval process for extending credit to customers in order to manage overall risk and exposure associated with credit losses. As of March 31, 2020, December 31, 2019, and March 31, 2019 there were no additional exposures requiring a reserve in excess of what is already reserved, nor were there any significant impairments related to current loan agreements.
3. Other includes receivables in relation to indemnification assets, value added tax, general sales tax and other taxes. No individual group represents more than 10 percent of total receivables. In addition, Other includes amounts due from nonconsolidated affiliates of \$140 million, \$119 million, and \$135 million as of March 31, 2020, December 31, 2019, and March 31, 2019, respectively.

Accounts and notes receivable are carried at the expected amount to be collected, which approximates fair value. The company establishes the allowance for doubtful receivables using a loss-rate method where the loss rate is developed using past events, historical experience, current conditions and forecasts that affect the collectability of the financial assets.

The following table summarizes changes in the allowance for doubtful receivables for the three months ended March 31, 2020:

(In millions)	
Balance at December 31, 2019	\$ 174
Additions charged to expenses	60
Write-offs charged against allowance	(1)
Recoveries collected	(30)
Balance at March 31, 2020	\$ 203

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The company enters into various factoring agreements with third-party financial institutions to sell its trade receivables under both recourse and non-recourse agreements in exchange for cash proceeds. These financing arrangements result in a transfer of the company's receivables and risks to the third-party. As these transfers qualify as true sales under the applicable accounting guidance, the receivables are derecognized from the Consolidated Balance Sheets upon transfer, and the company receives a payment for the receivables from the third-party within a mutually agreed upon time period. For arrangements involving an element of recourse, which is typically provided through a guarantee of accounts in the event of customer default, the guarantee obligation is measured using market data from similar transactions and reported as a current liability in the Consolidated Balance Sheets.

Trade receivables sold under these agreements were \$15 million and \$3 million for the three months ended March 31, 2020 and 2019. The trade receivables sold that remained outstanding under these agreements which include an element of recourse as of March 31, 2020, December 31, 2019, and March 31, 2019 were \$43 million, \$171 million, and \$25 million, respectively. The net proceeds received are included in cash provided by operating activities in the Consolidated Statements of Cash Flows. The difference between the carrying amount of the trade receivables sold and the sum of the cash received is recorded as a loss on sale of receivables in other income - net in the Consolidated Statements of Operations. The loss on sale of receivables was \$2 million and \$1 million for the three months ended March 31, 2020 and 2019, respectively. The guarantee obligations recorded as of March 31, 2020, December 31, 2019, and March 31, 2019 in the interim Condensed Consolidated Balance Sheets were not material. See Note 14 - Commitments and Contingent Liabilities for additional information on the company's guarantees.

NOTE 11 - INVENTORIES

(In millions)	March 31, 2020	December 31, 2019	March 31, 2019
Finished products	\$ 2,721	\$ 2,684	\$ 3,266
Semi-finished products	1,260	1,850	1,350
Raw materials and supplies	420	498	403
Total inventories	\$ 4,401	\$ 5,032	\$ 5,019

As a result of the Merger, a fair value step-up of \$2,297 million was recorded for inventories. During the three months ended March 31, 2019, the company recognized \$205 million of these costs in cost of goods sold within loss from continuing operations before income taxes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
NOTE 12 - OTHER INTANGIBLE ASSETS

The gross carrying amounts and accumulated amortization of other intangible assets by major class are as follows:

(In millions)	March 31, 2020			December 31, 2019			March 31, 2019		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Intangible assets subject to amortization (Definite-lived):									
Germplasm ¹	\$ 6,265	\$ (126)	\$ 6,139	\$ 6,265	\$ (63)	\$ 6,202			
Customer-related	1,956	(293)	1,663	1,977	(268)	1,709	\$ 1,977	\$ (182)	\$ 1,795
Developed technology	1,463	(409)	1,054	1,463	(370)	1,093	1,411	(202)	1,209
Trademarks/trade names	166	(88)	78	166	(86)	80	172	(86)	86
Favorable supply contracts	475	(231)	244	475	(207)	268	475	(135)	340
Other ²	400	(218)	182	404	(213)	191	530	(289)	241
Total other intangible assets with finite lives	10,725	(1,365)	9,360	10,750	(1,207)	9,543	4,565	(894)	3,671
Intangible assets not subject to amortization (Indefinite-lived):									
IPR&D	10	—	10	10	—	10	146	—	146
Germplasm ¹							6,265	—	6,265
Trademarks / trade names	1,871	—	1,871	1,871	—	1,871	1,871	—	1,871
Other	—	—	—	—	—	—	8	—	8
Total other intangible assets	1,881	—	1,881	1,881	—	1,881	8,290	—	8,290
Total	\$ 12,606	\$ (1,365)	\$ 11,241	\$ 12,631	\$ (1,207)	\$ 11,424	\$ 12,855	\$ (894)	\$ 11,961

^{1.} Beginning on October 1, 2019, the company changed its indefinite life assertion of the germplasm assets to definite lived with a useful life of 25 years. This change is the result of a more focused development effort of new seed products coupled with an intent to out license select germplasm on a non-exclusive basis. Prior to changing the useful life of the germplasm assets, the company tested the assets for impairment under ASC 350 - Intangibles, Goodwill and Other, concluding the assets were not impaired.

^{2.} Primarily consists of sales and farmer networks, marketing and manufacturing alliances and noncompetition agreements.

The aggregate pre-tax amortization expense from continuing operations for definite-lived intangible assets was \$163 million and \$101 million for the three months ended March 31, 2020 and 2019, respectively. The estimated aggregate pre-tax amortization expense from continuing operations for the remainder of 2020 and each of the next five years is approximately \$495 million, \$649 million, \$628 million, \$546 million, \$532 million and \$495 million, respectively.

NOTE 13 - SHORT-TERM BORROWINGS, LONG-TERM DEBT AND AVAILABLE CREDIT FACILITIES

The following tables summarize Corteva's short-term borrowings and finance lease obligations and long-term debt:

Short-term borrowings and finance lease obligations						
	(In millions)	March 31, 2020	December 31, 2019	March 31, 2019		
Commercial paper	\$	1,918	\$	—	\$	2,587
Repurchase facility		30		—		19
Other loans - various currencies		45		2		80
Long-term debt payable within one year		1		1		479
Finance lease obligations payable within one year		2		4		36
Total short-term borrowings and finance lease obligations	\$	1,996	\$	7	\$	3,201

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The estimated fair value of the company's short-term borrowings, including interest rate financial instruments, was determined using Level 2 inputs within the fair value hierarchy. Based on quoted market prices for the same or similar issues, or on current rates offered to the company for debt of the same remaining maturities, the fair value of the company's short-term borrowings and finance lease obligations was approximately carrying value.

The weighted-average interest rate on short-term borrowings outstanding at March 31, 2020, December 31, 2019, and March 31, 2019 was 2.0%, 6.7% and 2.6%, respectively. The decrease in the weighted-average interest rate was primarily due to lower average commercial paper interest.

Repurchase Facility

In February 2020, the company entered into a new committed receivable repurchase facility of up to \$1.3 billion (the "2020 Repurchase Facility") which expires in December 2020. Under the 2020 Repurchase Facility, Corteva may sell a portfolio of available and eligible outstanding customer notes receivables to participating institutions and simultaneously agree to repurchase at a future date. The 2020 Repurchase Facility is considered a secured borrowing with the customer notes receivable inclusive of those that are sold and repurchased, equal to 105 percent of the outstanding amounts borrowed utilized as collateral. Borrowings under the 2020 Repurchase Facility have an interest rate of LIBOR + 0.75 percent.

As of March 31, 2020, \$32 million of notes receivable, recorded in accounts and notes receivable - net, were pledged as collateral against outstanding borrowings under the 2020 Repurchase Facility of \$30 million, recorded in short-term borrowings and finance lease obligations on the interim Condensed Consolidated Balance Sheet.

Revolving Credit Facilities

In November 2018, EID entered into a \$3.0 billion 5-year revolving credit facility and a \$3.0 billion 3-year revolving credit facility (the "Revolving Credit Facilities"). The Revolving Credit Facilities became effective May 2019. Corteva, Inc. became a party at the time of the Corteva Distribution. The Revolving Credit Facilities may serve as a substitute to the company's commercial paper program, and can be used, from time to time, for general corporate purposes including, but not limited to, the funding of seasonal working capital needs. The Revolving Credit Facilities contain customary representations and warranties, affirmative and negative covenants and events of default that are typical for companies with similar credit ratings. Additionally, the Revolving Credit Facilities contain a financial covenant requiring that the ratio of total indebtedness to total capitalization for Corteva and its consolidated subsidiaries not exceed 0.60.

In March 2020, the Company drew down \$500 million under the \$3.0 billion 3-year revolving credit facility as a result of the volatility and increased borrowing costs of commercial paper resulting from the unstable market conditions caused by the novel coronavirus ("COVID-19"). Unused commitments under the 3-year revolving credit facility were \$2.5 billion as of March 31, 2020. The company elected a 6 month LIBOR interest rate option for the \$500 million borrowing. Borrowings outstanding under the 3-year revolving credit facility as of March 31, 2020 bore interest at an all-in-rate of 1.99% per annum.

Under the Revolving Credit Facilities, all amounts borrowed, absence any event of default, are not required to be repaid until the commitment termination date which is May 2022 for the 3-year revolving credit facility and May 2024 for the 5-year revolving credit facility, despite the interest rate option elected. As a result, borrowings under the Revolving Credit Facilities as of March 31, 2020 are reflected as long-term debt in the interim Condensed Consolidated Balance Sheet.

The fair value of the company's long-term borrowings, including debt due within one year, was \$612 million, \$119 million, and \$6,830 million as of March 31, 2020, December 31, 2019, and March 31, 2019, respectively, and was determined using quoted market prices for the same or similar issues, or current rates offered to the company for debt of the same remaining maturities (Level 2 inputs).

NOTE 14 - COMMITMENTS AND CONTINGENT LIABILITIES**Guarantees***Indemnifications*

In connection with acquisitions and divestitures as of March 31, 2020, the company has indemnified respective parties against certain liabilities that may arise in connection with these transactions and business activities prior to the completion of the transactions. The term of these indemnifications, which typically pertain to environmental, tax and product liabilities, is generally indefinite. In addition, the company indemnifies its duly elected or appointed directors and officers to the fullest extent permitted by Delaware law, against liabilities incurred as a result of their activities for the company, such as adverse judgments relating to litigation matters. If the indemnified party were to incur a liability or have a liability increase as a result of a successful claim, pursuant to the terms of the indemnification, the company would be required to reimburse the indemnified party. The maximum amount of potential future payments is generally unlimited. See pages 26 and 11 for additional information relating to the indemnification obligations under the Chemours Separation Agreement and the Corteva Separation Agreement.

Obligations for Customers and Other Third Parties

The company has directly guaranteed various debt obligations under agreements with third parties related to customers and other third parties. At March 31, 2020, December 31, 2019 and March 31, 2019, the company had directly guaranteed \$90 million, \$97 million, and \$294 million, respectively, of such obligations. These amounts represent the maximum potential amount of future (undiscounted) payments that the company could be required to make under the guarantees in the event of default by the guaranteed party. Of the total maximum future payments at March 31, 2020, less than \$1 million had terms greater than a year. The maximum future payments also include \$17 million, \$16 million, and \$12 million of guarantees related to the various factoring agreements that the company enters into with its customer to sell its trade receivables at March 31, 2020, December 31, 2019 and March 31, 2019, respectively. See Note 10 - Accounts and Notes Receivable, Net, for additional information.

The maximum future payments include agreements with lenders to establish programs that provide financing for select customers. The terms of the guarantees are equivalent to the terms of the customer loans that are primarily made to finance customer invoices. The total accounts receivable balance outstanding on these agreements was \$125 million, \$27 million and \$63 million at March 31, 2020, December 31, 2019 and March 31, 2019, respectively.

The company assesses the payment/performance risk by assigning default rates based on the duration of the guarantees. These default rates are assigned based on the external credit rating of the counterparty or through internal credit analysis and historical default history for counterparties that do not have published credit ratings. For counterparties without an external rating or available credit history, a cumulative average default rate is used.

Litigation

The company is subject to various legal proceedings, including, but not limited to, product liability, intellectual property, antitrust, commercial, property damage, personal injury, environmental and regulatory matters arising out of the normal course of its current businesses or legacy EID businesses unrelated to Corteva's current businesses but allocated to Corteva as part of the separation of Corteva from DuPont. It is not possible to predict the outcome of these various proceedings. Although considerable uncertainty exists, management does not anticipate that the ultimate disposition of these matters will have a material adverse effect on the company's results of operations, consolidated financial position or liquidity. However, the ultimate liabilities could be material to results of operations and the cash flows in the period recognized.

Indemnifications under Separation Agreements

The company has entered into various agreements where the company is indemnified for certain liabilities. In connection with the recognition of liabilities related to these matters, the company records an indemnification asset when recovery is deemed probable. See Note 3 - Divestitures and Other Transactions, for additional information related to indemnifications.

Chemours/Performance Chemicals

On July 1, 2015, EID completed the separation of its Performance Chemicals segment through the spin-off of all of the issued and outstanding stock of The Chemours Company (the "Chemours Separation"). In connection with the Chemours Separation, EID and The Chemours Company ("Chemours") entered into a Separation Agreement (the "Chemours Separation Agreement"). Pursuant to the Chemours Separation Agreement and the amendment to the Chemours Separation Agreement, Chemours indemnifies the company against certain litigation, environmental, workers' compensation and other liabilities that arose prior to the distribution. The term of this indemnification is generally indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Concurrent with the MDL Settlement (as discussed below), EID and Chemours amended the Chemours Separation Agreement to provide for a limited sharing of potential future PFOA liabilities for five years, which began on July 6, 2017. During the five years, Chemours will annually pay the first \$25 million of future PFOA liabilities and, if that amount is exceeded, EID will pay any excess amount up to the next \$25 million, with Chemours annually bearing any excess liabilities above that amount. At the end of the five years, this limited sharing agreement will expire, and Chemours' indemnification obligations under the Chemours Separation Agreement will continue unchanged. As part of this amendment, Chemours also agreed that it would not contest its liability for PFOA liabilities on the basis of certain ostensible defenses it had previously raised, including defenses relating to punitive damages, and would waive any such defenses with respect to PFOA liabilities. Chemours has, however, retained defenses as to whether any particular PFOA claim is within the scope of the indemnification provisions of the Chemours Separation Agreement. There have been no charges incurred by the company under this amendment through March 31, 2020.

On May 13, 2019, Chemours filed a complaint in the Delaware Court of Chancery ("Chancery Court") against DuPont, Corteva, and EID alleging, among other things, that the litigation and environmental liabilities allocated to Chemours under the Chemours Separation Agreement were underestimated and asking that the Court either limit the amount of Chemours' indemnification obligations or, alternatively, order the return of the \$3.91 billion dividend Chemours paid to EID prior to its separation. On June 3, 2019, the defendants moved to dismiss the complaint on the grounds that the Chemours Separation Agreement requires arbitration of all disputes relating to that agreement. On March 30, 2020, the Chancery Court granted the motion to dismiss made by DuPont, Corteva, and EID. Chemours filed its notice of appeal of the Chancery Court's decision on April 17, 2020. The company believes the probability of liability with respect to Chemours' suit continues to be remote. For additional information regarding environmental indemnification, see discussion on page 29.

At March 31, 2020, the indemnification assets pursuant to the Chemours Separation Agreement are \$60 million within accounts and notes receivable - net and \$294 million within other assets along with the corresponding liabilities of \$60 million within accrued and other current liabilities and \$294 million within other noncurrent obligations in the interim Condensed Consolidated Balance Sheet.

Corteva Separation Agreement

On April 1, 2019, in connection with the Dow Distribution, Corteva, DuPont and Dow entered into the Corteva Separation Agreement, the Tax Matters Agreement, the Employee Matters Agreement, and certain other agreements (collectively, the "Corteva Separation Agreements"). The Corteva Separation Agreements allocate among Corteva, DuPont and Dow certain liabilities and obligations among the parties and provides for indemnification obligation among the parties. Under the Corteva Separation Agreements, DuPont will indemnify Corteva against certain litigation, environmental, workers' compensation and other liabilities that arose prior to the Corteva Distribution and (ii) Dow indemnifies Corteva against certain litigation and other liabilities that relate to the Historical Dow business, but were transferred over as part of DAS, and Corteva indemnifies DuPont and Dow for certain liabilities. The term of this indemnification is generally indefinite with exceptions, and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. See Note 3 - Divestitures and Other Transactions, for additional information relating to the Separation

DuPont

Under the Corteva Separation Agreement, certain legacy EID liabilities from discontinued and/or divested operations and businesses of EID (including Performance Chemicals) (a "stray liability") were allocated to Corteva or DuPont. For those stray liabilities allocated to Corteva (which may include a specified amount of liability associated with that liability), Corteva is responsible for liabilities in an amount up to that specified amount plus an additional \$200 million and, for those stray liabilities allocated to DuPont (which may include a specified amount of liability associated with that liability), DuPont is responsible for liabilities up to a specified amount plus an additional \$200 million. Once each company has met the \$200 million threshold, Corteva and DuPont will share future liabilities proportionally on the basis of 29% and 71%, respectively; provided, however, that for PFAS, DuPont will manage such liabilities with Corteva and DuPont sharing the costs on a 50% - 50% basis starting from \$1 and up to \$300 million (with such amount, up to \$150 million, to be credited to each company's \$200 million threshold) and once the \$300 million threshold is met, then the companies will share proportionally on the basis of 29% and 71% respectively, subject to a \$1 million de minimis requirement.

Litigation related to legacy EID businesses unrelated to Corteva's current businesses

While it is reasonably possible that the company could incur liabilities related to the litigation related to legacy EID businesses, unrelated to Corteva's current business, as described below, any such liabilities are not expected to be material.

PFAS, PFOA, PFOS and Other Related Liabilities

For purposes of this report, the term PFOA means collectively perfluorooctanoic acid and its salts, including the ammonium salt and does not distinguish between the two forms, and PFAS, which means per- and polyfluoroalkyl substances, including PFOA, PFOS (perfluorooctanesulfonic acid), GenX and other perfluorinated chemicals and compounds ("PFCs").

EID is a party to various legal proceedings relating to the use of PFOA by its former Performance Chemicals segment. While it is reasonably possible that EID could incur liabilities related to PFOA in excess of amounts accrued, any such liabilities are not expected to be material. As discussed, EID is indemnified by Chemours under the Chemours Separation Agreement, as amended. The company has recorded a liability of \$20 million and an indemnification asset of \$20 million at March 31, 2020, related to testing drinking water in and around certain former EID sites and offering treatment or an alternative supply of drinking water if tests indicate the presence of PFOA in drinking water at or greater than the national health advisory level established from time to time by the EPA.

Leach Settlement and MDL Settlement

EID has residual liabilities under its 2004 settlement of a West Virginia state court class action, Leach v. EID, which alleged that PFOA from EID's former Washington Works facility had contaminated area drinking water supplies and affected the health of area residents. The settlement class has about 80,000 members. In addition to relief that was provided to class members years ago, the settlement requires EID to continue providing PFOA water treatment to six area water districts and private well users and to fund, through an escrow account, up to \$235 million for a medical monitoring program for eligible class members. As of March 31, 2020, approximately \$2 million had been disbursed from the account since its establishment in 2012 and the remaining balance is approximately \$1 million.

The Leach settlement permits class members to pursue personal injury claims for six health conditions (and no others) that an expert panel appointed under the settlement reported in 2012 had a "probable link" (as defined in the settlement) with PFOA: pregnancy-induced hypertension, including preeclampsia; kidney cancer; testicular cancer; thyroid disease; ulcerative colitis; and diagnosed high cholesterol. After the panel reported its findings, approximately 3,550 personal injury lawsuits were filed in federal and state courts in Ohio and West Virginia and consolidated in multi-district litigation in the U.S. District Court for the Southern District of Ohio ("MDL"). The MDL was settled in early 2017 for \$670.7 million in cash, with Chemours and EID (without indemnification from Chemours) each paying half.

Post-MDL Settlement PFOA Personal Injury Claims

The MDL settlement did not resolve claims of plaintiffs who did not have claims in the MDL or whose claims are based on diseases first diagnosed after February 11, 2017. At March 31, 2020, approximately 60 lawsuits were pending alleging personal injury, mostly kidney or testicular cancer, from exposure to PFOA through air or water, with nearly all part of the MDL or were not filed on behalf of Leach class members. The first two trials concluded in February 2020. The first trial, a kidney cancer case, resulted in a hung jury, while the second, a testicular cancer case, resulted in a jury verdict of \$40 million in compensatory damages and \$10 million for loss of consortium. Following entry of the judgment by the court, EID intends to file post-trial motions to reduce the verdict, and to appeal the verdict on the basis of procedural and substantive legal errors made by the trial court. EID believes the merits of the appeal will be successful in reducing the jury verdict or eliminating its liability, in whole or part. Six additional cases are scheduled for trial in August 2020.

Other PFOA Matters

EID is a party to other PFOA lawsuits that do not involve claims for personal injury. Chemours, pursuant to the Chemours Separation Agreement, is generally defending and indemnifying, with reservation, EID but Chemours has refused the tender of Corteva, Inc.'s defense in the limited actions in which Corteva, Inc. has been named. Chemours has refused to indemnify Corteva, Inc. and EID against any fraudulent conveyance claims associated with these matters. Corteva believes that Chemours is obligated to indemnify Corteva, Inc. under the Chemours Separation Agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

New York. EID is a defendant in about 60 lawsuits, including a putative class action, brought by persons who live in and around Hoosick Falls, New York. These lawsuits assert claims for medical monitoring and property damage based on alleged PFOA releases from manufacturing facilities owned and operated by co-defendants in Hoosick Falls and allege that EID and 3M supplied some of the materials used at these facilities. EID is also one of more than ten defendants in a lawsuit brought by the Town of East Hampton, New York alleging PFOA and PFOS contamination of the town's well water. Additionally, EID was served with complaints filed by six water districts in Nassau County, New York alleging that the drinking water they provide to customers is contaminated with PFAS and seeking reimbursement for clean-up costs.

New Jersey. At March 31, 2020, two lawsuits were pending, one brought by a local water utility and the second a putative class action, against EID alleging that PFOA from EID's former Chambers Works facility contaminated drinking water sources. The putative class action was voluntarily dismissed without prejudice by the plaintiff.

In late March of 2019, the New Jersey State Attorney General filed four lawsuits against EID, Chemours, 3M and others alleging that operations at and discharges from former EID sites in New Jersey (Chambers Works, Pompton Lakes, Parlin and Repauno) damaged the State's natural resources. Two of these lawsuits (those involving the Chambers Works and Parlin sites) allege contamination from PFAS. The Ridgewood Water District in New Jersey filed suit in the first quarter 2019 against EID, 3M, Chemours, and Dyneon alleging losses related to the investigation, remediation and monitoring of polyfluorinated surfactants, including PFOA, in water supplies.

Alabama / Others. EID is one of more than thirty defendants in a lawsuit by the Alabama water utility alleging contamination from PFCs, including PFOA, used by co-defendant carpet manufacturers to make their products more stain and grease resistant. In addition, the states of Michigan, New Hampshire, South Dakota, and Vermont recently filed lawsuits against EID, Chemours, 3M and others, claiming, among other things, PFC (including PFOA) contamination of groundwater and drinking water. The complaints seek reimbursement for past and future costs to investigate and remediate the alleged contamination and compensation for the loss of value and use of the state's natural resources.

Ohio. EID is a defendant in three lawsuits: an action by the State of Ohio based on alleged damage to natural resources, a putative nationwide class action brought on behalf of anyone who has detectable levels of PFAS in their blood serum, and an action by the City of Dayton claiming losses related to the investigation, remediation and monitoring of PFAS in water supplies.

Aqueous Firefighting Foams. Approximately 530 cases have been filed against 3M and other defendants, including EID and Chemours, and more recently also including Corteva and DuPont, alleging PFOS or PFOA contamination of soil and groundwater from the use of aqueous firefighting foams. Most of those cases claim some form of property damage and seek to recover the costs of responding to this contamination and damages for the loss of use and enjoyment of property and diminution in value. Most of these cases have been transferred to a multidistrict litigation proceeding in federal district court in South Carolina. Approximately 180 of these personal injury cases were filed on behalf of firefighters who allege personal injuries (primarily, thyroid disease and kidney, testicular and other cancers) as a result of aqueous firefighting foams. Most of these recent cases assert claims that the EID and Chemours separation constituted a fraudulent conveyance. While Chemours is defending EID for all claims except those for fraudulent conveyance, it has declined defense and indemnity to Corteva on all claims.

EID did not make firefighting foams, PFOS, or PFOS products. While EID made surfactants and intermediaries that some manufacturers used in making foams, which may have contained PFOA as an unintended byproduct or an impurity, EID's products were not formulated with PFOA, nor was PFOA an ingredient of these products. EID has never made or sold PFOA as a commercial product.

Fayetteville Works Facility, North Carolina

Prior to the separation of Chemours, EID introduced GenX as a polymerization processing aid and a replacement for PFOA at the Fayetteville Works facility in Bladen County, North Carolina. The facility is now owned and operated by Chemours, which continues to manufacture and use GenX. In 2017, the facility became and continues to be the subject of inquiries and government investigations relating to the alleged discharge of GenX and certain similar compounds into the air and Cape Fear River.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

EID was served with subpoenas relating to these discharges and in the second quarter 2018, received a subpoena expanding the scope to any PFCs discharged from the Fayetteville Works facility into the Cape Fear River. It is possible that these ongoing inquiries and investigations could result in penalties or sanctions, or that additional litigation will be instituted against Chemours, EID, or both. EID continues to cooperate with the U.S. Attorney's Office.

At March 31, 2020, several actions are pending in federal court against Chemours and EID relating to PFC discharges from the Fayetteville Works facility. One of these is a consolidated putative class action that asserts claims for medical monitoring and property damage on behalf of putative classes of property owners and residents in areas near or who draw drinking water from the Cape Fear River. Another action is a consolidated action brought by various North Carolina water authorities, including the Cape Fear Public Utility Authority and Brunswick County, that seek actual and punitive damages as well as injunctive relief. The other action is on behalf of about 100 plaintiffs who own wells and property near the Fayetteville Works facility. The plaintiffs seek damages for nuisance allegedly caused by releases of certain PFCs from the site. The plaintiffs' claims for medical monitoring, punitive damages, public nuisance, trespass, unjust enrichment, failure to warn, and negligent manufacture have all been dismissed.

The company has an indemnification claim against Chemours with respect to current and future inquiries and claims, including lawsuits, related to the foregoing. At March 31, 2020, Chemours, with reservations, is defending and indemnifying EID in the pending civil actions.

Environmental

Accruals for environmental matters are recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on current law and existing technologies. At March 31, 2020, the company had accrued obligations of \$359 million for probable environmental remediation and restoration costs, including \$51 million for the remediation of Superfund sites. These obligations are included in accrued and other current liabilities and other noncurrent obligations in the interim Condensed Consolidated Balance Sheet. This is management's best estimate of the costs for remediation and restoration with respect to environmental matters for which the company has accrued liabilities, although it is reasonably possible that the ultimate cost with respect to these particular matters could range up to \$630 million above the amount accrued at March 31, 2020. Consequently, it is reasonably possible that environmental remediation and restoration costs in excess of amounts accrued could have a material impact on the company's results of operations, financial condition and cash flows. Inherent uncertainties exist in these estimates primarily due to unknown conditions, changing governmental regulations and legal standards regarding liability, and emerging remediation technologies for handling site remediation and restoration.

For a discussion of the allocation of environmental liabilities under the Chemours Separation Agreement and the Corteva Separation Agreement, see the previous discussion on page 26.

The above noted \$359 million accrued obligations includes the following:

(In millions)	As of March 31, 2020		
	Indemnification Asset	Accrual balance ³	Potential exposure above amount accrued ³
<i>Environmental Remediation Stray Liabilities</i>			
Chemours related obligations - subject to indemnity ^{1,2}	\$ 164	\$ 164	\$ 289
Other discontinued or divested businesses obligations ¹	—	91	223
Environmental remediation liabilities primarily related to DuPont - subject to indemnity from DuPont ²	34	34	62
Environmental remediation liabilities not subject to indemnity	—	70	56
Total	\$ 198	\$ 359	\$ 630

^{1.} Represents liabilities that are subject the \$200 million thresholds and sharing arrangements as discussed on page 26, under Corteva Separation Agreement.

^{2.} The company has recorded an indemnification asset related to these accruals, including \$30 million related to the Superfund sites.

^{3.} Accrual balance represents management's best estimate of the costs of remediation and restoration, although it is reasonably possible that the potential exposure, as indicated, could range above the amounts accrued, as there are inherent uncertainties in these estimates.

NOTE 15 - STOCKHOLDERS' EQUITY**Common Stock**

On June 1, 2019, Corteva, Inc.'s common stock was distributed to DowDuPont stockholders by way of a pro rata distribution. Each DowDuPont stockholder received one share of Corteva, Inc. common stock for every three shares of DowDuPont common stock held at the close of business on May 24, 2019, the record date of distribution. Corteva, Inc.'s common stock began trading the "regular way" under the ticker symbol "CTVA" on June 3, 2019, the first business day after June 1, 2019. The number of Corteva, Inc. common shares issued on June 1, 2019 was 748,815,000 (par value of \$0.01 per share). Information related to the Corteva Distribution and its effect on the company's financial statements are discussed throughout these Notes to the interim Consolidated Financial Statements.

Set forth below is a reconciliation of common stock share activity:

Shares of common stock	Issued
Balance January 1, 2020	748,577,000
Issued	1,657,000
Repurchased and retired	(1,865,000)
Balance March 31, 2020	748,369,000

Share Buyback Plan

On June 26, 2019, Corteva, Inc. announced that the Board of Directors of Corteva, Inc. authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The timing, price and volume of purchases will be based on market conditions, relevant securities laws and other factors.

During the three months ended March 31, 2020, the company purchased and retired 1,865,000 shares in the open market for a total cost of \$50 million, with the last purchase completed on March 10, 2020.

Shares repurchased pursuant to Corteva's share buyback plan are immediately retired upon purchase. Repurchased common stock is reflected as a reduction of stockholders' equity. The company's accounting policy related to its share repurchases is to reduce its common stock based on the par value of the shares and to reduce its retained earnings for the excess of the repurchase price over the par value. Corteva currently has an accumulated deficit balance; therefore, the excess over the par value has been applied to additional paid-in capital. Once Corteva has retained earnings, the excess will be charged entirely to retained earnings.

Noncontrolling Interest

Corteva, Inc. owns 100% of the outstanding common shares of EID. However, EID does have preferred stock outstanding to third parties which is accounted for as a non-controlling interest in Corteva's interim Condensed Consolidated Balance Sheets. Each share of EID Preferred Stock - \$4.50 Series and EID Preferred Stock - \$3.50 Series issued and outstanding at the effective date of the Corteva Distribution remains issued and outstanding as to EID and was unaffected by the Corteva Distribution.

Below is a summary of the EID Preferred Stock at March 31, 2020, December 31, 2019, and March 31, 2019, which is classified as noncontrolling interests in Corteva's interim Condensed Consolidated Balance Sheets.

Shares in thousands	Number of Shares
Authorized	23,000
\$4.50 Series, callable at \$120	1,673
\$3.50 Series, callable at \$102	700

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
Other Comprehensive Loss

The changes and after-tax balances of components comprising accumulated other comprehensive loss are summarized below:

(In millions)	Cumulative Translation Adjustment ¹	Derivative Instruments	Pension Benefit Plans	Other Benefit Plans	Total
2019					
Balance January 1, 2019	\$ (2,793)	\$ (26)	\$ (620)	\$ 79	\$ (3,360)
Other comprehensive loss before reclassifications	(72)	(4)	(4)	—	(80)
Amounts reclassified from accumulated other comprehensive loss	—	5	1	—	6
Net other comprehensive (loss) income	(72)	1	(3)	—	(74)
Balance March 31, 2019	\$ (2,865)	\$ (25)	\$ (623)	\$ 79	\$ (3,434)
2020					
Balance January 1, 2020	\$ (1,944)	\$ 2	\$ (1,247)	\$ (81)	\$ (3,270)
Other comprehensive (loss) income before reclassifications	(672)	1	(2)	3	(670)
Amounts reclassified from accumulated other comprehensive loss	—	5	2	—	7
Net other comprehensive (loss) income	(672)	6	—	3	(663)
Balance March 31, 2020	\$ (2,616)	\$ 8	\$ (1,247)	\$ (78)	\$ (3,933)

¹ The cumulative translation adjustment loss for the three months ended March 31, 2019 was primarily driven by strengthening of the USD against the European Euro ("EUR") and the Brazilian Real ("BRL"). The cumulative translation adjustment loss for the three months ended March 31, 2020 was primarily driven by strengthening of the USD against the BRL and the South African Rand ("ZAR").

The tax benefit (expense) on the net activity related to each component of other comprehensive (loss) income was as follows:

(In millions)	Three Months Ended March 31,	
	2020	2019
Derivative instruments	\$ 5	\$ (3)
Pension benefit plans - net	(4)	(7)
Benefit from (provision for) income taxes related to other comprehensive income (loss) items	\$ 1	\$ (10)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

A summary of the reclassifications out of accumulated other comprehensive loss is provided as follows:

(In millions)	Three Months Ended March 31,	
	2020	2019
Derivative Instruments¹:	\$ 7	\$ 4
Tax (benefit) expense ²	(2)	1
After-tax	\$ 5	\$ 5
Amortization of pension benefit plans:		
Actuarial losses ³	\$ 1	1
Settlement loss ³	2	—
Total before tax	3	1
Tax benefit ²	(1)	—
After-tax	\$ 2	\$ 1
Total reclassifications for the period, after-tax	\$ 7	\$ 6

¹. Reflected in cost of goods sold.

². Reflected in provision for (benefit from) income taxes from continuing operations.

³. These accumulated other comprehensive (loss) income components are included in the computation of net periodic benefit (credit) cost of the company's pension and other benefit plans. See Note 16 - Pension Plans and Other Post Employment Benefits, for additional information.

NOTE 16 - PENSION PLANS AND OTHER POST EMPLOYMENT BENEFITS

The following sets forth the components of the company's net periodic benefit (credit) cost for defined benefit pension plans and other post employment benefits:

(In millions)	Three Months Ended March 31,	
	2020	2019
Defined Benefit Pension Plans:		
Service cost	\$ 5	\$ 20
Interest cost	141	208
Expected return on plan assets	(251)	(304)
Amortization of unrecognized loss	1	1
Settlement loss	2	—
Net periodic benefit credit - Total	\$ (102)	\$ (75)
Less: Discontinued operations ¹	—	(8)
Net periodic benefit credit - Continuing operations	\$ (102)	\$ (67)
Other Post Employment Benefits:		
Service cost	\$ 1	\$ 2
Interest cost	16	23
Net periodic benefit cost - Continuing operations	\$ 17	\$ 25

¹. Includes non-service related components of net periodic benefit credit of \$(21) million for the three months ended March 31, 2019.

NOTE 17 - FINANCIAL INSTRUMENTS

At March 31, 2020, the company had \$1,536 million (\$1,293 million and \$1,055 million at December 31, 2019 and March 31, 2019, respectively) of held-to-maturity securities (primarily time deposits and money market funds) classified as cash equivalents, as these securities had maturities of three months or less at the time of purchase; and \$10 million (\$5 million and \$5 million at December 31, 2019 and March 31, 2019, respectively) of held-to-maturity securities (primarily time deposits) classified as marketable securities as these securities had maturities of more than three months to less than one year at the time of purchase. The company's investments in held-to-maturity securities are held at amortized cost, which approximates fair value. These securities are included in cash and cash equivalents, marketable securities, and other current assets in the Condensed Consolidated Balance Sheets.

Derivative Instruments*Objectives and Strategies for Holding Derivative Instruments*

In the ordinary course of business, the company enters into contractual arrangements (derivatives) to reduce its exposure to foreign currency, interest rate and commodity price risks. The company has established a variety of derivative programs to be utilized for financial risk management. These programs reflect varying levels of exposure coverage and time horizons based on an assessment of risk.

Derivative programs have procedures and controls and are approved by the Corporate Financial Risk Management Committee, consistent with the company's financial risk management policies and guidelines. Derivative instruments used are forwards, options, futures and swaps. The company has not designated any non-derivatives as hedging instruments.

The company's financial risk management procedures also address counterparty credit approval, limits and routine exposure monitoring and reporting. The counterparties to these contractual arrangements are major financial institutions and major commodity exchanges. The company is exposed to credit loss in the event of nonperformance by these counterparties. The company utilizes collateral support annex agreements with certain counterparties to limit its exposure to credit losses. The company anticipates performance by counterparties to these contracts and therefore no material loss is expected. Market and counterparty credit risks associated with these instruments are regularly reported to management.

The notional amounts of the company's derivative instruments were as follows:

Notional Amounts (In millions)	March 31, 2020	December 31, 2019	March 31, 2019
<i>Derivatives designated as hedging instruments:</i>			
Foreign currency contracts	\$ 751	\$ —	\$ —
Commodity contracts	\$ 418	\$ 570	\$ 351
<i>Derivatives not designated as hedging instruments:</i>			
Foreign currency contracts	\$ 644	\$ 582	\$ 1,442
Commodity contracts	\$ 59	\$ —	\$ 125

Foreign Currency Risk

The company's objective in managing exposure to foreign currency fluctuations is to reduce earnings and cash flow volatility associated with foreign currency rate changes and to mitigate the exposure of certain investments in foreign subsidiaries against changes in the Euro/USD exchange rate. Accordingly, the company enters into various contracts that change in value as foreign exchange rates change to protect the value of its existing foreign currency-denominated assets, liabilities, commitments, investments and cash flows.

The company uses forward exchange contracts to offset its net exposures, by currency, related to the foreign currency denominated monetary assets and liabilities of its operations. The primary business objective of this hedging program is to maintain an approximately balanced position in foreign currencies so that exchange gains and losses resulting from exchange rate changes, after related tax effects, are minimized.

Commodity Price Risk

Commodity price risk management programs serve to reduce exposure to price fluctuations on purchases of inventory such as corn and soybeans. The company enters into over-the-counter and exchange-traded derivative commodity instruments to hedge the commodity price risk associated with agricultural commodity exposures.

Derivatives Designated as Cash Flow Hedges*Commodity Contracts*

The company enters into over-the-counter and exchange-traded derivative commodity instruments, including options, futures and swaps, to hedge the commodity price risk associated with agriculture commodity exposures.

While each risk management program has a different time maturity period, most programs currently do not extend beyond the next two years. Cash flow hedge results are reclassified into earnings during the same period in which the related exposure impacts earnings. Reclassifications are made sooner if it appears that a forecasted transaction is not probable of occurring.

The following table summarizes the after-tax effect of commodity contract cash flow hedges on accumulated other comprehensive loss:

(In millions)	Three Months Ended March 31,	
	2020	2019
Beginning balance	\$ 2	\$ (26)
Additions and revaluations of derivatives designated as cash flow hedges	(22)	(4)
Clearance of hedge results to earnings	5	5
Ending balance	\$ (15)	\$ (25)

At March 31, 2020, an after-tax net loss of \$20 million is expected to be reclassified from accumulated other comprehensive loss into earnings over the next twelve months.

Foreign Currency Contracts

The company enters into forward contracts to hedge the foreign currency risk associated with forecasted transactions within certain foreign subsidiaries.

While each risk management program has a different time maturity period, most programs currently do not extend beyond the next two years. Cash flow hedge results are reclassified into earnings during the same period in which the related exposure impacts earnings. Reclassifications are made sooner if it appears that a forecasted transaction is not probable of occurring.

