



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

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

FROM: Ross J. Davidson, Jr. /s/ *Ross J. Davidson, Jr.*
Administrator

SUBJECT: Procedures for Submitting Premium Reduction Plans

BACKGROUND:

Section 508(e)(3) of the Federal Crop Insurance Act authorizes approved insurance providers (AIP) to reduce the amount of premium charged an insured on Federally-reinsured crop insurance, if the AIP determines that it can provide insurance more efficiently than the expense reimbursement amount established by the Federal Crop Insurance Corporation (FCIC). The AIP must make application to, and obtain approval from the FCIC prior to making any premium reduction available to a producer.

ACTION:

The attached procedures establish the submission criteria for AIP's making application for offering premium reduction plans pursuant to section 508(e)(3) of the Act. These procedures are available on the RMA website at:

www.rma.usda.gov/news/managers/2003/pdf/008/Premium_Reduction_Application_Procedures.pdf.

DISPOSAL DATE:

This Manager's Bulletin is for the purpose of transmitting information and the expiration date is December 31, 2003.



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The Risk Management Agency Administers and Oversees
All Programs Authorized Under the Federal Crop Insurance Corporation

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