

United States Department of Agriculture

Risk Management

Agency

Avenue, SW Stop 0801

Washington, DC 20250-0801

1400 Independence **BULLETIN NO.: MGR-10-002**

TO: All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

FROM: William J. Murphy /s/William J. Murphy 2/23/10

Administrator

SUBJECT: Second Draft of the 2011 Standard Reinsurance Agreement

BACKGROUND:

On December 4, 2009, the Risk Management Agency (RMA) issued the first draft of the 2011 Standard Reinsurance Agreement (SRA). Since then, RMA has received written comments and met with approved insurance providers (AIPs) and other interested parties regarding the first draft. RMA has evaluated comments and recommendations and is now issuing a second draft as part of the continuing SRA negotiations. RMA is releasing the second draft, including appendices I, II, and IV, in two formats; (1) a "clean" version that incorporates all changes from the first draft; and (2) a "redline" version that shows all changes from the first draft. Appendix III is being released through its usual Appendix III web link. RMA is also releasing a side by side comparison of the major financial terms of the current SRA, the first draft, and the second draft SRA.

ACTION:

All AIP's and other interested parties may review and evaluate the second draft of the 2011 SRA. Written comments to the second draft are due to RMA by close of business March 22, 2010. RMA officials will be available the week of March 22-26, 2010 to schedule negotiation meetings with AIPs in its Kansas City, MO office and the week of March 29-April 2, 2010 to schedule negotiation meetings with AIPs in its Washington, DC headquarters office.

Comments should be sent to:

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DISPOSAL:

March 22, 2010

Enclosures (9)