The following table summarizes the after-tax effect of foreign currency cash flow hedges on accumulated other comprehensive loss:

(In millions)	Three Months Ended March 31,	
	2020	
Beginning balance	\$	—
Additions and revaluations of derivatives designated as cash flow hedges		16
Ending balance	\$	16

At March 31, 2020, an after-tax net gain of \$16 million is expected to be reclassified from accumulated other comprehensive loss into earnings over the next twelve months.

Derivatives Designated as Net Investment Hedges*Foreign Currency Contracts*

The company has designated €450 million of forward contracts to exchange EUR as net investment hedges. The purpose of these forward contracts is to mitigate FX exposure related to a portion of the Company's euro net investments in certain foreign subsidiaries against changes in Euro/USD exchange rates. These hedges will expire and be settled in 2023, unless terminated early at the discretion of the Company.

The company elected to apply the spot method in testing for effectiveness of the hedging relationship.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
Derivatives not Designated in Hedging Relationships
Foreign Currency Contracts

The company uses forward exchange contracts to reduce its net exposure, by currency, related to foreign currency-denominated monetary assets and liabilities of its operations so that exchange gains and losses resulting from exchange rate changes are minimized. The netting of such exposures precludes the use of hedge accounting; however, the required revaluation of the forward contracts and the associated foreign currency-denominated monetary assets and liabilities intends to achieve a minimal earnings impact, after taxes.

Commodity Contracts

The company utilizes options, futures and swaps that are not designated as hedging instruments to reduce exposure to commodity price fluctuations on purchases of inventory such as corn and soybeans.

Fair Value of Derivative Instruments

Asset and liability derivatives subject to an enforceable master netting arrangement with the same counterparty are presented on a net basis in the interim Condensed Consolidated Balance Sheets. The presentation of the company's derivative assets and liabilities is as follows:

(In millions)	Balance Sheet Location	March 31, 2020		
		Gross	Counterparty and Cash Collateral Netting ¹	Net Amounts Included in the Condensed Consolidated Balance Sheet
Asset derivatives:				
Derivatives designated as hedging instruments:				
Foreign currency contracts	Other current assets	\$ 36	\$ —	\$ 36
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Other current assets	230	(110)	120
Total asset derivatives		\$ 266	\$ (110)	\$ 156
Liability derivatives:				
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Accrued and other current liabilities	\$ 108	\$ (103)	\$ 5
Total liability derivatives		\$ 108	\$ (103)	\$ 5

¹ Counterparty and cash collateral amounts represent the estimated net settlement amount when applying netting and set-off rights included in master netting arrangements between the company and its counterparties and the payable or receivable for cash collateral held or placed with the same counterparty.

(In millions)	Balance Sheet Location	December 31, 2019		
		Gross	Counterparty and Cash Collateral Netting ¹	Net Amounts Included in the Condensed Consolidated Balance Sheet
Asset derivatives:				
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Other current assets	\$ 25	\$ (18)	\$ 7
Total asset derivatives		\$ 25	\$ (18)	\$ 7
Liability derivatives:				
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Accrued and other current liabilities	\$ 43	\$ (16)	\$ 27
Total liability derivatives		\$ 43	\$ (16)	\$ 27

¹ Counterparty and cash collateral amounts represent the estimated net settlement amount when applying netting and set-off rights included in master netting arrangements between the company and its counterparties and the payable or receivable for cash collateral held or placed with the same counterparty.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In millions)	Balance Sheet Location	March 31, 2019		
		Gross	Counterparty and Cash Collateral Netting ¹	Net Amounts Included in the Condensed Consolidated Balance Sheet
Asset derivatives:				
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Other current assets	\$ 45	\$ (11)	\$ 34
Total asset derivatives		\$ 45	\$ (11)	\$ 34
Liability derivatives:				
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Accrued and other current liabilities	\$ 10	\$ (10)	\$ —
Total liability derivatives		\$ 10	\$ (10)	\$ —

¹ Counterparty and cash collateral amounts represent the estimated net settlement amount when applying netting and set-off rights included in master netting arrangements between the company and its counterparties and the payable or receivable for cash collateral held or placed with the same counterparty.

Effect of Derivative Instruments

(In millions)	Amount of (Loss) Gain Recognized in OCI ¹ - Pre-Tax	
	Three Months Ended March 31,	
	2020	2019
Derivatives designated as hedging instruments:		
Net Investment Hedges:		
Foreign currency contracts	\$ 9	\$ —
Cash flow hedges:		
Foreign currency contracts	19	\$ —
Commodity contracts	(34)	\$ 1
Total derivatives designated as hedging instruments	(6)	1
Total derivatives	\$ (6)	\$ 1

¹ OCI is defined as other comprehensive income (loss).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In millions)	Amount of Gain (Loss) Recognized in Income - Pre-Tax ¹	
	Three Months Ended March 31,	
	2020	2019
Derivatives designated as hedging instruments:		
Cash flow hedges:		
Commodity contracts ²	\$ (7)	\$ (4)
Total derivatives designated as hedging instruments	(7)	(4)
Derivatives not designated as hedging instruments:		
Foreign currency contracts ³	165	(17)
Commodity contracts ²	9	6
Total derivatives not designated as hedging instruments	174	(11)
Total derivatives	\$ 167	\$ (15)

^{1.} For cash flow hedges, this represents the portion of the gain (loss) reclassified from accumulated OCI into income during the period.

^{2.} Recorded in cost of goods sold.

^{3.} Gain recognized in other income - net was partially offset by the related gain on the foreign currency-denominated monetary assets and liabilities of the company's operations. See Note 7 - Supplementary Information, for additional information.

NOTE 18 - FAIR VALUE MEASUREMENTS

The following tables summarize the basis used to measure certain assets and liabilities at fair value on a recurring basis:

March 31, 2020 (In millions)	Significant Other Observable Inputs (Level 2)
Assets at fair value:	
Cash equivalents and restricted cash equivalents ¹	\$ 1,536
Marketable securities	10
Derivatives relating to: ²	
Foreign currency	266
Total assets at fair value	\$ 1,812
Liabilities at fair value:	
Derivatives relating to: ²	
Foreign currency	108
Total liabilities at fair value	\$ 108

December 31, 2019 (In millions)	Significant Other Observable Inputs (Level 2)
Assets at fair value:	
Cash equivalents and restricted cash equivalents ¹	\$ 1,293
Marketable securities	5
Derivatives relating to: ²	
Foreign currency	25
Total assets at fair value	\$ 1,323
Liabilities at fair value:	
Derivatives relating to: ²	
Foreign currency	43
Total liabilities at fair value	\$ 43

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

March 31, 2019 (In millions)	<i>Significant Other Observable Inputs (Level 2)</i>
Assets at fair value:	
Cash equivalents and restricted cash equivalents ¹	\$ 1,055
Marketable securities	5
Derivatives relating to: ²	
Foreign currency	45
Total assets at fair value	\$ 1,105
Liabilities at fair value:	
Derivatives relating to: ²	
Foreign currency	10
Total liabilities at fair value	\$ 10

1. Time deposits included in cash and cash equivalents and money market funds included in other current assets in the interim Condensed Consolidated Balance Sheets are held at amortized cost, which approximates fair value.

2. See Note 17 - Financial Instruments for the classification of derivatives in the interim Condensed Consolidated Balance Sheets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
NOTE 19 - SEGMENT INFORMATION

Segment operating EBITDA is the primary measure of segment profitability used by Corteva's chief operating decision maker ("CODM"). The company defines segment operating EBITDA as earnings (i.e., income from continuing operations before income taxes) before interest, depreciation, amortization, corporate expenses, non-operating (benefits) costs - net and foreign exchange gains (losses), excluding the impact of significant items. Non-operating (benefits) costs - net consists of non-operating pension and other post-employment benefit (OPEB) costs, tax indemnification adjustments, environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense. For purposes of the three months ended March 31, 2019, segment operating EBITDA is calculated on a pro forma basis, as this is the manner in which the CODM assesses performance and allocates resources.

Pro forma adjustments used in the calculation of pro forma segment operating EBITDA for the first quarter of 2019 were determined in accordance with Article 11 of Regulation S-X. These adjustments give effect to the Merger, the debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 13 - Short-Term Borrowings, Long-Term Debt and Available Credit Facilities, to the interim Consolidated Financial Statements), and the separation and distribution to DowDuPont stockholders of all the outstanding shares of Corteva common stock as if they had been consummated on January 1, 2016.

As of and for the Three Months Ended March 31, (In millions)	Seed	Crop Protection	Total
2020			
Net sales	\$ 2,455	\$ 1,501	\$ 3,956
Segment operating EBITDA	\$ 581	\$ 238	\$ 819
Segment assets ^{1,2}	\$ 25,857	\$ 13,251	\$ 39,108
2019			
Net sales	\$ 1,967	\$ 1,429	\$ 3,396
Pro forma segment operating EBITDA	\$ 325	\$ 220	\$ 545
Segment assets ¹	\$ 30,259	\$ 9,782	\$ 40,041

1. Segment assets at December 31, 2019 were \$25,387 million and \$13,492 million for Seed and Crop Protection, respectively.

2. On June 1, 2019, as a result of changes in reportable segments, \$3,382 million of goodwill was reallocated from the Seed reportable segment to the Crop Protection reportable segment. This change was not reflected in segment assets prior to June 1, 2019.

Reconciliation to interim Consolidated Financial Statements

Income (loss) from continuing operations after income taxes to segment operating EBITDA (In millions)	Three Months Ended March 31,	
	2020	2019 ¹
Income (loss) from continuing operations after income taxes	\$ 281	\$ (184)
Provision for (benefit from) income taxes on continuing operations	127	(67)
Income (loss) from continuing operations before income taxes	408	(251)
Depreciation and amortization	283	258
Interest income	(18)	(16)
Interest expense	10	59
Exchange losses - net	61	27
Non-operating benefits - net	(73)	(42)
Significant items	123	185
Pro forma adjustments	298	298
Corporate expenses	25	27
Segment operating EBITDA	\$ 819	\$ 545

1. Period is presented on a pro forma basis, prepared in accordance with Article 11 of Regulation S-X.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Segment assets to total assets (in millions)	March 31, 2020	December 31, 2019	March 31, 2019
Total segment assets	\$ 39,108	\$ 38,879	\$ 40,041
Corporate assets	3,870	3,518	3,991
Assets related to discontinued operations ¹	—	—	66,070
Total assets	\$ 42,978	\$ 42,397	\$ 110,102

1. See Note 3 - Divestitures and Other Transactions for additional information on discontinued operations.

Significant Pre-tax Charges Not Included in Pro Forma Segment Operating EBITDA

The three months ended March 31, 2020 and 2019, respectively, included the following significant pre-tax charges which are excluded from segment operating EBITDA:

(In millions)	Seed	Crop Protection	Corporate	Total
For the Three Months Ended March 31, 2020				
Restructuring and Asset Related Charges - Net ¹	\$ (10)	\$ (18)	\$ (42)	\$ (70)
Loss on Divestiture ²	—	(53)	—	(53)
Total	\$ (10)	\$ (71)	\$ (42)	\$ (123)

(In millions)	Seed	Crop Protection	Corporate	Total
For the Three Months Ended March 31, 2019				
Restructuring and Asset Related Charges - Net ¹	\$ (27)	\$ (23)	\$ (11)	\$ (61)
Integration Costs ³	—	—	(100)	(100)
Loss on Divestiture ⁴	(24)	—	—	(24)
Total	\$ (51)	\$ (23)	\$ (111)	\$ (185)

1. Includes Board approved restructuring plans and asset related charges as well as accelerated prepaid amortization expense. See Note 5 - Restructuring and Asset Related Charges - Net, for additional information.

2. Includes a loss recorded in other income - net related to the expected sale of the La Porte site.

3. Integration costs include costs incurred to prepare for and close the Merger as well as post-Merger integration expenses.

4. Includes a loss recorded in other income - net related to DAS's sale of a joint venture related to synergy actions.

Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Cautionary Statements About Forward-Looking Statements

This report contains certain estimates and forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, which are intended to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including statements about Corteva’s strategy for growth, product development, regulatory approval, market position, anticipated benefits of recent acquisitions, timing of anticipated benefits from restructuring actions, outcome of contingencies, such as litigation and environmental matters, expenditures, and financial results, as well as expected benefits from, the separation of Corteva from DuPont, are forward-looking statements.

Forward-looking statements and other estimates are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements and other estimates also involve risks and uncertainties, many of which are beyond Corteva’s control. While the list of factors presented below is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Corteva’s business, results of operations and financial condition. Some of the important factors that could cause Corteva’s actual results to differ materially from those projected in any such forward-looking statements include: (i) failure to successfully develop and commercialize Corteva’s pipeline; (ii) effect of competition and consolidation in Corteva’s industry; (iii) failure to obtain or maintain the necessary regulatory approvals for some Corteva’s products; (iv) failure to enforce Corteva’s intellectual property rights or defend against intellectual property claims asserted by others; (v) effect of competition from manufacturers of generic products; (vi) impact of Corteva’s dependence on third parties with respect to certain of its raw materials or licenses and commercialization; (vii) costs of complying with evolving regulatory requirements and the effect of actual or alleged violations of environmental laws or permit requirements; (viii) effect of the degree of public understanding and acceptance or perceived public acceptance of Corteva’s biotechnology and other agricultural products; (ix) effect of changes in agricultural and related policies of governments and international organizations; (x) effect of industrial espionage and other disruptions to Corteva’s supply chain, information technology or network systems; (xi) competitor’s establishment of an intermediary platform for distribution of Corteva’s products; (xii) effect of volatility in Corteva’s input costs; (xiii) failure to raise capital through the capital markets or short-term borrowings on terms acceptable to Corteva; (xiv) failure of Corteva’s customers to pay their debts to Corteva, including customer financing programs; (xv) failure to realize the anticipated benefits of the internal reorganizations taken by DowDuPont in connection with the spin-off of Corteva, including failure to benefit from significant cost synergies; (xvi) risks related to the indemnification obligations of legacy EID liabilities in connection with the separation of Corteva; (xvii) increases in pension and other post-employment benefit plan funding obligations; (xviii) effect of compliance with laws and requirements and adverse judgments on litigation; (xix) risks related to Corteva’s global operations; (xx) effect of climate change and unpredictable seasonal and weather factors; (xxi) effect of counterfeit products; (xxii) failure to effectively manage acquisitions, divestitures, alliances and other portfolio actions; (xxiii) risks related to non-cash charges from impairment of goodwill or intangible assets; (xxiv) risks related to COVID-19; (xxv) risks related to oil and commodity markets; and (xxvi) other risks related to the Separation from DowDuPont.

Additionally, there may be other risks and uncertainties that Corteva is unable to currently identify or that Corteva does not currently expect to have a material impact on its business. Where, in any forward-looking statement or other estimate, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of Corteva’s management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Corteva disclaims and does not undertake any obligation to update or revise any forward-looking statement, except as required by applicable law. A detailed discussion of some of the significant risks and uncertainties which may cause results and events to differ materially from such forward-looking statements is included in the section titled “Risk Factors” (Part II, Item 1A of this quarterly report on Form 10-Q).

Recent Developments

COVID-19 Pandemic

On March 11, 2020, the World Health Organization (“WHO”) declared the novel coronavirus disease (“COVID-19”) a pandemic. Since the early days of the coronavirus outbreak, Corteva has taken steps to help protect the health and safety of its employees, customers, vendors, and stakeholders. Corteva has engaged crisis management teams at the country, regional and global level, and its Integrated Health Services Pandemic & Infectious Disease Planning Team has been monitoring the situation and developing guidelines and protocols that have been communicated to all of its employees globally.

Overwhelmingly, countries and U.S. states have considered agriculture an “essential business”; therefore, Corteva is not subject to many of the restrictions imposed by the government, particularly on non-essential businesses, which, in certain cases, includes ordering businesses to close or limit operations or people to stay at home. While the company's business has experienced some localized operating disruptions, particularly around sourcing and logistics, these disruptions have been temporary and have not materially impacted the company's financial results. Additionally, the company has implemented mitigating strategies to limit the impact of supply chain disruptions, including leveraging the company's ability to use a multi-sourcing strategy and source key raw materials from multiple suppliers and countries. Furthermore, the company implemented remote work arrangements for non-essential employees and restricted business travel effective mid-March, and to date, these arrangements have not materially affected the company's ability to maintain its business operations, including the operation of financial reporting systems, internal control over financial reporting, and disclosure controls and procedures.

The global health crisis caused by COVID-19 and the related government actions and stay at home orders have negatively impacted economic activity and increased political instability across the globe. The company has observed declining demand and price reductions in the oil and gas sector as business and consumer activity decelerates across the globe, which has impacted the price of corn. When COVID-19 is demonstrably contained, the company anticipates a rebound in economic activity, depending on the rate, pace, and effectiveness of the containment efforts deployed by various national, state, and local governments. Corteva will continue to actively monitor the situation and may take further actions altering its business operations that it determines are in the best interests of its stakeholders, or as required by federal, state, or local authorities. It is not clear what the potential effects any such alterations or modifications may have on the company's business, including the effects on its customers, employees, and prospects, or on its financial results for the remainder of fiscal 2020 and beyond. With the increasing uncertainty in global markets, the company will continue to monitor various factors that could impact mid-term forecasted cash flows of the business, including, but not limited to currency fluctuations, expectations of future planted area (as influenced by consumer demand and ethanol markets) and relative commodity prices, which could trigger an assessment of recoverability of goodwill and other indefinite and definite-lived intangible assets.

Execute to Win Productivity Program

During the first quarter of 2020, Corteva approved restructuring actions designed to improve productivity through optimizing certain operational and organizational structures primarily related to the Execute to Win Productivity Program. As a result of these actions, the company expects to record total pre-tax restructuring charges of approximately \$185 million, comprised of approximately \$125 million of asset related charges (of which \$30 million relates to asset retirement obligations), and \$60 million of severance and related benefit costs. The restructuring actions associated with this charge are expected to be substantially complete in 2020.

During the three months ended March 31, 2020, the company recorded pre-tax charges of \$63 million, recognized in restructuring and asset related charges - net in the company's interim Consolidated Statement of Operations comprised of \$21 million of asset related charges and \$42 million of severance and related benefit costs.

Future cash payments related to this charge are anticipated to be approximately \$90 million, primarily related to the payment of severance and related benefits and asset retirement obligations. The company expects \$130 million of savings to be achieved on a run rate basis by 2023.

Share Buyback Plan

On June 26, 2019, Corteva, Inc. announced that its Board of Directors authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The program is expected to be completed in three years. The timing, price and volume of purchases will be based on market conditions, relevant securities laws and other factors. During the three months ended March 31, 2020, the company purchased and retired 1,865,000 shares in the open market for a total cost of \$50 million, with the last purchase completed on March 10, 2020.

Overview

The following is a summary of results from continuing operations for the three months ended March 31, 2020:

- The company reported net sales of \$3,956 million, up 16 percent versus the same quarter last year, reflecting a 17 percent increase in volume and a 3 percent increase in local price, partially offset by a 3 percent decline in currency and a 1 percent impact from portfolio.
- Cost of goods sold ("COGS") totaled \$2,269 million in the first quarter of 2020, up from \$2,211 million in the first quarter of 2019, primarily driven by increased volumes. The three months ended March 31, 2019 included \$205 million of amortization of inventory step-up.
- Restructuring and asset related charges - net were \$70 million in the first quarter of 2020, an increase from \$61 million in the first quarter 2019.
- There were no integration and separation costs in the first quarter of 2020, as compared to \$212 million in the first quarter of 2019.
- Income from continuing operations after income taxes was \$281 million, as compared to a loss of \$(184) million in the same quarter last year.
- Operating EBITDA was \$794 million, up from \$518 million for the three months ended March 31, 2019, as volume increases from strong early demand in North America and Europe, price increases for new products and ongoing cost-improvement actions more than offset currency headwinds. Refer to page 51 for further discussion of the company's Non-GAAP financial measures.
- The company realized cost synergies of approximately \$70 million for the three months ended March 31, 2020.

In addition to the financial highlights above, the following events occurred during or subsequent to the first quarter of 2020:

- The company repurchased \$50 million of shares as part of the \$1 billion share repurchase program announced in the second quarter of 2019.
- The company announced it is suspending its full year 2020 Corporate Outlook in light of the COVID-19 crisis and volatility it is creating in the global markets. Refer to page 60 for further discussion.

Selected Financial Data

In millions, except per share amounts	Three Months Ended March 31,	
	2020	2019
Net sales	\$ 3,956	\$ 3,396
Cost of goods sold	\$ 2,269	\$ 2,211
Percent of net sales	57%	65%
Research and development expense	\$ 280	\$ 299
Percent of net sales	7%	9%
Selling, general and administrative expenses	\$ 757	\$ 735
Percent of net sales	19%	22%
Effective tax rate on continuing operations	31.1%	26.7%
Income (loss) from continuing operations after income taxes	\$ 281	\$ (184)
Income (loss) from continuing operations available to Corteva common stockholders	\$ 271	\$ (192)
Basic earnings (loss) per share of common stock from continuing operations	\$ 0.36	\$ (0.26)
Diluted earnings (loss) per share of common stock from continuing operations	\$ 0.36	\$ (0.26)

Results of Operations

Net Sales

Net sales were \$3,956 million and \$3,396 million for the three months ended March 31, 2020 and 2019, respectively. The increase was primarily driven by a 17 percent increase in volume and a 3 percent increase in price, partially offset by a 3 percent decrease in currency and a 1 percent impact from portfolio. Volume gains were primarily driven by earlier seed deliveries due to improved weather conditions and the anticipated recovery of planted area in North America, strong early demand in EMEA due to perceived supply concerns from COVID-19, and strong demand for new products in crop protection. Pricing gains were largely driven by increased pricing to offset currency in Latin America and improved mix from new products in both North America and Latin America. Unfavorable currency impacts were primarily driven by the Brazilian Real and the European Euro. The portfolio impact was due to prior year divestitures in North America and Asia Pacific.

	Three Months Ended March 31,			
	2020		2019	
	Net Sales (\$ Millions)	%	Net Sales (\$ Millions)	%
Worldwide	\$ 3,956	100%	\$ 3,396	100%
North America	1,765	45%	1,392	41%
EMEA	1,467	37%	1,364	40%
Latin America	434	11%	365	11%
Asia Pacific	290	7%	275	8%

\$ In millions	Q1 2020 vs. Q1 2019		Percent Change Due To:			
	Net Sales Change \$	%	Local Price & Product Mix	Volume	Currency	Portfolio / Other
North America	\$ 373	27%	2%	26%	— %	(1)%
EMEA	103	8%	2%	9%	(3)%	— %
Latin America	69	19%	11%	19%	(11)%	— %
Asia Pacific	15	5%	2%	8%	(3)%	(2)%
Total	\$ 560	16%	3%	17%	(3)%	(1)%

Cost of Goods Sold

COGS was \$2,269 million and \$2,211 million for the three months ended March 31, 2020 and 2019, respectively. The increase was primarily driven by higher volumes in both seed and crop protection and higher unit costs for crop protection, partially offset by favorable product mix in seed, ongoing cost synergies and productivity, and the lack of amortization of inventory step-up for the three months ended March 31, 2020, as compared to \$205 million recognized for the three months ended March 31, 2019.

COGS as a percentage of net sales was 57 percent and 65 percent for the three months ended March 31, 2020 and 2019, respectively. The amortization of inventory step-up was 6 percent of net sales for the three months ended March 31, 2019.

Research and Development Expense

R&D expense was \$280 million (7 percent of net sales) and \$299 million (9 percent of net sales) for the three months ended March 31, 2020 and 2019, respectively. The decrease was driven primarily driven by ongoing cost synergies and productivity efforts and actions taken to assess and reduce spending in the first quarter of 2020.

Selling, General and Administrative Expenses

SG&A expenses were \$757 million (19 percent of net sales) and \$735 million (22 percent of net sales) for the three months ended March 31, 2020 and 2019, respectively. The increase was primarily driven by higher commissions and selling expenses due to higher volumes and increases in bad debt expense, partially offset by the settlement of a legal matter in the prior year, ongoing cost synergies and productivity efforts, and lower promotion and advertising expense.

Amortization of Intangibles

Intangible asset amortization was \$163 million and \$101 million for the three months ended March 31, 2020 and 2019, respectively. The increase was primarily driven by amortization of germplasm assets, which changed from an indefinite lived intangible asset to definite lived with a useful life of 25 years in the fourth quarter of 2019. See Note 12 - Other Intangible Assets, to the interim Consolidated Financial Statements for additional information.

Restructuring and Asset Related Charges - Net

Restructuring and asset related charges - net were \$70 million and \$61 million for the three months ended March 31, 2020 and 2019, respectively. The charges in the first quarter of 2020 primarily related to severance and related benefit costs and asset related charges under the Execute to Win Productivity Program, and there were no cash payments made during the three months ended March 31, 2020. The charges in the first quarter of 2019 primarily related to asset related charges, contract termination charges, and severance and related benefit costs under the DowDuPont Cost Synergy Program.

In addition, during the three months ended March 31, 2020, the company recognized \$10 million in restructuring and asset related charges, net in the interim consolidated statement of operations, from non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield[®] and Roundup Ready 2 Xtend[®] herbicide tolerance traits.

See Note 5 - Restructuring and Asset Related Charges, Net, to the interim Consolidated Financial Statements for additional information.

Integration and Separation Costs

Integration and separation costs were \$212 million for the three months ended March 31, 2019. These costs primarily consisted of financial advisory, information technology, legal, accounting, consulting, and other professional advisory fees associated with the preparation and execution of activities related to the Distributions and the integration of EID's Pioneer and Crop Protection businesses with DAS.

Other Income - Net

Other income - net was \$1 million and \$31 million for the three months ended March 31, 2020 and 2019, respectively. The decrease was primarily due to higher net exchange losses and higher losses on asset sales, including a \$53 million loss related to the expected sale of the La Porte site, for which the company signed an agreement during the three months ended March 31, 2020, as compared to a \$24 million loss related to DAS's sale of a joint venture related to synergy actions in the three months ended March 31, 2019. This decrease was partially offset by an increase in non-operating pension and other post employment benefit credits.

The company routinely uses forward exchange contracts to offset its net exposures, by currency denominated monetary assets and liabilities of its operations. The objective of this program is to maintain an approximately balanced position in foreign currencies in order to minimize, on an after-tax basis, the effects of exchange rate changes. The net pre-tax exchange gains and losses are recorded in other income - net and the related tax impact is recorded in provision for (benefit from) income taxes on continuing operations in the interim Consolidated Statement of Operations.

The after-tax net exchange losses were \$(78) million and \$(33) million for the three months ended March 31, 2020 and March 31, 2019, respectively. The increase in net exchange loss was primarily driven by currency devaluations for the Ukrainian Hryvnia, Argentine Peso and the Mexican Peso.

See Note 7 - Supplementary Information, to the interim Consolidated Financial Statements for additional information.

Interest Expense

Interest expense was \$10 million and \$59 million for the three months ended March 31, 2020 and 2019, respectively. The change was primarily driven by lower average long-term debt balances as a result of the redemption/repayment transactions in the second quarter of 2019.

Provision for (Benefit from) Income Taxes on Continuing Operations

The company's provision for income taxes on continuing operations was \$127 million for the three months ended March 31, 2020 on pre-tax income from continuing operations of \$408 million, resulting in an effective tax rate of 31.1 percent. The effective tax rate was unfavorably impacted by the tax impact of certain net exchange losses recognized on the re-measurement of the net monetary asset positions which were not tax-deductible in their local jurisdictions, as well as tax charges related to the issuance of stock-based compensation.

The company's benefit from income taxes on continuing operations was \$(67) million for the three months ended March 31, 2019 on a pre-tax loss from continuing operations of \$(251) million, resulting in an effective tax rate of 26.7 percent. The effective tax rate was favorably impacted by a tax benefit of \$102 million related to an internal legal entity restructuring associated with the Internal Reorganizations. The effective tax rate was unfavorably impacted non-tax-deductible amortization of the fair value step-up in inventories as a result of the Merger, as well as the impact of integration and separation costs, including a \$32 million tax charge associated with U.S. state blended tax rate changes. Other unfavorable effective tax rate impacts included the tax impact of certain net exchange losses recognized on the re-measurement of the net monetary asset positions which were not tax-deductible in their local jurisdictions, as well as geographic mix of earnings.

Income from Discontinued Operations After Tax

Income from discontinued operations after tax was \$1 million and \$360 million for the three months ended March 31, 2020 and 2019, respectively. The three months ended March 31, 2019 reflects the operations of EID ECP and the EID Specialty Product Entities. Refer to Note 3 - Divestitures and Other Transactions for further information.

EID Analysis of Operations

As discussed in Note 1 - Basis of Presentation, to the EID Consolidated Financial Statements, EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Exchange Act. The below relates to EID only and is presented to provide an Analysis of Operations, only for the differences between EID and Corteva, Inc.

Interest Expense

EID's interest expense was \$42 million and \$59 million for the three months ended March 31, 2020 and 2019, respectively, and driven by the items noted on page 46, under the header "Interest Expense", partially offset by interest expense incurred on the related party loan between EID and Corteva, Inc. See Note 2 - Related Party Transactions, to the EID Consolidated Financial Statements for further information.

Provision for (Benefit from) Income Taxes on Continuing Operations

For the three months ended March 31, 2020, EID had an effective tax rate of 31.6 percent on pre-tax income from continuing operations of \$376 million, driven by the items noted on page 46, under the header "Provision for (Benefit from) Income Taxes on Continuing Operations" and a tax benefit related to the interest expense incurred on the related party loan between EID and Corteva, Inc. See Note 2 - Related Party Transactions, to the EID Consolidated Financial Statements for further information.

Corporate Outlook

The overall impact of COVID-19 on the company's consolidated results of operations for the three months ended March 31, 2020 was not material and was limited to localized operating disruptions (as previously discussed on page 42). However, given the economic volatility caused by COVID-19 and related government actions, the company is suspending the previously issued corporate outlook for the full year 2020, included in the company's 2019 Annual Report. As noted in the Liquidity and Capital Resources discussion, on pages 54 - 56, and Note 13 - Short-Term Borrowings, Long-Term Debt and Available Credit Facilities, to the interim Consolidated Financial Statements, the company maintains sufficient access to liquidity via commercial paper markets, \$6 billion in revolving credit facilities, and \$2 billion in cash and cash equivalents. With the increasing uncertainty in global markets, the company will continue to monitor near-term operating conditions with a focus on business continuity and any potential adverse effects on the company's financial results from lower demand for the company's products, such as declines in corn volumes related to lower corn commodity prices stemming from a drop in the use of corn for ethanol production, that could trigger an assessment of the recoverability of goodwill and other indefinite and definite-lived intangible assets.

Supplemental Unaudited Pro Forma Financial Information

The following supplemental unaudited pro forma statements of operations (the "unaudited pro forma statements of operations") for Corteva give effect to the Merger, the debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 13 - Short-Term Borrowings, Long-Term Debt and Available Credit Facilities, to the interim Consolidated Financial Statements), and the separation and distribution to DowDuPont stockholders of all the outstanding shares of Corteva common stock as if they had been consummated on January 1, 2016. For the periods presented below, Corteva's results for all periods prior to the Business Realignment and Internal Reorganization consist of the combined results of operations for Historical EID and DAS, and Corteva's results for all periods after the Business Realignment and Internal Reorganization represent the consolidated balances of the company. The unaudited pro forma statements of operations below were prepared in accordance with Article 11 of Regulation S-X, and events that are not expected to have a continuing impact on the combined results (e.g., inventory step-up costs) are excluded. One-time transaction-related costs incurred prior to, or concurrent with, the closing of the Merger, the debt redemptions/repayments, and the Corteva Distribution are not included in the unaudited pro forma combined statements of operations through March 31, 2019. The unaudited pro forma combined statements of operations do not reflect restructuring or integration activities or other costs following the separation and distribution transactions that may be incurred to achieve cost or growth synergies of Corteva. As no assurance can be made that these costs will be incurred or the growth synergies will be achieved, no adjustment has been made.

The unaudited pro forma statements of operations have been presented for informational purposes only and are not necessarily indicative of what Corteva's results of operations actually would have been had the above transactions been completed on January 1, 2016. In addition, the unaudited pro forma statements of operations do not purport to project the future operating results of the company. The unaudited pro forma statements of operations were based on and should be read in conjunction with the audited Consolidated Financial Statements and Notes contained within the company's Annual Report on Form 10-K for the year ended December 31, 2019.

Unaudited Pro Forma Statement of Operations	Three Months Ended March 31, 2019				
	Corteva	Merger ¹	Debt Retirement ²	Separations Related ³	Pro Forma
(In millions, except per share amounts)					
Net sales	\$ 3,396	\$ —	\$ —	\$ —	\$ 3,396
Cost of goods sold	2,211	(205)	—	16	2,022
Research and development expense	299	—	—	—	299
Selling, general and administrative expenses	735	—	—	3	738
Amortization of intangibles	101	—	—	—	101
Restructuring and asset related charges - net	61	—	—	—	61
Integration and separation costs	212	—	—	(112)	100
Other income - net	31	—	—	—	31
Interest expense	59	—	(45)	—	14
(Loss) income from continuing operations before income taxes	(251)	205	45	93	92
Benefit from income taxes on continuing operations	(67)	36	10	1	(20)
(Loss) income from continuing operations after income taxes	(184)	169	35	92	112
Net income from continuing operations attributable to noncontrolling interests	8	—	—	—	8
Net (loss) income from continuing operations attributable to Corteva	\$ (192)	\$ 169	\$ 35	\$ 92	\$ 104
Per share common data					
Earnings per share of common stock from continuing operations - basic					\$ 0.14
Earnings per share of common stock from continuing operations - diluted					\$ 0.14
Weighted-average common shares outstanding - basic					
749.4					
Weighted-average common shares outstanding - diluted					
749.4					

1. Represents the removal of amortization of EID's agriculture business' inventory step-up recognized in connection with the Merger, as the incremental amortization is directly attributable to the Merger and will not have a continuing impact.
2. Represents removal of interest expense related to the debt redemptions/repayments.
3. Adjustments directly attributable to the separations and distributions of Corteva, Inc. include the following: removal of Telone[®] Soil Fumigant business ("Telone[®]") results (as Telone[®] did not transfer to Corteva as part of the common control combination of DAS); impact from the distribution agreement entered into between Corteva and Dow that allows for Corteva to become the exclusive distributor of Telone[®] products for Dow; elimination of one-time transaction costs directly attributable to the Corteva Distribution; the impact of certain manufacturing, leasing and supply agreements entered into in connection with the Corteva Distribution; and the related tax impacts of these items.

Recent Accounting Pronouncements

See Note 2 - Recent Accounting Guidance, to the interim Consolidated Financial Statements for a description of recent accounting pronouncements.

Segment Reviews

The company operates in two reportable segments: Seed and Crop Protection. The company's seed segment is a global leader in developing and supplying advanced germplasm and traits that produce optimum yield for farms around the world. The segment offers trait technologies that improve resistance to weather, disease, insects and weeds, and trait technologies that enhance food and nutritional characteristics, and also provides digital solutions that assist farmer decision-making with a view to optimize product selection and, ultimately, maximize yield and profitability. The segment competes in a wide variety of agricultural markets.

The crop protection segment serves the global agricultural input industry with products that protect against weeds, insects and other pests, and disease, and that improve overall crop health both above and below ground via nitrogen management and seed-applied technologies. The segment is a leader in global herbicides, insecticides, below-ground nitrogen stabilizers and pasture and range management herbicides.

Summarized below are comments on individual segment net sales and segment operating EBITDA for the three months ended March 31, 2020 compared with the same period in 2019. For purposes of the three months ended March 31, 2019, segment operating EBITDA is calculated on a pro forma basis, as this is the manner in which the CODM assesses performance and allocates resources. Pro forma adjustments used in the calculation of pro forma segment operating EBITDA were determined in accordance with Article 11 of Regulation S-X. These adjustments give effect to the Merger, the debt retirement transactions related to paying off or retiring portions of EID's existing debt liabilities (as discussed in Note 13 - Short-Term Borrowings, Long-Term Debt and Available Credit Facilities, to the interim Consolidated Financial Statements), and the separation and distribution to DowDuPont stockholders of all the outstanding shares of Corteva common stock as if they had been consummated on January 1, 2016 (refer to supplemental unaudited pro forma financial statements on page 48). The company defines segment operating EBITDA as earnings (i.e., income from continuing operations before income taxes) before interest, depreciation, amortization, corporate expenses, non-operating (benefits) costs - net and foreign exchange gains (losses), excluding the impact of significant items. Non-operating (benefits) costs - net consists of non-operating pension and other post-employment benefit (OPEB) credits, tax indemnification adjustments, environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense. See Note 19 to the interim Consolidated Financial Statements for details related to significant pre-tax benefits (charges) excluded from segment operating EBITDA. All references to prices are based on local price unless otherwise specified.

A reconciliation of pro forma segment operating EBITDA to income from continuing operations before income taxes for the three months ended March 31, 2020 and 2019 is included in Note 19 - Segment Information, to the interim Consolidated Financial Statements.

Seed	Three Months Ended March 31,	
	2020	2019
In millions		
Net sales	\$ 2,455	\$ 1,967
Segment operating EBITDA ¹	\$ 581	\$ 325

1. The three months ended March 31, 2019 is presented on a Pro Forma Basis, prepared in accordance with Article 11 of Regulation S-X.

Seed	Q1 2020 vs. Q1 2019		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
\$ In millions	\$	%				
North America	\$ 377	41 %	4%	37 %	— %	—%
EMEA	77	10 %	3%	10 %	(3)%	—%
Latin America	38	21 %	16%	14 %	(9)%	—%
Asia Pacific	(4)	(6)%	5%	(7)%	(4)%	—%
Total	\$ 488	25 %	5%	22 %	(2)%	—%

Seed

Seed net sales were \$2,455 million in the first quarter of 2020, up from \$1,967 million in the first quarter of 2019. The increase was due to a 22 percent increase in volume and a 5 percent increase in local price, partially offset by a 2 percent decline in currency.

Volume gains were primarily driven by earlier deliveries in North America due to improved weather conditions and the anticipated recovery of planted area, as well as strong early demand in EMEA due to perceived supply concerns from COVID-19. The increase in local price was driven by favorable mix in both North America and Latin America as well as changes in route to market in EMEA. Unfavorable currency impacts were primarily due to currencies in Brazil and Europe.

Segment operating EBITDA was \$581 million in the first quarter of 2020, compared to \$325 million in the first quarter of 2019 on a pro forma basis. Volume gains in North America, pricing gains on favorable mix, and ongoing cost synergies and productivity efforts more than offset higher commissions, currency headwinds, and higher unit costs due to unfavorable seed yields.

Crop Protection	Three Months Ended March 31,	
	2020	2019
In millions		
Net sales	\$ 1,501	\$ 1,429
Segment Operating EBITDA ¹	\$ 238	\$ 220

1. The three months ended March 31, 2019 is presented on a Pro Forma Basis, prepared in accordance with Article 11 of Regulation S-X.

Crop Protection	Q1 2020 vs. Q1 2019		Percent Change Due To:			
	Net Sales Change		Local Price & Product Mix	Volume	Currency	Portfolio / Other
\$ In millions	\$	%				
North America	\$ (4)	(1)%	(4)%	5%	— %	(2)%
EMEA	26	5 %	— %	9%	(4)%	— %
Latin America	31	17 %	6 %	24%	(13)%	— %
Asia Pacific	19	9 %	1 %	13%	(2)%	(3)%
Total	\$ 72	5 %	— %	10%	(4)%	(1)%

Crop Protection

Crop protection net sales were \$1,501 million in the first quarter of 2020, up from \$1,429 million in the first quarter of 2019. The increase was due to a 10 percent increase in volume, partially offset by a 4 percent decline in currency and a 1 percent decline related to portfolio actions. Local price was flat.

