



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility
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September 27, 2010

INFORMATIONAL MEMORANDUM: PM-10-049

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: Cottonseed (Pilot) Endorsement

BACKGROUND:

The Federal Crop Insurance Corporation's Board of Directors (FCIC Board) approved the Cottonseed Pilot Endorsement (CPE) on July 30, 2009. The CPE is a privately developed product that was submitted to the FCIC Board under Section 508(h) of the Federal Crop Insurance Act by Plains Cotton Growers, Inc. The pilot CPE will be available for sale for the 2011 crop year in all states and counties in which American Upland or Extra Long Staple cotton crop insurance is available.

The CPE provides yield coverage for cottonseed as an optional endorsement to a Federal reinsured buy-up cotton policy. Under the CPE, cotton lint production is converted to a cottonseed equivalent to form the basis of insurance and to calculate indemnities.

ACTION:

The following CPE materials will be available by close of business today and may be accessed on the RMA website from the Cottonseed page at:
<http://www.rma.usda.gov/policies/2011policy.html#cottonseed>.

Material

- Cottonseed (Pilot) Endorsement (2011)
- Cottonseed (Pilot) Endorsement Insurance Standards Handbook (2011)



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

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The CPE is available for sale for the 2011 crop year and must be purchased by signing an application or contract change form by the sales closing date. The sales closing date for the CPE is the same as that of the underlying Federal reinsured cotton policy.

Interested producers should contact a crop insurance agent for further information. A list of agents can be found on the Risk Management Agency (RMA) website at: www.rma.usda.gov/.

DISPOSAL DATE:

December 31, 2010.