August 28, 2009

INFORMATIONAL MEMORANDUM: PM-09-041

TO:  All Approved Insurance Providers
     All Risk Management Agency Field Offices
     All Other Interested Parties

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

SUBJECT: Quarantine Endorsement and Underwriting Guide Release for the
         2011 – 2014 Crop Years

BACKGROUND:

On May 7, 2009 the Federal Crop Insurance Corporation (FCIC) Board of Directors
(Board) approved implementation of a Quarantine Endorsement Pilot Program beginning
with crop year 2011.

The Quarantine Endorsement will be available for purchase on buy-up policies in the state
of California for avocados and citrus fruit. The Quarantine Endorsement will be available
as an endorsement to the CA-AZ Citrus policy (California only) and for the recently
approved Actual Revenue History (ARH) – Navel Orange pilot program. It will also be
available for the California Avocado pilot program.

The Quarantine Endorsement Pilot Program will cover certain types of losses due to
qualifying quarantines imposed by a duly authorized regulatory body. A qualifying
quarantine must either mandate destruction of the crop or the plants upon which it is
growing and preclude harvest prior to destruction; or restrict harvest, sale, transportation or
transfer from the location where the crop is produced to the location of any buyer for a
period of time during which the fruit becomes unmarketable. Only a quarantine that is
declared during the insurance period will be covered.

An action taken by an appropriate authority to control a pest that still permits movement of
the fruit from the location where it was produced, or that does not require destruction of
the insured crop is not a quarantine for the purposes of this endorsement, even if it is
designated as a quarantine by an appropriate authority. Additional costs to harvest, pack
or transport fruit are not covered under this endorsement.

Producers interested in the Quarantine Endorsement Pilot Program will need to contact
their crop insurance agent to elect this endorsement. The sales closing date for eligible
crops is November 20, 2009 for the 2011 crop year. RMA publishes a list of agents on its website at:  http://www.rma.usda.gov/tools/agent.html

**ACTION:**

The following 2011 crop year Quarantine Endorsement Pilot Program insurance materials may be accessed on the RMA website from the crop policy page at:

**Material**

- Quarantine Endorsement
- Quarantine Endorsement Underwriting Guide

**DISPOSAL DATE:**

This Informational Memorandum is for the purpose of transmitting information and its disposal date is December 31, 2009.