Volume gains were primarily driven by new product launches, including Arylex™ and Enlist™ herbicides and Isoclast™ insecticide, as well as strong early demand in Latin America and EMEA. Unfavorable currency impacts were primarily due to currencies in Brazil and Europe. The portfolio impact was driven by prior year divestitures in North America and Asia Pacific. Pricing gains in Latin America were offset by increased grower incentive discounts in North America.

Segment operating EBITDA was \$238 million in the first quarter of 2020, compared to \$220 million in the first quarter of 2019 on a pro forma basis. Gains from new product sales and ongoing cost synergies and productivity efforts were partially offset by higher input costs, unfavorable currency, and portfolio impacts.

Non-GAAP Financial Measures

The company presents certain financial measures that do not conform to U.S. GAAP and are considered non-GAAP measures. These measures include Operating EBITDA and operating earnings per share. Management believes that these non-GAAP measures best reflect the ongoing performance of the company during the periods presented and provide more relevant and meaningful information to investors as they provide insight with respect to ongoing operating results of the company and a more useful comparison of year over year results. These non-GAAP measures supplement the company's U.S. GAAP disclosures and should not be viewed as an alternative to U.S. GAAP measures of performance. Furthermore, such non-GAAP measures may not be consistent with similar measures provided or used by other companies. Reconciliations for these non-GAAP measures to U.S. GAAP are provided below. For the three months ended March 31, 2019 information is on a pro forma basis and these non-GAAP measures are being reconciled to a pro forma GAAP financial measure prepared and presented in accordance with Article 11 of Regulation S-X, which are reconciled to the GAAP reported figures. See Article 11 Pro Forma Combined Statements of Operations on page 48.

Operating EBITDA is defined as earnings (i.e., income from continuing operations before income taxes) before interest, depreciation, amortization, non-operating (benefits) costs - net and foreign exchange gains (losses), excluding the impact of significant items (including goodwill impairment charges). Non-operating (benefits) costs - net consists of non-operating pension and OPEB credits, tax indemnification adjustments, environmental remediation and legal costs associated with legacy businesses and sites of Historical DuPont. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense. Operating earnings per share is defined as "Earnings per common share from continuing operations - diluted" excluding the after-tax impact of significant items (including goodwill impairment charges), the after-tax impact of non-operating (benefits) costs - net, and the after-tax impact of amortization expense associated with intangible assets existing as of the Separation from DowDuPont. Although amortization of the company's intangible assets is excluded from these non-GAAP measures, management believes it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in amortization of additional intangible assets.

Reconciliation of Income from Continuing Operations after Income Taxes to Operating EBITDA

(In millions)	Three Months Ended March 31,	
	2020	2019
	<i>As Reported</i>	<i>Pro Forma</i>
Income from continuing operations after income taxes	\$ 281	\$ 112
Provision for (benefit from) income taxes on continuing operations	127	(20)
Income from continuing operations before income taxes	408	92
Depreciation and amortization	283	258
Interest income	(18)	(16)
Interest expense	10	14
Exchange losses - net	61	27
Non-operating benefits - net	(73)	(42)
Significant items charge	123	185
Operating EBITDA (Non-GAAP)	\$ 794	\$ 518

Significant Items

(In millions)	Three Months Ended March 31,	
	2020	2019
	<i>As Reported</i>	<i>Pro Forma</i>
Integration costs	\$ —	\$ (100)
Restructuring and asset related charges - net	(70)	(61)
Loss on divestitures	(53)	(24)
Total pretax significant items charge	(123)	(185)
Total tax benefit impact of significant items ¹	23	92
Tax only significant item charge ²	(19)	—
Total significant items charge, after tax	\$ (119)	\$ (93)

^{1.} The tax benefit impact of significant items for the three months ended March 31, 2019 includes a net tax charge of \$(32) million related to U.S. state blended tax rate changes associated with the Internal Reorganizations and a net tax benefit of \$102 million related to an internal legal entity restructuring associated with the Internal Reorganizations. Unless specifically addressed above, the income tax effect on significant items was calculated based upon the enacted tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

^{2.} The three months ended March 31, 2020 includes an after tax charge related to the impact of a state tax valuation allowance in the US based on a change in judgment about the realizability of a deferred tax asset.

Reconciliation of Income from Continuing Operations Attributable to Corteva and Earnings Per Share of Common Stock from Continuing Operations - Diluted to Operating Earnings and Operating Earnings Per Share

(In millions)	Three Months Ended March 31,	
	2020	2019
	<i>As Reported</i>	<i>Pro Forma</i>
Income from continuing operations attributable to Corteva	\$ 271	\$ 104
Less: Non-operating benefits - net, after tax	57	31
Less: Amortization of intangibles (existing as of Separation), after tax	(114)	(81)
Less: Significant items charge, after tax	(119)	(93)
Operating Earnings (Non-GAAP)	\$ 447	\$ 247

	Three Months Ended March 31,	
	2020	2019
	<i>As Reported</i>	<i>Pro Forma</i>
Earnings per share of common stock from continuing operations - diluted	\$ 0.36	\$ 0.14
Less: Non-operating benefits - net, after tax	0.08	0.04
Less: Amortization of intangibles (existing as of Separation), after tax	(0.15)	(0.11)
Less: Significant items charge, after tax	(0.16)	(0.12)
Operating Earnings Per Share (Non-GAAP)	\$ 0.59	\$ 0.33
Diluted Shares Outstanding (in millions)	752.5	749.4

Liquidity and Capital Resources

Information related to the company's liquidity and capital resources can be found in the company's 2019 Annual Report, Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, Liquidity & Capital Resources. The discussion below provides the updates to this information for the three months ended March 31, 2020.

<i>(Dollars in millions)</i>	March 31, 2020	December 31, 2019	March 31, 2019
Cash, cash equivalents and marketable securities	\$ 1,973	\$ 1,769	\$ 1,764
Total debt	\$ 2,610	\$ 122	\$ 9,498

The company's cash, cash equivalents and marketable securities at March 31, 2020, December 31, 2019, and March 31, 2019 were \$1,973 million, \$1,769 million and \$1,764 million, respectively. Total debt at March 31, 2020, December 31, 2019, and March 31, 2019 was \$2,610 million, \$122 million, and \$9,498 million, respectively. The increase in debt balances from December 31, 2019 was primarily due to funding the company's seasonal working capital needs and capital expenditures. See further information in Note 13 - Short-Term Borrowings, Long-Term Debt and Available Credit Facilities, to the interim Consolidated Financial Statements.

The company believes its ability to generate cash from operations and access to capital markets and commercial paper markets will be adequate to meet anticipated cash requirements to fund its operations, including seasonal working capital, capital spending and pension obligations. Corteva's strong financial position, liquidity and credit ratings will provide access as needed to capital markets and commercial paper markets to fund seasonal working capital needs. The company's liquidity needs can be met through a variety of sources, including cash provided by operating activities, commercial paper, syndicated credit lines, bilateral credit lines, long-term debt markets, bank financing and committed receivable repurchase facilities. Corteva considers the borrowing costs and lending terms when selecting the source to fund its operations and working capital needs.

The company had access to approximately \$5.8 billion, \$6.4 billion, and \$4.8 billion in committed and uncommitted unused credit lines at March 31, 2020, December 31, 2019, and March 31, 2019, respectively. In addition to the unused credit facilities, the company has a \$1.3 billion 2020 Repurchase Facility (as defined below). These facilities provide support to meet the company's short-term liquidity needs and for general corporate purposes which may include funding of discretionary and non-discretionary contributions to certain benefit plans, severance payments, repayment and refinancing of debt, working capital, capital expenditures, repurchases and redemptions of securities, and funding Corteva's costs and expenses.

In November 2018, EID entered into a \$3.0 billion five-year revolving credit facility and a \$3.0 billion three-year revolving credit facility (the "Revolving Credit Facilities"). The Revolving Credit Facilities became effective May 2019 in connection with the termination of the EID \$4.5 billion Term Loan Facility and the \$3.0 billion Revolving Credit Facility dated May 2014. Corteva, Inc. became a party to the Revolving Credit Facilities upon the Corteva Distribution. In March 2020, EID drew down \$500 million under the three-year revolving credit facility to finance its short-term liquidity needs as a result of the volatility and increased borrowing costs of commercial paper resulting from the unstable market conditions caused by COVID-19. The Revolving Credit Facilities contain customary representations and warranties, affirmative and negative covenants and events of default that are typical for companies with similar credit ratings. The Revolving Credit Facilities also contain a financial covenant requiring that the ratio of total indebtedness to total capitalization for Corteva and its consolidated subsidiaries not exceed 0.60. At March 31, 2020 the company was in compliance with these covenants.

The company's indenture covenants include customary limitations on liens, sale and leaseback transactions, and mergers and consolidations affecting manufacturing plants, mineral producing properties or research facilities located in the U.S. and the consolidated subsidiaries owning such plants, properties and facilities subject to certain limitations. The outstanding long-term debt also contains customary default provisions.

The company has meaningful seasonal working capital needs based in part on providing financing to its customers. Working capital is funded through multiple methods including commercial paper, a receivable repurchase facility, the Revolving Credit Facilities, factoring and cash from operations.

In February 2020, in line with seasonal working capital requirements, the company entered into a committed receivable repurchase agreement of up to \$1.3 billion (the "2020 Repurchase Facility") which expires in December 2020. Under the 2020 Repurchase Facility, Corteva may sell a portfolio of available and eligible outstanding customer notes receivables to participating institutions and simultaneously agree to repurchase at a future date. See further discussion of this facility in Note 13 - Short-Term Borrowings, Long-Term Debt and Available Credit Facilities, to the interim Consolidated Financial Statements.

The company has factoring agreements with third-party financial institutions to sell its trade receivables under both recourse and non-recourse agreements in exchange for cash proceeds in an effort to reduce its receivables risk. For arrangements that include an element of recourse, the company provides a guarantee of the trade receivables in the event of customer default. Refer to Note 10 - Accounts and Notes Receivable, Net, to the interim Consolidated Financial Statements for more information.

The company also organizes agreements with third-party financial institutions who directly provide financing for select customers of the company's seed and crop protection products in each region. Terms of the third-party loans are less than a year and programs are renewed on an annual basis. In some cases, the company guarantees a portion of the extension of such credit to such customers. Refer to Note 14 - Commitments and Contingent Liabilities, to the interim Consolidated Financial Statements for more information on the company's guarantees.

The company's cash, cash equivalents and marketable securities at March 31, 2020, December 31, 2019, and March 31, 2019 are \$2.0 billion, \$1.8 billion, and \$1.8 billion respectively, of which \$1.5 billion at March 31, 2020, \$1.5 billion at December 31, 2019, and \$1.3 billion at March 31, 2019 was held by subsidiaries in foreign countries, including United States territories.

The Tax Cuts and Jobs Act ("The Act") required companies to pay a one-time transition tax on the untaxed earnings of foreign subsidiaries. Upon actual repatriation, such earnings could be subject to withholding taxes, foreign and/or U.S. state income taxes, and taxes resulting from the impact of foreign currency movements. The Act also introduced a 100 percent dividends received deduction regarding earnings of foreign subsidiaries. The cash held by foreign subsidiaries is generally used to finance the subsidiaries' operational activities and future foreign investments. At March 31, 2020, management believed that sufficient liquidity is available in the U.S.

Summary of Cash Flows

Cash used for operating activities was \$1.9 billion for the three months ended March 31, 2020 compared to \$1.5 billion for the three months ended March 31, 2019. The increase in cash used for operating activities was driven by an increase in working capital requirements and the impact of the absence of net income from EID ECP and EID Specialty Products entities, as a result of the Internal Reorganizations and Business Realignments in 2019, partially offset by a decrease in integration and separation costs and lower deferred tax provisions.

Cash used for investing activities was \$0.1 billion for the three months ended March 31, 2020 compared to \$0.5 billion used for investing activities for the three months ended March 31, 2019. The change was due primarily to lower capital expenditures driven by the Internal Reorganizations and Business Realignments in 2019 and proceeds from sales of property, businesses, consolidated companies and ownership interests in non-consolidated affiliates.

Cash provided by financing activities was \$2.3 billion for the three months ended March 31, 2020 compared to \$1.3 billion for the three months ended March 31, 2019. The change was due primarily to higher short-term borrowings, lower payments on long-term debt, the absence of distributions to DowDuPont which in 2019 were used primarily to fund a portion of DowDuPont's dividend payments partially offset by dividends to Corteva stockholders and repurchases of Corteva common stock.

In February 2020, the company's Board of Directors authorized a common stock dividend of \$0.13 per share, payable on March 13, 2020, to shareholders of record on March 3, 2020. In April 2020, the company's Board of Directors authorized a common stock dividend of \$0.13 per share, payable on June 15, 2020, to shareholders of record on May 15, 2020.

On June 26, 2019, the company's Board of Directors authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The program is expected to be completed in three years.

During the three months ended March 31, 2020, the company purchased and retired 1,865,000 shares for a total cost of \$50 million. See Note 15 - Stockholders' Equity, to the interim Consolidated Financial Statements for additional information related to the share buyback plan.

EID Liquidity Discussion

As discussed in Note 1 - Basis of Presentation, to the EID Consolidated Financial Statements, EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Exchange Act. The below relates to EID only and is presented to provide a Liquidity discussion, only for the differences between EID and Corteva, Inc.

Cash provided by operating activities

EID's cash used for operating activities for the three months ended March 31, 2020 was \$1.9 billion compared to \$1.5 billion for the three months ended March 31, 2019. The change was primarily driven by the items noted above under the header, "Summary of Cash Flows," partially offset by interest incurred on the related party loan between EID and Corteva, Inc.

Cash used for financing activities

EID's cash provided by financing activities was \$2.3 billion for the three months ended March 31, 2020 compared to \$1.3 billion for the three months ended March 31, 2019. The change was due to higher short-term borrowings, lower payments on long-term debt, absence of distributions to DowDuPont which in 2019 which were used to fund a portion of DowDuPont's dividend payments partially offset by payments on related party long term debt.

See Note 2 - Related Party Transactions, to the EID Consolidated Financial Statements for further information on the related party loan between EID and Corteva, Inc.

Guarantees and Off-Balance Sheet Arrangements

For detailed information related to Guarantees, Indemnifications, and Obligations for Equity Affiliates and Others, see the company's 2019 Annual Report, Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, Off-Balance Sheet Arrangements and Note 14 - Commitments and Contingent Liabilities, to the interim Consolidated Financial Statements.

Contractual Obligations

Information related to the company's contractual obligations, commercial commitments and expected cash requirements for interest at December 31, 2019 can be found in the company's 2019 Annual Report, Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, Off-Balance Sheet Arrangements. There have been no material changes in the company's contractual obligations since December 31, 2019.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Note 17 - Financial Instruments, to the interim Consolidated Financial Statements. See also Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk, of the company's 2019 Annual Report, for information on the company's utilization of financial instruments and an analysis of the sensitivity of these instruments.

Item 4. CONTROLS AND PROCEDURES

Corteva, Inc.

a) Evaluation of Disclosure Controls and Procedures

The company maintains a system of disclosure controls and procedures to give reasonable assurance that information required to be disclosed in the company's reports filed or submitted under the Securities Exchange Act of 1934 ("Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. These controls and procedures also give reasonable assurance that information required to be disclosed in such reports is accumulated and communicated to management to allow timely decisions regarding required disclosures.

As of March 31, 2020, the company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), together with management, conducted an evaluation of the effectiveness of the company's disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on that evaluation, the CEO and CFO concluded that these disclosure controls and procedures are effective.

b) Changes in Internal Control over Financial Reporting

There have been no changes in the company's internal control over financial reporting that occurred during the quarter ended March 31, 2020 that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

E. I. du Pont de Nemours and Company

a) Evaluation of Disclosure Controls and Procedures

EID maintains a system of disclosure controls and procedures to give reasonable assurance that information required to be disclosed in their reports filed or submitted under the Securities Exchange Act of 1934 ("Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. These controls and procedures also give reasonable assurance that information required to be disclosed in such reports is accumulated and communicated to management to allow timely decisions regarding required disclosures.

As of March 31, 2020, EID's CEO and CFO, together with management, conducted an evaluation of the effectiveness of EID's disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on that evaluation, the CEO and CFO concluded that these disclosure controls and procedures are effective.

b) Changes in Internal Control over Financial Reporting

There have been no changes in EID's internal control over financial reporting that occurred during the quarter ended March 31, 2020 that have materially affected, or are reasonably likely to materially affect, EID's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

The company is subject to various legal proceedings, including, but not limited to, product liability, intellectual property, antitrust, commercial, property damage, personal injury, environmental and regulatory matters arising out of the normal course of its current businesses or legacy EID businesses unrelated to Corteva's current businesses but allocated to Corteva as part of the Separation of Corteva from DuPont. Information regarding certain of these matters is set forth below and in Note 14 - Commitments and Contingent Liabilities, to the interim Consolidated Financial Statements.

Litigation related to Corteva's current businesses

Canadian Competition Bureau Formal Inquiry

On January 30, 2020, the Canadian Competition Bureau (the "Bureau") filed a court order for the company to produce records and information as part of a formal inquiry under civil sections of Canada's competition laws. The inquiry is in response to allegations by the Farmers Business Network ("FBN") that Corteva and other seeds and crop protection manufacturers and wholesalers unilaterally or in coordination refused, restricted and/or impaired supply of products to FBN in western Canada. This inquiry follows an informal request for information from the Bureau pursuant to which the company voluntarily provided documents and engaged in discussions with the Bureau outlining how its conduct was and continues to be compliant with Canadian competition laws. Corteva continues to cooperate with the Bureau's inquiries, but believes the likelihood of material liability is remote.

Litigation related to legacy EID businesses unrelated to Corteva's current businesses

As discussed below and in Note 14 - Commitments and Contingent Liabilities, to the interim Consolidated Financial Statements, certain of the environmental proceedings and litigation allocated to Corteva as part of the Separation from DuPont relate to the legacy EID businesses, including their use of PFOA, which, for purposes of this report, means collectively perfluorooctanoic acid and its salts, including the ammonium salt and does not distinguish between the two forms, and PFAS, which means per- and polyfluoroalkyl substances, including PFOA, PFOS (perfluorooctanesulfonic acid), GenX and other perfluorinated chemicals and compounds ("PFCs"). While it is reasonably possible that the company could incur liabilities related to these actions, any such liabilities are not expected to be material.

Pursuant to the Separation Agreements, the company is entitled to indemnification for certain liabilities related to legacy EID businesses. On May 13, 2019, Chemours filed a complaint in the Delaware Court of Chancery against DuPont, Corteva, and EID alleging, among other things, that the litigation and environmental liabilities allocated to Chemours under the Chemours Separation Agreement were underestimated and asking that the Court either limit the amount of Chemours' indemnification obligations or, alternatively, order the return of the \$3.91 billion dividend Chemours paid to EID prior to its separation. On March 30, 2020, the Court granted the motion to dismiss made by DuPont, Corteva, and EID. Chemours filed its notice of appeal of the Chancery Court's decision on April 17, 2020. The company believes the probability of liability with respect to Chemours' suit continues to be remote. Further information with respect to this proceeding is set forth in Note 14 - Commitments and Contingent Liabilities, to the interim Consolidated Financial Statements. The company believes the probability of liability with respect to Chemours' suit to be remote.

Environmental Proceedings

The company believes it is remote that the following matters will have a material impact on its financial position, liquidity or results of operations. The descriptions below are included per Item 103(5)(c) of Regulation S-K of the Securities Exchange Act of 1934, as amended.

Related to Corteva's current businesses

La Porte Plant, La Porte, Texas - Crop Protection - Release Incident Investigations

On November 15, 2014, there was a release of methyl mercaptan at EID's La Porte, Texas, facility. The release occurred at the site's crop protection unit resulting in four employee fatalities inside the unit. The Chemical Safety Board ("CSB") issued its final report on June 18, 2019, which included recommendations related to the emergency response program at La Porte. Corteva responded to the CSB on September 30, 2019 outlining the actions it has taken to date to address the recommendations for the site and providing its plan to address the CSB's remaining recommendations. Corteva continues to cooperate with the ongoing criminal U.S. Environmental Protection Agency ("EPA") and the Department of Justice ("DOJ") investigations and is having discussions with the DOJ regarding potential criminal charges and EID's defenses under the U.S. Clean Air Act. These investigations could result in sanctions and criminal penalties against Corteva.

La Porte Plant, La Porte, Texas - EPA Multimedia Inspection

The EPA conducted a multimedia inspection at the La Porte facility in January 2008. EID, the EPA and the DOJ began discussions in Fall 2011 relating to the management of certain materials in the facility's waste water treatment system, hazardous waste management, flare and air emissions. In March 2020, EID agreed to settle with the EPA and DOJ and pay a \$3.4 million civil penalty. The final consent decree is expected to be filed with the federal court in the second quarter of 2020.

Related to legacy EID businesses unrelated to Corteva's current businesses

Sabine Plant, Orange, Texas - EPA Multimedia Inspection

In June 2012, EID began discussions with the EPA and the DOJ related to a multimedia inspection that the EPA conducted at the Sabine facility in March 2009 and December 2015. The discussions involve the management of materials in the facility's waste water treatment system, hazardous waste management, flare and air emissions, including leak detection and repair. These discussions continue. Under the Separation Agreement, Corteva and DuPont will share any future liabilities proportionally on the basis of 29% and 71%, respectively.

Divested Neoprene Facility, La Place, Louisiana - EPA Compliance Inspection

In 2016, the EPA conducted a focused compliance investigation at the Denka Performance Elastomer LLC ("Denka") neoprene manufacturing facility in La Place, Louisiana. EID sold the neoprene business, including this manufacturing facility, to Denka in the fourth quarter of 2015. In the spring of 2017, the EPA, the DOJ, the Louisiana Department of Environmental Quality, EID and Denka began discussions relating to the inspection conclusions and allegations of noncompliance arising under the Clean Air Act, including leak detection and repair. These discussions, which include potential settlement options, continue. Under the Separation Agreement, DuPont is defending and indemnifying the company in this matter.

New Jersey Directive PFAS

On March 25, 2019, the New Jersey Department of Environmental Protection ("NJDEP") issued a Statewide PFAS Directive to several companies, including Chemours, DuPont, and EID. The Directive seeks information relating to the use and environmental release of PFAS and PFAS-replacement chemicals at and from two former EID sites in New Jersey, Chambers Works and Parlin, and a funding source for costs related to the NJDEP's investigation of PFAS issues and PFAS testing and remediation.

Chemours has agreed, with reservations, to defend and indemnify EID in this matter.

New Jersey Directive Pompton Lakes

On March 27, 2019, the NJDEP issued to Chemours and EID a Natural Resource Damages Directive relating to chemical contamination (non-PFAS) at and around EID's former Pompton Lakes facility in New Jersey. The Directive alleges that this contamination has harmed the natural resources of New Jersey. It seeks \$125,000 as reimbursement for the cost of preparing a natural resource damages assessment, which the State will use to determine the extent of such damage and the amount it expects to seek to restore the affected natural resources to their pre-damage state.

Chemours has agreed, with reservations, to defend and indemnify EID in this matter.

Natural Resource Damage Cases

Since May 2017, several municipal water districts and state attorneys general have filed lawsuits against EID, Corteva, Chemours, 3M, and others, claiming contamination of public water systems by PFCs, including but not limited to PFOA. These actions are currently pending in Alabama, New Hampshire, South Dakota, Vermont, New York, Ohio, Michigan and New Jersey with the municipalities and states seeking economic impact damages for alleged harm to natural resources, punitive damages, present and future costs to cleanup PFOA contamination and the abatement of alleged nuisance with filtration systems. Chemours has accepted the defense and indemnification of EID in these cases subject to a reservation of rights as to product scope and has declined defense and indemnity to Corteva. Furthermore, Chemours declined to defend certain state law and fraudulent conveyance claims.

Item 1A. RISK FACTORS

The significant factors known to us that could materially adversely affect our business, financial condition, or operating results are described in our most recently filed annual report on Form 10-K under Item 1A - Risk Factors, and are supplemented by the following risk factors below.

Global or regional health pandemics or epidemics, including COVID-19, could negatively impact the company's business, financial condition and results of operations.

Corteva's business, financial condition, and results of operations could be negatively impacted by COVID-19 or other pandemics or epidemics. The severity, magnitude and duration of the current COVID-19 pandemic and future outbreaks is uncertain, rapidly changing and difficult to predict. In 2020, COVID-19 and the related government-imposed restrictions, including stay at home orders, has significantly impacted economic activity and markets around the world, which could negatively impact the company's business, financial condition, and results of operations in numerous ways, including but not limited to those outlined below:

- Current and future COVID-19 outbreaks and resulting illness, travel restrictions and workforce disruptions could impact Corteva's global supply chain, its operations and its routes to market or those of its suppliers, co-manufacturers, or customers/distributors. These disruptions or the company's failure to effectively respond to them could increase product or distribution costs, alter the timing of recognizing manufacturing costs, or impact the delivery of products to customers.
- Government or regulatory responses to pandemics could negatively impact the company's business. Mandatory lockdowns or other restrictions on operations in certain countries have temporarily disrupted the company's ability to operate or distribute its products in these markets. Continuation or expansion of these disruptions could materially adversely impact the company's operations and results.
- Reductions to the company's forecasted profitability and continued global economic decline could trigger potential impairment of the carrying value of goodwill or other indefinite and definite-lived intangible assets.
- The instability or unavailability of a farm workforce to harvest agricultural products could impact the company's customers' ability to monetize their crop and potentially impact the collection of the company's customer receivables.
- Continued commodity cost volatility is expected and the company's commodity hedging activities may not sufficiently offset this volatility. Depressed commodity prices may increase the insolvency risk of Corteva's customers in the longer-term, along with reducing the demand for Corteva's products.
- The company expects to be negatively impacted by foreign currency exchange rates, as a result of a generally stronger U.S. dollar relative to other currencies in the countries in which the company operates, which could adversely affect the company's reported results of operations and financial condition.
- Disruptions or uncertainties related to the COVID-19 outbreak for a sustained period of time could result in delays or modifications to the company's strategic plans and productivity initiatives.
- Increased volatility and pricing in the capital and commercial paper markets may continue to impact, the company's access to preferred sources of liquidity resulting in higher borrowing costs. The company cannot assure investors that additional liquidity will be readily available or available on favorable terms.
- Increased market volatility may bring unprecedented market conditions making it difficult for the company to adequately forecast customer demand.

In addition, while Corteva experienced early demand for its products in the first quarter of 2020, the company is unable to predict how long this sustained demand will last or how significant it will be. Therefore, the impact of the recent COVID-19 outbreak and the unprecedented economic conditions resulting from it will have on the company's consolidated results of operations is uncertain, but could still negatively impact the company's business operations, financial performance and results of operations in the future.

Reduction in ethanol demand driven by declines in crude oil and gasoline consumption may negatively impact demand for corn, which would negatively impact the company's business, financial condition and results of operations.

During 2020 global and U.S. crude oil price benchmarks suffered record declines in demand resulting from the COVID-19 pandemic stay-at-home orders and over-supply due to price disputes between Russia and Saudi Arabia. Approximately one-third of U.S. corn is used in the production of ethanol for gasoline and U.S. ethanol producers have shut down their facilities and declared "force majeure" on shipments for corn purchases due to depressed demand, and the ability to substitute with less expensive crude oil. Similar trends with respect to bio-fuels, like ethanol, are occurring globally. A decline in the demand for corn would negatively impact our business, financial condition, and results of operations.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Issuer Purchases of Equity Securities**

The following table summarizes information with respect to the company's purchase of its common stock during the three months ended March 31, 2020:

Month	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of the Company's Publicly Announced Share Buyback Program ¹	Approximate Value of Shares that May Yet Be Purchased Under the Programs ⁽¹⁾ (Dollars in millions)
February 2020	320,477	\$ 31.22	320,477	
March 2020 ²	1,544,335	\$ 25.90	1,544,335	
Total	1,864,812		1,864,812	\$ 925

¹ On June 26, 2019, Corteva, Inc. announced that its Board of Directors authorized a \$1 billion share repurchase program to purchase Corteva, Inc.'s common stock, par value \$0.01 per share, without an expiration date. The timing, price and volume of purchases will be based on market conditions, relevant securities laws and other factors.

² The last purchase was completed on March 10, 2020.

Item 5. OTHER INFORMATION

On June 1, 2019, Corteva, Inc. became an independent, publicly traded company through the previously announced separation (the "Separation") of the agriculture business of DowDuPont Inc. ("DowDuPont"). The separation was effectuated through a pro rata distribution of all of the then-issued and outstanding shares of common stock, par value \$0.01 per share, of Corteva, Inc., which was then a wholly-owned subsidiary of DowDuPont, to holders of record of DowDuPont common stock as of the close of business on May 24, 2019. The Separation is intended to qualify as a tax-free spinoff for United States tax purposes under Section 355 of the Internal Revenue Code.

Previously, DowDuPont was formed on December 9, 2015, to effect an all-stock merger of equals strategic combination between The Dow Chemical Company ("Historical Dow") and EID. On August 31, 2017 at 11:59 pm ET, Historical Dow and Historical EID each merged with wholly-owned subsidiaries of DowDuPont and became subsidiaries of DowDuPont (the "Merger").

Item 6. EXHIBITS

Exhibit Number	Description
2.1	Separation and Distribution Agreement by and among DuPont Inc., Dow Inc. and Corteva, Inc. (incorporated by reference to Exhibit No. 2.1 to Amendment 3 to Corteva's Registration Statement on Form 10, filed on April 16, 2019).
3.1	Amended and Restated Certificate of Incorporation of Corteva, Inc. (incorporated by reference to Exhibit No. 3.1 to Corteva's Current Report on Form 8-K (Commission file number 001-38710), filed on June 3, 2019).
3.2	Amended and Restated Bylaws of Corteva, Inc. (incorporated by reference to Exhibit No. 3.1 to Corteva's Current Report on Form 8-K (Commission file number 001-38710), filed on October 10, 2019).
3.3	Amended and Restated Certificate of Incorporation of E.I. du Pont de Nemours and Company (incorporated by reference to Exhibit 3.1 to E.I. du Pont de Nemours and Company's Current Report on Form 8-K (Commission file number 1-815) dated September 1, 2017).
3.4	Amended and Restated Bylaws of E.I. du Pont de Nemours and Company (incorporated by reference to Exhibit 3.2 to E.I. du Pont de Nemours and Company's Current Report on Form 8-K (Commission file number 1-815) dated September 1, 2017).
4	Corteva agrees to provide the Commission, on request, copies of instruments defining the rights of holders of long-term debt of Corteva and its subsidiaries.
10.1	Master Repurchase Agreement by and among Cooperatieve Rabobank, U.A. (New York Branch), MUFG Bank, Ltd. (New York Branch), Standard Chartered Bank (New York Branch), and PHI Financial Services, Inc. dated as of February 11, 2020.
10.2	Master Framework Agreement by and among Cooperatieve Rabobank, U.A. (New York Branch), MUFG Bank, Ltd. (New York Branch), Standard Chartered Bank (New York Branch), and PHI Financial Services, Inc. dated as of February 11, 2020.
10.3	Form of Award Terms for Options granted under the Corteva, Inc. 2019 Omnibus Incentive Plan for U.S. grantees.
10.4	Form of Award Terms for Performance Stock Units granted under the Corteva, Inc. 2019 Omnibus Incentive Plan for U.S. grantees.
10.5	Form of Award Terms for Restricted Stock Units granted under the Corteva, Inc. 2019 Omnibus Incentive Plan for U.S. grantees.
31.1	Rule 13a-14(a)/15d-14(a) Certification of the company's and EID's Principal Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification of the company's and EID's Principal Financial Officer.
32.1	Section 1350 Certification of the company's and EID's Principal Executive Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
32.2	Section 1350 Certification of the company's and EID's Principal Financial Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File – The Cover Page XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101.INS)

SIGNATURE

Corteva, Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CORTEVA, INC.
(Registrant)

Date: May 7, 2020

By: /s/ Brian Titus

Brian Titus
Vice President, Controller
(Principal Accounting Officer)

E. I. du Pont de Nemours and Company

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

E. I. du Pont de Nemours and Company
(Registrant)

Date: May 7, 2020

By: /s/ Brian Titus

Brian Titus
Vice President, Controller
(Principal Accounting Officer)

CONSOLIDATED FINANCIAL STATEMENTS OF E. I. DU PONT DE NEMOURS AND COMPANY

E. I. du Pont de Nemours and Company
Consolidated Statements of Operations (Unaudited)

	Three Months Ended	
	March 31,	
(In millions, except per share amounts)	2020	2019
Net sales	\$ 3,956	\$ 3,396
Cost of goods sold	2,269	2,211
Research and development expense	280	299
Selling, general and administrative expenses	757	735
Amortization of intangibles	163	101
Restructuring and asset related charges - net	70	61
Integration and separation costs	—	212
Other income - net	1	31
Interest expense	42	59
Income (loss) from continuing operations before income taxes	376	(251)
Provision for (benefit from) income taxes on continuing operations	119	(67)
Income (loss) from continuing operations after income taxes	257	(184)
Income from discontinued operations after income taxes	1	360
Net income	258	176
Net income attributable to noncontrolling interests	8	10
Net income attributable to E. I. du Pont de Nemours and Company	\$ 250	\$ 166

See Notes to the Consolidated Financial Statements beginning on page 69.

E. I. du Pont de Nemours and Company
Consolidated Statements of Comprehensive (Loss) Income (Unaudited)

	Three Months Ended March 31,	
	2020	2019
(In millions)		
Net income	\$ 258	\$ 176
Other comprehensive loss - net of tax:		
Cumulative translation adjustments	(672)	(72)
Adjustments to pension benefit plans	—	(3)
Adjustments to other benefit plans	3	—
Derivative instruments	6	1
Total other comprehensive loss	(663)	(74)
Comprehensive (loss) income	(405)	102
Comprehensive income attributable to noncontrolling interests - net of tax	8	10
Comprehensive (loss) income attributable to E. I. du Pont de Nemours and Company	\$ (413)	\$ 92

See Notes to the Consolidated Financial Statements beginning on page 69.

E. I. du Pont de Nemours and Company
Condensed Consolidated Balance Sheets (Unaudited)

(In millions, except share amounts)	March 31, 2020	December 31, 2019	March 31, 2019
Assets			
Current assets			
Cash and cash equivalents	\$ 1,963	\$ 1,764	\$ 1,759
Marketable securities	10	5	5
Accounts and notes receivable - net	6,775	5,528	6,507
Inventories	4,401	5,032	5,019
Other current assets	1,530	1,190	1,318
Assets of discontinued operations - current	—	—	9,453
Total current assets	14,679	13,519	24,061
Investment in nonconsolidated affiliates	64	66	77
Property, plant and equipment - net of accumulated depreciation (March 31, 2020 - \$3,406; December 31, 2019 - \$3,326; March 31, 2019 - \$2,970)	4,358	4,546	4,521
Goodwill	10,027	10,229	10,203
Other intangible assets	11,241	11,424	11,961
Deferred income taxes	273	287	294
Other assets	2,336	2,326	2,368
Assets of discontinued operations - non-current	—	—	56,617
Total Assets	\$ 42,978	\$ 42,397	\$ 110,102
Liabilities and Equity			
Current liabilities			
Short-term borrowings and finance lease obligations	\$ 1,996	\$ 7	\$ 3,201
Accounts payable	3,021	3,702	3,120
Income taxes payable	143	95	195
Accrued and other current liabilities	4,079	4,440	4,061
Liabilities of discontinued operations - current	—	—	3,501
Total current liabilities	9,239	8,244	14,078
Long-Term Debt	614	115	6,297
Long-Term Debt - Related Party	3,872	4,021	—
Other Noncurrent Liabilities			
Deferred income tax liabilities	911	920	1,523
Pension and other post employment benefits - noncurrent	6,186	6,377	5,554
Other noncurrent obligations	1,989	2,192	2,064
Liabilities of discontinued operations - non-current	—	—	5,512
Total noncurrent liabilities	13,572	13,625	20,950
Commitments and contingent liabilities			
Stockholders' equity			
Preferred stock, without par value – cumulative; 23,000,000 shares authorized; issued at March 31, 2020, December 31, 2019, and March 31, 2019:			
\$4.50 Series – 1,673,000 shares (callable at \$120)	169	169	—
\$3.50 Series – 700,000 shares (callable at \$102)	70	70	—
Common stock, \$0.30 par value; 1,800,000,000 shares authorized; issued at March 31, 2020 - 200, December 31, 2019 - 200, and March 31, 2019 - 100	—	—	—
Additional paid-in capital	24,004	23,958	—
Divisional equity	—	—	78,244
Accumulated deficit	(158)	(406)	—
Accumulated other comprehensive loss	(3,933)	(3,270)	(3,434)
Total E. I. du Pont de Nemours and Company stockholders' equity	20,152	20,521	74,810
Noncontrolling interests	15	7	264
Total equity	20,167	20,528	75,074
Total Liabilities and Equity	\$ 42,978	\$ 42,397	\$ 110,102

See Notes to the Consolidated Financial Statements beginning on page 69.

E. I. du Pont de Nemours and Company
Condensed Consolidated Statements of Cash Flows (Unaudited)

(In millions)	Three Months Ended March 31,	
	2020	2019
Operating activities		
Net income	\$ 258	\$ 176
Adjustments to reconcile net income to cash used for operating activities:		
Depreciation and amortization	283	726
Provision for (benefit from) deferred income tax	26	(220)
Net periodic pension benefit	(102)	(75)
Pension contributions	(28)	(50)
Net loss (gain) on sales of property, businesses, consolidated companies, and investments	46	(65)
Restructuring and asset related charges - net	70	106
Amortization of inventory step-up	—	205
Other net loss	138	92
Changes in operating assets and liabilities - net	(2,613)	(2,436)
Cash used for operating activities	(1,922)	(1,541)
Investing activities		
Capital expenditures	(128)	(663)
Proceeds from sales of property, businesses, and consolidated companies - net of cash divested	11	125
Proceeds from sales of ownership interests in nonconsolidated affiliates	—	21
Purchases of investments	(67)	(16)
Proceeds from sales and maturities of investments	58	36
Other investing activities - net	(4)	(5)
Cash used for investing activities	(130)	(502)
Financing activities		
Net change in borrowings (less than 90 days)	1,619	814
Payments on related party debt	(148)	—
Proceeds from debt	875	1,000
Payments on debt	(1)	(284)
Proceeds from exercise of stock options	14	35
Distributions to DowDuPont	—	(317)
Contributions from Dow	—	88
Other financing activities	(23)	(24)
Cash provided by financing activities	2,336	1,312
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(117)	20
Increase (decrease) in cash, cash equivalents and restricted cash	167	(711)
Cash, cash equivalents and restricted cash at beginning of period	2,173	5,024
Cash, cash equivalents and restricted cash at end of period	\$ 2,340	\$ 4,313

See Notes to the Consolidated Financial Statements beginning on page 69.

E. I. du Pont de Nemours and Company
Consolidated Statements of Equity (Unaudited)

(In millions)	Preferred Stock	Common Stock	Add. Paid-in Capital	Divisional Equity	Retained Earnings (Accumulated deficit)	Accum. Other Comp Loss	Treasury Stock	Non-controlling Interests	Total Equity
2019									
Balance at January 1, 2019	\$ —	\$ —	\$ —	\$ 78,259	\$ —	\$ (3,360)	\$ —	\$ 254	\$ 75,153
Net income				166				10	176
Other comprehensive loss						(74)			(74)
Preferred dividends (\$4.50 Series - \$1.125 per share, \$3.50 Series - \$0.875 per share)				(2)					(2)
Distributions to DowDuPont				(317)					(317)
Share-based compensation				18					18
Issuance of DowDuPont stock				35					35
Contributions from Dow				88					88
Other - net				(3)					(3)
Balance at March 31, 2019	\$ —	\$ —	\$ —	\$ 78,244	\$ —	\$ (3,434)	\$ —	\$ 264	\$ 75,074

(In millions)	Preferred Stock	Common Stock	Add. Paid-in Capital	Divisional Equity	(Accumulated deficit) Retained Earnings	Accum. Other Comp Loss	Treasury Stock	Non-controlling Interests	Total Equity
2020									
Balance at January 1, 2020	\$ 239	\$ —	\$ 23,958		\$ (406)	\$ (3,270)	\$ —	\$ 7	\$ 20,528
Net income					250			8	258
Other comprehensive loss						(663)			(663)
Preferred dividends (\$4.50 Series - \$1.125 per share, \$3.50 Series - \$0.875 per share)			(2)						(2)
Issuance of Corteva stock			14						14
Share-based compensation			2						2
Other - net			32		(2)				30
Balance at March 31, 2020	\$ 239	\$ —	\$ 24,004		\$ (158)	\$ (3,933)	\$ —	\$ 15	\$ 20,167

See Notes to the Consolidated Financial Statements beginning on page 69.

