June 27, 2008

INFORMATIONAL MEMORANDUM: PM-08-029

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

FROM: Tim B. Witt /s/Rodger M. Matthews, for.  
      Deputy Administrator

SUBJECT: Catastrophic Risk Protection Endorsement and Group Risk Plan of Insurance  
         Basic Provisions for the 2009 and Succeeding Crop Years

The Risk Management Agency (RMA) has placed the new Catastrophic Risk Protection  
Endorsement and Group Risk Plan of Insurance Basic Provisions on the RMA Web site at:  
Endorsement and Group Risk Plan of Insurance Basic Provisions are effective for the 2009 and  
succeeding crop years for all crops with a 2009 crop year contract change date on or after  
June 30, 2008, and for the 2010 and succeeding crop years for all crops with a 2009 crop year contract  
change date prior to June 30, 2008. These policy changes reflect regulatory changes made in a  
Final Rule which became effective on June 25, 2008, and will be published in the Federal  
Register on June 27, 2008.

The revisions contained in the Catastrophic Risk Protection Endorsement and the Group Risk  
Plan of Insurance Basic Provisions incorporate changes in the administrative fees for catastrophic  
risk protection mandated by the Food, Conservation, and Energy Act of 2008 (Farm Bill).  
Section 12006 of the Farm Bill requires that each producer pay an administrative fee for  
catastrophic risk protection (CAT) in the amount of $300 per crop per county. Currently, the  
administrative fee for catastrophic risk protection is $100 per crop per county. Further, that  
section expressly authorizes cooperative and trade associations to pay the administrative fee for  
CAT coverage under certain circumstances. Provisions have been modified to allow such  
associations to pay the CAT administrative fee.

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, 2008.