



United States Department of Agriculture
Farm and Foreign Agricultural Services
Risk Management Agency

June 28, 2002

INFORMATIONAL MEMORANDUM: R&D-02-030

TO: All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ Tim B. Witt
Deputy Administrator

SUBJECT: Quality Adjustment Amendatory Endorsement for the 2003 Crop Year for
Small Grains, Canola and Rapeseed

The Risk Management Agency (RMA) has placed a new amendatory endorsement on the RMA Website at: <http://www.rma.usda.gov/policies/2003policy.html>. The new endorsement amends the quality adjustment provisions for the crop policies listed below effective for the 2003 and succeeding crop years. The endorsement reflects regulatory changes made in an Interim Rule published in the Federal Register on June 28, 2002.

Common Crop Insurance Policy, Small Grains Crop Provisions;
Common Crop Insurance Policy, Canola and Rapeseed Crop Provisions;
Crop Revenue Coverage Wheat Crop Provisions;
Revenue Assurance Wheat Crop Provisions;
Revenue Assurance Feed Barley Crop Provisions;
Revenue Assurance Canola and Rapeseed Crop Provisions;
Income Protection Wheat Crop Provisions; and
Income Protection Barley Crop Provisions.

The endorsement amends these policies as mandated by the Farm Security and Rural Investment Act of 2002 (Act). The Act requires quality determinations made by graders that: 1) are licensed under State law and employed by a warehouse operator who has a storage agreement with the



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All Programs Authorized Under the Federal Crop Insurance Corporation

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Commodity Credit Corporation; or 2) are not licensed under State law, but are employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses, be accepted as evidence of quality in the same manner as that provided by graders licensed under the authority of the United States Warehouse Act.

Insurance providers must notify policyholders of these changes at least 30 days prior to the cancellation date as required by the contract change section of the policy.

DISPOSAL DATE:

This Informational Memorandum is for the purpose of transmitting/updating information and the disposal date is December 31, 2002.