E. I. du Pont de Nemours and Company
Notes to the Consolidated Financial Statements (Unaudited)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**NOTE 1 - BASIS OF PRESENTATION**

As a result of the Business Realignment and the Internal Reorganization, Corteva, Inc. owns 100% of the outstanding common stock of EID. EID is a subsidiary of Corteva, Inc. and continues to be a reporting company, subject to the requirements of the Exchange Act. The primary differences between Corteva, Inc. and EID are outlined below:

- **Preferred Stock** - EID has preferred stock outstanding to third parties which is accounted for as a non-controlling interest at the Corteva, Inc. level. Each share of EID Preferred Stock - \$4.50 Series and EID Preferred Stock - \$3.50 Series issued and outstanding at the effective date of the Corteva Distribution remains issued and outstanding as to EID and was unaffected by the Corteva Distribution.
- **Related Party Loan** - EID engaged in a series of debt redemptions during the second quarter of 2019 that were partially funded through an intercompany loan from Corteva, Inc. This was eliminated in consolidation at the Corteva, Inc. level but remains on EID's financial statements at the standalone level (including the associated interest).
- **Capital Structure** - At March 31, 2020, Corteva, Inc.'s capital structure consists of 748,369,000 issued shares of common stock, par value \$0.01 per share.

The accompanying footnotes relate to EID only, and not to Corteva, Inc., and are presented to show differences between EID and Corteva, Inc.

For the footnotes listed below, refer to the following Corteva, Inc. footnotes:

- Note 1 - Summary of Significant Accounting Policies - refer to page 9 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 2 - Recent Accounting Guidance - refer to page 10 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 3 - Divestitures and Other Transactions - refer to page 11 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 4 - Revenue - refer to page 14 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 5 - Restructuring and Asset Related Charges - Net - refer to page 16 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 6 - Related Parties - Differences exist between Corteva, Inc. and EID; refer to EID Note 2 - Related Party Transactions, below
- Note 7 - Supplementary Information - refer to page 18 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 8 - Income Taxes - refer to page 20 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 9 - Earnings Per Share of Common Stock - N/A for EID
- Note 10 - Accounts and Notes Receivable - Net - refer to page 21 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 11 - Inventories - refer to page 22 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 12 - Other Intangible Assets - refer to page 23 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 13 - Short-Term Borrowings, Long-Term Debt and Available Credit Facilities - refer to page 23 of the Corteva, Inc. interim Consolidated Financial Statements. In addition, EID has a related party loan payable to Corteva, Inc.; refer to EID Note 2 - Related Party Transactions, below
- Note 14 - Commitments and Contingent Liabilities - refer to page 25 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 15 - Stockholders' Equity - refer to page 30 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 16 - Pension Plans and Other Post Employment Benefits - refer to page 32 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 17 - Financial Instruments - refer to page 33 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 18 - Fair Value Measurements - refer to page 37 of the Corteva, Inc. interim Consolidated Financial Statements
- Note 19 - Segment Information - Differences exist between Corteva, Inc. and EID; refer to EID Note 3 - Segment Information, below

NOTE 2 - RELATED PARTY TRANSACTIONS

Refer to page 18 of the Corteva, Inc. interim Consolidated Financial Statements for discussion of related party transactions with Historical Dow, DowDuPont, and DuPont.

Transactions with Corteva

In the second quarter of 2019, EID entered into a related party revolving loan from Corteva, Inc., with a maturity date in 2024. As of March 31, 2020 and December 31, 2019, the outstanding related party loan balance was \$3,872 million and \$4,021 million, respectively (which approximates fair value), with an interest rate of 3.27%, and is reflected as long-term debt - related party in EID's interim Condensed Consolidated Balance Sheets. Additionally, EID has incurred tax deductible interest expense of \$32 million for the three months ended March 31, 2020 associated with the related party loan from Corteva, Inc.

As of March 31, 2020, EID had payables to Corteva, Inc., the parent company, of \$166 million and \$82 million (\$119 million and \$154 million at December 31, 2019) included in accrued and other current liabilities and other noncurrent obligations, respectively, in the interim Condensed Consolidated Balance Sheets related to Corteva's indemnification liabilities to Dow and DuPont per the Separation Agreements (refer to page 11 of the Corteva, Inc. interim Consolidated Financial Statements for further details of the Separation Agreements).

NOTE 3 - SEGMENT INFORMATION

There are no differences in reporting structure or segments between Corteva, Inc. and EID. In addition, there are no differences between Corteva, Inc. and EID segment net sales, segment operating EBITDA or pro forma segment operating EBITDA, segment assets, or significant items by segment; refer to page 39 of the Corteva, Inc. interim Consolidated Financial Statements for background information on the segments as well as further details regarding segment metrics. The tables below reconcile segment pro forma operating EBITDA to loss from continuing operations after income taxes, as differences exist between Corteva, Inc. and EID.

Reconciliation to interim Consolidated Financial Statements

Income (loss) from continuing operations after income taxes to segment operating EBITDA	Three Months Ended March 31,	
	2020	2019 ¹
(In millions)		
Income (loss) from continuing operations after income taxes	\$ 257	\$ (184)
Provision for (benefit from) income taxes on continuing operations	119	(67)
Income (loss) from continuing operations before income taxes	376	(251)
Depreciation and amortization	283	258
Interest income	(18)	(16)
Interest expense	42	59
Exchange losses - net	61	27
Non-operating benefits - net	(73)	(42)
Significant items	123	185
Pro forma adjustments		298
Corporate expenses	25	27
Segment operating EBITDA	\$ 819	\$ 545

1. Period is presented on a pro forma basis, prepared in accordance with Article 11 of Regulation S-X.

Master Repurchase Agreement

September 1996 Version

Dated as of	February 11, 2020
Between	Coöperatieve Rabobank, U.A., New York Branch, MUFG Bank, Ltd., New York Branch, Standard Chartered Bank, acting through its New York branch, HSBC Bank USA, N.A.
and	PHI Financial Services, Inc.

1. Applicability

From time to time the parties hereto may enter into transactions in which one party (“Seller”) agrees to transfer to the other (“Buyer”) securities or other assets (“Securities”) against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to transfer to Seller such Securities at a date certain or on demand, against the transfer of funds by Seller. Each such transaction shall be referred to herein as a “Transaction” and, unless otherwise agreed in writing, shall be governed by this Agreement, including any supplemental terms or conditions contained in Annex I hereto and in any other annexes identified herein or therein as applicable hereunder.

2. Definitions

- (a) “Act of Insolvency”, with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or similar law, or such party seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (ii) the commencement of any such case or proceeding against such party, or another seeking such an appointment or election, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 15 days, (iii) the making by such party of a general assignment for the benefit of creditors, or (iv) the admission in writing by such party of such party’s inability to pay such party’s debts as they become due;
- (b) “Additional Purchased Securities”, Securities provided by Seller to Buyer pursuant to Paragraph 4(a) hereof;
- (c) “Buyer’s Margin Amount”, with respect to any Transaction as of any date, the amount obtained by application of the Buyer’s Margin Percentage to the Repurchase Price for such Transaction as of such date;
- (d) “Buyer’s Margin Percentage”, with respect to any Transaction as of any date, a percentage (which may be equal to the Seller’s Margin Percentage) agreed to by Buyer and Seller or, in the absence of any such agreement, the percentage obtained by dividing the Market Value of the Purchased Securities on the Purchase Date by the Purchase Price on the Purchase Date for such Transaction;
- (e) “Confirmation”, the meaning specified in Paragraph 3(b) hereof;

- (f) “Income”, with respect to any Security at any time, any principal thereof and all interest, dividends or other distributions thereon;
- (g) “Margin Deficit”, the meaning specified in Paragraph 4(a) hereof;
- (h) “Margin Excess”, the meaning specified in Paragraph 4(b) hereof;
- (i) “Margin Notice Deadline”, the time agreed to by the parties in the relevant Confirmation, Annex I hereto or otherwise as the deadline for giving notice requiring same-day satisfaction of margin maintenance obligations as provided in Paragraph 4 hereof (or, in the absence of any such agreement, the deadline for such purposes established in accordance with market practice);
- (j) “Market Value”, with respect to any Securities as of any date, the price for such Securities on such date obtained from a generally recognized source agreed to by the parties or the most recent closing bid quotation from such a source, plus accrued Income to the extent not included therein (other than any Income credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) as of such date (unless contrary to market practice for such Securities);
- (k) “Price Differential”, with respect to any Transaction as of any date, the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination (reduced by any amount of such Price Differential previously paid by Seller to Buyer with respect to such Transaction);
- (l) “Pricing Rate”, the per annum percentage rate for determination of the Price Differential;
- (m) “Prime Rate”, the prime rate of U.S. commercial banks as published in The Wall Street Journal (or, if more than one such rate is published, the average of such rates);
- (n) “Purchase Date”, the date on which Purchased Securities are to be transferred by Seller to Buyer;
- (o) “Purchase Price”, (i) on the Purchase Date, the price at which Purchased Securities are transferred by Seller to Buyer, and (ii) thereafter, except where Buyer and Seller agree otherwise, such price increased by the amount of any cash transferred by Buyer to Seller pursuant to Paragraph 4(b) hereof and decreased by the amount of any cash transferred by Seller to Buyer pursuant to Paragraph 4(a) hereof or applied to reduce Seller’s obligations under clause (ii) of Paragraph 5 hereof;
- (p) “Purchased Securities”, the Securities transferred by Seller to Buyer in a Transaction here-under, and any Securities substituted therefor in accordance with Paragraph 9 hereof. The term “Purchased Securities” with respect to any Transaction at any time also shall include Additional Purchased Securities delivered pursuant to Paragraph 4(a) hereof and shall exclude Securities returned pursuant to Paragraph 4(b) hereof;
- (q) “Repurchase Date”, the date on which Seller is to repurchase the Purchased Securities from Buyer, including any date determined by application of the provisions of Paragraph 3(c) or 11 hereof;
- (r) “Repurchase Price”, the price at which Purchased Securities are to be transferred from Buyer to Seller upon termination of a Transaction, which will be determined in each case (including Transactions terminable upon demand) as the sum of the Purchase Price and the Price Differential as of the date of such determination;
- (s) “Seller’s Margin Amount”, with respect to any Transaction as of any date, the amount obtained by application of the Seller’s Margin Percentage to the Repurchase Price for such Transaction as of such date;
- (t) “Seller’s Margin Percentage”, with respect to any Transaction as of any date, a percentage (which may be equal to the Buyer’s Margin Percentage) agreed to by Buyer and Seller or, in the absence

of any such agreement, the percentage obtained by dividing the Market Value of the Purchased Securities on the Purchase Date by the Purchase Price on the Purchase Date for such Transaction.

3. **Initiation; Confirmation; Termination**

- (a) An agreement to enter into a Transaction may be made orally or in writing at the initiation of either Buyer or Seller. On the Purchase Date for the Transaction, the Purchased Securities shall be transferred to Buyer or its agent against the transfer of the Purchase Price to an account of Seller.
- (b) Upon agreeing to enter into a Transaction hereunder, Buyer or Seller (or both), as shall be agreed, shall promptly deliver to the other party a written confirmation of each Transaction (a "Confirmation"). The Confirmation shall describe the Purchased Securities (including CUSIP number, if any), identify Buyer and Seller and set forth (i) the Purchase Date, (ii) the Purchase Price, (iii) the Repurchase Date, unless the Transaction is to be terminable on demand, (iv) the Pricing Rate or Repurchase Price applicable to the Transaction, and (v) any additional terms or conditions of the Transaction not inconsistent with this Agreement. The Confirmation, together with this Agreement, shall constitute conclusive evidence of the terms agreed between Buyer and Seller with respect to the Transaction to which the Confirmation relates, unless with respect to the Confirmation specific objection is made promptly after receipt thereof. In the event of any conflict between the terms of such Confirmation and this Agreement, this Agreement shall prevail.
- (c) In the case of Transactions terminable upon demand, such demand shall be made by Buyer or Seller, no later than such time as is customary in accordance with market practice, by telephone or otherwise on or prior to the business day on which such termination will be effective. On the date specified in such demand, or on the date fixed for termination in the case of Transactions having a fixed term, termination of the Transaction will be effected by transfer to Seller or its agent of the Purchased Securities and any Income in respect thereof received by Buyer (and not previously credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) against the transfer of the Repurchase Price to an account of Buyer.

4. **Margin Maintenance**

- (a) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Buyer is less than the aggregate Buyer's Margin Amount for all such Transactions (a "Margin Deficit"), then Buyer may by notice to Seller require Seller in such Transactions, at Seller's option, to transfer to Buyer cash or additional Securities reasonably acceptable to Buyer ("Additional Purchased Securities"), so that the cash and aggregate Market Value of the Purchased Securities, including any such Additional Purchased Securities, will thereupon equal or exceed such aggregate Buyer's Margin Amount (decreased by the amount of any Margin Deficit as of such date arising from any Transactions in which such Buyer is acting as Seller).
- (b) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Seller exceeds the aggregate Seller's Margin Amount for all such Transactions at such time (a "Margin Excess"), then Seller may by notice to Buyer require Buyer in such Transactions, at Buyer's option, to transfer cash or Purchased Securities to Seller, so that the aggregate Market Value of the Purchased Securities, after deduction of any such cash or any Purchased Securities so transferred, will thereupon not exceed such aggregate Seller's Margin Amount (increased by the amount of any Margin Excess as of such date arising from any Transactions in which such Seller is acting as Buyer).
- (c) If any notice is given by Buyer or Seller under subparagraph (a) or (b) of this Paragraph at or before the Margin Notice Deadline on any business day, the party receiving such notice shall transfer cash or Additional Purchased Securities as provided in such subparagraph no later than the close of business in the relevant market on such day. If any such notice is given after the Margin Notice Deadline, the party receiving such notice shall transfer such cash or Securities no later than the close of business in the relevant market on the next business day following such notice.

- (d) Any cash transferred pursuant to this Paragraph shall be attributed to such Transactions as shall be agreed upon by Buyer and Seller.
- (e) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer or Seller (or both) under subparagraphs (a) and (b) of this Paragraph may be exercised only where a Margin Deficit or Margin Excess, as the case may be, exceeds a specified dollar amount or a specified percentage of the Repurchase Prices for such Transactions (which amount or percentage shall be agreed to by Buyer and Seller prior to entering into any such Transactions).
- (f) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer and Seller under subparagraphs (a) and (b) of this Paragraph to require the elimination of a Margin Deficit or a Margin Excess, as the case may be, may be exercised whenever such a Margin Deficit or Margin Excess exists with respect to any single Transaction hereunder (calculated without regard to any other Transaction outstanding under this Agreement).

5. Income Payments

Seller shall be entitled to receive an amount equal to all Income paid or distributed on or in respect of the Securities that is not otherwise received by Seller, to the full extent it would be so entitled if the Securities had not been sold to Buyer. Buyer shall, as the parties may agree with respect to any Transaction (or, in the absence of any such agreement, as Buyer shall reasonably determine in its discretion), on the date such Income is paid or distributed either (i) transfer to or credit to the account of Seller such Income with respect to any Purchased Securities subject to such Transaction or (ii) with respect to Income paid in cash, apply the Income payment or payments to reduce the amount, if any, to be transferred to Buyer by Seller upon termination of such Transaction. Buyer shall not be obligated to take any action pursuant to the preceding sentence (A) to the extent that such action would result in the creation of a Margin Deficit, unless prior thereto or simultaneously therewith Seller transfers to Buyer cash or Additional Purchased Securities sufficient to eliminate such Margin Deficit, or (B) if an Event of Default with respect to Seller has occurred and is then continuing at the time such Income is paid or distributed.

6. Security Interest

Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, Seller shall be deemed to have pledged to Buyer as security for the performance by Seller of its obligations under each such Transaction, and shall be deemed to have granted to Buyer a security interest in, all of the Purchased Securities with respect to all Transactions hereunder and all Income thereon and other proceeds thereof.

7. Payment and Transfer

Unless otherwise mutually agreed, all transfers of funds hereunder shall be in immediately available funds. All Securities transferred by one party hereto to the other party (i) shall be in suitable form for transfer or shall be accompanied by duly executed instruments of transfer or assignment in blank and such other documentation as the party receiving possession may reasonably request, (ii) shall be transferred on the book-entry system of a Federal Reserve Bank, or (iii) shall be transferred by any other method mutually acceptable to Seller and Buyer.

8. Segregation of Purchased Securities

To the extent required by applicable law, all Purchased Securities in the possession of Seller shall be segregated from other securities in its possession and shall be identified as subject to this Agreement. Segregation may be accomplished by appropriate identification on the books and records of the holder, including a financial or securities intermediary or a clearing corporation. All of Seller's interest in the Purchased Securities shall pass to Buyer on the Purchase Date and, unless otherwise agreed by Buyer and Seller, nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Securities or otherwise selling, transferring, pledging or hypothecating the Purchased Securities, but no such transaction shall relieve Buyer of its obligations to transfer Purchased Securities to Seller pursuant to Paragraph 3, 4 or 11 hereof, or of Buyer's obligation to credit or pay Income to, or apply Income to the obligations of, Seller pursuant to Paragraph 5 hereof.

Required Disclosure for Transactions in Which the Seller Retains Custody of the Purchased Securities

Seller is not permitted to substitute other securities for those subject to this Agreement and therefore must keep Buyer's securities segregated at all times, unless in this Agreement Buyer grants Seller the right to substitute other securities. If Buyer grants the right to substitute, this means that Buyer's securities will likely be commingled with Seller's own securities during the trading day. Buyer is advised that, during any trading day that Buyer's securities are commingled with Seller's securities, they [will]* [may]** be subject to liens granted by Seller to [its clearing bank]* [third parties]** and may be used by Seller for deliveries on other securities transactions. Whenever the securities are commingled, Seller's ability to resegment substitute securities for Buyer will be subject to Seller's ability to satisfy [the clearing]* [any]** lien or to obtain substitute securities.

9. Substitution

- (a) Seller may, subject to agreement with and acceptance by Buyer, substitute other Securities for any Purchased Securities. Such substitution shall be made by transfer to Buyer of such other Securities and transfer to Seller of such Purchased Securities. After substitution, the substituted Securities shall be deemed to be Purchased Securities.
- (b) In Transactions in which Seller retains custody of Purchased Securities, the parties expressly agree that Buyer shall be deemed, for purposes of subparagraph (a) of this Paragraph, to have agreed to and accepted in this Agreement substitution by Seller of other Securities for Purchased Securities; provided, however, that such other Securities shall have a Market Value at least equal to the Market Value of the Purchased Securities for which they are substituted.

10. Representations

Each of Buyer and Seller represents and warrants to the other that (i) it is duly authorized to execute and deliver this Agreement, to enter into Transactions contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (ii) it will engage in such Transactions as principal (or, if agreed in writing, in the form of an annex hereto or otherwise, in advance of any Transaction by the other party hereto, as agent for a disclosed principal), (iii) the person signing this Agreement on its behalf is duly authorized to do so on its behalf (or on behalf of any such disclosed principal), (iv) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions hereunder and such authorizations are in full force and effect and (v) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, bylaw or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected. On the Purchase Date for any Transaction Buyer and Seller shall each be deemed to repeat all the foregoing representations made by it.

11. Events of Default

In the event that (i) Seller fails to transfer or Buyer fails to purchase Purchased Securities upon the applicable Purchase Date, (ii) Seller fails to repurchase or Buyer fails to transfer Purchased Securities upon the applicable Repurchase Date, (iii) Seller or Buyer fails to comply with Paragraph 4 hereof, (iv) Buyer fails, after one business day's notice, to comply with Paragraph 5 hereof, (v) an Act of Insolvency occurs with respect to Seller or Buyer, (vi) any representation made by Seller or Buyer shall have been incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, or (vii) Seller or Buyer shall admit to the other its inability to, or its intention not to, perform any of its obligations hereunder (each an "Event of Default"):

- (a) The nondefaulting party may, at its option (which option shall be deemed to have been exercised immediately upon the occurrence of an Act of Insolvency), declare an Event of Default to have occurred hereunder and, upon the exercise or deemed exercise of such option, the Repurchase Date for each Transaction hereunder shall, if it has not already occurred, be deemed immediately to occur (except that, in the event that the Purchase Date for any Transaction has not yet occurred as of the date of such exercise or deemed exercise, such Transaction shall be deemed immediately canceled). The nondefaulting party shall (except upon the occurrence of an Act of Insolvency) give notice to the defaulting party of the exercise of such option as promptly as practicable.
- (b) In all Transactions in which the defaulting party is acting as Seller, if the nondefaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, (i) the defaulting party's obligations in such Transactions to repurchase all Purchased Securities,

at the Repurchase Price therefor on the Repurchase Date determined in accordance with subparagraph (a) of this Paragraph, shall thereupon become immediately due and payable, (ii) all Income paid after such exercise or deemed exercise shall be retained by the nondefaulting party and applied to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder, and (iii) the defaulting party shall immediately deliver to the nondefaulting party any Purchased Securities subject to such Transactions then in the defaulting party's possession or control.

- (c) In all Transactions in which the defaulting party is acting as Buyer, upon tender by the nondefaulting party of payment of the aggregate Repurchase Prices for all such Transactions, all right, title and interest in and entitlement to all Purchased Securities subject to such Transactions shall be deemed transferred to the nondefaulting party, and the defaulting party shall deliver all such Purchased Securities to the nondefaulting party.
- (d) If the nondefaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, the nondefaulting party, without prior notice to the defaulting party, may:
 - (i) as to Transactions in which the defaulting party is acting as Seller, (A) immediately sell, in a recognized market (or otherwise in a commercially reasonable manner) at such price or prices as the nondefaulting party may reasonably deem satisfactory, any or all Purchased Securities subject to such Transactions and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Securities, to give the defaulting party credit for such Purchased Securities in an amount equal to the price therefor on such date, obtained from a generally recognized source or the most recent closing bid quotation from such a source, against the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder; and
 - (ii) as to Transactions in which the defaulting party is acting as Buyer, (A) immediately purchase, in a recognized market (or otherwise in a commercially reasonable manner) at such price or prices as the nondefaulting party may reasonably deem satisfactory, securities ("Replacement Securities") of the same class and amount as any Purchased Securities that are not delivered by the defaulting party to the nondefaulting party as required hereunder or (B) in its sole discretion elect, in lieu of purchasing Replacement Securities, to be deemed to have purchased Replacement Securities at the price therefor on such date, obtained from a generally recognized source or the most recent closing offer quotation from such a source.

Unless otherwise provided in Annex I, the parties acknowledge and agree that (1) the Securities subject to any Transaction hereunder are instruments traded in a recognized market, (2) in the absence of a generally recognized source for prices or bid or offer quotations for any Security, the nondefaulting party may establish the source therefor in its sole discretion and (3) all prices, bids and offers shall be determined together with accrued Income (except to the extent contrary to market practice with respect to the relevant Securities).

- (e) As to Transactions in which the defaulting party is acting as Buyer, the defaulting party shall be liable to the nondefaulting party for any excess of the price paid (or deemed paid) by the nondefaulting party for Replacement Securities over the Repurchase Price for the Purchased Securities replaced thereby and for any amounts payable by the defaulting party under Paragraph 5 hereof or otherwise hereunder.
- (f) For purposes of this Paragraph 11, the Repurchase Price for each Transaction hereunder in respect of which the defaulting party is acting as Buyer shall not increase above the amount of such Repurchase Price for such Transaction determined as of the date of the exercise or deemed exercise by the nondefaulting party of the option referred to in sub-paragraph (a) of this Paragraph.
- (g) The defaulting party shall be liable to the nondefaulting party for (i) the amount of all reasonable legal or other expenses incurred by the nondefaulting party in connection with or as a result of an

Event of Default, (ii) damages in an amount equal to the cost (including all fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of an Event of Default, and (iii) any other loss, damage, cost or expense directly arising or resulting from the occurrence of an Event of Default in respect of a Transaction.

- (h) To the extent permitted by applicable law, the defaulting party shall be liable to the non-defaulting party for interest on any amounts owing by the defaulting party hereunder, from the date the defaulting party becomes liable for such amounts hereunder until such amounts are (i) paid in full by the defaulting party or (ii) satisfied in full by the exercise of the nondefaulting party's rights hereunder. Interest on any sum payable by the defaulting party to the nondefaulting party under this Paragraph 11(h) shall be at a rate equal to the greater of the Pricing Rate for the relevant Transaction or the Prime Rate.
- (i) The nondefaulting party shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement or applicable law.

12. Single Agreement

Buyer and Seller acknowledge that, and have entered hereinto and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, each of Buyer and Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that each of them shall be entitled to set off claims and apply property held by them in respect of any Transaction against obligations owing to them in respect of any other Transactions hereunder and (iii) that payments, deliveries and other transfers made by either of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

13. Notices and Other Communications

Any and all notices, statements, demands or other communications hereunder may be given by a party to the other by mail, facsimile, telegraph, messenger or otherwise to the address specified in Annex II hereto, or so sent to such party at any other place specified in a notice of change of address hereafter received by the other. All notices, demands and requests hereunder may be made orally, to be confirmed promptly in writing, or by other communication as specified in the preceding sentence.

14. Entire Agreement; Severability

This Agreement shall supersede any existing agreements between the parties containing general terms and conditions for repurchase transactions. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

15. Non-assignability; Termination

- (a) The rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned by either party without the prior written consent of the other party, and any such assignment without the prior written consent of the other party shall be null and void. Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be terminated by either party upon giving written notice to the other, except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.
- (b) Subparagraph (a) of this Paragraph 15 shall not preclude a party from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under Paragraph 11 hereof.

16. Governing Law

This Agreement shall be governed by the laws of the State of New York without giving effect to the conflict of law principles thereof.

17. No Waivers, Etc.

No express or implied waiver of any Event of Default by either party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any party to a departure here-from shall be effective unless and until such shall be in writing and duly executed by both of the parties hereto. Without limitation on any of the foregoing, the failure to give a notice pursuant to Paragraph 4(a) or 4(b) hereof will not constitute a waiver of any right to do so at a later date.

18. Use of Employee Plan Assets

If assets of an employee benefit plan subject to any provision of the Employee Retirement Income Security Act of 1974 ("ERISA") are intended to be used by either party hereto (the "Plan Party") in a Transaction, the Plan Party shall so notify the other party prior to the Transaction. The Plan Party shall represent in writing to the other party that the Transaction does not constitute a prohibited transaction under ERISA or is otherwise exempt therefrom, and the other party may proceed in reliance thereon but shall not be required so to proceed.

- (a) Subject to the last sentence of subparagraph (a) of this Paragraph, any such Transaction shall proceed only if Seller furnishes or has furnished to Buyer its most recent available audited statement of its financial condition and its most recent subsequent unaudited statement of its financial condition.
- (b) By entering into a Transaction pursuant to this Paragraph, Seller shall be deemed (i) to represent to Buyer that since the date of Seller's latest such financial statements, there has been no material adverse change in Seller's financial condition which Seller has not dis-closed to Buyer, and (ii) to agree to provide Buyer with future audited and unaudited statements of its financial condition as they are issued, so long as it is a Seller in any out-standing Transaction involving a Plan Party.

19. Intent

- (a) The parties recognize that each Transaction is a "repurchase agreement" as that term is defined in Section 101 of Title 11 of the United States Code, as amended (except insofar as the type of Securities subject to such Transaction or the term of such Transaction would render such definition inapplicable), and a "securities contract" as that term is defined in Section 741 of Title 11 of the United States Code, as amended (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).
- (b) It is understood that either party's right to liquidate Securities delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Paragraph 11 hereof is a contractual right to liquidate such Transaction as described in Sections 555 and 559 of Title 11 of the United States Code, as amended.
- (c) The parties agree and acknowledge that if a party hereto is an "insured depository institution," as such term is defined in the Federal Deposit Insurance Act, as amended ("FDIA"), then each Transaction hereunder is a "qualified financial contract," as that term is defined in FDIA and any rules, orders or policy statements thereunder (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

- (d) It is understood that this Agreement constitutes a “netting contract” as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”) and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation”, respectively, as defined in and subject to FDI-CIA (except insofar as one or both of the parties is not a “financial institution” as that term is defined in FDICIA).

20. Disclosure Relating to Certain Federal Protections

The parties acknowledge that they have been advised that:

- (a) in the case of Transactions in which one of the parties is a broker or dealer registered with the Securities and Exchange Commission (“SEC”) under Section 15 of the Securities Exchange Act of 1934 (“1934 Act”), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970 (“SIPA”) do not protect the other party with respect to any Transaction hereunder.
- (b) in the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SPA will not provide protection to the other party with respect to any Transaction hereunder; and
- (c) in the case of Transactions in which one of the parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

[Signature Pages Follow]

Coöperatieve Rabobank, U.A., New York Branch

By: /s/ Vikram Malkani
Name: Vikram Malkani
Title: Managing Director

By: /s/ David Epstein
Name: David Epstein
Title: Vice President

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By: /s/ Thomas Giuntini
Name: Thomas Giuntini
Title: Managing Director

[SIGNATURE PAGES CONTINUE ON FOLLOWING PAGE]

Standard Chartered Bank, acting through its New York branch

By: /s/ Philip Panaino
Name: Philip Panaino
Title: Managing Director

[SIGNATURE PAGES CONTINUE ON FOLLOWING PAGE]

By: /s/ Lauren Steiner
Name: Lauren Steiner
Title: Vice President

[SIGNATURE PAGES CONTINUE ON FOLLOWING PAGE]

PHI Financial Services, Inc.

By: /s/ Timothy Glenn

Name: Timothy Glenn

Title: President

Annex I

Supplemental Terms and Conditions

This Annex I forms a part of the 1996 SIFMA Master Repurchase Agreement dated as of

February 11, 2020 (the “SIFMA Master,” and as amended by this Annex I, this or the “Agreement”) among PHI Financial Services, Inc., Coöperatieve Rabobank, U.A., New York Branch (“Rabobank”) and each of the other Buyers from time to time Party thereto. Subject to the provisions of Paragraph 1 of this Annex I, (a) capitalized terms used but not defined in this Annex I shall have the meanings ascribed to them in the SIFMA Master, and (b) aside from this Annex I, including all exhibits and schedules attached hereto and thereto, no other Annexes or Schedules thereto shall form a part of the SIFMA Master or be applicable thereunder.

1. **Applicability; Parties; Framework.**

(a) *Framework Agreement.* This Agreement is being entered into in accordance with that certain Master Framework Agreement, dated as of February 11, 2020 (the “Framework Agreement”), among Seller, each of the “Buyers” thereunder and Rabobank, as agent for the Buyers (the “Agent”). Capitalized terms used but not defined in this Agreement or in any Confirmations shall have the meanings set forth in the Framework Agreement (including Schedule 1 thereto). In the event of any inconsistency between this Agreement and the Framework Agreement, the Framework Agreement shall govern.

(b) *Seller.* PHI Financial Services, Inc. will act as Seller with respect to all Transactions entered into hereunder.

(c) *Buyers.* All references to “Buyer” in this Agreement shall refer collectively to the “Buyers” party to the Framework Agreement, each as represented for purposes of this Agreement by Rabobank, as Agent. Each such Buyer shall be deemed a party to this Agreement, and upon entry into any Transaction, each such Buyer shall acquire an undivided fractional interest in the Purchased Securities for such Transaction (pro-rata in accordance with its Undivided Funding Percentage) in accordance with Section 4.2(b) of the Framework Agreement until such Purchased Securities are repurchased by Seller pursuant to this Agreement (at which point such undivided fractional interests shall be collectively reconveyed to Seller) or otherwise disposed of hereunder. Subject to the terms and conditions of the Framework Agreement, all powers of Buyers hereunder, including the execution and delivery of Confirmations hereunder or any other matters involving consent or discretion, shall be exercised solely by Agent on behalf of such Buyers. The parties agree that any remedies to be exercised against Seller, Guarantor or the Collateral shall be exercised solely through Agent and not by any Buyer individually.

(d) *Securities.* All Securities under this Agreement shall consist of Eligible Farmer Loans. Only Eligible Farmer Loans shall be recognized as Securities for purposes of any Transactions hereunder.

(e) *Entire Agreement.* The first sentence of Paragraph 14 of the SIFMA Master is subject to, and superseded by, Section 9.3 of the Framework Agreement.

2. **Definitions.**

(a) *Added Definitions.* For purposes of this Agreement, the following additional terms shall have the following meanings:

(i) “Breakage Amount”, with respect to any Breakage Event pertaining to any outstanding Transaction, an amount “X” to be calculated as follows:

$$X = (A - B) * (C - D) * E$$

where:

A refers to the Purchase Price for such Transaction immediately prior to such Breakage Event;

B refers to (x) in the case of a Breakage Event of the type specified in clause (1) of the definition thereof, the Purchase Price for any new Transaction entered into hereunder having a Purchase Date coinciding with the date on which such outstanding Transaction is terminated or (y) in the case of a Breakage Event of the type described in clause (2) of the definition thereof, the excess (if any) of (I) the Purchase Price for such outstanding Transaction immediately prior to such Breakage Event over (II) the amount of cash transferred by Seller to Buyer;

C refers to the Pricing Rate for such outstanding Transaction;

D refers to LIBID for the Breakage Period plus 0.75%; and

E refers to the actual number of days in the Breakage Period divided by 360.

(ii) "Breakage Event", with respect to any Transaction, (1) the termination of such Transaction by Seller before the Repurchase Date specified in the Confirmation for such Transaction in accordance with Paragraph 3(c)(ii) of the SIFMA Master, as amended by this Annex I, or (2) the transfer of any cash by Seller to Buyer during the Transaction Period for such Transaction as required pursuant to Paragraph 4(a) of the SIFMA Master, as amended by this Annex I, or as permitted in accordance with Paragraph 4(f) of this Annex I;

(iii) "Breakage Period", with respect to any Breakage Event, the period commencing on (and including) (x) in the case of a Breakage Event of the type described in clause (1) of the definition thereof, the effective date of Seller's termination of the applicable Transaction or (y) in the case of a Breakage Event of the type described in clause (2) of the definition thereof, the date on which such cash is transferred by Seller to Buyer, and, in each case, ending on (but excluding) the next succeeding Monthly Date;

(iv) "Framework Agreement", the meaning set forth in Paragraph 1(a) of this Annex I;

(v) "LIBID", with respect to any Breakage Period, London Interbank Bid Rate for deposits in U.S. Dollars which appears on the Bloomberg Screen LIBOR Rates Page (or any successor source) as of 11:00 a.m., London time, on the day that is two (2) London Banking Days preceding the first day of such Breakage Period, for a period equal to such Breakage Period; provided, that if the Breakage Period is not equal to a period specified on such page, the rate shall be calculated using Linear Interpolation;

(vi) "LIBOR", with respect to any Transaction Period or Breakage Period, the rate for deposits in U.S. Dollars for a period equal to such Transaction Period or such Breakage Period which appears on the Bloomberg Screen LIBOR Rates Page (or any successor source) as of 11:00 a.m., London time, on the day that is two (2) London Banking Days preceding the first day of the Transaction Period or such Breakage Period; provided that if the Transaction Period or such Breakage Period is not equal to a period specified on such page, the rate shall be calculated using Linear Interpolation; provided, further, that in the event that such rate is not available at such time for any reason, then the LIBOR Rate for such Transaction Period or such Breakage Period shall be the rate at which U.S. Dollar deposits in an amount comparable to the Purchase Price and for a maturity comparable to such Transaction Period or such Breakage Period are offered by the principal London office of Coöperatieve Rabobank, U.A. to leading banks in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, on the day that is two (2) London Banking Days preceding the first day of the Transaction Period or such Breakage Period;

(vii) "Linear Interpolation", straight-line interpolation by reference to two rates, one of which shall be determined as if the applicable Transaction Period (or Breakage Period, if applicable) were the period of time for which rates are available next shorter than the length of such Transaction Period (or Breakage Period) and the other of which shall be determined as if such Transaction Period (or Breakage Period) were the period of time for which rates are available next longer than the length of such Transaction Period (or Breakage Period); such determinations to be made by Agent;

(viii) "London Banking Day", any day other than (i) a Saturday or Sunday or (ii) a day on which banking institutions located in City of London are permitted or required by applicable Law or regulation to remain closed.

(ix) "Portfolio Schedule", the meaning set forth in Paragraph 3(b) of this Annex I;

(x) “Roll-Over Securities”, with respect to any expiring Transaction, any Purchased Securities under such Transaction which, in lieu of being transferred back to Seller, become Purchased Securities under a new Transaction (as set forth on the Portfolio Schedule for such Transaction) with a Purchase Date coinciding with the Repurchase Date of such expiring Transaction.

(b) *Revised Definitions.* For purposes of this Agreement, and notwithstanding anything in Paragraph 2 of the SIFMA Master to the contrary, the following terms shall have the following amended and restated meanings:

(i) “Buyer’s Margin Amount”, with respect to any Transaction as of any date, the amount obtained by application of the Buyer’s Margin Percentage to the Purchase Price for such Transaction as of such date;

(ii) “Buyer’s Margin Percentage”, with respect to any Transaction as of any date, one hundred and five percent (105%);

(iii) “Defaulted Farmer Loan”, any Eligible Farmer Loan with respect to which an Act of Insolvency has occurred with respect to the applicable Debtor or with respect to which any of the Asset Representations, Warranties or Covenants has been breached;

(iv) “Market Value”, as of any date with respect to the Securities comprising the Transaction Portfolio for an outstanding Transaction, an amount equal to the sum of the Book Values of all Eligible Farmer Loans comprising such Transaction Portfolio (as set forth in the applicable Portfolio Schedule) as of such date; *provided*; that the Book Value of any Defaulted Farmer Loan shall be deemed to be zero;

(v) “Price Differential”, with respect to any Transaction as of any date, the sum of the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination (reduced by any amount of such Price Differential previously paid by Seller to Buyer with respect to such Transaction); *provided*, that upon the occurrence of any Breakage Event with respect to such Transaction, such Price Differential shall be (x) be increased by an amount equal to the absolute value of the applicable Breakage Amount for such Breakage Event if such amount is a positive number or (y) be reduced by an amount equal to the absolute value of the applicable Breakage Amount for such Breakage Event if such Breakage Amount is a negative number, in each case determined as of the date on which such Breakage Event occurs;

(vi) “Pricing Rate”, the per annum percentage rate for determination of the Price Differential, determined for each Transaction (unless otherwise specified in the Confirmation) as being equal to the sum of (A) LIBOR as of the applicable Purchase Date plus (B) 0.75%; *provided*, that if Seller elects to terminate an outstanding Transaction before the Repurchase Date specified in the Confirmation for such Transaction in accordance with Paragraph 3(c)(ii) of the SIFMA Master (as amended by this Annex I), the Pricing Rate for any new Transaction entered into hereunder having a Purchase Date coinciding with the date on which such outstanding Transaction is terminated shall be equal to the Pricing Rate for the Transaction terminated on such date.

