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


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

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
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.