



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

August 30, 2002

**INFORMATIONAL MEMORANDUM: R&D-02-039**

**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 and  
Succeeding Crop Years for Coarse Grains, Sunflowers, Safflowers, Dry  
Peas, Rice, and Dry Beans

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 August 30, 2002.

Common Crop Insurance Policy, Sunflower Crop Provisions;  
Common Crop Insurance Policy, Coarse Grains Crop Provisions;  
Common Crop Insurance Policy, Safflower Crop Provisions;  
Common Crop Insurance Policy, Dry pea Crop Provisions;  
Common Crop Insurance Policy, Rice Crop Provisions;  
Common Crop Insurance Policy, Dry Bean Crop Provisions;  
Revenue Assurance Sunflower Crop Provisions;  
Revenue Assurance Corn and Soybean Crop Provisions;  
Crop Revenue Coverage Coarse Grains Crop Provisions;  
Crop Revenue Coverage Rice Crop Provisions;  
Income Protection Corn Crop Provisions;  
Income Protection Grain Sorghum Crop Provisions; and  
Income Protection Soybean Crop Provisions.



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

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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.