(vii) “Repurchase Date”, the date on which Seller is to repurchase the Purchased Securities from Buyer, which shall be the earliest of (i) the next Monthly Date immediately succeeding the applicable Purchase Date, (ii) the Facility Expiration Date and (iii) any date determined by application of the provisions of Paragraph 3(c) or 11 of this Annex I; and

(viii) “Repurchase Price”, the price at which Purchased Securities are to be transferred from Buyer to Seller upon termination of a Transaction, which will be determined in each case (including Transactions terminable upon demand) as the sum of (A) the Purchase Price for such Transaction plus (B) the accrued and unpaid Price Differential as of the date of such determination (it being understood that all such accrued and unpaid Price Differential shall be payable when and as set forth in Paragraph 12 of this Annex I).

3. **Initiation; Confirmation; Termination.** Notwithstanding anything to the contrary in Paragraph 3 of the SIFMA Master, the following shall apply:

(a) *No Oral Agreements.* All agreements to enter into Transactions hereunder shall be in writing in accordance with Article 4 of the Framework Agreement.

(b) *Confirmations; Priority.* All Confirmations with respect to Transactions hereunder shall be substantially in the form attached as Exhibit A to this Annex I, and shall be accompanied by a schedule substantially in the form attached as Exhibit B to this Annex I (a “Portfolio Schedule”) setting forth the Eligible Farmer Loans comprising the Purchased Securities for such Transaction. In the event of any conflict between the terms of a Confirmation and this Agreement, the Confirmation shall prevail.

(c) *Termination.* Paragraph 3(c) of the SIFMA Master is hereby amended and restated as follows:

“Subject in each case to Section 4.1(c) of the Framework Agreement, Transactions hereunder shall terminate upon the earlier of (i) the date determined pursuant to the definition of Repurchase Date (without regard to this Paragraph 3(c)) or (ii) a date specified upon demand by Seller, which demand shall be made by Seller in writing no later than 5:00 p.m. on the third Business Day prior to the Business Day on which such termination will be effective; *provided*, that specification of an early termination date pursuant to the foregoing clause (ii) shall be permitted with respect to no more than ten (10) Transactions during the Facility Term (it being understood any specification of an early termination date which is subsequently voided pursuant to Section 4.1(c) of the Framework Agreement shall not be counted towards such maximum). On such earlier date, termination of the Transaction will be effected by transfer to Seller or its agent of the related Purchased Securities (other than any Roll-Over Securities) against the payment of the related Repurchase Price by Seller (which may be netted against the Purchase Price payable in respect of any new Transaction) in accordance with the Framework Agreement.”

(d) *Outstanding Transactions; Continuity.* Notwithstanding anything in this Agreement to the contrary, the Parties agree that no more than one Transaction hereunder shall be outstanding at any given time. It is the intention of the Parties that during the Facility Term, and subject to fulfillment of the applicable conditions set forth in the Framework Agreement with respect to Buyers’ entry into Transactions, the expiration of each Transaction hereunder on the applicable Repurchase Date shall coincide with the entry into a subsequent Transaction with a concurrent Purchase Date in accordance with the procedures set forth in the Framework Agreement. The Parties further intend that, pursuant to Paragraph 12 of the SIFMA Master and to the extent permitted under Paragraph 12 of this Annex I, the Repurchase Price payable by Seller with respect to each such expiring Transaction shall be netted to the extent applicable against the Purchase Price payable by Buyers with respect to such subsequent Transaction.

4. **Margin Maintenance.** Notwithstanding anything to the contrary in Paragraph 4 of the SIFMA Master, the following shall apply:

(a) *Option to Substitute.* In the case of any Margin Deficit with respect to any Transaction, Seller may, in lieu of transferring cash or Additional Purchased Securities in accordance with Paragraph 4(a) of the SIFMA Master, as amended by this Annex I, effect a substitution of Purchased Securities in accordance with Paragraph 9 of the SIFMA Master, as amended by this Annex I, so long as the resulting Market Value of the Purchased Securities (including the substituted Securities) will thereupon exceed the Buyer’s Margin Amount with respect to such Transaction.

(b) *Margin Excess Inapplicable.* The provisions of Paragraph 4(b) of the SIFMA Master shall not apply to Transactions under this Agreement, and all references thereto or to “Margin Excess” in the SIFMA Master shall be disregarded; *provided*, that in the event the Market Value of any Transaction exceeds the Buyer’s Margin Amount with respect to such Transaction by more than \$10 million, Seller shall be entitled to deliver an amended and restated Portfolio Schedule reflecting a Market Value for such Transaction at least equal to the Buyer’s Margin Amount.

(c) *Margin Deficit Cures.* Paragraph 4(c) of the SIFMA Master is hereby amended and restated in its entirety to read as follows:

“If any notice is given (or deemed given) by Buyer under subparagraph (a) of this Paragraph, Seller shall transfer cash or Additional Purchased Securities as provided in such subparagraph no later than (x) three Business Days following its receipt (or deemed receipt) of such notice in the case of notices received (or deemed received) prior to the Farmer Loan Maturity Date or (y) one Business Day following its receipt (or deemed receipt) of such notice in the case of notices received (or deemed received) on or after the Farmer Loan Maturity Date.”

(d) *Evidence of Additional Purchased Securities.* Any transfer of Additional Purchased Securities in accordance with Paragraph 4(a) of the SIFMA Master, as amended by this Annex I, with respect to a Transaction shall be evidenced by an amendment and restatement of the Portfolio Schedule for such Transaction.

(e) *Threshold.* In accordance with Paragraph 4(e) of the SIFMA Master, as amended by this Annex I, the Parties agree that the rights of Buyer under Paragraph 4(a) of the SIFMA Master, as amended by this Annex I, to require the elimination of any Margin Deficit may be exercised only where such Margin Deficit exceeds \$10 million.

(f) *Margin Prepayments.* Seller may, at its discretion in connection with any Transaction, elect to transfer cash to Buyer prior to (and in anticipation of) any Margin Deficit arising or the exercise by Buyer of its rights under Paragraph 4(a) of the SIFMA Master, as amended by this Annex I, and such cash shall be treated for all purposes under this Agreement in the same manner as cash transferred by Seller pursuant to the aforementioned Paragraph 4(a); *provided*, that (i) Seller must provide Buyer with written notice of any such transfer at least three (3) Business Days in advance thereof, (ii) the amount to be transferred on any such occasion must be at least \$10 million and (iii) the remaining Purchase Price of the outstanding Transaction after giving effect to any such transfer must be at least \$10 million.

(g) *Treatment of Margin Payments.* For purposes of Paragraph 4(d) of the SIFMA Master, as amended by this Annex I, any cash transferred in respect of Seller's margin obligations with respect to any Transaction (including any prepayments contemplated by Paragraph 4(f) of this Annex I) shall be applied to reduce the Purchase Price of such Transaction.

(h) *Reporting of Margin Deficits.* Seller shall provide Agent with the notices required pursuant to Section 5.3(o) of the Framework Agreement and, to the extent any such notice relates to a Margin Deficit in excess of the threshold specified in Paragraph 4(e) of this Annex I, Buyer shall be automatically deemed to have delivered a concurrent notice to Seller exercising its rights under Paragraph 4(a) of the SIFMA Master, as amended by this Annex I, to require the elimination of such Margin Deficit.

5. **Income Payments.** Notwithstanding anything to the contrary in Paragraph 5 of the SIFMA Master, unless an Event of Default with respect to Seller shall have occurred and (i) such Event of Default is continuing and (ii) Agent, on behalf of Buyers, has exercised remedies with respect to the Purchased Securities under Paragraph 11(d) of the SIFMA Master, as amended by this Annex I, Seller shall service the Purchased Securities, and be entitled to receive and retain all Income paid or distributed on or in respect of such Securities. All references in this Agreement to Income received by Buyer prior to such an Event of Default shall be disregarded.

6. **Security Interest.** Paragraph 6 of the SIFMA Master is hereby amended and restated in its entirety to read as follows:

“(a) Seller hereby grants to Agent, for the benefit of the Buyers, a first priority security interest in all of Seller's right, title and interest in and to all loans identified in the Portfolio Schedule applicable to each Transaction entered into under this Agreement, all rights to payment arising thereunder, all instruments that may from time to time evidence such loans and all rights arising under the loan agreements governing such loans, whether now existing or hereafter arising, and all proceeds thereof (collectively, the “Collateral”), to secure the Seller's obligations under the Transaction Agreements (the “Secured Obligations”). This Agreement shall create a continuing security interest in the Collateral (notwithstanding any deemed repurchase by Seller under an expiring Transaction and simultaneous deemed purchase by Buyers under a subsequent Transaction of any Roll-Over Securities) and shall remain in full force and effect until such security interest is released pursuant to (and to the extent provided in) Paragraph 6(c) below or until all unpaid Repurchase Price with respect to outstanding Transactions under this Agreement have been indefeasibly paid in full (without application of any set off or netting). Agent (for the benefit of the Buyers) shall have, with respect to all the Collateral, in addition to all other rights and remedies available to Agent (for the benefit of the Buyers) under the Transaction Agreements, all the rights and remedies of a secured party under the Uniform Commercial Code as in effect in any applicable jurisdiction.

(b) Seller hereby authorizes Agent to file such financing statements (and continuation statements with respect to such financing statements when applicable) as may be necessary to perfect the security interest granted pursuant to the foregoing Paragraph 6(a) under the Uniform Commercial Code of the relevant jurisdiction (which financing statements may describe the collateral as “All of Debtor's right, title and interest in and to all loans identified in the schedule (as such schedule is amended and restated from time to time, each a “Portfolio Schedule”) applicable to each transaction entered into under the 1996 SIFMA Master Repurchase Agreement dated as of February 11, 2020 (the “Repurchase Agreement”), between Debtor, Coöperatieve Rabobank, U.A., New York Branch and the other Buyers from time to time party thereto, including Annex

I thereto (and as amended thereby), all rights to payment arising thereunder, all instruments that may from time to time evidence such loans and all rights arising under the loan agreements governing such loans, whether now existing or hereafter arising, and all proceeds thereof.”).

(c) The security interest granted pursuant to the foregoing Paragraph 6(a) is released by Agent and the Buyers (i) upon payment of the Repurchase Price for any Transaction (including by application of set off or netting in accordance with Paragraph 12 of this Agreement (but subject to Paragraph 12 of Annex I hereto)), without further action by any Person, but solely with respect to the Purchased Securities in respect of such Transaction that are not Roll-Over Securities with respect to such Transaction, and (ii) upon any amendment and restatement of the Portfolio Schedule with respect to a Transaction in accordance with the terms hereof, without further action by any Person, but solely with respect to Purchased Securities previously identified in the existing Portfolio Schedule for such Transaction that are no longer identified in the amended and restated Portfolio Schedule for such Transaction. Agent hereby agrees, at Seller’s expense, to (x) file appropriate financing statement amendments to reflect such release and (y) agree to take such additional actions, as Seller may reasonably request to better evidence such release.”

7. **Payment and Transfer.** Notwithstanding anything in Paragraph 7 of the SIFMA Master to the contrary, all transfers of Securities by one party to the other party shall be evidenced by the Portfolio Schedule attached to each Confirmation and any amendments thereto made in accordance with this Agreement; it being understood that upon Seller’s payment in full of the Repurchase Price with respect to a Transaction on any Repurchase Date (including as a result of netting), all Purchased Securities (other than Roll-Over Securities) shall be automatically deemed to be transferred and assigned from Buyer to Seller without further evidence thereof.

8. **Rehypothecation of Purchased Securities.** Paragraph 8 of the SIFMA Master is hereby amended and restated in its entirety to read as follows:

“Notwithstanding anything herein to the contrary, unless an Event of Default shall have occurred with respect to Seller, Buyer shall be prohibited from engaging in repurchase transactions with the Purchased Securities or other-wise selling, transferring, pledging or hypothecating the Purchased Securities.”

9. **Substitution.** Notwithstanding anything to the contrary in Paragraph 9 of the SIFMA Master, all substitutions of Purchased Securities pursuant to Paragraph 9 of the SIFMA Master, as amended by this Annex I, respect to any Transaction shall be evidenced by an amendment and restatement of the Portfolio Schedule for such Transaction.

10. **Representations.** The representations and warranties of Seller set forth in Paragraph 10 of the SIFMA Master are hereby replaced with the representations and warranties set forth in Section 5.1 of the Framework Agreement. It is acknowledged that Seller is also making the representations and warranties set forth in Section 5.2 of the Framework Agreement with respect to the Purchased Securities.

11. **Events of Default.**

(a) *Replacement Events of Default.* The Events of Default applicable to Seller set forth in Paragraph 11 of the SIFMA Master are hereby replaced with the Events of Default set forth in the definition thereof in the Framework Agreement.

(b) *Remedies.* Paragraph 11(d) of the SIFMA Master is hereby amended and restated in its entirety to read as follows:

“If the nondefaulting party is the Buyer and exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, Agent on behalf of the Buyers may, at its discretion and with such notice to the defaulting party as may be required by applicable law, immediately (i) take possession of and any or all Purchased Securities subject to any outstanding Transactions, at its discretion, (ii) subject to the requirements of applicable law, sell any or all such Purchased Securities, at such price or prices as Agent may reasonably deem satisfactory, and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder or under any of the other Transaction Agreements (it being understood, for the avoidance of doubt, that the defaulting party shall remain liable to the nondefaulting party for the excess of such aggregate unpaid Repurchase Prices and other amounts owing over any sale proceeds so applied); and (iii) generally exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law.”

(c) *Replacement Securities Inapplicable.* The provisions of Paragraph 11(e) of the SIFMA Master shall not apply to Transactions under this Agreement, and all references thereto or to “Replacement Securities” shall be disregarded.

12. **Single Agreement.** With respect to any Transaction under this Agreement, and notwithstanding anything in this Agreement to the contrary, the portion of the Repurchase Price for such Transaction consisting of the Price Differential shall, in all circumstances, be paid by Seller by wire transfer of immediately available funds to the account of Agent set forth in Schedule 2 to the Framework Agreement on the Repurchase Date for such Transaction (or, if such Repurchase Date is not a Monthly Date, on the earlier of (i) next succeeding Monthly Date to occur following such Repurchase Date or (ii) the Facility Expiration Date), and such payment of the Price Differential shall not be subject to any setoff, netting or other application by Seller against other amounts, whether pursuant to Paragraph 12 of the SIFMA Master or otherwise.

13. **Miscellaneous.**

(a) *Termination of Agreement.* The last sentence of Paragraph 15(a) of the SIFMA Master is hereby amended and restated to read as follows:

“This Agreement shall terminate on the Facility Expiration Date, except that this Agreement shall, notwithstanding such termination, remain applicable to any Transactions then outstanding.”

(b) *Other Inapplicable Provisions.* Paragraphs 18, 19 and 20 of the SIFMA Master shall not be applicable to Transactions under this Agreement, and all terms and provisions thereof and references thereto shall be disregarded for purposes of this Agreement.

EXHIBIT A

FORM OF CONFIRMATION

Dated: [Date]

To: **PHI Financial Services, Inc. (“Counterparty”)**
7100 NW 62nd Avenue
P.O. Box 1050
Johnston, Iowa 50131

Attention: **Documentation**
Email: []

From: Coöperatieve Rabobank, U.A., New York Branch (“Rabobank”), as Agent for itself and for MUFG Bank, Ltd., New York Branch (“MUFG”), Standard Chartered Bank, a bank organized and existing under the laws of England and Wales, acting through its New York branch, (“Standard Chartered”) and HSBC Bank USA, N.A., a national banking association organized under the laws of the United States (“HSBC”)

Tel:
Fax:

Re: Confirmation of a Repurchase Transaction

Dear PHI Financial Services, Inc.:

The purpose of this letter agreement (this “Confirmation”) is to confirm the terms and conditions of the above referenced transaction entered into between Counterparty and Rabobank (on behalf of itself and the Buyers specified below) on the Purchase Date specified below (the “Transaction”).

This Confirmation constitutes a “Confirmation” as referred to in the Master Repurchase Agreement specified below.

The definitions and provisions contained in such Master Repurchase Agreement are incorporated into this Confirmation. In the event of any inconsistency between such Master Repurchase Agreement and this Confirmation, this Confirmation will govern.

1. This Confirmation supplements, forms part of, and is subject to, the 1996 SIFMA Master Repurchase Agreement, dated as of February 11, 2020, including Annex I thereto and as amended thereby (as further amended and supplemented from time to time, the “Master Repurchase Agreement”), among Counterparty, Rabobank, MUFG, Standard Chartered and HSBC. All provisions contained in the Master Repurchase Agreement govern this Confirmation except as expressly modified below.

The terms of the particular Transaction to which this Confirmation relates are as follows:

2.

General Terms:

Purchase Date: [Date]
Purchase Price: \$[]
Buyers: [Rabobank, MUFG, Standard Chartered and HSBC collectively.]
Seller: Counterparty
Agent: Rabobank
Purchased Securities: Set forth on attached Portfolio Schedule
Pricing Rate []
Repurchase Date: [Date]¹
Repurchase Price: \$[]
Price Differential \$[]

3. Security interest:

In accordance with and subject to the terms of the Master Repurchase Agreement, Seller hereby grants to Agent, for the benefit of the Buyers, a first priority security interest in all of Seller's right, title and interest in and to all loans identified in the Portfolio Schedule applicable to the Transaction evidenced by this Confirmation, all rights to payment arising thereunder, all instruments that may from time to time evidence such loans and all rights arising under the loan agreements governing such loans, whether now existing or hereafter arising, and all proceeds thereof (collectively, the "Collateral"), to secure the Seller's obligations under the Transaction Agreements (the "Secured Obligations"). Nothing in this paragraph shall be construed as limiting or otherwise modifying the provisions of Paragraph 6 of the Master Repurchase Agreement.

4. Governing law:

Unless otherwise provided in the Master Repurchase Agreement (in which case the law so specified shall govern), this Confirmation shall be governed by and construed in accordance with the laws as specified in the Master Repurchase Agreement.

[Remainder of page intentionally left blank]

¹To be the earlier of (i) the Facility Expiration Date or (ii) the next Monthly Date to occur following the Purchase Date.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us by electronic mail or by facsimile transmission to telecopier No. [].

Very truly yours,

Coöperatieve Rabobank, U.A., New York Branch

By: _____
Name:
Title:

By: _____
Name:
Title:

MUFG BANK, Ltd., New York Branch

By Rabobank, as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

Standard Chartered Bank, a bank organized and existing under the laws of England and Wales, acting through its New York branch

By Rabobank, as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

HSBC Bank USA, N.A., a national banking association organized under the laws of the United States

By Rabobank, as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

Confirmed as of the date first above written:

PHI Financial Services, Inc.

By: _____

Name:

Title:

EXHIBIT B

FORM OF PORTFOLIO SCHEDULE

Date:

Reference is hereby made to (i) the 1996 SIFMA Master Repurchase Agreement dated as of February 11, 2020 (including, and as amended by, Annex I thereto, the “Master Repurchase Agreement”), among PHI Financial Services, Inc., Coöperatieve Rabobank, U.A., New York Branch, MUFG Bank, Ltd., New York Branch, Standard Chartered Bank, a bank organized and existing under the laws of England and Wales, acting through its New York branch and HSBC Bank USA, N.A., a national banking association organized under the laws of the United States. Capitalized terms used but not defined herein shall have the meaning set forth in the Master Repurchase Agreement.

[Applicable box to be checked below]

- Portfolio Schedule for New Transaction.** In accordance with and subject to the terms and conditions of the Master Repurchase Agreement, this schedule constitutes the “Portfolio Schedule” for the Transaction evidenced by Confirmation to which this schedule is attached.

- Amendment and Restatement of Portfolio Schedule.** Further reference is made to the Confirmation dated as of _____, entered into in accordance with the Master Repurchase Agreement by Seller and each of the Buyers set forth in such Confirmation. In accordance with and subject to the terms and conditions of the Master Repurchase Agreement, Seller hereby amends and restates the Portfolio Schedule to such Confirmation in its entirety with the information set forth below.

Part I: Balance and Market Value Summary

Aggregate Loan Balance of All Purchased Securities: _____

Aggregate Market Value of All Purchased Securities: _____

Weighted Average CBR Score of Transaction Portfolio: _____

Part II: Key Metrics

Loans by Size

Loan Balance	# of Loans	Aggregate Market Value	% of Portfolio Market Value	Average Market Value
0 to 10,000				
10,001 to 25,000				
25,001 to 50,000				
50,001 to 100,000				
100,001 to 250,000				
250,001 to 500,000				
500,001 to 1,000,000				
1,000,001+				

Loans by CBR Score

CBR Score	# of Loans	% of Loans in Portfolio	Aggregate Market Value	% of Portfolio Market Value
1-550				
551-600				
601-650				
651-700				
701-750				
751-800				
801+				
No Score				

Loans by Debtor Type

Debtor Type	# of Loans	% of Loans in Portfolio	Aggregate Market Value	% of Portfolio Market Value
Corporation				
Estate (Executor)				
General Partnership				
Individual				
LLC				
LLP				
LP				
Trust				
Unknown				

MASTER FRAMEWORK AGREEMENT

This MASTER FRAMEWORK AGREEMENT (this “*Framework Agreement*”), is made and entered into as of February 11, 2020 (the “*Effective Date*”), by and among:

Coöperatieve Rabobank, U.A., New York Branch, a Dutch coöperatieve acting through its New York Branch (“*Rabobank*”), MUFG Bank, Ltd., New York Branch, a Japanese banking corporation acting through its New York Branch (“*MUFG*”), Standard Chartered Bank, a bank organized and existing under the laws of England and Wales, acting through its New York branch, (“*Standard Chartered*”) and HSBC Bank USA, N.A., a national banking association organized under the laws of the United States (“*HSBC*”), as purchasers (collectively, the “*Buyers*”);

Rabobank and MUFG, as joint lead arrangers (each, in such capacity, a “*Joint Lead Arranger*”);

Rabobank, as Buyers’ agent (in such capacity, “*Agent*”); and

PHI Financial Services, Inc., an Iowa corporation (“*Seller*”).

Each of Agent, Buyers and Seller may also be referred to herein individually as a “*Party*”, and collectively as the “*Parties*”.

RECITALS

WHEREAS, Buyers have agreed to provide Seller with a facility under which Buyers and Seller will enter into certain sale and repurchase agreements with respect to Eligible Farmer Loans owned by Seller.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Interpretation.

1 Definitions. All capitalized terms used in this Framework Agreement (including its recitals and Schedules) shall, unless defined herein, have the respective meanings set forth in Schedule 1 hereto.

2 Construction.

(a) The headings and sub-headings in this Framework Agreement shall not affect its interpretation. References in this Framework Agreement to Sections and Schedules shall, unless the context otherwise requires, be references to Sections of, and Schedules to, this Framework Agreement.

(b) Words denoting the singular number only shall include the plural number also and vice versa; words denoting one gender only shall include the other genders and words denoting persons shall include firms and corporations and vice versa.

(c) References to a Person are also to its permitted successors or assigns.

(d) References in this Framework Agreement to any agreement or other document shall be deemed also to refer to such agreement or document as amended or varied or novated from time to time.

(e) References to an amendment include a supplement, novation, restatement or re-enactment and amend and amended (or any of their derivative forms) will be construed accordingly.

(f) Reference to a time of day is a reference to New York City time.

(g) “Include”, “includes” and “including” shall be deemed to be followed by the words “without limitation.”

(h) “Hereof”, “hereto”, “herein” and “hereunder” and words of similar import when used in this Framework Agreement refer to this Framework Agreement as a whole and not to any particular provision of this Framework Agreement.

(i) References to a “writing” or “written” include any text transmitted or made available on paper or through electronic means.

(j) References to “\$”, U.S. Dollars or otherwise to dollar amounts refer to the lawful currency of the United States.

(k) References to a law include any amendment or modification to such law and any rules and regulations issued thereunder, whether such amendment or modification is made, or issuance of such rules and regulations occurs, before or after the Effective Date.

2. **Transaction Agreements.**

1 **Agreements to be Executed at the Closing.** Concurrently with this Framework Agreement, the Parties intend to execute the following additional agreements (together with this Framework Agreement and each subsequent Confirmation entered into during the Facility Term subsequent to the Closing, the “***Transaction Agreements***”) to which they are party:

(a) the Master Repurchase Agreement among Seller and the Buyers;

(b) the Fee Letter among Seller and Buyers;

(c) the Side Letter between Seller and Agent; and

(d) the Guaranty.

2 **Definitions.** When used in any Transaction Agreement, capitalized terms not otherwise defined therein will, to the extent defined herein, have the meanings set forth in this Framework Agreement (including Schedule 1).

3. **Closing; Closing Deliveries.**

1 **Closing.** Subject to the terms and conditions of this Framework Agreement, the transactions contemplated in this Framework Agreement to occur concurrently with the execution hereof (other than the entry into any Confirmations) will take place at a closing (the “***Closing***”) to be held on the Effective Date at a mutually agreeable location or by the exchange of electronic documentation.

2 **Seller Closing Deliverables.** At the Closing or prior to the Closing, Seller will deliver, or cause to be delivered, to each Buyer:

(a) an executed counterpart to each of the Transaction Agreements (other than any Confirmations) to which it is a party;

(b) executed counterparts of each of the Guarantors to the Guaranty;

(c) a certificate of the Secretary or an Assistant Secretary of Seller, dated the Effective Date, certifying as to (i) the incumbency of the officers of Seller executing the Transaction Agreements, (ii) attached copies of Seller’s articles of incorporation and bylaws; and (iii) copies of all corporate approvals and consents of Seller that are required by it in connection with entering into, and the exercise of its rights and the performance of its obligations under, the Transaction Agreements;

(d) a certificate of the Secretary or an Assistant Secretary of each Guarantor, dated the Effective Date, certifying as to (i) the incumbency of the officer(s) of each Guarantor executing the Guaranty, (ii) attached copies of each Guarantor’s certificate of incorporation and bylaws; and (iii) copies of all corporate approvals and consents of each Guarantor that are required by it in connection with entering into, and the exercise of its rights and the performance of its obligations under, the Guaranty;

(e) a customary legal opinion or opinions with respect to Seller opining on existence, due authorization and execution, absence of conflicts with Organizational Documents, binding nature of obligations, absence of violations of Law and no consents under Law, and creation and perfection of security interests;

(f) a customary legal opinion or opinions with respect to each Guarantor opining on existence, due authorization and execution, absence of conflicts with Organizational Documents, binding nature of obligations, absence of violations of Law and no consents under Law;

(g) a duly completed Certification of Beneficial Owners(s) with respect to Seller;

(h) results of a UCC lien search with respect to Seller for the State of Iowa as of a date not more than seven (7) days prior to the Closing; and

(i) fully prepared UCC-1 financing statements reflecting the Security Interests granted by Seller under the Master Repurchase Agreement.

3 Buyer Closing Deliverables. At the Closing or prior to the Closing, each Buyer will deliver to Seller and each other Buyer an executed counterpart to each of the Transaction Agreements (other than any Confirmations) to which it is a party.

4 Agent Closing Deliverables. At the Closing or prior to the Closing, Agent shall provide to Seller, an executed copy of IRS Form W-8IMY, indicating on Part VI that Agent is a U.S. branch of a foreign bank described in United States Department of Treasury Regulations section 1.1441-1(b)(2)(iv)(A) agreeing to be treated as a U.S. person for purposes of withholding on payments under the Transaction Agreements.

4. Transactions.

1. Requests for Transactions.

(a) *Transaction Notices*. Seller may, from time to time during the Facility Term, deliver a written notice, substantially in the form attached hereto as Exhibit A and including a fully-completed proposed Portfolio Schedule (a “*Transaction Notice*”) to Agent requesting that Buyers enter into a Transaction on a Monthly Date (or, if Seller elects to terminate a Transaction pursuant to Paragraph 3(c)(ii) of Annex I to the Master Repurchase Agreement, on the effective date of such termination). Such notice shall be delivered to Agent not less than four (4) Business Days prior to the proposed Purchase Date for such proposed Transaction (or such later date as may be consented to by Agent, which consent may be conditioned on the consent of the Buyers). Subject to the terms and conditions set forth herein and in the other Transaction Agreements, each Buyer agrees severally, and not jointly, to enter into such Transactions with Seller up to its respective Individual Commitment Amount as of the applicable Purchase Date.

(b) *Confirmation Process*. Within one (1) Business Day of its receipt of a Transaction Notice, Agent shall deliver a fully completed draft Confirmation with respect to the proposed Transaction, attaching the related proposed Portfolio Schedule provided by Seller pursuant to Section 4.1(a). In the event Seller and Agent disagree with respect to any portion of the draft Confirmation or the proposed Portfolio Schedule or in the event Agent determines in good faith that any applicable Transaction Conditions are not, or will not be, satisfied as of the relevant Purchase Date, Seller or Agent (as applicable) shall promptly notify the other of the same, and Seller and Agent shall cooperate expeditiously and in good faith to resolve any such matters (to the extent the same are capable of being resolved). If the applicable Transaction Conditions are (or will be) satisfied as of the applicable Purchase Date, then Agent shall, on behalf of the Buyers and subject to the provisions of Section 4.5, enter into the proposed Transaction with Seller on the terms set forth in the draft Confirmation (as may be modified as agreed between Seller and Agent in accordance with the preceding sentence) by executing and delivering to Seller, on behalf of each such Buyer, a Confirmation evidencing such Transaction in accordance with the Master Repurchase Agreement.

(c) *Failed Closings*. If, on any proposed Purchase Date, the entry into a proposed Transaction on such date would otherwise fail to occur due to:

(i) any failure of Seller and Agent to agree on the Confirmation or the Portfolio Schedule for such proposed Transaction in accordance with the foregoing Section 4.1(b) on or before such proposed Purchase Date;

(ii) any failure as of such proposed Purchase Date of any applicable Transaction Condition to be satisfied with respect to such proposed Transaction;

(iii) any unforeseen circumstance or event, such as a disruption in wire transfers, power or other mechanical or technological failures or interruptions, computer viruses, communications disruptions, work stoppages, natural disasters, fire, war, terrorism, riots, rebellions, or any circumstance beyond the control of the Parties; or

(iv) any other reason (other than the failure of a Deemed Roll-Over Condition to be satisfied);

then, notwithstanding any provision to the contrary in any Transaction Agreement,

(x) if the proposed Purchase Date is not a Monthly Date and any Current Transaction was specified for early termination on such proposed Purchase Date pursuant to Paragraph 3(c)(ii) of Annex I to the Master Repurchase Agreement, then notwithstanding such specification, such Current Transaction shall continue without termination on such proposed Purchase Date and no new Transaction shall be entered into on such proposed Purchase Date, and

(y) if the proposed Purchase Date is a Monthly Date, then so long as the Deemed Roll-Over Conditions are satisfied as of such Monthly Date, and notwithstanding the failure of any Additional Funding Condition or Roll-Over Condition (which condition, in each case, is not also a Deemed Roll-Over Condition) to be satisfied as of such Monthly Date, Seller and Buyers shall be deemed to have entered into a new Roll-Over Transaction (a “**Deemed Roll-Over Transaction**”) on such Monthly Date in accordance with Section 4.1(d) below.

(d) *Deemed Roll-Over Transactions.* In the event the Parties are deemed to have entered into a Deemed Roll-Over Transaction on any Monthly Date pursuant to the foregoing Section 4.1(c), such Deemed Roll-Over Transaction shall be deemed to be entered into on the same terms as those set forth in the final form of Confirmation (including the Portfolio Schedule thereto) governing the Transaction expiring on such Monthly Date, subject to the following modifications:

(A) the Purchase Date shall be the applicable Monthly Date on which such Deemed Roll-Over Transaction is deemed to have been entered into, and the applicable Pricing Rate shall be updated accordingly;

(B) the Repurchase Date shall be the earlier of the Facility Expiration Date or the next applicable Monthly Date following the Purchase Date;

(C) the Portfolio Schedule applicable to the Deemed Roll-Over Transaction shall be: (i) in the event Seller has delivered to Agent a Portfolio Schedule by such Purchase Date designated for use in connection with entry into a Transaction on such Purchase Date and which satisfies clauses (vi) through (ix) of Section 4.3(a), such delivered Portfolio Schedule; and (ii) otherwise, the Portfolio Schedule for the prior Transaction expiring on such Monthly Date (the Portfolio Schedule described in this clause (ii), a “**Roll-Over Portfolio Schedule**”);

(D) if the Purchase Price set forth in the Confirmation for the expiring Transaction exceeds the Aggregate Commitment Amount applicable to such Deemed Roll-Over Transaction, the Purchase Price for such Deemed Roll-Over Transaction shall be reduced so as to be equal to such applicable Aggregate Commitment Amount, and Seller shall pay to Agent for the account of the Buyers any Funded Repurchase Price required to be paid by it as a result of such reduction; and

(E) in addition to any Funded Repurchase Price required to be paid by Seller on such Monthly Date in accordance with the terms hereof, Seller may, at its election, pay to Agent for the account of the Buyers an additional amount by wire transfer of immediately available funds to the account of Agent specified in Schedule 2 by or before 5:00 p.m. on such Monthly Date, which additional payment shall (i) reduce the Purchase Price for such Deemed Roll-Over Transaction and (ii) be treated as the payment of additional Funded Repurchase Price for all purposes hereunder and under the other Transaction Agreements; *provided*, that the Price Differential through the first two (2) Business Days of the Transaction Period for such Deemed Roll-Over Transaction shall be calculated as though the corresponding reduction of Purchase Price did not occur.

Promptly after entry into any Deemed Roll-Over Transaction, Seller and Agent shall cooperate expeditiously and in good faith to prepare, execute and deliver a Confirmation and Portfolio Schedule which, if treated as having been delivered in a timely manner in connection with a proposed Roll-Over Transaction to be entered into on the Purchase Date for such Deemed Roll-Over Transaction, would satisfy the applicable Roll-Over Conditions (excluding the condition described in Section 4.3(a)(iii), which need not be satisfied for purposes of this paragraph) as of such Purchase Date, to evidence and definitively document such Deemed Roll-Over Transaction, with the terms of such Confirmation, and if applicable, updated Portfolio Schedule, amending, restating

and superseding any deemed terms specified in the preceding sentence as of the applicable Purchase Date, notwithstanding such later execution and delivery of such definitive documentation.

2. Funding of Transaction Purchase Prices.

(a) *Funding Notices.* In the event Agent receives a Transaction Notice for a proposed Transaction in accordance with Section 4.1(a), Agent shall deliver to each other Buyer a written notice concerning such Transaction (a “**Funding Notice**”) not later than 10:00 a.m. on the date that is two (2) Business Days prior to the date of the proposed Transaction. Such notice shall (i) set forth the Purchase Date for the proposed Transaction, the amount of any Funded Purchase Price anticipated to be paid or Funded Repurchase Price anticipated to be received in connection with such Transaction, any Funding Amount payable by or Distribution Amount anticipated to be distributed to each Buyer in connection with the Transaction, any adjustments and related calculations made pursuant to Section 4.5 and the anticipated Aggregate Buyer Balance after giving effect to such Transaction, and (ii) be accompanied by a copy of the substantially final form of Confirmation to be entered into in connection with such Transaction.

(b) *Funding of Purchase Prices.* Following receipt of any Funding Notice concerning a proposed Transaction, each Buyer shall fund its respective Funding Amount (if any) for such proposed Transaction by wire transfer of immediately available funds to the account of Agent specified in Schedule 2 no later than 11:00 a.m. on the Purchase Date for such Transaction (or such later time as Agent may determine with the consent of Seller (such consent not to be unreasonably withheld so long as the Funded Purchase Price is received for value on such Purchase Date)). Agent shall, subject to satisfaction of the Additional Funding Conditions, use such funds to pay the Funded Purchase Price for the Transaction on behalf of each of the Buyers in accordance with terms of the Master Repurchase Agreement and applicable Confirmation, upon which Seller will sell and assign, and Buyers will purchase, the Transaction Portfolio for such Transaction, with each Buyer receiving a fractional undivided interest in such Transaction Portfolio in accordance with its respective Undivided Funding Percentage as of the time of such purchase (after giving effect to the funding of such Funding Amounts and payment of such Funded Purchase Price). The closing of such Transaction and payment of such Funded Purchase Price shall occur at 12:00 noon on the Purchase Date (or such later time on such Purchase Date as Agent may determine with the consent of Seller (such consent not to be unreasonably withheld for so long as the Funded Purchase Price is received for value on such Purchase Date)).

(c) *Advance Payment of Funded Purchase Price.* Notwithstanding the provisions of Section 4.2(b) above, Agent may, at its sole discretion, on any Purchase Date for a Transaction in respect of which it anticipates receiving Funding Amounts from Buyers, transfer in advance any Funded Purchase Price anticipated to be payable in respect of such Transaction to Seller on such Purchase Date prior to Agent’s actual receipt of such Funding Amounts; *provided*, that if Agent does not receive all such Funding Amounts from Buyers by or before 5:00 p.m. on such Purchase Date, then subject to and in accordance with Section 4.5(a)(iii), Seller and each applicable Defaulting Buyer severally agree to pay to Agent forthwith on demand the amount of Funded Purchase Price transferred in advance corresponding to the Funding Amounts not received, with interest thereon at a rate reasonably determined by Agent in accordance with banking industry rules on interbank compensation.

(d) *Return of Excess Funding Amounts.* In the event any Buyer has funded its respective Funding Amount on any proposed Purchase Date for an Additional Funding Transaction in accordance with Section 4.2(b), and either (i) Seller and Buyers fail to enter into such Additional Funding Transaction on such proposed Purchase Date or (ii) Seller and Buyers enter into an Additional Funding Transaction on such Purchase Date with respect to which less than all of the amount funded by such Buyer is actually applied to the payment of Funded Purchase Price on such Purchase Date, then Agent shall, promptly following either such event, refund to such Buyer the unused portion of such funded amount.

3. Transaction Conditions.

(a) The obligation of Buyers to enter into any Additional Funding Transaction shall be subject to satisfaction of the following conditions (in each case, as of the Purchase Date) (together, the “**Additional Funding Conditions**”):

(i) with respect to the initial Transaction, each of the items required to be delivered by Seller at or prior to the Closing pursuant to Section 3.2 shall have been delivered in accordance with the terms hereof;

(ii) all amounts then due and owing by Seller under Section 9.2, the Fee Letter and the Side Letter shall have been paid in full;

(iii) the Transaction Notice, including the proposed Portfolio Schedule required to be attached thereto, shall have been delivered to Agent in accordance with Section 4.1;

(iv) Seller shall have delivered to Agent a duly executed counterpart to the applicable Confirmation;

(v) each of the representations and warranties of Seller and each Guarantor (as applicable) set forth in the Transaction Agreements (excluding any representations or warranties set forth in the Asset Representations, Warranties and Covenants) shall be true and correct in all material respects;

(vi) the aggregate Market Value of the Transaction Portfolio for such Transaction (as set forth in the Portfolio Schedule to the Confirmation provided by Seller) shall be equal to or greater than 105% of the Purchase Price for such Transaction;

(vii) all of the loans included in the Transaction Portfolio for such Transaction (as set forth in the Portfolio Schedule to the Confirmation provided by Seller) shall be Eligible Farmer Loans;

(viii) the Weighted Average CBR Score with respect to the Transaction Portfolio for such Transaction shall be equal to or greater than 675;

(ix) no less than seventy percent (70%) of the Eligible Farmer Loans comprising the Transaction Portfolio for such Transaction (based on their respective Book Values) shall have been made to Debtors that are natural persons;

(x) the Purchase Date for such Transaction shall be at least ten (10) days prior to the Farmer Loan Maturity Date;

(xi) the payment of the proposed Purchase Price would not cause (x) the Aggregate Buyer Balance (after giving effect to such payment) to exceed the Aggregate Commitment Amount applicable to such Transaction or (y) any Buyer's Individual Buyer Balance (after giving effect to such payment) to exceed such Buyer's applicable Individual Commitment Amount with respect to such Transaction;

(xii) no Potential Event of Default or Event of Default shall have occurred and be continuing which has not been waived; and

(xiii) no "Event of Default" shall have occurred and be continuing under the Corteva Revolver which has not been waived.

(b) The obligation of Buyers to enter into any Roll-Over Transaction (other than a Deemed Roll-Over Transaction) shall be subject to satisfaction of the following conditions (in each case, as of the Purchase Date) (together, the "**Roll-Over Conditions**");

(i) each of the conditions set forth in clauses (iii), (iv), and (vi) through (xi) of Section 4.3(a) shall have been satisfied; and

(ii) no Event of Default shall have occurred and be continuing which has not been waived.

(c) The deemed entry by Buyers into any Deemed Roll-Over Transaction shall be subject to satisfaction of the following conditions (in each case, as of the Purchase Date) (together, the "**Deemed Roll-Over Conditions**");

(i) the aggregate Market Value of the Transaction Portfolio for such Deemed Roll-Over Transaction (as set forth in the applicable Portfolio Schedule for such Deemed Roll-Over Transaction determined in accordance with Section 4.1(d)(C)) shall be equal to or greater than (x) 100% of the Purchase Price for such Transaction, if the applicable Portfolio Schedule for such Deemed Roll-Over Transaction is a Roll-Over Portfolio Schedule, or (y) 105% of the Purchase Price for such Transaction, in all other cases;

(ii) each of the conditions set forth in clauses (vii) through (xi) of Section 4.3(a), as applied *mutatis mutandis* to the applicable terms of such Deemed Roll-Over Transaction and to the Transaction Portfolio set forth on the Portfolio Schedule for such Deemed Roll-Over Transaction, shall have been satisfied;

(iii) if the prior Transaction expiring on such Purchase Date is a Deemed Roll-Over Transaction, Seller shall have executed and delivered definitive documentation evidencing such prior Deemed Roll-Over Transaction in

accordance with the last sentence of Section 4.1(d) on or before the Business Day immediately preceding such Purchase Date; and

- (iv) no Event of Default shall have occurred and be continuing which has not been waived.

4. Funding of Transaction Repurchase Prices.

(a) *Seller's Payment of Funded Repurchase Price.* On each Repurchase Date for a Transaction on which Funded Repurchase Price (other than Funded Repurchase Price on account of accrued but unpaid Price Differential) is payable by Seller pursuant to the Transaction Agreements (including, for the avoidance of doubt, on the Facility Expiration Date and each Commitment Reduction Date), Seller shall fund the Funded Repurchase Price for such Transaction by wire transfer of immediately available funds to the account of Agent specified in Schedule 2, no later than 5:00 p.m. on such Repurchase Date (or such later time as Seller may determine with the consent of Agent (such consent not to be unreasonably withheld so long as such Funded Repurchase Price is received for value on such Repurchase Date)).

(b) *Distribution of Amounts Received by Agent.* On any Business Day when Agent receives any Funded Repurchase Price or Margin Payment from Seller for any Transaction, Agent shall distribute to each Buyer such Buyer's Distribution Amount in respect of such Funded Repurchase Price or Margin Payment by wire transfer of immediately available funds to the account of such Buyer set forth on Schedule 2 hereto or separately provided in writing to Agent (i) on the same Business Day if such Funded Repurchase Price or Margin Payment is received from Seller prior to 2:00 p.m. on such Business Day or (ii) otherwise, on the next succeeding Business Day.

(c) *Advances of Funded Repurchase Price.* Notwithstanding the foregoing Section 4.4(b), Agent may, at its discretion, on any Repurchase Date when it anticipates receiving any Funded Repurchase Price from Seller, transfer in advance to each Buyer its anticipated Distribution Amount in respect of such anticipated Funded Repurchase Price on such Repurchase Date prior to Agent's actual receipt of such Funded Repurchase Price; *provided*, that if Agent does not receive such Funded Repurchase Price from Seller by 5:00 p.m. on such Repurchase Date, each Buyer shall be required to promptly refund to Agent any such anticipated Distribution Amounts transferred in advance.

5. Defaulting Buyers.

(a) *Adjustment for Reduced Funding.* Notwithstanding anything in this Article IV to the contrary, in the event that, on any Purchase Date on which Agent has entered into, or is obligated to enter into, an Additional Funding Transaction with respect to which any Funded Purchase Price is to be paid in accordance with Section 4.2(b), one or more Buyers (any such Buyer, a "**Defaulting Buyer**") fails to fund its respective Funding Amount on such Purchase Date when and as required by Section 4.2(b), then Agent shall promptly give notice of such failure to Seller and each other Buyer. Upon Agent's giving of such notice:

(i) the Confirmation for such Additional Funding Transaction shall be amended (or, if already executed and delivered by Seller prior to Agent's giving of such notice, shall be deemed to have been amended) so as to reduce the Purchase Price for such Additional Funding Transaction by the applicable Funding Amounts such Defaulting Buyers have failed to fund;

(ii) when and as required pursuant to Section 4.2(b), and subject to the satisfaction of the Additional Funding Conditions otherwise applicable to such Additional Funding Transaction, Agent shall pay to Seller, on behalf of the Buyers (other than the Defaulting Buyer), any remaining unpaid Funded Purchase Price payable in respect of such Additional Funding Transaction (after giving effect to the reduction in Purchase Price pursuant to the foregoing Section 4.5(a)(i));

(iii) to the extent Agent has advanced any amounts to Seller pursuant to Section 4.2(c) on such Purchase Date in excess of the Funded Purchase Price payable in respect of such Additional Funding Transaction (after giving effect to the reduction in Purchase Price pursuant to the foregoing Section 4.5(a)(i)), Seller shall refund any such excess when and as required pursuant to Section 4.2(c);

(iv) following such Purchase Date, Seller shall be entitled to exercise its rights under Paragraph 4(b) of Annex I to the Master Repurchase Agreement to address the excess Market Value of the Transaction Portfolio which may result from the failure of such Defaulting Buyer to fund.

(b) *Replacement of Buyers.* Seller may, at its sole expense and effort, upon notice to any Defaulting Buyer and Agent, require such Defaulting Buyer to assign, without recourse, all of its rights and obligations under the Transaction Agreements (including its Individual Buyer Balance, Individual Commitment Amount and any undivided fractional interest it may own with respect to any Transaction Portfolio) to one or more existing Buyers or new Buyers that is willing to assume such obligations; *provided* that (i) Seller shall have received the prior written consent of Agent with respect to any new Buyer, which consent shall not unreasonably be withheld, (ii) such Defaulting Buyer shall have received payment of an amount equal to its Individual Buyer Balance and accrued and unpaid Price Differential, fees and all other amounts payable to it under the Transaction Agreements (which may be paid by the applicable assignee and/or by Seller) and (iii) such assignment does not conflict with applicable Law. No Buyer shall be required to make any such assignment if prior thereto, such Buyer shall have ceased to be a Defaulting Buyer in accordance with Section 4.5(c). Each Party agrees that an assignment required pursuant to this Section 4.5(b) may be effected pursuant to assignment documentation executed by Seller, Agent and the assignee and that the Defaulting Buyer required to make such assignment need not be a party thereto. In connection with any such assignment, each assignee of the Defaulting Buyer agrees to purchase (at par) Individual Buyer Balances of other non-Defaulting Buyers (together with corresponding portions of such other non-Defaulting Buyers' undivided fractional interests in any Transaction Portfolio) as Agent may determine necessary to cause each non-Defaulting Buyer's Undivided Funding Percentage in connection with the applicable Current Transaction to equal its Undivided Commitment Percentage with respect to such Current Transaction (in each case, after giving effect to such assignment and with such adjustments as Agent may deem appropriate to take into account any Buyers that remain Defaulting Buyers).

(c) *Reinstatement of Defaulting Buyers.* In the event that Agent and Seller agree that a Defaulting Buyer has adequately remedied all matters that caused such Buyer to be a Defaulting Buyer, then such Buyer shall cease to be a Defaulting Buyer for all purposes hereof. In connection with any such reinstatement of a Defaulting Buyer, such Defaulting Buyer agrees to purchase (at par) Individual Buyer Balances of other non-Defaulting Buyers as Agent may determine necessary to cause each non-Defaulting Buyer's Undivided Funding Percentage in connection with the applicable Current Transaction to equal its Undivided Commitment Percentage with respect to such Current Transaction (in each case, after giving effect to such reinstatement and with such adjustments as Agent may deem appropriate to take into account any Buyers that remain Defaulting Buyers).

(d) *Replacement of Agent.* In the event that Agent or any Affiliate thereof is a Defaulting Buyer, Required Buyers may, to the extent permitted by applicable law, by notice in writing to Seller and Agent, remove Agent in its capacity as such, and subject to Seller's approval (not to be unreasonably withheld), appoint a successor. Upon the acceptance of its appointment as Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the removed Agent and the removed Agent shall be discharged from its duties and obligations hereunder and under the other Transaction Agreements. The fees payable by Seller to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Seller and such successor. Removed Agent agrees to execute such additional documents and perform such further acts as may be reasonably required or desirable to carry out or perform the foregoing provisions of this Section; *provided* that, to the extent removed Agent fails to promptly execute such additional documents and or to perform such further acts, successor Agent may, on behalf of removed Agent, execute such additional documents or perform such further acts.

(e) *Calculations.* All calculations with respect to adjustments in the Undivided Commitment Percentages and Undivided Funding Percentages of, Funding Amounts owed by, or Distribution Amounts payable to, any Buyers resulting from any Buyer becoming a Defaulting Buyer or any actions taken by Agent pursuant to this Section 4.5 shall be made by Agent and communicated to Buyers in appropriate Funding Notices or other written notices (in all cases, with copies to Seller).

5. **Representations and Warranties; Certain Covenants.**

1. **Representations and Warranties of Seller.** Seller represents to Agent and each Buyer that:

(a) *Organization and Authority.* Seller is a corporation duly organized, validly existing, and in good standing under the Laws of the State of Iowa. Seller has full corporate power and authority to enter into the Transaction Agreements to which it is a party, to carry out its obligations thereunder, and to consummate the transactions contemplated thereby. The execution and delivery by Seller of the Transaction Agreements to which it is a party and the performance by Seller of its obligations thereunder have been duly authorized by all requisite corporate action on the part of Seller. The Transaction Agreements to which Seller is a party have been duly executed and delivered by Seller, and (assuming due authorization, execution, and delivery by each other Party) the Transaction Agreements to which Seller is a party constitute a legal, valid, and binding obligation of Seller enforceable against Seller in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar Laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

(b) *No Conflicts; Consents.* The execution, delivery and performance by Seller of each of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements do not and will not: (A) conflict with or result in a violation or breach of, or default under, any provision of the Organizational Documents of Seller; (B) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Seller except as would not reasonably be expected to have a Material Adverse Effect; or (C) require the consent, notice or other action by any Person pursuant to, or result in a default or event of default under, any Contract to which Seller is a party, except: (1) as expressly set forth in the applicable Transaction Agreement, (2) as shall have been obtained by Seller as of the Effective Date or (3) as would not reasonably be expected to have a Material Adverse Effect. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Seller in connection with the execution and delivery of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements except as shall have been obtained by Seller or except as would not reasonably be expected to have a Material Adverse Effect.

(c) *Legal Proceedings.* There are no Actions pending or, to Seller's knowledge, threatened against or by Seller or any Affiliate of Seller that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by the Transaction Agreements.

(d) *Compliance with Laws.* Seller is in compliance with all applicable Laws in connection with the performance of obligations or exercise of rights under the Transaction Agreements, except where the failure to be so would not reasonably be expected to have a Material Adverse Effect.

(e) *No Defaults.* No Event of Default under this Framework Agreement has occurred and is continuing that has not been waived. Except as disclosed to Agent, no Potential Event of Default under this Framework Agreement has occurred and is continuing that has not been waived.

(f) *Certification of Beneficial Owner.* The information included in the Certification of Beneficial Owner(s) is true and correct in all respects as of the date of delivery thereof.

2. Asset Representations and Warranties. Seller represents or covenants, as applicable, to Agent and each Buyer with respect to each Eligible Farmer Loan included in the Transaction Portfolio for any outstanding Transaction that:

(a) *Accuracy of Information.* The information regarding such Eligible Farmer Loan set forth on the Portfolio Schedule to the Confirmation for such Transaction (as corrected in accordance with Section 4.1(d), in the case of any Deemed Roll-Over Transaction) is true and correct in all material respects as of the Purchase Date for such Transaction.

(b) *Form of Loan Agreement.* The Loan Agreement for such Eligible Farmer Loan is substantially in the form of one of the Deferred Payment Loan Agreements attached to Schedule 3 hereto or any other form of Loan Agreement provided to and deemed satisfactory by Agent.

(c) *Enforceability.* Such Eligible Farmer Loan and related Loan Agreement has been duly authorized, executed and delivered by all parties thereto, and constitutes a legal, valid, and binding obligation of each such party enforceable against such party in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar Laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

(d) *No Conflicts; Consents.* The execution, delivery and performance by Seller and each applicable Debtor under such Eligible Farmer Loan of the Loan Agreement and the consummation of the transactions contemplated thereby do not and will not conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Seller except as would not reasonably be expected to have a Material Adverse Effect, and no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Seller or any Affiliate of Seller in connection with the execution and delivery of the Loan Agreement and the consummation of the transactions contemplated thereby except as shall have been obtained by Seller or such Affiliate as of the date of such Loan Agreement or except as would not reasonably be expected to have a Material Adverse Effect.

(e) *No Modifications.* Except in accordance with its ordinary servicing practices (so long as the related modification, alteration or amendment would not (i) cause such loan to cease to be an Eligible Farmer Loan, (ii) breach any of the other Asset Representations, Warranties and Covenants, (iii) reduce the amount payable under the Eligible Farmer Loan (other than as a result of a prepayment), (iv) extend the stated maturity date of such Eligible Farmer Loan or (v) reasonably be expected to have a Material Adverse Effect) or as consented to by Agent, Seller is not a party to any Contract or other legally binding arrangement with any Debtor in relation to such Eligible Farmer Loan that modifies, alters or amends any of the terms in the related Loan Agreement.

(f) *Compliance with Laws.*

(i) Seller and its Affiliates are in compliance with all applicable Laws with respect to the making of such Eligible Farmer Loan (including all applicable “know your customer” Laws), except where the failure to be so would not reasonably be expected to have a Material Adverse Effect.

(ii) None of Seller, any of its Subsidiaries or, to the knowledge of Seller, any Affiliate of Seller or any director, officer, agent or other person acting on behalf of Seller or any of its Subsidiaries (i) is a Sanctioned Person, (ii) transacts with, or has any investments in, any Sanctioned Country or Sanctioned Person or (iii) is the subject of any action or investigation under any Sanctions Laws or Anti-Money Laundering Laws.

(iii) None of Seller, any of its Subsidiaries nor, to the knowledge of Seller, any director, officer, agent or other person acting on behalf of Seller or any of its Subsidiaries has taken any action, directly or indirectly, that would result in a violation by such persons of Sanctions Laws, Anti-Money Laundering Laws or Anti-Corruption Laws; and Seller has instituted and maintains policies and procedures designed to ensure continued compliance therewith.

(g) *Legal Proceedings.* There is no Action pending or, to the knowledge of Seller, threatened against Seller relating to such Eligible Farmer Loan or which seeks the issuance of an order restraining, enjoining or otherwise prohibiting or making illegal the consummation of any of the transactions contemplated by the Loan Agreement, except as would not reasonably be expected to have a Material Adverse Effect.

(h) *Segregation of Eligible Farmer Loans.* All Eligible Farmer Loans included in the Portfolio Schedule for the Current Transaction that are in the possession of Seller shall be segregated from other securities in its possession and shall be identified as subject to the Transaction Agreements. Segregation may be accomplished by appropriate identification on the books and records of Seller.

3. Certain Covenants. Seller covenants with Agent and each Buyer as follows:

(a) *Taxes.* Subject to the provisions of Section 6.8 and the provision by each Buyer of any relevant IRS forms and related documentation confirming its exemption from withholding Taxes, Seller will pay all relevant Taxes and make all relevant returns in respect of Taxes in relation to any Purchased Securities and Seller shall indemnify and hold each Buyer harmless from and against any such Taxes. Without limiting the generality of the foregoing, Seller shall remit all Direct Taxes to the applicable Governmental Authority relating to the Purchased Securities as and when due and Seller shall indemnify and hold each Buyer harmless from and against any such Taxes.

(b) *Performance of Loan Agreements.* Seller shall perform and comply with each Loan Agreement governing an Eligible Farmer Loan included in the Transaction Portfolio for the Current Transaction in such a way as would not (or would not reasonably be expected to) materially affect the entitlement and/or ability to receive and/or to recover and/or enforce and/or collect payment of the full amount of such Eligible Farmer Loan, and the exercise by Agent of its rights under this Framework Agreement and the other Transaction Agreements shall not relieve Seller of such obligations.

(c) *Indemnification.* Seller will indemnify and keep indemnified Agent, each Buyer, their Affiliates, and their respective officers, directors, employees and agents and their successors and assigns (each, an “**Indemnified Party**”) against any cost, claim, loss, expense, liability or damages (including reasonable legal costs and out-of-pocket expenses) arising out of or involving a claim or demand made by any Person (other than by Seller, any of its Affiliates or any Indemnified Party) against such Indemnified Party (each a “**Claim**”) and incurred or suffered by it in connection with:

(i) any representation or warranty made by Seller under or in connection with any Transaction Agreement (including with respect to any Portfolio Schedule delivered by Seller pursuant hereto) that shall have been false or incorrect when made or deemed made (without regard to any knowledge, materiality or Material Adverse Effect qualifiers contained therein);

(ii) the failure by Seller, to comply with any applicable Law with respect to any Eligible Farmer Loan included in any Transaction Portfolio, or the nonconformity of any such Eligible Farmer Loan included therein or any related Contract with any such applicable Law, rule or regulation or any failure of Seller to keep or perform any of its obligations, express or implied, with respect to any Contract;

(iii) any failure of Seller to perform its duties, covenants or other obligations in accordance with the provisions of any Transaction Agreement;

(iv) any products liability, personal injury or damage, suit or other similar claim arising out of or in connection with merchandise, insurance or services that are the subject of any Eligible Farmer Loan in which any Indemnified Party becomes involved as a result of any of the Transactions contemplated hereby;

(v) any investigation, litigation or proceeding related to or arising from any Transaction Agreement, the Transactions contemplated hereby, Seller's use of the proceeds of such Transactions, the ownership of the Eligible Farmer Loans originated by Seller or any other investigation, litigation or proceeding relating to Seller in which any Indemnified Party becomes involved as a result of any of the Transactions contemplated hereby;

(vi) any action or omission by Seller which reduces or impairs the rights of any Buyer with respect to any Eligible Farmer Loan or the value of any such Eligible Farmer Loan; and

(vii) any civil penalty or fine assessed by OFAC or any other Governmental Authority administering any Sanctions Law or Anti-Money Laundering Law against, and all reasonable costs and expenses (including counsel fees and disbursements) incurred in connection with defense thereof by any Buyer as a result of any action of Seller;

provided, that notwithstanding the foregoing, in no event shall Seller be liable hereunder to any Indemnified Party or any other Person for (A) any special, indirect, consequential or punitive damages, even if Seller has been advised of the likelihood of such loss or damage and regardless of the form of action or (B) Claims to the extent arising from any Indemnified Party's breach, bad faith, gross negligence or willful misconduct.

(d) *Approvals and Filings*. Except as would not (or would not reasonably be expected to) materially affect the entitlement and/or ability to receive and/or to recover and/or enforce and/or collect payment of the full amount in the Eligible Farmer Loans, Seller shall maintain such Permits and make such filings, registrations and submissions as are necessary or advisable for the performance of its obligations under the Loan Agreements relating to the Eligible Farmer Loans.

(e) *Books and Records*. Seller shall keep all its books, records and documents evidencing or relating to the Eligible Farmer Loans in accordance with its practice and procedures from time to time. Seller shall, but only upon Agent's reasonable request in advance of the same, during normal business hours at reasonably accessible offices in the continental United States designated by Seller, and subject to Seller's normal security and confidentiality procedures, permit Agent or any of its agents or representatives to examine and make copies of and abstracts from the records, books of account and documents (including computer tapes and disks) of Seller, visit the properties of Seller for the purpose of examining or obtaining access to such records, books of account and documents, and discuss the affairs, finances and accounts of Seller relating to the Eligible Farmer Loans with any of its officers, and Seller shall be obligated to reimburse Agent for the costs and expenses of one such examination during the Facility Term.

(f) *No Sales, Liens*. Seller (i) shall not sell, assign or grant any Security Interest on or otherwise encumber any Eligible Farmer Loan subject to a Transaction or any Loan Agreement under which such Eligible Farmer Loan arises except as expressly contemplated by the Transaction Agreements, (ii) shall not permit any Security Interest to exist on or with respect to, any such Eligible Farmer Loan or Loan Agreement except as expressly contemplated by the Transaction Agreements, and (iii) will defend the right, title and interest of the Buyers in, to and under any of the foregoing.

(g) *No Waivers, Amendments*. Except to the extent arising in the ordinary course of business and except as required by Section 5.3(h), Seller shall not (x) cancel, terminate, amend, modify or waive any term or condition of any Loan Agreement for an Eligible Farmer Loan subject to a Transaction (including reducing the amount of such Eligible Farmer Loan) or (y) take any other action that, in each case, may materially affect any entitlement and/or ability to receive and/or recover and/or enforce and/or collect payment in full of the full amount of the Eligible Farmer Loan, or otherwise prejudice any Buyer's interest in any Eligible Farmer Loan in any material respect.

(h) *Ordinary Course*. Seller shall follow its credit and collection procedures with respect to the Eligible Farmer Loans in accordance with its ordinary course of dealing as in effect from time to time without regard to the Transactions contemplated hereby, and shall use the same standards it would follow with respect to Eligible Farmer Loans which are owned by Seller.

(i) *Notice of Certain Events*. Seller shall provide Agent with prompt notice upon becoming aware of (x) any Event of Default or Potential Event of Default or (y) any Change of Control with respect to Seller or any Guarantor.

(j) *Changes in Credit and Collection Procedures.* Seller shall provide Agent with prompt notice, and in all instances at least sixty (60) days prior to the effectiveness of any material change in or material amendment to the credit and collection procedures (other than any such change or amendment required by applicable Law, in which case Seller shall provide notice to Agent of such change or amendment as promptly as practicable), a copy of the credit and collection procedures then in effect and a notice indicating such proposed change or amendment.

(k) *Information Required by Governmental Authorities.* Subject to applicable Laws prohibiting or limiting such disclosure or provision of such information, documents, records or reports, Seller shall provide each Buyer promptly, from time to time upon request, such information, documents, records or reports relating to the Eligible Farmer Loans or Seller as such Buyer (or its assigns) may be required by a Governmental Authority to obtain; *provided*, that each such Buyer shall use commercially reasonable efforts to maintain the confidentiality of such information, documents, records or reports to the extent consistent with applicable Law, Seller's normal privacy and confidentiality procedures, the terms of the Data Transfer Agreement and any confidentiality provisions or restrictions contained therein.

(l) *Accounting.* Seller shall comply with all required accounting and Tax disclosures related to the Transactions in accordance with GAAP and applicable Law, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(m) *Changes Concerning Seller.* Seller will not undergo a Change of Control or change its (i) jurisdiction of organization, (ii) name, (iii) identity or structure (within the meaning of Article 9 of the UCC), unless it shall have notified Agent of the same and delivered to Agent all financing statement amendments and other documents necessary to maintain the perfection of the Security Interests granted by Seller under the Transaction Agreements in connection with such change, relocation or Change of Control.

(n) *Compliance.* Seller will not directly or indirectly use, and shall not permit its Subsidiaries and its or their respective directors, officers, employees and, to the knowledge of Seller and to the extent commercially reasonable, agents to directly or indirectly use, the proceeds of any Transaction (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Money Laundering Laws or Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, in violation of Sanctions Laws, or (iii) in any manner that would result in the violation of any Sanctions or Sanctions Laws by any Person (including any Party hereto). Seller shall, and cause each of its Subsidiaries to, use commercially reasonable efforts to ensure that no funds used to pay the obligations under any Transaction Agreement (i) constitute the property of, or are beneficially owned, directly or indirectly, by any Sanctioned Person, (ii) are derived from any transactions or business with any Sanctioned Person or Sanctioned Country, or (iii) are derived from any unlawful activity, including activity in violation of Anti-Money Laundering Laws or Anti-Corruption Laws. Seller will maintain in effect policies and procedures designed to promote compliance by Seller, its Subsidiaries, and their respective directors, officers, employees, and agents with Sanctions Laws, Anti-Money Laundering Laws and Anti-Corruption Laws.

(o) *Margin Compliance During Final Two Months.* On each Recalculation Date, Seller shall recalculate the aggregate Market Value of the Transaction Portfolio for the Current Transaction as of the close of business on the Business Day that is (x) three (3) Business Days before such Recalculation Date in the case of Recalculation Dates occurring prior to the Farmer Loan Maturity Date or (y) one (1) Business Day before such Recalculation Date in the case of Recalculation Dates occurring after the Farmer Loan Maturity Date, and based on such recalculations, shall notify Agent in writing (i) no later than the second Business Day following such Recalculation Date if the aggregate Market Value of such Transaction Portfolio decreases to an extent sufficient to result in a Margin Deficit exceeding fifty percent (50%) of the applicable threshold specified in Paragraph 4(e) of Annex I to the Master Repurchase Agreement and (ii) promptly if the aggregate Market Value of such Transaction Portfolio decreases to an extent sufficient to result in a Margin Deficit exceeding the applicable threshold specified in Paragraph 4(e) of Annex I to the Master Repurchase Agreement.

(p) *Servicing Information.* In the event that Agent reasonably determines, with notice to Seller, that the likelihood of an Event of Default occurring has increased by an amount that it deems material, Seller shall within ten (10) Business Days following receipt of such notice, provide Agent with an updated Portfolio Schedule for the Current Transaction, which updated Portfolio Schedule shall include, for each Debtor with respect to each Eligible Farmer Loan listed on the Portfolio Schedule, the name, address, phone number, email address of, and principal contact at, each such Debtor and each Portfolio Schedule delivered hereunder thereafter shall contain such additional information; *provided*, that, for the avoidance of doubt, any removal by Seller of Eligible Farmer Loans from the applicable Transaction Portfolio prior to or in connection with the delivery of such updated Portfolio Schedule and other documents must comply with the applicable requirements of this Framework Agreement and the Master Repurchase Agreement. If an Event of Default shall have occurred and be continuing, Seller, upon a written request from Agent, provide to Agent (i) within ten (10) Business Days following receipt of such request with a list of all invoices provided to the Debtors under the Eligible Farmer Loans comprising the Transaction Portfolio, (ii) within four weeks following receipt of such request, copies of all Loan Agreements with and invoices pertaining to, such Debtors and corresponding Eligible Farmer Loans, which delivery shall be effected at an approximate rate of 25% of such Loan Agreements and invoices per week, it being understood that delivery at a faster rate in earlier weeks may result in a smaller percentage being delivered in later weeks and (iii) as promptly as practicable following receipt of such request, any other documents which may be necessary or appropriate to enforce Seller's rights in connection with such Eligible Farmer Loans.

(q) *Certification of Beneficial Owner.* Promptly, following any change in the information included in the Certification of Beneficial Owner(s) that would result in a change to the exemption from the definition of "legal entity customer" (if any) specified as being applicable to Seller in such certification, or if no such exemption is applicable, a change in the list of beneficial owners or control party (if any) required to be identified in such certification, or a change in the address of any such beneficial owners or control party, Seller shall execute and deliver to Agent an updated Certification of Beneficial Owner(s).

6. **Agent.**

1. **Appointment and Authority**

(a) Each of the Buyers hereby irrevocably appoints Rabobank to act on its behalf as Agent hereunder and under the other Transaction Agreements and authorizes Agent to take such actions on its behalf and to exercise such powers as are delegated to Agent by the terms hereof or thereof (including the power to execute and deliver Confirmations on behalf of such Buyer in accordance with Sections 4.1 and 4.5 of this Framework Agreement and the Master Repurchase Agreement), together with such actions and powers as are reasonably incidental thereto. The provisions of this Article VI (other than the proviso to the first sentence of Section 6.5) are solely for the benefit of Agent, and neither Seller nor any Guarantor shall have rights as a third party beneficiary of any of such provisions.

(b) Each of the Buyers hereby irrevocably appoints and authorizes Agent to act as the agent of such Buyer for purposes of acquiring, holding and enforcing any and all Security Interests on Purchased Securities granted by Seller under the Transaction Agreements, including the filing in Agent's name of any financing statements on behalf of Buyers, together with such powers and discretion as are reasonably incidental thereto. Each Buyer hereby authorizes Agent to exercise any rights and remedies on its behalf hereunder or under the other Transaction Agreements in respect of such Security Interests.

(c) Agent hereby agrees that it will promptly deliver to each Buyer copies of each Confirmation and Portfolio Schedule and any notices or written information received by Agent from Seller or any Guarantor in connection with any Transaction Agreement (other than the Side Letter).

2. **Rights as a Buyer**

The Person serving as Agent hereunder shall have the same rights and powers in its capacity as a Buyer as any other Buyer and may exercise the same as though it were not Agent and the term "Buyer" or "Buyers" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Seller, any Guarantor or any of their Affiliates as if such Person were not Agent hereunder and without any duty to account therefor to the Buyers.

3. Exculpatory Provisions

The Agent shall not have any duties or obligations except those expressly set forth herein and in the other Transaction Agreements. Without limiting the generality of the foregoing, Agent:

- (i) shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing;
- (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers; and
- (iii) shall not, except as expressly set forth herein or in the other Transaction Agreements, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Seller, any Guarantor or any of their Affiliates that is communicated to or obtained by the Person serving as Agent or any of its Affiliates in any capacity.

Agent shall not be liable for any action taken or not taken by it in the absence of its own gross negligence or willful misconduct. Agent shall be deemed not to have knowledge of any Event of Default unless and until notice describing such Event of Default as such is given to Agent by Seller, a Guarantor or a Buyer.

Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Framework Agreement or any other Transaction Agreement, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Framework Agreement, any other Transaction Agreement or any other agreement, instrument or document, (v) the value or the sufficiency of any Purchased Securities or (vi) the satisfaction of any condition set forth in Article III, Section 4.3 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Agent.

4. Reliance by Agent

Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. Agent may consult with legal counsel, independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

5. Delegation of Duties

Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Transaction Agreement by or through any one or more sub-agents appointed by Agent; *provided*, that with respect to any sub-agents taking actions with respect to, or receiving information in respect of, Eligible Farmer Loans that are not wholly-owned Subsidiaries of Agent and could reasonably be considered a competitor of Seller, but only insofar as no Event of Default has occurred and is continuing, Agent shall have first obtained the prior written consent of Seller. Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of Agent and any such sub-agent.

6. Non-Reliance on Agent and Other Buyers.

Each Buyer acknowledges that it has, independently and without reliance upon Agent or any other Buyer or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Framework Agreement and the other Transaction Agreements. Each Buyer also acknowledges that it will, independently and without reliance upon Agent or any other Buyer or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Framework Agreement, any other Transaction Agreement or any related agreement or any document furnished hereunder or thereunder.

7. Agent May File Proofs of Claim

In case of the pendency of any proceeding under any bankruptcy or insolvency Law or any other judicial proceeding relative to Seller or any Guarantor, Agent shall be entitled and empowered, by intervention in such proceeding or otherwise:

- i. to file and prove a claim for the whole amount of any amounts that are owing by Seller or any Guarantor under any Transaction Agreement and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Buyers and Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Buyers, Agent and their respective agents and counsel and all other amounts due to the Buyers and Agent under any Transaction Agreement) allowed in such judicial proceeding; and
- ii. to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, curator, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Buyer to make such payments to Agent and, in the event that Agent shall consent to the making of such payments directly to the Buyers, to pay to Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Agents and their respective agents and counsel, and any other amounts due to Agent hereunder or under any Transaction Agreement.

Nothing contained herein shall be deemed to authorize Agent to authorize or consent to or accept or adopt on behalf of any Buyer any plan of reorganization, arrangement, adjustment or composition affecting the obligations of Seller or any Guarantor under any Transaction Agreement or the rights of any Buyer or to authorize Agent to vote in respect of the claim of any Buyer in any such proceeding.

8. Withholding Tax

To the extent required by any applicable Law, Agent may withhold from any payment to any Buyer an amount equal to any applicable withholding Tax; *provided*, that Agent shall ensure that the withholding does not exceed the minimum amount legally required and Agent shall pay the amount withheld to the relevant Governmental Authority in accordance with applicable law. If the IRS or any other authority of the United States or other jurisdiction asserts a claim that Agent did not properly withhold Tax from any amount paid to or for the account of any Buyer for any reason (including because the appropriate form was not delivered or was not properly executed, or because such Buyer failed to notify Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding Tax ineffective), such Buyer shall indemnify and hold harmless Agent (to the extent that Agent has not already been reimbursed by Seller or any Guarantor and without limiting or expanding the obligation of Seller or any Guarantor to do so) for all amounts paid, directly or indirectly, by Agent as Tax or otherwise, including any penalties, additions to Tax or interest thereon, together with all expenses incurred, including legal expenses and any out-of-pocket expenses, whether or not such Tax was correctly or legally imposed or asserted by the relevant Governmental Authority; *provided*, that Buyer shall not be required to indemnify Agent for penalties, addition to Tax or interest thereon, or any expenses incurred, to the extent the failure to withhold results from Agent's gross negligence or willful misconduct. A certificate as to the amount of such payment or liability delivered to any Buyer by Agent shall be conclusive absent manifest error. Each Buyer hereby authorizes Agent to set off and apply any and all amounts at any time owing to such Buyer under this Framework Agreement or any other Transaction Agreement against any amount due to Agent under this Article VI. The agreements in this Article VI shall survive any assignment of rights by, or the replacement of, a Buyer, the expiration of the Facility Term and the repayment, satisfaction or discharge of all obligations under this Framework Agreement and the other Transaction Agreements. Unless required by applicable Laws, at no time shall Agent have any obligation to file for or otherwise pursue on behalf of a Buyer any refund of Taxes withheld or deducted from funds paid for the account of such Buyer.

7. Payment To Agent; Several Obligations And Certain Calculations.

1. Payments to Agent. Notwithstanding anything to the contrary contained herein, all amounts payable to any Buyer in connection with any Transaction shall be paid to Agent, and Agent shall distribute such payments to the Buyers in accordance with Section 4.4. As between Seller and the Buyers, any payment of such amounts to Agent shall be treated as payments to the Buyers and neither Seller nor any Guarantor shall have any liability for the failure of Agent to comply with the preceding sentence.

2. Several Obligations. The obligations of the Buyers hereunder are several, and no Buyer shall have any obligation or liability for the failure of any other Buyer to perform its obligations hereunder.

3. Certain Calculations. Agent shall calculate the Undivided Commitment Percentages, Undivided Funding Percentages, Funded Purchase Prices, Funding Amounts, Distribution Amounts, Aggregate Commitment Amount, Aggregate Buyer Balance, Individual Commitment Amounts, Individual Buyer Balances, Breakage Amounts, the amounts of any fees payable under the Fee Letter or the Side Letter and all other amounts to be calculated under the Transaction Agreements, as well as any adjustments thereto, which calculations shall be conclusive absent manifest error. Upon the reasonable request of Seller, any Buyer or any Guarantor for any such calculations, Agent shall promptly provide such calculations to such Person.

8. **Confidentiality.**

1. Duty to Preserve Confidentiality. Except as otherwise provided herein, each Receiving Party agrees, for a period of two (2) years following the termination or expiration of this Framework Agreement, to hold in confidence all Confidential Information furnished by the Disclosing Party, to not disclose any Confidential Information to any third party, and to use Confidential Information solely for purposes of the transactions contemplated by this Framework Agreement and the other Transaction Agreements; *provided*, that such Confidential Information may be disclosed to Representatives of such Receiving Party as reasonably necessary in connection with the transactions contemplated by this Framework Agreement and the other Transaction Agreements, so long as such Representatives are similarly bound by an obligation of confidentiality (including by means of applicable policies of the Receiving Party).

2. Permitted Disclosure. Notwithstanding the foregoing Section, a Receiving Party shall be permitted to disclose Confidential Information of a Disclosing Party if the Receiving Party is required by applicable Law or other legal process or requested by any Governmental Authority asserting jurisdiction over the Receiving Party or its Affiliates, or as necessary or appropriate to enforce its rights under the Transaction Agreements. Such Receiving Party agrees that in the event of any such disclosure (other than as a result of an examination by a Governmental Authority or other regulatory authority), it will notify the Disclosing Party as soon as practicable, unless such notification shall be prohibited by applicable Law. Such Receiving Party shall disclose only that portion of the Confidential Information that, in the reasonable judgment of such Receiving Party and its Representatives, is legally required (or, in the case of request by a Governmental Authority or other regulatory authority, that portion ordinarily disclosed in accordance with the Receiving Party's usual practice with respect to such requests) and shall disclose the Confidential Information in a manner reasonably designed to preserve its confidential nature.

3. Return of Confidential Information. Unless otherwise specified in writing, all Confidential Information shall remain the property of the Disclosing Party. Upon request of the Disclosing Party, the Receiving Party agrees to return or destroy all Confidential Information received from the Disclosing Party; *provided*, that (i) the Receiving Party and its Representatives may retain Confidential Information to the extent required by any applicable Law, by any supervisory or regulatory body or by its internal record retention policy, and (ii) the Receiving Party and its Representatives shall in no event be required to erase, destroy or return any information from computer systems or hard drives, tapes, memory or other electronic forms of information retention processes, materials or equipment. All Confidential Information so retained shall remain subject to the confidentiality obligations set forth herein.

4. Data Transfer Agreement. In addition to the confidentiality provisions set forth in Section 8.1, but subject to the provisions of Sections 8.2 and 8.3 concerning permitted disclosures and retention, each Buyer agrees to be bound by the provisions of the Data Transfer Agreement that are applicable to the "Company" thereunder as though such Buyer were a signatory to such Data Transfer Agreement as the "Company" thereunder.

9. **Miscellaneous.**

Except as otherwise expressly set forth in a Transaction Agreement, the following will apply to all Transaction Agreements:

1. Copies of Records; Further Assurances. Each Party will promptly provide, upon the other Party's written request, copies of the other Party's records in a Party's or any of its Subsidiaries' possession or control. Each Party will promptly execute, or cause its Subsidiaries to promptly execute, such other documents and instruments, and provide such other assurances, as reasonably necessary to carry out the purpose and intent of the Transaction Agreements.

2. Expenses. Upon and as a condition to the Closing, Seller shall reimburse Rabobank for all reasonable and sufficiently detailed documented out-of-pocket expenses (including fees, charges and disbursements of counsel) up to an aggregate of \$125,000 incurred by Rabobank in connection with the negotiation, preparation, execution and delivery of the Transaction Agreements and any related documentation and the consummation of the transactions contemplated thereby. Except as otherwise set forth in the preceding sentence or in any Transaction Agreement, all costs and expenses, including fees and disbursements of

counsel, financial advisors, and accountants, incurred in connection with any Transaction Agreement will be paid by the Party incurring those costs and expenses.

3. Entire Agreement. This Framework Agreement, together with the other Transaction Agreements, constitutes the entire agreement between the Parties and supersedes all prior oral and written negotiations, communications, discussions, and correspondence pertaining to the subject matter of the Transaction Agreements.

4. Order of Precedence. If there is a conflict between this Framework Agreement and any other Transaction Agreement, this Framework Agreement will control unless the conflicting provision of the other Transaction Agreement specifically references the provision of this Framework Agreement to be superseded.

5. Amendments and Waivers. The Transaction Agreements may only be amended or modified (including any waiver of or exception to any obligation or covenant under a Transaction Agreement) by an instrument in writing signed by the Seller and the Required Buyers and acknowledged by the Agent, or by the Seller and the Agent with the consent of the Required Buyers; provided, that no such amendment, waiver, exception or other modification shall:

(a) increase the Individual Commitment Amount of any Buyer applicable to any monthly period without the written consent of such Buyer;

(b) reduce any fees or other amounts payable hereunder or under any other Transaction Agreement, without the written consent of each such Buyer directly and adversely affected thereby;

(c) change any provision of this Section or the percentage in the definition of "Required Buyers" or any other provision hereof specifying the number or percentage of Buyers required to amend, waive or otherwise modify any rights or duties hereunder or make any determination or grant any consent hereunder, without the written consent of each Buyer;

(d) reduce or forgive any Repurchase Price, extend any Commitment Reduction Date, the Scheduled Facility Expiration Date, any Repurchase Date or the Facility Expiration Date, adjust any Undivided Commitment Percentages or Undivided Funding Percentages, or reduce any Distribution Amount, in each case, without the written consent of each Buyer;

(e) amend, modify or waive any provision of Article IV in a manner that would alter the pro rata sharing of payments required thereunder, without the written consent of each Buyer; and

(f) release (i) all or a material portion of the Security Interests created pursuant to the Transaction Agreements, (ii) Seller from all or a material portion of its obligations under the Transaction Agreements or (iii) any Guarantor from its obligations under the Guaranty, in each case, without the written consent of each Buyer;

provided, further, that no such amendment, waiver or consent shall amend, modify or otherwise affect the rights or duties hereunder or under any other Transaction Agreement of the Agent, unless in writing executed by the Agent, in addition to the Seller and the Buyers required above. For the avoidance of doubt, Agent is not authorized to sign any waiver or amendment on behalf of any Buyer without the consent of such Buyer.

Notwithstanding anything herein to the contrary, no Defaulting Buyer shall have any right to approve or disapprove any amendment, waiver or consent hereunder and any amendment, waiver or consent that by its terms requires the consent of all the Buyers or each affected Buyer may be effected with the consent of the applicable Buyers other than Defaulting Buyers, except that (x) the Individual Commitment Amount or a Defaulting Buyer may not be increased or extended without the consent of such Defaulting Buyer and (y) any amendment, waiver or consent requiring the consent of all Buyers or each affected Buyer shall require the consent of such Defaulting Buyer.

6. Binding Effect. The Transaction Agreements will be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors, and permitted assigns.

7. Assignment. Except as provided in this Framework Agreement or any other Transaction Agreement, neither this Framework Agreement nor any other Transaction Agreement, respectively, may be assigned or otherwise transferred, nor may any right or obligation hereunder or under another Transaction Agreement be assigned or transferred by any Party without the consent of the other Parties. Any permitted assignee shall assume all obligations of its assignor under this Framework Agreement; provided, that in the event of any assignment by a Defaulting Buyer required pursuant to Section 4.5(b), any indemnity obligations owed to or by such Defaulting Buyer under the Transaction Agreements shall survive such assignment. This Framework Agreement is binding upon the permitted successors and assigns of the Parties. Any attempted assignment not in accordance with this Section 9.7 shall be void.

8. Notices. All notices, requests, demands, and other communications required or permitted to be given under any of the Transaction Agreements by any Party must be in writing delivered to the applicable Party at the following address:

If to Rabobank or Agent:

Coöperatieve Rabobank, U.A., New York Branch
245 Park Avenue
New York, New York 10167
Attention:
E-Mail:

With copy to:

Coöperatieve Rabobank, U.A., New York Branch
245 Park Avenue
New York, New York 10167
Attention:
E-Mail:

If to MUFG:

MUFG Bank, Ltd.
1251 Avenue of the Americas
New York, New York 10020-1104
Attention:
E-Mail:

With copy to:

The Bank of Tokyo-Mitsubishi UFJ, Ltd.
1251 Avenue of the Americas
New York, NY 10020-1104
Attention:
E-Mail:

If to Standard Chartered:

Standard Chartered Bank
2700 Post Oak Boulevard
21st Floor
Houston, TX 77056
Attention:
Email:

With copy to:

Standard Chartered Bank
1095 Avenue of the Americas
New York, New York 10003
Attention:
Email:

If to HSBC:

HSBC Securities (USA) Inc.
452 Fifth Avenue New York, New York 10018
Attention :
Email :

If to Seller:

PHI Financial Services, Inc.
7100 NW 62nd Avenue
P.O. Box 1050
Johnston, Iowa 50131
Attention:
E-Mail:

With a copy to:

E. I. du Pont de Nemours and Company
974 Centre Road
Chestnut Run Plaza 730/5218
Wilmington, Delaware 19805
Attention:
E-Mails:

or to such other address as any Party may designate by written notice to the other Party. Each notice, request, demand, or other communication will be deemed given and effective, as follows: (i) if sent by hand delivery, upon delivery; (ii) if sent by first-class U.S. Mail, postage prepaid, upon the earlier to occur of receipt or three (3) days after deposit in the U.S. Mail; (iii) if sent by a recognized prepaid overnight courier service, one (1) Business Day after the date it is given to such service; (iv) if sent by facsimile, upon receipt of confirmation of successful transmission by the facsimile machine; and (v) if sent by email, upon acknowledgement of receipt by the recipient.

9. **Governing Law.** This Framework Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to the conflicts of law provisions thereof other than sections 5-1401 and 5-1402 of the New York General Obligations Law.

10. **Jurisdiction.** Each Party hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to any Transaction Agreement, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York located in the Borough of Manhattan in the City of New York, the courts of the United States of America for the Southern District of New York and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the applicable party at its respective address set forth in Section 9.8 or at such other address which has been designated in accordance therewith; and

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by Law or shall limit the right to sue in any other jurisdiction.

11. **WAIVER OF JURY TRIAL.** EACH PARTY HEREBY WAIVES ITS RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO ANY OF THE TRANSACTION AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED BY THE TRANSACTION AGREEMENTS, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY PARTY AGAINST ANOTHER PARTY, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. EACH PARTY HEREBY AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION WILL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE PREVIOUS SENTENCE, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM, OR OTHER PROCEEDING THAT SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF ANY PORTION OF ANY TRANSACTION AGREEMENTS. THIS WAIVER WILL APPLY TO ANY SUBSEQUENT AMENDMENT, RENEWAL, SUPPLEMENT, OR MODIFICATION TO ANY OF THE TRANSACTION AGREEMENTS.

12. Severability. If any provision of a Transaction Agreement is held by a court of competent jurisdiction to be invalid, unenforceable, or void, that provision will be enforced to the fullest extent permitted by applicable Law, and the remainder of the applicable Transaction Agreement will remain in full force and effect. If the time period or scope of any provision is declared by a court of competent jurisdiction to exceed the maximum time period or scope that that court deems enforceable, then that court will reduce the time period or scope to the maximum time period or scope permitted by Law.

13. Survival. The provisions of Section 5.3(c), Article VI, Article VII, Article VIII and this Article IX shall survive any termination or expiration of this Framework Agreement and any of the other Transaction Agreements.

14. Counterparts. The Transaction Agreements and any document related to the Transaction Agreements may be executed by the Parties on any number of separate counterparts, by facsimile or email, and all of those counterparts taken together will be deemed to constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same document. A facsimile, portable document format (“.pdf”) or other electronic format signature page will constitute an original for the purposes of this Section 9.14 (including with respect to each of the Transaction Agreements and related documents).

15. Joint Lead Arrangers. The Joint Lead Arrangers shall not have any duties or responsibilities hereunder or under any of the other Transaction Agreements in their capacities as such.

16. Acknowledgment and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Transaction Agreement or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Transaction Agreement, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Framework Agreement or any other Transaction Agreement; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Master Framework Agreement as of the date first written above.

Buyer and Agent:

Coöperatieve Rabobank, U.A., New York Branch

By: /s/ Vikram Malkani

Name: Vikram Malkani

Title: Managing Director

By: /s/ David Epstein

Name: David Epstein

Title: Vice President

[SIGNATURE PAGEs CONTINUE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Master Framework Agreement as of the date first written above.

Buyer:

MUFG Bank, Ltd., New York Branch

By: /s/ Thomas Giuntini

Name: Thomas Giuntini

Title: Managing Director

[SIGNATURE PAGEs CONTINUE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Master Framework Agreement as of the date first written above.

Buyer:

HSBC Bank USA, N.A.

By: /s/ Lauren Steiner

Name: Lauren Steiner

Title: Vice President

[SIGNATURE PAGEs CONTINUE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Master Framework Agreement as of the date first written above.

Seller:

PHI Financial Services, Inc.

By: /s/ Timothy A. Johnson

Name: Timothy A. Johnson

Title: Vice President & Treasurer

SCHEDULE 1

DEFINITIONS

As used in the Transaction Agreements, the following terms have the following meanings unless otherwise defined in any Transaction Agreement:

“**Action**” means any suit in equity, action at law or other judicial or administrative proceeding conducted or presided over by any Governmental Authority.

“**Additional Funding Conditions**” has the meaning set forth in Section 4.3(a).

“**Additional Funding Transaction**” means a Transaction with respect to which any Funded Purchase Price is to be paid, whether pursuant to Section 4.2(b) or Section 4.5(a)(ii).

“**Affiliate**” of a Party means any Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, that Party. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

“**Agent**” has the meaning set forth in the Preamble.

“**Aggregate Buyer Balance**” means, as of any time of determination, the aggregate Purchase Price with respect to the applicable Current Transaction.

“**Aggregate Commitment Amount**” means, as of any date of determination with respect to any Transaction or proposed Transaction, the sum of the applicable Individual Commitment Amounts for each of the Buyers as of such date of determination.

“**Aggregate Exposure Amount**” means the sum of all Individual Exposure Amounts for all Buyers.

“**Anti-Corruption Laws**” means the Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, and the rules and regulations promulgated thereunder, and all other laws, rules, and regulations of any jurisdiction applicable to Seller or any of its Subsidiaries concerning or relating to bribery or corruption.

“**Anti-Money Laundering Laws**” means the Patriot Act, the Money Laundering Control Act of 1986, the Bank Secrecy Act, and the rules and regulations promulgated thereunder, and corresponding laws of the jurisdictions in which Seller or any of its Subsidiaries operates or in which Seller or any of its Subsidiaries will use the proceeds of the Transactions.

“**Asset Representations, Warranties and Covenants**” means, collectively, the representations, warranties and covenants set forth in Section 5.2, Section 5.3(b), Section 5.3(d), Section 5.3(f), Section 5.3(g) and Section 5.3(h).

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“**Bail-In Legislation**” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“**Beneficial Ownership Rule**” means 31 C.F.R. § 1010.230.

“**Book Value**” means, with respect to any Eligible Farmer Loan as of any date of determination, the outstanding principal amount of such Eligible Farmer Loan as of such date of determination.

“**Breakage Amount**” has the meaning set forth in the Master Repurchase Agreement.

“**Business Day**” means any day other than (i) a Saturday or Sunday or (ii) a day on which banking institutions located in New York City are permitted or required by applicable Law or regulation to remain closed.

“**Buyer**” has the meaning set forth in the Preamble.

“**CBR Score**” means, with respect to any Debtor that is a natural person as of any date of determination, the most recent numerical FICO score issued by Equifax, Experian or TransUnion with respect to such Debtor obtained by Seller and maintained in its records in accordance with its underwriting procedures for the 2020 season; provided, that any such Debtor for which Seller does not have a FICO score in its records as of such date of determination (with respect to which the most recent FICO score in Seller’s records was issued more than three (3) years prior to such date of determination) shall be deemed to have a FICO score of zero.

“**Certification of Beneficial Owner(s)**” means a certificate in form and substance satisfactory to the Agent regarding beneficial ownership of Seller, as required by the Beneficial Ownership Rule.

“**Change of Control**” means with respect to any Person, the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), of voting equity securities representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding voting equity securities of such Person; provided, that the occurrence of any of the following shall also be treated as a Change of Control with respect to Seller:

- i. Corteva ceases to own, directly or indirectly, 100% of the issued and outstanding equity interests in DuPont (other than, unless redeemed or otherwise extinguished, the Preferred Stock - \$4.50 Series and the Preferred Stock - \$3.50 Series of DuPont outstanding on November 12, 2018);
- ii. any Guarantor violates the provisions of Sections 5.09, 6.01, 6.03 or 6.04 of the Corteva Revolver, as amended from time to time;
- iii. any Guarantor violates the provisions of Section 6.02 of the Corteva Revolver, as amended from time to time, replacing the reference to a “Default” thereunder with an Event of Default under this Framework Agreement; or
- iv. Seller ceases to be a direct or indirect wholly-owned Subsidiary of DuPont.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commitment Reduction Date**” means each of the Monthly Dates occurring in October, 2020 and November, 2020.

“**Confidential Information**” means any and all information, know-how and data, technical or non-technical, disclosed or provided by one Party to another Party concerning any of the Transaction Agreements, the subject matter thereof or any of the transactions contemplated thereby, whether disclosed or provided in oral, written, graphic, photographic, electronic, or any other form, but excluding any such information to the extent that such information:

- (a) is or becomes generally known or available to the public without breach of this Framework Agreement;
- (b) is known to the Receiving Party or any of its Representatives at the time of disclosure, as evidenced by written records of the Receiving Party;
- (c) is independently developed by the Receiving Party or any of its Representatives, as evidenced by written records of the Receiving Party; or
- (d) is disclosed to the Receiving Party by a third party who, to the knowledge of the Receiving Party, is not bound by any duty of confidentiality to the Disclosing Party.

“Confirmation” has the meaning set forth in the Master Repurchase Agreement.

“Contract” means contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments, and legally binding arrangements, whether written or oral.

“Corteva” means Corteva, Inc., a Delaware corporation.

“Corteva Revolver” means the Five-Year Revolving Credit Agreement dated as of November 12, 2018, among DuPont, Corteva, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent, as amended by (i) that certain Amendment No. 1 to Five-Year Revolving Credit Agreement dated as of May 2, 2019, among DuPont, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent, and (ii) that certain Joinder Agreement dated as of June 1, 2019, among DuPont, Corteva, and JPMorgan Chase Bank, N.A., as administrative agent.

“Current Transaction” means, as of any time of determination, the Transaction, if any, outstanding at such time of determination.

“Data Transfer Agreement” means that certain Data Transfer Agreement dated as of September 15, 2015, between Agent and DuPont, as set forth on Schedule 4.

“Debtor” means, with respect to any Eligible Farmer Loan, each of the Persons designated as a “borrower” under the applicable Loan Agreement.

“Deemed Roll-Over Conditions” has the meaning set forth in Section 4.3(c).

“Deemed Roll-Over Transaction” has the meaning set forth in Section 4.1(c).

“Defaulting Buyer” has the meaning set forth in Section 4.5.

“Direct Taxes” means sales, use, excise, gross receipts, fuel, value added, export/import, acquisition, transfer and similar Taxes, or any inspection fees, environmental fees and similar amounts imposed on or with respect to any Eligible Farmer Loan or any Contracts related thereto.

“Disclosing Party” means the Party who provides (by any means, including indirectly through Agent or any third party or third party application or website) any Confidential Information to the Receiving Party.

“Distribution Amount” means, for any Buyer with respect to any Funded Repurchase Price or Margin Payment paid by Seller in connection with any Transaction, an amount equal to the product of such Funded Repurchase Price or Margin Payment, multiplied by such Buyer’s Undivided Funding Percentage as of the date such Funded Repurchase Price or Margin Payment was paid by Seller to Agent.

“DuPont” means E. I. du Pont de Nemours and Company, a Delaware corporation.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any member state of the European Union, Iceland, Liechtenstein and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” has the meaning set forth in the Preamble.

“**Eligible Farmer Loan**” means any outstanding loan made by Seller to a customer of Seller or its Affiliates in connection with Seller’s Pioneer Deferred Payment Plan program with a stated final maturity date of December 1, 2020 (the “**Farmer Loan Maturity Date**”).

“**ERISA Event**” has the meaning ascribed to such term in the Corteva Revolver.

“**EU Bail-In Legislation Schedule**” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“**Event of Default**” means any of the following:

- a. Seller or any Guarantor shall have failed to pay any margin payment required to be paid under Paragraph 4(a) of the Master Repurchase Agreement or any Repurchase Price due and payable on the Scheduled Facility Expiration Date or on any Commitment Reduction Date, in each case, when and as the same shall become due and payable;
- b. Seller or any Guarantor shall have failed to pay any Repurchase Price (other than any Repurchase Price payable on the Scheduled Facility Expiration Date or any Commitment Reduction Date), Price Differential, any fee required to be paid under the Fee Letter or the Side Letter, any amount required to be refunded pursuant to Section 4.5(a)(iii) hereof, or any other amounts owing under any Transaction Agreement (other than amounts specified in clause (a) of this definition), in each case, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three (3) or more Business Days;
- c. Seller shall fail to perform any covenant set forth in Section 5.3(f)(i) or Section 5.3(o);
- d. Seller or any Guarantor shall fail to observe or perform any covenant, condition or agreement contained in this Framework Agreement or any other Transaction Agreement (excluding (i) any covenants, conditions or agreements contained in the Asset Representations, Warranties and Covenants unless the failure to observe such covenants, conditions and agreements would, individually or in the aggregate, have a Material Adverse Effect and (ii) any covenants, conditions or agreements specified in clauses (a), (b) or (c) of this definition) and such failure shall continue unremedied for a period of 30 or more days;
- e. any representation or warranty made or deemed made by or on behalf of Seller or any Guarantor in or in connection with this Framework Agreement, any other Transaction Agreement or any amendment or modification hereof or thereof, shall prove to have been incorrect in any material respect when made or deemed made (excluding any representations or warranties contained in the Asset Representations, Warranties and Covenants unless the failure of such representations and warranties would, individually or in the aggregate, have a Material Adverse Effect), and such failure to be correct shall continue unremedied for a period of 30 or more days;
- f. an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of either of Seller or any Guarantor or its debts, or of a substantial part of the assets thereof, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for either of Seller or any Guarantor or for a substantial part of its assets, and in any such case, such proceeding or petition shall continue undismissed for a period of 60 or more days or an order or decree approving or ordering any of the foregoing shall be entered;
- g. Seller or any Guarantor shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (f) of this definition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for Seller or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;
- h. Seller or any Guarantor shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

i. one or more judgments for the payment of money in an aggregate amount (to the extent not covered by insurance) in excess of \$100,000,000 shall be rendered against Seller, any Guarantor or any Material Subsidiaries of any Guarantor or any combination thereof, and the same shall remain undischarged for a period of thirty (30) or more consecutive days during which execution shall not be effectively stayed, vacated or bonded pending appeal;

j. an ERISA Event shall have occurred that, in the reasonable determination of Agent, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect; and

k. the Guaranty shall cease to be in full force and effect, or its validity or enforceability shall be disputed by Seller or any Guarantor.

“Facility Expiration Date” means the Scheduled Facility Expiration Date; *provided*, that on any Business Day following the occurrence of a Change of Control with respect to any Guarantor or Seller, Agent may deliver a written notice to Seller terminating the Facility Term, in which case the Facility Expiration Date shall be the first Monthly Date to occur that is at least five (5) Business Days following the date of such delivery.

“Facility Term” means the period beginning on the Effective Date and ending on the Facility Expiration Date.

“Farmer Loan Maturity Date” has the meaning set forth in the definition of Eligible Farmer Loan.

“Fee Letter” means that certain Fee Letter Agreement dated as of the Effective Date, by and between Seller, Agent and the Buyers.

“Financial Officer” means, with respect to any Person, the chief financial officer, principal accounting officer, treasurer or controller of such Person, or any other individual to whom any of the chief financial officer, principal accounting officer, treasurer or controller of such Person shall have delegated in writing his or her authority to execute and deliver certificates and other documents hereunder; *provided*, that, when such term is used in reference to any document executed by, or a certification of, a Financial Officer, the secretary or assistant secretary of such Person shall have delivered an incumbency certificate to Agent as to the authority of such individual.

“Fitch” means Fitch Ratings, Inc., or any successor to its rating agency business.

“Framework Agreement” has the meaning set forth in the Preamble.

“Funded Purchase Price” means, with respect to any Transaction entered into (or proposed to be entered into) on any Purchase Date, the excess of (x) Purchase Price for such Transaction over (y) the amount of Repurchase Price under the Transaction (if any) whose Repurchase Date coincides with such Purchase Date which is netted against such Purchase Price in accordance with Paragraph 12 of the Master Repurchase Agreement (any such netting being subject to Paragraph 12 of Annex I to the Master Repurchase Agreement).

“Funded Repurchase Price” means, with respect to any Transaction expiring on any Repurchase Date, the Repurchase Price for such Transaction minus the amount of any Purchase Price under any other Transaction whose Purchase Date coincides with such Repurchase Date which is netted against such Repurchase Price in accordance with Paragraph 12 of the Master Repurchase Agreement (any such netting being subject to Paragraph 12 of Annex I to the Master Repurchase Agreement).

“Funding Amount” means, with respect to any Buyer in connection with any proposed Additional Funding Transaction, an amount equal to the product of (x) the Funded Purchase Price anticipated to be payable with respect to such Additional Funding Transaction (as specified in the relevant Funding Notice and without regard to any subsequent reduction thereof) multiplied by (y) such Buyer’s Undivided Commitment Percentage with respect to such Additional Funding Transaction; *provided*, that if one or more Buyers are Defaulting Buyers as of the date on which Agent delivers (or is required to deliver) the relevant Funding Notice in connection with such proposed Additional Funding Transaction pursuant to Section 4.2(a), then solely for purposes of calculating the applicable Funding Amounts for each Buyer in connection with such proposed Additional Funding Transaction, (i) the Undivided Commitment Percentage of each such existing Defaulting Buyer with respect to such Additional Funding Transaction shall be deemed to be zero, and (ii) the Undivided Commitment Percentages of the remaining Buyers shall be deemed to be proportionately increased (as calculated by Agent and indicated in the relevant Funding Notice for such proposed Additional Funding Transaction) such that the sum of the Undivided Commitment Percentages of such remaining Buyers equals 100%.

“**Funding Notice**” has the meaning set forth in Section 4.2(a).

“**GAAP**” means generally accepted accounting principles as applied in the United States.

“**Governmental Authority**” means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supranational bodies such as the European Union or the European Central Bank).

“**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“**Guarantors**” means each of DuPont and Corteva.

“**Guaranty**” means that certain Guaranty, dated as of the Effective Date, executed by the Guarantors in favor of the Buyers.

“**HSBC**” has the meaning set forth in the Preamble.

“**Individual Buyer Balance**” means, for any Buyer as of any time of determination, the excess, if any, of (x) the aggregate amount of Funded Purchase Price funded by such Buyer and applied to Purchase Price over (y) the aggregate Distribution Amounts allocated to such Buyer with respect to amounts of Funded Repurchase Price or Margin Payments paid by Seller (excluding any such amounts of Funded Repurchase Price attributable to payments of Price Differential), in each case, in connection with the Current Transaction and all prior Transactions as of such time of determination, subject to transfer or adjustment in accordance with the terms hereof.

“**Individual Commitment Amount**” means, with respect to each Buyer in connection with any outstanding or proposed Transaction, the amount set forth in Schedule 5 to this Framework Agreement for such Buyer corresponding to the calendar month in which the Purchase Date for such Transaction occurs, subject to transfer, adjustment or reduction in accordance with the terms hereof.

“**Individual Exposure Amount**” means, (a) with respect to any Buyer other than a Defaulting Buyer, its highest Individual Commitment Amount for any single month as set forth in Schedule 5 to this Framework Agreement and (b) with respect to any Defaulting Buyer, zero.

“**Joint Lead Arranger**” has the meaning set forth in the Preamble.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

“**Loan Agreement**” means, with respect to each Eligible Farmer Loan, the Contract governing such loan, as amended.

“**Margin Deficit**” has the meaning set forth in the Master Repurchase Agreement.

“**Margin Payment**” means any cash transferred by Seller to Agent as required pursuant to Paragraph 4(a) of the Master Repurchase Agreement or as permitted under Paragraph 4(f) of Annex I to the Master Repurchase Agreement.

“**Market Value**” has the meaning set forth in the Master Repurchase Agreement.

“**Master Repurchase Agreement**” means that certain 1996 SIFMA Master Repurchase Agreement dated as of February 11, 2020, between Seller and Buyers, including Annex I thereto (and as amended thereby).

“**Material Adverse Effect**” means a material adverse effect on (a) the Eligible Farmer Loans, taken as a whole, (b) the ability of Seller to perform any of its obligations under the Transaction Agreements to which it is a party or (c) the rights of or benefits available to the Buyers under the Transaction Agreements.

“**Material Subsidiary**” has the meaning ascribed to such term in the Corteva Revolver.

“**Moody’s**” means Moody’s Investors Service, Inc., or any successor to its rating agency business.

“Monthly Date” means each of (i) February 18, 2020 and (ii) the eleventh (11th) Business Day of each subsequent calendar month occurring during the Facility Term.

“MUFG” has the meaning set forth in the Preamble.

“OFAC” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“Organizational Documents” means a Party’s articles or certificate of incorporation and its by-laws or similar governing instruments required by the laws of its jurisdiction of formation or organization.

“Party” and **“Parties”** have the meaning set forth in the Preamble.

“Permits” means all permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

“Person” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

“Portfolio Schedule” has the meaning set forth in the Master Repurchase Agreement.

“Potential Event of Default” means the occurrence of any event that, with the giving of notice or lapse of time, would become an Event of Default.

“Price Differential” has the meaning set forth in the Master Repurchase Agreement.

“Pricing Rate” has the meaning set forth in the Master Repurchase Agreement.

“Purchase Date” has the meaning set forth in the Master Repurchase Agreement.

“Purchase Price” has the meaning set forth in the Master Repurchase Agreement.

“Purchased Securities” has the meaning set forth in the Master Repurchase Agreement.

“Rabobank” has the meaning set forth in the Preamble.

“Recalculation Date” means each of October 30, 2020, November 24, 2020, December 1, 2020 and December 8, 2020, as each such date may be adjusted at the request of Seller with the consent of Agent.

“Receiving Party” means the Party to whom any Confidential Information is provided (by any means, including indirectly through Agent or any third party or third party application or website) by the Disclosing Party.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, sub-agents, trustees and advisors of such Person and of such Person’s Affiliates.

“Representatives” means, with respect to any Person, its Affiliates, and the respective directors, officers, employees, consultants, representatives, attorneys, accountants, auditors, professional advisors and agents of such Person and each such Affiliate.

“Repurchase Date” has the meaning set forth in the Master Repurchase Agreement.

“Repurchase Price” has the meaning set forth in the Master Repurchase Agreement.

“Required Buyers” means, at any time, Buyers having Individual Exposure Amounts equal to more than 75% of the Aggregate Exposure Amount.

“Roll-Over Conditions” has the meaning set forth in Section 4.3(b).

“Roll-Over Portfolio Schedule” has the meaning set forth in Section 4.1(d)(C).

“Roll-Over Transaction” means any Transaction other than an Additional Funding Transaction.

“S&P” means S&P Global Ratings, a division of S&P Global Inc., or any successor to its rating agency business.

“Sanctioned Country” means, at any time, a country or territory that is the target of comprehensive, country-wide or territory-wide Sanctions.

“Sanctioned Person” means, at any time, (a) any Person that is the target of any Sanctions, (b) listed in any Sanctions-related list of designated Persons maintained by any U.S. Governmental Authority (including OFAC), Her Majesty’s Treasury of the United Kingdom, the United Nations Security Council, the European Union or the Netherlands, (c) any Person organized or resident in a Sanctioned Country or (d) any Person that is fifty-percent or more owned, directly or indirectly, in the aggregate by, or is otherwise controlled by (within the meaning of applicable Sanctions Laws), any Person referred to in clauses (a), (b) or (c) above.

“Sanctions” means the economic or financial sanctions, trade embargoes or anti-terrorism programs implemented by Sanctions Laws.

“Sanctions Laws” means the laws, rules, regulations and executive orders promulgated or administered to implement economic or financial sanctions, trade embargoes or anti-terrorism programs by (a) any U.S. Governmental Authority (including OFAC), including Executive Order 13224, the Patriot Act, the Trading with the Enemy Act, the International Emergency Economic Powers Act; (b) Her Majesty’s Treasury of the United Kingdom; (c) the United Nations Security Council; (d) the European Union; or (e) the Netherlands.

“Scheduled Facility Expiration Date” means December 15, 2020

“Security Interest” means any pledge, charge, lien, assignment by way of security, retention of title and any other encumbrance or security interest whatsoever created or arising under any relevant law, as well as any other agreement or arrangement having the effect of or performing the economic function of the same.

“Seller” has the meaning set forth in the Preamble.

“Side Letter” means that certain Side Letter Agreement dated as of the Effective Date, by and between Seller and Rabobank.

“Standard Chartered” has the meaning set forth in the Preamble.

“Subsidiary” of any Person means any corporation, partnership, limited liability company, association, trust, unincorporated association or other legal entity of which such Person (either alone or through or together with any other Subsidiary), (i) owns, directly or indirectly, fifty percent (50%) or more of the shares of capital stock or other equity interests that are generally entitled to vote for the election of the board of directors or other governing body of such corporation or other legal entity; or (ii) has the contractual or other power to designate a majority of the board of directors or other governing body (and, where the context permits, includes any predecessor of such an entity).

“Tax” means all taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges payable to or imposed by any Governmental Authority, including any sales, use, excise or similar taxes and inclusive of any interest, additions to tax, penalties or fines applicable thereto.

“Transaction” has the meaning set forth in the Master Repurchase Agreement.

“Transaction Agreements” has the meaning set forth in Section 2.1.

“Transaction Conditions” means (i) in the case of any Additional Funding Transaction, the Additional Funding Conditions, (ii) in the case of any Roll-Over Transaction, the Roll-Over Conditions and (iii) in the case of any Deemed Roll-Over Transaction, the Deemed Roll-Over Conditions.

“Transaction Notice” has the meaning set forth in Section 4.1.

“Transaction Period” means, with respect to any Transaction, the period commencing on (and including) the Purchase Date for such Transaction and expiring on (but excluding) the Repurchase Date for such Transaction.

“Transaction Portfolio” means, with respect to any Transaction, the portfolio of Eligible Farmer Loans comprising the Purchased Securities acquired by Buyers in connection with such Transaction, as such portfolio may be modified from time to time during the Transaction Period for such Transaction in accordance with the terms of the Master Repurchase Agreement and applicable Confirmation.

“Undivided Commitment Percentage” means, with respect to any Buyer as of any date of determination or in connection with any Transaction or proposed Transaction, a fraction (expressed as a percentage) (a) the numerator of which is the Individual Commitment Amount of such Buyer applicable to such Transaction as of such date of determination and (b) the denominator of which is the Aggregate Commitment Amount in connection with such Transaction as of such date of determination.

“Undivided Funding Percentage” means, with respect to any Buyer as of any date of determination in connection with any Transaction, a fraction (expressed as a percentage), (a) the numerator of which is the Individual Buyer Balance of such Buyer as of such date of determination and (b) the denominator of which is the Aggregate Buyer Balance as of such date of determination.

“Unsecured Rating” has the meaning ascribed to such term in the Corteva Revolver.

“Weighted Average CBR Score” means, with respect to any Transaction Portfolio, the average of the CBR Scores for the applicable Debtors with respect to all Eligible Farmer Loans included in such Transaction Portfolio made to Debtors who are natural persons, weighted in accordance with the respective Book Values of such Eligible Farmer Loans.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which writedown and conversion powers are described in the EU Bail-In Legislation Schedule.

SCHEDULE 2
BANK ACCOUNTS

SCHEDULE 3

FORMS OF DEFERRED PAYMENT LOAN AGREEMENT

SCHEDULE 4
DATA TRANSFER AGREEMENT

SCHEDULE 5
INDIVIDUAL COMMITMENT AMOUNTS

Form of Transaction Notice

Coöperatieve Rabobank, U.A., New York Branch, a Dutch coöperatieve acting through its New York Branch, as Agent

RE: Transaction under the Framework Agreement and the Master Repurchase Agreement

Ladies and Gentlemen:

This Transaction Notice is delivered to you pursuant to Section 4.1 of the Master Framework Agreement, dated as of February 11, 2020 (the "Framework Agreement"), by and among PHI Financial Services, Inc., an Iowa corporation, as seller (the "Seller"), each of the buyers from time to time party thereto (each, a "Buyer"), and Coöperatieve Rabobank, U.A., New York Branch, a Dutch coöperatieve acting through its New York Branch, as agent for the Buyers (in such capacity, the "Agent"), relating to repurchase transactions to be entered into pursuant to the terms of the 1996 SIFMA Master Repurchase Agreement, dated as of February 11, 2020, including Annex I thereto (the "Master Repurchase Agreement") by and among Seller and the Buyers. Capitalized terms used but not defined herein have the meanings set forth in the Framework Agreement, or if not defined therein, in the Master Repurchase Agreement.

Seller hereby requests that, in accordance with the terms of the Framework Agreement, a Transaction under the Master Repurchase Agreement with a proposed Purchase Price of \$ _____ be entered into on the proposed Purchase Date of _____, with a proposed Repurchase Date of _____. [Seller further requests that, pursuant to Paragraph 3(c)(ii) of Annex I to the Master Repurchase Agreement, the current Transaction thereunder evidenced by the Confirmation dated as of [] and originally scheduled to expire on [] be instead terminated as of such proposed Purchase Date.]¹ Attached hereto is a completed proposed Portfolio Schedule setting forth information with respect to the proposed Purchased Securities to be subject to such Transaction.

¹To be used in connection with an early termination of a Transaction by Seller.

PROPOSED PORTFOLIO SCHEDULE

Date:

Reference is hereby made to the 1996 SIFMA Master Repurchase Agreement dated as of February 11, 2020 (including, and as amended by, Annex I thereto, the "Master Repurchase Agreement"), among PHI Financial Services, Inc., Coöperatieve Rabobank, U.A., New York Branch, MUFG Bank, Ltd., New York Branch, Standard Chartered Bank, a bank organized and existing under the laws of England and Wales, acting through its New York branch and HSBC Bank USA, N.A., a national banking association organized under the laws of the United States. Capitalized terms used but not defined herein shall have the meaning set forth in the Master Repurchase Agreement.

[Applicable box to be checked below]

- Portfolio Schedule for New Transaction.** In accordance with and subject to the terms and conditions of the Master Repurchase Agreement, this schedule constitutes the "Portfolio Schedule" for the Transaction evidenced by Confirmation to which this schedule is attached.

- Amendment and Restatement of Portfolio Schedule.** Further reference is made to the Confirmation dated as of _____, entered into in accordance with the Master Repurchase Agreement by Seller and each of the Buyers set forth in such Confirmation. In accordance with and subject to the terms and conditions of the Master Repurchase Agreement, Seller hereby amends and restates the Portfolio Schedule to such Confirmation in its entirety with the information set forth below.

Part I: Balance and Market Value Summary

Aggregate Loan Balance of All Purchased Securities: _____

Aggregate Market Value of All Purchased Securities: _____

Weighted Average CBR Score of Transaction Portfolio: _____

Part II: Key Metrics

Loans by Size

Loan Balance	# of Loans	Aggregate Market Value	% of Portfolio Market Value	Average Market Value
0 to 10,000				
10,001 to 25,000				
25,001 to 50,000				
50,001 to 100,000				
100,001 to 250,000				
250,001 to 500,000				
500,001 to 1,000,000				
1,000,001+				

Loans by CBR Score

CBR Score	# of Loans	% of Loans in Portfolio	Aggregate Market Value	% of Portfolio Market Value
1-550				
551-600				
601-650				
651-700				
701-750				
751-800				
801+				
No Score				

Loans by Debtor Type

Debtor Type	# of Loans	% of Loans in Portfolio	Aggregate Market Value	% of Portfolio Market Value
Corporation				
Estate (Executor)				
General Partnership				
Individual				
LLC				
LLP				
LP				
Trust				
Unknown				

**AWARD TERMS OF
OPTIONS GRANTED UNDER THE
CORTEVA, INC. 2019 OMNIBUS INCENTIVE PLAN
FOR GRANTEES LOCATED IN THE U.S.**

Introduction / Grant of Award You have been granted stock options under the Corteva, Inc. 2019 Omnibus Incentive Plan (“Plan”), subject to the following Award Terms. This grant is also subject to the terms of the Plan, which is hereby incorporated by reference. However, to the extent that an Award Term conflicts with the Plan, the Plan shall govern. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in these Award Terms, including any appendices to these Award Terms (hereinafter, collectively referred to as the “Agreement”). A copy of the Plan, and other Plan-related materials, such as the Plan prospectus, are available at:

www.benefits.ml.com

Grant Award Acceptance You must expressly accept the terms and conditions of your Award as set forth in this Agreement. To accept, log on to Merrill Lynch Benefits OnLine at www.benefits.ml.com, select **Equity Plan > Grant Information > Pending Acceptance**.

If you do not accept your Award in the manner instructed by the Company, your Award will be subject to cancellation.

Date of Grant DATE (“Date of Grant”)

Type of Options Non-qualified stock options (“Options”)

Exercise Price \$XX.XX

Expiration Date The Options will expire on [the day prior to the 10th anniversary of the Date of Grant] (“**Expiration Date**”), **unless the Options expire or otherwise terminate at an earlier date pursuant to this Agreement.**

Vesting Schedule Except as otherwise provided in this Agreement, the Options will vest and become exercisable as follows:

One-third (1/3) of the Options (rounded to a whole number of shares) will vest and become exercisable on **[1st anniversary of Date of Grant]**.

One-third (1/3) of the Options (rounded to a whole number of shares) will vest and become exercisable on **[2nd anniversary of Date of Grant]**.

The remaining Options will vest and become exercisable on **[3rd anniversary of Date of Grant]**.

**Termination
of Employment**

Under 55/10 Rule

If you terminate employment after attainment of age 55 with at least 10 years of service and you are an active employee for six months following the Date of Grant, any unvested Options as of the date of termination will continue to vest in accordance with the Vesting Schedule set forth above for one year after the date of your termination of employment and all other remaining unvested Options will be forfeited. Vested Options will be exercisable through the date that is one year after the date of your termination of employment, or, if earlier, the Expiration Date. After that date, all unexercised Options, whether or not vested, will expire.

**Due to Involuntary Termination
Giving Rise to Severance Benefits,
Divestiture to Entity Less Than 50%
Owned by Corteva, Inc. or Voluntary
Termination with Good Reason**

Any unvested Options as of the date of termination will continue to vest in accordance with the Vesting Schedule set forth above for one year after the date of your termination of employment. When one year from the termination date of employment is reached, all other remaining unvested Options will be forfeited. Vested Options will be exercisable through the date that is one year after the date of your termination of employment, or, if earlier, the Expiration Date. After that date, all unexercised Options, whether or not vested, will expire.

Due to Death or Disability

Any unvested Options as of the date of termination will be automatically vested. Vested Options will be exercisable through the date that is two years after the date of your termination of employment, or, if earlier, the Expiration Date. After that date, all unexercised Options will expire.

**Due to Any Other Reason (such as
Cause; voluntary termination;
involuntary termination without
cause)**

Vested Options must be exercised by the date on which you terminate employment. After that date, all Options, whether or not vested, will expire.

For purposes of this Agreement, transfer of employment among the Company and any of its Affiliates is not a termination of employment.

Restricted Conduct

If you engage in any of the conduct described in subparagraphs (i) through (iv) below for any reason, in addition to all other remedies in law and/or equity available to the Company: (1) you shall forfeit all Options (whether or not vested) and shall immediately pay to the Company, with respect to previously exercised Options, an amount equal to (x) the per share Fair Market Value of the Common Stock on the date on which the Common Stock was issued with respect to the applicable previously exercised Options times (y) the number of Shares underlying such previously exercised Options, without regard to any Tax-Related Items (as defined below) that may have been deducted from such amount; (2) the Company shall be entitled to monetary damages incurred as a result of such conduct; (3) the Company shall be entitled to injunctions, both preliminary and permanent, enjoining or restraining such conduct; and (4) the Company shall be entitled to all reasonable sums and costs, including attorneys' fees, incurred to defend or enforce the provisions of this Agreement.

For purposes of subparagraphs (i) through (v) below, "Company" shall mean Corteva, Inc. and/or any of its Subsidiaries or Affiliates that have employed you or retained your services.

(i) **Non-Disclosure of Confidential Information & Trade Secrets.** During the course of your employment with the Company and thereafter, you shall not use or disclose, except on behalf of the Company and pursuant to the Company's directions, any Company Confidential Information or Trade Secrets. Confidential Information and Trade Secrets are items of information relating to the Company, its products, services, customers, and employees that are of great competitive value to the Company, which have been or will be disclosed to you or of which you have or will become aware as a consequence of your relationship with the Company, which are not generally known or available to the general public or the Company's competitors, and which have been developed, compiled, or acquired by the Company at its great effort and expense. "Confidential Information" includes, but is not limited to: (a) financial and business information, such as information with respect to costs, commissions, fees, profits, sales, sales margins, capital structure, operating results, borrowing arrangements, strategies and plans for future business, pending projects and proposals, and potential acquisitions or divestitures; (b) product and technical information, such as new and innovative ideas, research and development projects, investigations, new business development, trademarks and brand names under development, sketches, plans, drawings, prototypes, methods, procedures, experimental and testing results, devices, machines, equipment, data processing programs, software, software codes, and computer models; (c) marketing information, such as new marketing ideas, strategies, initiatives, business plans, markets, and mailing lists; (d) customer and prospective customer information, such as the identity of the Company's customers and prospective customers, their names, the names of representatives of the Company's customers and prospective customers responsible for entering into contracts with the Company, the financial arrangements between the Company and its customers, the existence and terms of contracts with customers or any future contracts with customers or prospective customers, specific needs, requirements, and preferences of customers, and leads and referrals to certain prospective customers; and (e) personnel information, such as the identity and number of the Company's other employees, consultants and contractors, their salaries, bonuses, benefits, skills, qualifications, and abilities (information in this item (e) is referred to as "Personnel Information"). In addition, Confidential Information shall include combinations, compilations, or aggregations of individual facts, components, or units of information that are in whole or in part publicly known, unless such combination, compilation, or aggregation of those facts is itself publicly known. "Trade Secrets" are items of Confidential Information that meet the requirements of applicable trade secret law. Confidential Information and Trade Secrets can be in any form, including, without limitation, oral, written, or machine readable, including electronic files.

(ii) **Limited Use of Confidential Information and Trade Secrets.** Notwithstanding any of the foregoing to the contrary, nothing in this Agreement prohibits you from filing a charge with or participating, testifying, or assisting in any investigation, hearing, whistleblowing proceeding, or other proceeding before any federal, state, or local government agency (e.g., EEOC, NLRB, SEC, etc.). In addition, under the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made to your attorney in relation to a lawsuit for retaliation against you for reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(iii) **Non-Solicitation of and Non-Interference with Employees.** While you are employed by the Company and for a period of one (1) year after your employment ends, whether voluntarily or involuntarily, you shall not, either on your own account or on behalf of any other individual or entity, directly or indirectly solicit or induce any employee of the Company to work for any other individual or entity, or otherwise cause any employee of the Company to leave employment with or service to the Company or diminish his or her services to the Company. This restriction shall apply only to current employees of the Company and any former employees of the Company with whom you came into contact during your employment with the Company. For purposes of this Section, the term "current" with respect to employees of the Company refers to those individuals who are employed or associated with the Company at the time of their solicitation, hiring, or inducement to leave the Company.

(iv) **Non-Solicitation and Non-Service of Customers.** During your employment and for a period of one (1) year after your employment with the Company ends, whether voluntarily or involuntarily, you will not directly or indirectly solicit customers of the Company for the purpose of selling or providing any competing product or service offered by the Company for which you had responsibility during the two (2) years preceding your termination of employment with the Company. This restriction shall apply only to those customers of the Company: (a) with whom you had personal contact within the last one (1) year of your employment, or (b) about whom you learned Confidential Information or Trade Secrets during the last one (1) year of your employment with the Company. For the purposes of this Section, the term “contact” means interaction between you and the customer or prospective customer that takes place to further the business relationship with, make sales to, or perform services for the customer on behalf of the Company.

(v) **Non-Competition.** During your employment and for a period of one (1) year after your employment with the Company ends, whether voluntarily or involuntarily, you will not, without the express written consent of the President of the Company or his or her designee, directly or indirectly perform the same or similar duties that you performed for the Company during the two (2) years preceding the termination of your employment, for any Competing Business. A “Competing Business,” as used in this Agreement, means any individual or entity that develops, manufactures, sells, and/or distributes a product or service that competes directly or indirectly with those products or services offered by the Company, and: (a) which you had responsibility for or worked with in the last two (2) years of your employment, or (b) about which you acquired knowledge of or access to Confidential Information and Trade Secrets in the last two (2) years of your employment. In recognition of the international nature of the Company’s business, which includes the sale of its products and services globally, this restriction shall apply to each state or territory of the United States of America, and each country of the world outside of the United States of America, in which you were employed or had responsibility within the last two (2) years of your employment. Notwithstanding any of the foregoing to the contrary, if you are employed by the Company in Georgia, Louisiana, or South Dakota, then the geographic scope of this restriction is limited to the counties, municipalities, and/or parishes in which you worked for the Company, and all directly adjacent counties, municipalities, and/or parishes within the same state.

The restrictive periods set forth in this Restricted Conduct section shall not expire and shall be tolled during any period in which you are in violation of such restrictive periods; and therefore, such restrictive periods shall be extended for a period equal to the duration of your violations thereof.

You further acknowledge and agree that any breach, material or otherwise, of this Agreement or any other agreement between Company and you shall not excuse your performance under this Agreement, including your obligation to honor the restrictions set forth in this section.

You further agree that you will promptly disclose the existence of the post-employment restrictions contained herein to all subsequent employers and/or prospective employers until all such covenants have expired.

The Restricted Conduct set forth herein is in addition to, and not in place of, any contractual requirements that may govern your obligations to the Company during and after your employment.

Applicable Policies

This Award shall be subject to the Company’s clawback policy; the Corteva, Inc. Insider Trading Policy, including the anti-hedging and anti-pledging provisions thereunder; and/or share ownership guidelines (in each case as they may be amended from time to time), the terms of which are incorporated herein by reference.

**Repayment/
Forfeiture**

Any benefits you may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with the requirements of the U.S. Securities and Exchange Commission or any applicable law, including the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or any securities exchange on which the Shares are traded, as may be in effect from time to time.

Exercise Methods

There are four exercise methods from which to choose. Due to local legal requirements, not all methods are available in all countries.

Withholding	<p>You acknowledge that the Company or, if different, your employer (the “Employer”) (1) make no representations or undertakings regarding the treatment of any income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Plan and legally applicable to you (“Tax-Related Items”) in connection with any aspect of the Options, including, but not limited to, the grant, vesting or exercise of the Options, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Options to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.</p> <p>Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from your wages or other cash compensation paid to you by the Company and/or the Employer; or (ii) withholding from proceeds of the sale of Shares acquired upon exercise of the Options either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); or (iii) any other method of withholding determined by the Company and to the extent required by Applicable Law or the Plan, approved by the Committee.</p> <p>The Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates, up to and including maximum applicable rates, in the jurisdictions applicable to you, in which case, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Shares.</p> <p>Finally, you agree to pay to the Company or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of Shares, if you fail to comply with your obligations in connection with the Tax-Related Items</p>
Non-transferability	<p>You may not transfer these Options, except by will or laws of descent and distribution. The Options are exercisable during your lifetime only by you or your guardian or legal representative.</p>
Severability	<p>The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.</p>
Waiver	<p>You acknowledge that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.</p>
Privacy	<p>In relation to this Agreement, the Company may collect, use, transfer and share your personal information, such as your name, contact information and banking information. The Company may share personal information with its Affiliates and selected third parties outside of your country of residence, including the United States, which may have data protection rules that are different from those of your country, to perform this Agreement and for purposes consistent with our privacy statement: https://www.corteva.com/privacy.html.</p>
Imposition of Other Requirements	<p>The Company reserves the right to impose other requirements on your participation in this Agreement, on the Options and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.</p>

**AWARD TERMS OF
PERFORMANCE-BASED RESTRICTED STOCK UNITS GRANTED UNDER THE
CORTEVA, INC. 2019 OMNIBUS INCENTIVE PLAN
FOR GRANTEES LOCATED IN THE U.S.**

Introduction	You have been granted performance-based Restricted Stock Units (“Units”) under the Corteva, Inc. 2019 Omnibus Incentive Plan (“Plan”), subject to the following Award Terms. This grant is also subject to the terms of the Plan, which is hereby incorporated by reference. However, to the extent that an Award Term conflicts with the Plan, the Plan shall govern. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in these Award Terms, including any appendices to these Award Terms (hereinafter, collectively referred to as the “Agreement”). A copy of the Plan, and other Plan-related materials, such as the Plan prospectus, are available at: www.benefits.ml.com
Grant Award Acceptance	You must expressly accept the terms and conditions of your Award as set forth in this Agreement. To accept, log on to Merrill Lynch Benefits OnLine at www.benefits.ml.com , select Equity Plan > Grant Information > Pending Acceptance . If you do not accept your Units in the manner instructed by the Company, your Units will be subject to cancellation.
Date of Grant	DATE (“Date of Grant”)
Type of Award	Units
Dividend Equivalents	Dividends payable on the Shares represented by your Units (including whole and fractional Units) will be allocated to your account in the form of Units based upon the closing Share price on the date of the dividend payment. Such Units will be subject to the vesting terms set forth below and all other terms set forth in the Agreement. Dividend equivalent units will be determined after the end of the applicable performance period (“Performance Period”) and credited to your account at that time based on the performance-adjusted number of Units in your account. Dividend equivalent units will be calculated by taking the final performance-adjusted Units and calculating the dividend equivalent units for the first dividend payment date for the Performance Period. The resulting number of dividend equivalent units from the first dividend payment date will be added to the final performance-adjusted number of Units before calculating the dividend equivalent units for the second dividend payment date during the Performance Period. This process will be repeated for each subsequent dividend payment date during the Performance Period.
Performance Period	January [Year of Grant] - December [Year of Grant Plus Two Years]
Vesting Terms	You may not sell, gift, or otherwise transfer or dispose of any of the Units. If you remain an active employee from the Date of Grant through the last day of the Performance Period, you will vest in the number of Units that become eligible to vest, if any, based on the achievement of the goals set forth in the Performance Metrics section set forth below. Except as set forth below, if you terminate employment after the Date of Grant but prior to the last day of the Performance Period, unvested Units will be forfeited.
Performance Metrics	The total number of Units subject to the Award that will be eligible to vest will be based upon the attainment level of the performance goals related to the Company’s (a) Return on Invested Capital (“ROIC”) (as defined below) and (b) Operating Earnings Per Share (“EPS”) Growth (as defined below), in each case, during the Performance Period. The performance attainment level and percent of target payout will be determined independently for each metric, and the two metrics will be weighted differently in determining the final total number of Units that are eligible to vest (the “Final Award”). The ROIC performance goal is weighted at 50% and the Operating EPS Growth performance goal is weighted at 50%.

The Final Award is the sum of the following two elements:

ROIC Payout % x Target Award x 50%	+	Operating EPS Growth Payout % x Target Award x 50%	=	Final Award
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The ROIC Payout % and the Operating EPS Growth Payout % are set out below under the headings “ROIC Payout % Schedule” and “Operating EPS Growth Payout %” below.

1. **ROIC Goal**

“**ROIC**” is equal to Net Operating Profit After Tax (“NOPAT”), as described further below, divided by total debt plus equity, excluding goodwill and net intangibles as of the date the Company’s separation from DowDuPont Inc. became effective (the “Separation”).

The attainment level of the ROIC goal will be measured by adding the ROIC that is attained for each of the three fiscal years contained in the Performance Period and dividing this number by three (i.e., average ROIC attained over the Performance Period).

“**NOPAT**” is equal to Operating Earnings, as defined further below, less after-tax interest expense and after-tax interest income.

“**Operating Earnings**” means net income from continuing operations attributable to the Company, excluding the after-tax impact of significant items (including goodwill impairment charges), non-operating benefits - net, and amortization of intangible assets (existing as of the Separation).

ROIC Payout % Schedule

Performance	ROIC Average (%)	ROIC Payout %
Below Threshold		
Threshold		
Target		
Maximum		

*Interim points are interpolated on a straight-line basis

- Based on the table above, the Company’s average ROIC during the Performance Period is translated into a percentage payout (of the target) for 50% of the Units subject to the Award.

2. **Operating EPS Growth Goal**

“**Operating Earnings Per Share**” means, for a fiscal year within the Performance Period, Pro forma Operating Earnings (defined above), *divided* by the Diluted Shares Outstanding, rounded to the first decimal place.

“**Diluted Shares Outstanding**” means the number of Shares that are outstanding on a fully diluted basis as of the last day of the fiscal year contained in the Performance Period, as reported in the Company’s Form 10-K.

“**Operating EPS Growth**” for each of the fiscal years contained in the Performance Period shall be calculated in accordance with the following formula:

Operating EPS Growth = A / B x 100, where:

A = Operating Earnings Per Share as reported at the end of a fiscal year, **minus** Operating Earnings Per Share as reported at the end of the prior fiscal year

B = A / Operating Earnings Per Share as reported at the end of the prior fiscal year

The attainment level of the Operating EPS Growth goal will be measured by adding the Operating EPS Growth for each of the fiscal years that is contained in the Performance Period and dividing this number by 3 (i.e., average Operating EPS Growth over the Performance Period).

The payout percentage for each of the Performance Period will be determined in accordance with the Operating EPS Growth Payout Percentage Schedule set forth below.

Operating EPS Growth Payout % Schedule

Performance	Operating EPS Growth Average	Operating EPS Growth Payout %
Below Threshold		
Threshold		
Target		
Maximum		

*Interim points are interpolated on a straight-line basis

- Based on the table above, the Company's average Operating EPS Growth during the Performance Period is translated into a percentage payout (of the target) for 50% of the Units subject to the Award.

Performance Adjustment

The Committee, in its sole and absolute discretion, may make appropriate and equitable adjustments to the performance goal measurement or the method applied to calculate such measurement or determine the underlying performance metric, in the event of or in connection with, among other items: (i) tax adjustments, (ii) a merger or acquisition or any similar event affecting the Shares or other securities of the Company, (iii) debt incurred relative to pension funding (whether required or driven by de-risking strategies), (iv) the impact of any new accounting standards, and (v) items associated with discontinued operations.

Payment

Within 70 days following the last day of the Performance Period, vested Units (including dividend equivalents accruing after the end of the Performance Period and prior to the payment date), if any, will be paid to you or your estate, as applicable, in one Share for each whole Unit and a cash payment for any fraction of a Unit. The value of each fractional Unit will be based on the average of the high and low sale prices of Shares as reported on the Composite Tape of the New York Stock Exchange as of the effective date of payment.

Section 409A of the Code

The Units are intended to be exempt from or compliant with Section 409A of the Code and the U.S. Treasury Regulations relating thereto so as not to subject you to the payment of additional taxes and interest under Section 409A of the Code or other adverse tax consequences. In furtherance of this intent, the provisions of this Agreement will be interpreted, operated, and administered in a manner consistent with these intentions. The Committee may modify the terms of this Agreement, the Plan or both, without your consent, in the manner that the Committee may determine to be necessary or advisable in order to comply with Section 409A of the Code or to mitigate any additional tax, interest and/or penalties or other adverse tax consequences that may apply under Section 409A of the Code if compliance is not practical. This section does not create an obligation on the part of the Company to modify the terms of this Agreement or the Plan and does not guarantee that the Units or the delivery of Shares upon vesting/settlement of the Units will not be subject to taxes, interest and penalties or any other adverse tax consequences under Section 409A of the Code. In no event whatsoever shall the Company be liable to any party for any additional tax, interest or penalties that may be imposed on you by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

Termination of Employment

Under 55/10 Rule, Due to Disability or Death, Divestiture to Entity Less Than 50% Owned by the Company, or Involuntary Termination Giving Rise to Severance Benefits

If you are an active employee for six months following the Date of Grant and terminate employment (i) after attainment of age 55 with at least 10 years of service; or due to (ii) disability; (iii) death; (iv) liquidation, dissolution or divestiture to an entity less than 50% owned by the Company; or (v) an involuntary termination by the Company or, if different, your employer (the "Employer") which gives rise to the payment of severance benefits under a plan maintained by the Company, the Units will remain subject to the Vesting Terms and will be paid in accordance with the Payment terms above. However, the number of Units will be prorated based on the number of months you were employed from the Date of Grant through the end of the Performance Period.

Due to Any Other Reason (including for Cause; Voluntary Termination; or Involuntary Termination Without Severance Benefits)

Units will be forfeited as of the date on which you terminate employment.

Restricted Conduct

If you engage in any of the conduct described in subparagraphs (i) through (v) below for any reason, in addition to all remedies in law and/or equity available to the Company or any Subsidiary or Affiliate, you shall forfeit all Units. For purposes of subparagraphs (i) through (v) below, "Company" shall mean Corteva, Inc. and/or any of its Subsidiaries or Affiliates.

(i) **Confidential Information.** During the course of your employment with the Company and thereafter, you use or disclose, except on behalf of the Company and pursuant to the Company's directions, any Company "Confidential Information" (i.e., information concerning the Company and its business that is not generally known outside the Company, and includes, but is not limited to, (a) trade secrets; (b) intellectual property; (c) information regarding the Company's present and/or future products, developments, processes and systems, including invention disclosures and patent applications; (d) information on customers or potential customers, including customers' names, sales records, prices, and other terms of sales and Company cost information; (e) Company business plans, marketing plans, financial data and projections; and (f) information received in confidence by the Company from third parties. Information regarding products, services or technological innovations in development, in test marketing or being marketed or promoted in a discrete geographic region, which information the Company is considering for broader use, shall be deemed not generally known until such broader use is actually commercially implemented.); and/or

(ii) **Solicitation of Employees.** During your employment and for a period of one year following the termination of your employment for any reason, you hire, recruit, solicit or induce, or cause, allow, permit or aid others to hire, recruit, solicit or induce, any employee of the Company who possesses Confidential Information of the Company to terminate his/her employment with the Company and/or to seek employment with your new or prospective employer; and/or

(iii) **Solicitation of Customers.** During your employment and for a period of one year following the termination of your employment for any reason, you, directly or indirectly, on behalf of yourself or any other person, company or entity, solicit or participate in soliciting, products or services competitive with or similar to products or services offered by, manufactured by, designed by or distributed by the Company to any person, company or entity which was a customer or potential customer for such products or services and with which you had direct or indirect contact regarding those products or services or about which you learned Confidential Information at any time during the two years prior to your termination of employment with the Company; and/or

(iv) **Non-Competition regarding Products or Services.** During your employment and for a period of one year following the termination of your employment for any reason, you, directly or indirectly, in any capacity, provide products or services competitive with or similar to products or services offered by the Company to any person, company or entity which was a customer for such products or services and with which customer you had direct or indirect contact regarding those products or services or about which customer you learned Confidential Information at any time during the two years prior to your termination of employment with the Company; and/or

(v) **Non-Competition regarding Activities.** During your employment and for a period of one year following the termination of your employment for any reason, you engage in activities which are entirely or in part the same as or similar to activities in which you engaged at any time during the two years preceding termination of your employment with the Company for any person, company or entity in connection with products, services or technological developments (existing or planned) that are entirely or in part the same as, similar to, or competitive with, any products, services or technological developments (existing or planned) on which you worked at any time during the two years preceding termination of your employment. This paragraph applies in countries in which you have physically been present performing work for the Company at any time during the two years preceding termination of your employment.

Applicable Policies

This Award shall be subject to the Company's clawback policy; the Corteva, Inc. Insider Trading Policy, including the anti-hedging and anti-pledging provisions thereunder; and/or share ownership guidelines, if any, (in each case as they may be amended from time to time), the terms of which are incorporated herein by reference.

**Repayment/
Forfeiture**

Any benefits you may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with the requirements of the U.S. Securities and Exchange Commission or any applicable law, including the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or any securities exchange on which the Shares are traded, as may be in effect from time to time.

Withholding

You acknowledge that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Plan and legally applicable to you ("Tax-Related Items") in connection with any aspect of the Units, including, but not limited to, the grant, vesting or settlement of the Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalent units; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from your wages or other cash compensation paid to you by the Company and/or the Employer; or (ii) withholding from proceeds of the sale of Shares acquired upon settlement of the Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); or (iii) withholding in Shares to be issued upon settlement of the Unit; or (iv) any other method of withholding determined by the Company and to the extent required by Applicable Law or the Plan, approved by the Committee; provided, however, that if you are subject to the short-swing profit rules of Section 16(b) of the Exchange Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event unless otherwise determined by the Committee.

The Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates, up to and including maximum applicable rates, in the jurisdictions applicable to you, in which case, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Shares. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, you agree to pay to the Company or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of Shares, if you fail to comply with your obligations in connection with the Tax-Related Items.

Notwithstanding anything in this section to the contrary, to avoid a prohibited acceleration under Section 409A of the Code, if Shares subject to the Units will be withheld (or sold on your behalf) to satisfy any Tax Related Items arising prior to the date of settlement of the Units for any portion of the Units that is considered nonqualified deferred compensation subject to Section 409A of the Code, then the number of shares withheld (or sold on your behalf) shall not exceed the number of shares that equals the liability for Tax-Related Items.

Severability

The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Waiver

You acknowledge that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

Privacy

In relation to this Agreement, the Company may collect, use, transfer and share your personal information, such as your name, contact information and banking information. The Company may share personal information with its Affiliates and selected third parties outside of your country of residence, including the United States, which may have data protection rules that are different from those of your country, to perform this Agreement and for purposes consistent with our privacy statement: <https://www.corteva.com/privacy.html>.

**Insider Trading/
Market Abuse Laws**

You may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the Shares are listed and in applicable jurisdictions including the United States and your country or your broker's country, if different, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Units) or rights linked to the value of Shares under the Plan during such times as you are considered to have "inside information" regarding the Company (as defined by Applicable Laws). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party and (b) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Corteva, Inc Insider Trading Policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

**Imposition of
Other Requirements**

The Company reserves the right to impose other requirements on your participation in this Agreement, on the Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

**AWARD TERMS OF
TIME-VESTED RESTRICTED STOCK UNITS GRANTED UNDER THE
CORTEVA, INC. 2019 OMNIBUS INCENTIVE PLAN
FOR GRANTEES LOCATED IN THE U.S.**

**Introduction/Grant
of Award**

You have been granted time-vested Restricted Stock Units under the Corteva, Inc. 2019 Omnibus Incentive Plan (“Plan”), subject to the following Award Terms. This grant is also subject to the terms of the Plan, which is hereby incorporated by reference. However, to the extent that an Award Term conflicts with the Plan, the Plan shall govern. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in these Award Terms, including any appendices to these Award Terms (hereinafter, collectively referred to as the “Agreement”). A copy of the Plan, and other Plan-related materials, such as the Plan prospectus, are available at: www.benefits.ml.com

**Grant Award
Acceptance**

You must expressly accept the terms and conditions of your Award as set forth in this Agreement. To accept, log on to Merrill Lynch Benefits OnLine at www.benefits.ml.com, select **Equity Plan > Grant Information > Pending Acceptance**.

If you do not accept your Restricted Stock Units in the manner instructed by the Company, your Restricted Stock Units will be subject to cancellation.

Date of Grant

[DATE] (“Date of Grant”)

Type of Award

Time-vested Restricted Stock Units

Dividend Equivalents

Dividends payable on the Shares represented by your Restricted Stock Units (including whole and fractional Restricted Stock Units) will be allocated to your account in the form of additional Restricted Stock Units based upon the closing Share price on the date of the dividend payment. Dividend Equivalents will not vest until such time as the underlying Award vests.

Restricted Period

You may not sell, gift, or otherwise transfer or dispose of any of the Restricted Stock Units during the “Restricted Period.” The Restricted Period commences on the Date of Grant and lapses as set forth herein.

On **[1st Anniversary of Date of Grant]**, the Restricted Period will lapse with respect to one-third (1/3) of the Restricted Stock Units, including dividend equivalents.

On **[2nd Anniversary of Date of Grant]**, the Restricted Period will lapse with respect to one-third (1/3) of the Restricted Stock Units, including dividend equivalents.

On **[3rd Anniversary of Date of Grant]**, the Restricted Period will lapse with respect to the remaining Restricted Stock Units, including dividend equivalents.

Termination of Employment

Under 55/10 Rule	If you terminate employment after attainment of age 55 with at least 10 years of service and you are an active employee for six months following the Date of Grant, the Restricted Stock Units will remain subject to the Restricted Period set forth above for one year from the termination date of employment. When one year from the termination date of employment is reached, all other remaining unvested units will be forfeited.
Due to Disability, or Death	The Restricted Period on all units will lapse.
Due to Involuntary Termination Giving Rise to Severance Benefits or Divestiture to Entity Less Than 50% Owned by Corteva, Inc.	The Restricted Stock Units will remain subject to the Restricted Period set forth above for one year from the termination date of employment. When one year from the termination date of employment is reached, all other remaining unvested units will be forfeited.
Due to Any Other Reason (such as voluntary termination, involuntary termination without severance benefits, or for Cause)	Restricted Stock Units that are subject to a Restricted Period will be forfeited.

For purposes of this Agreement, transfer of employment among Corteva, Inc. and any of its Affiliates is not a termination of employment.

Payment In the case of termination due to involuntary termination giving rise to severance benefits or divestiture to an entity less than 50% owned by Corteva, Inc. which occurs on or following the attainment of age 55 with at least 10 years of Service, Restricted Stock Units shall be paid to you when the Restricted Period lapses in accordance with the schedule set forth under "Restricted Period." In the case of termination due to involuntary termination giving rise to severance benefits or divestiture to an entity less than 50% owned by Corteva, Inc. which occurs prior to attainment of age 55 with at least 10 years of Service or due to Disability or death, Restricted Stock Units shall be paid to you or your estate, as applicable, within seventy days of the date on which the Restricted Period lapses as a result of the termination. Restricted Stock Units are payable in one Share for each whole Restricted Stock Unit and a cash payment for any fraction of a Restricted Stock Unit. The value of each fractional Restricted Stock Unit will be based on the average of the high and low sale price of Shares as reported on the effective date of payment.

Section 409A of the Code

To the extent that an amount that is considered "nonqualified deferred compensation" subject to Section 409A of the Code ("deferred compensation") is payable on, or by reference to, the date of your termination of employment, no amounts shall be paid hereunder on account thereof unless such termination of employment constitutes a "separation from service," within the meaning of Section 409A of the Code. If you are a "specified employee," within the meaning of Section 409A of the Code, no amount that is deferred compensation shall be paid or delivered, on, or by reference to, the date of your separation from service, earlier than the date that is six months after such separation from service. Amounts otherwise payable during that six-month period shall be paid on the date that is six months and one day after your separation from service. If an amount that constitutes deferred compensation is payable upon a Disability that does not constitute a "disability" within the meaning of Section 409A of the Code, it shall be paid to you when the Restricted Period lapses in accordance with the schedule set forth under "Restricted Period."

The Restricted Stock Units are intended to be exempt from or compliant with Section 409A of the Code and the U.S. Treasury Regulations relating thereto so as not to subject you to the payment of additional taxes and interest under Section 409A of the Code or other adverse tax consequences. In furtherance of this intent, the provisions of this Agreement will be interpreted, operated, and administered in a manner consistent with these intentions. The Committee may modify the terms of this Agreement, the Plan or both, without your consent, in the manner that the Committee may determine to be necessary

or advisable in order to comply with Section 409A of the Code or to mitigate any additional tax, interest and/or penalties or other adverse tax consequences that may apply under Section 409A of the Code if compliance is not practical. This section does not create an obligation on the part of the Company to modify the terms of this Agreement or the Plan and does not guarantee that the Restricted Stock Units or the delivery of Shares upon vesting/settlement of the Restricted Stock Units will not be subject to taxes, interest and penalties or any other adverse tax consequences under Section 409A of the Code. In no event whatsoever shall the Company be liable to any party for any additional tax, interest or penalties that may be imposed on you by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

Restricted Conduct

If you engage in any of the conduct described in subparagraphs (i) through (v) below for any reason, in addition to all remedies in law and/or equity available to the Company: (1) you shall forfeit all Restricted Stock Units (whether or not vested) and shall immediately pay to the Company, with respect to previously vested Restricted Stock Units, a cash amount equal to the Fair Market Value of the Stock plus the cash payment for any fraction of a Restricted Stock Unit received, without regard to any Tax-Related Items (as defined below) that may have been deducted from such amount; (2) the Company shall be entitled to monetary damages incurred as a result of such conduct; (3) the Company shall be entitled to injunctions, both preliminary and permanent, enjoining or restraining such conduct; and (4) the Company shall be entitled to all reasonable sums and costs, including attorneys' fees, incurred to defend or enforce the provisions of this Agreement.

For purposes of subparagraphs (i) through (v) below, "Company" shall mean Corteva, Inc. and/or any of its Subsidiaries or Affiliates that have employed you or retained your services.

(i) **Non-Disclosure of Confidential Information & Trade Secrets.** During the course of your employment with the Company and thereafter, you shall not use or disclose, except on behalf of the Company and pursuant to the Company's directions, any Company Confidential Information or Trade Secrets. Confidential Information and Trade Secrets are items of information relating to the Company, its products, services, customers, and employees that are of great competitive value to the Company, which have been or will be disclosed to you or of which you have or will become aware as a consequence of your relationship with the Company, which are not generally known or available to the general public or the Company's competitors, and which have been developed, compiled, or acquired by the Company at its great effort and expense. "Confidential Information" includes, but is not limited to: (a) financial and business information, such as information with respect to costs, commissions, fees, profits, sales, sales margins, capital structure, operating results, borrowing arrangements, strategies and plans for future business, pending projects and proposals, and potential acquisitions or divestitures; (b) product and technical information, such as new and innovative ideas, research and development projects, investigations, new business development, trademarks and brand names under development, sketches, plans, drawings, prototypes, methods, procedures, experimental and testing results, devices, machines, equipment, data processing programs, software, software codes, and computer models; (c) marketing information, such as new marketing ideas, strategies, initiatives, business plans, markets, and mailing lists; (d) customer and prospective customer information, such as the identity of the Company's customers and prospective customers, their names, the names of representatives of the Company's customers and prospective customers responsible for entering into contracts with the Company, the financial arrangements between the Company and its customers, the existence and terms of contracts with customers or any future contracts with customers or prospective customers, specific needs, requirements, and preferences of customers, and leads and referrals to certain prospective customers; and (e) personnel information, such as the identity and number of the Company's other employees, consultants and contractors, their salaries, bonuses, benefits, skills, qualifications, and abilities (information in this item (e) is referred to as "Personnel Information"). In addition, Confidential Information shall include combinations, compilations, or aggregations of individual facts, components, or units of information that are in whole or in part publicly known, unless such combination, compilation, or aggregation of those facts is itself publicly known. "Trade Secrets" are items of Confidential Information that meet the requirements of applicable trade secret law. Confidential Information and Trade Secrets can be in any form, including, without limitation, oral, written, or machine readable, including electronic files.

(ii) **Limited Use of Confidential Information and Trade Secrets.** Notwithstanding any of the foregoing to the contrary, nothing in this Agreement prohibits Employee from filing a charge with or participating, testifying, or assisting in any investigation, hearing, whistleblowing proceeding, or other proceeding before any federal, state, or local government agency (e.g., EEOC, NLRB, SEC, etc.). In addition, under the federal Defend Trade Secrets Act of 2016, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made to Employee's attorney in relation to a lawsuit for retaliation against Employee for reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(iii) **Non-Solicitation of and Non-Interference with Employees.** While you are employed by the Company and for a period of one (1) year after your employment ends, whether voluntarily or involuntarily, you shall not, either on your own account or on behalf of any other individual or entity, directly or indirectly solicit or induce any employee of the Company to work for any other individual or entity, or otherwise cause any employee of the Company to leave employment with or service to the Company or diminish his or her services to the Company. This restriction shall apply only to current employees of the Company and any former employees of the Company with whom you came into contact during your employment with the Company. For purposes of this Section, the term "current" with respect to employees of the Company refers to those individuals who are employed or associated with the Company at the time of their solicitation, hiring, or inducement to leave the Company.

(iv) **Non-Solicitation and Non-Service of Customers.** During your employment and for a period of one (1) year after your employment with the Company ends, whether voluntarily or involuntarily, you will not directly or indirectly solicit customers of the Company for the purpose of selling or providing any competing product or service offered by the Company for which you had responsibility during the two (2) years preceding your termination of employment with the Company. This restriction shall apply only to those customers of the Company: (a) with whom you had personal contact within the last one (1) year of your employment, or (b) about whom you learned Confidential Information or Trade Secrets during the last one (1) year of your employment with the Company. For the purposes of this Section, the term "contact" means interaction between you and the customer or prospective customer that takes place to further the business relationship with, make sales to, or perform services for the customer on behalf of the Company.

(v) **Non-Competition.** During your employment and for a period of one (1) year after your employment with the Company ends, whether voluntarily or involuntarily, you will not, without the express written consent of the President of the Company or his or her designee, directly or indirectly perform the same or similar duties that you performed for the Company during the two (2) years preceding the termination of your employment, for any Competing Business. A "Competing Business," as used in this Agreement, means any individual or entity that develops, manufactures, sells, and/or distributes a product or service that competes directly or indirectly with those products or services offered by the Company, and: (a) which Employee had responsibility for or worked with in the last two (2) years of Employee's employment, or (b) about which Employee acquired knowledge of or access to Confidential Information and Trade Secrets in the last two (2) years of Employee's employment. In recognition of the international nature of the Company's business, which includes the sale of its products and services globally, this restriction shall apply to each state or territory of the United States of America, and each country of the world outside of the United States of America, in which the Employee was employed or had responsibility within the last two (2) years of Employee's employment. Notwithstanding any of the foregoing to the contrary, if Employee is employed by the Company in Georgia, Louisiana, or South Dakota, then the geographic scope of this restriction is limited to the counties, municipalities, and/or parishes in which Employee worked for the Company, and all directly adjacent counties, municipalities, and/or parishes within the same state.

The restrictive periods set forth in this Restricted Conduct section shall not expire and shall be tolled during any period in which you are in violation of such restrictive periods; and therefore, such restrictive periods shall be extended for a period equal to the duration of your violations thereof.

You further acknowledge and agree that any breach, material or otherwise, of this Agreement or any other agreement between Company and you shall not excuse your performance under this Agreement, including your obligation to honor the restrictions set forth in this section.

You further agree that you will promptly disclose the existence of the post-employment restrictions contained herein to all subsequent employers and/or prospective employers until all such covenants have expired.

The Restricted Conduct set forth herein is in addition to, and not in place of, any contractual requirements that may govern your obligations to the Company during and after your employment.

Applicable Policies

This Award shall be subject to the Company's clawback policy; Corteva, Inc. Insider Trading Policy, including the anti-hedging and anti-pledging provisions thereunder; and/or share ownership guidelines (in each case as they may be amended from time to time), the terms of which are incorporated herein by reference.

**Repayment/
Forfeiture**

Any benefits you may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with the requirements of the U.S. Securities and Exchange Commission or any applicable law, including the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or any securities exchange on which the Shares are traded, as may be in effect from time to time.

Withholding

You acknowledge that the Company or, if different, your employer (the "Employer") (1) make no representations or undertakings regarding the treatment of any income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Plan and legally applicable to you ("Tax-Related Items") in connection with any aspect of the Restricted Stock Units, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalents; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from your wages or other cash compensation paid to you by the Company and/or the Employer; or (ii) withholding from proceeds of the sale of Shares acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); or (iii) withholding in Shares to be issued upon settlement of the Restricted Stock Units; or (iv) any other method of withholding determined by the Company and to the extent required by Applicable Law or the Plan, approved by the Committee; provided, however, that if you are subject to the short-swing profit rules of Section 16(b) of the Exchange Act, then the Company will withhold in Shares upon the relevant taxable or tax withholding event unless otherwise determined by the Committee.

The Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates, up to and including maximum applicable rates, in the jurisdictions applicable to you, in which case, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Shares. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, you agree to pay to the Company or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of Shares, if you fail to comply with your obligations in connection with the Tax-Related Items.

Notwithstanding anything in this section to the contrary, to avoid a prohibited acceleration under Section 409A of the Code, if Shares subject to the Restricted Stock Units will be withheld (or sold on your behalf) to satisfy any Tax Related Items arising prior to the date of settlement of the Restricted Stock Units for any portion of the Restricted Stock Units that is considered nonqualified deferred compensation subject to Section 409A of the Code, then the number of shares withheld (or sold on your behalf) shall not exceed the number of shares that equals the liability for Tax-Related Items.

Severability

The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Waiver

You acknowledge that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

Privacy

In relation to this Agreement, the Company may collect, use, transfer and share your personal information, such as your name, contact information and banking information. The Company may share personal information with its Affiliates and selected third parties outside of your country of residence, including the United States, which may have data protection rules that are different from those of your country, to perform this Agreement and for purposes consistent with our privacy statement: <https://www.corteva.com/privacy.html>.

**Insider Trading/
Market Abuse Laws**

You may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the Shares are listed and in applicable jurisdictions including the United States and your country or your broker's country, if different, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Restricted Stock Units) or rights linked to the value of Shares under the Plan during such times as you are considered to have "inside information" regarding the Company (as defined by Applicable Laws). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party and (b) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Corteva, Inc. Insider Trading Policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

**Imposition of Other
Requirements**

The Company reserves the right to impose other requirements on your participation in this Agreement, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

CERTIFICATIONS

I, James C. Collins, Jr., certify that:

1. I have reviewed this report on Form 10-Q for the period ended March 31, 2020 of Corteva, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:

May 7, 2020

By:

/s/ James C. Collins, Jr.

James C. Collins, Jr.
Chief Executive Officer

I, James C. Collins, Jr., certify that:

1. I have reviewed this report on Form 10-Q for the period ended March 31, 2020 of E. I. du Pont de Nemours and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

By: /s/ James C. Collins, Jr.
James C. Collins, Jr.
Chief Executive Officer

CERTIFICATIONS

I, Gregory R. Friedman, certify that:

1. I have reviewed this report on Form 10-Q for the period ended March 31, 2020 of Corteva, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:

May 7, 2020

By:

/s/ Gregory R. Friedman

Gregory R. Friedman

*Executive Vice President and
Chief Financial Officer*

I, Gregory R. Friedman, certify that:

1. I have reviewed this report on Form 10-Q for the period ended March 31, 2020 of E. I. du Pont de Nemours and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

By: /s/ Gregory R. Friedman

Gregory R. Friedman

*Executive Vice President and
Chief Financial Officer*

**Certification of CEO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Corteva, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), James C. Collins, Jr., as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James C. Collins, Jr.

James C. Collins, Jr.
Chief Executive Officer
May 7, 2020

**Certification of CEO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of E. I. du Pont de Nemours and Company on Form 10-Q for the period ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), James C. Collins, Jr., as Chief Executive Officer of E. I. du Pont de Nemours and Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of E. I. du Pont de Nemours and Company.

/s/ James C. Collins, Jr.

James C. Collins, Jr.
Chief Executive Officer
May 7, 2020

**Certification of CFO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Corteva, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Gregory R. Friedman, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Gregory R. Friedman

Gregory R. Friedman
Chief Financial Officer
May 7, 2020

**Certification of CFO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of E. I. du Pont de Nemours and Company on Form 10-Q for the period ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Gregory R. Friedman, as Chief Financial Officer of E. I. du Pont de Nemours and Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of E. I. du Pont de Nemours and Company.

/s/ Gregory R. Friedman

Gregory R. Friedman
Chief Financial Officer
May 7, 2020