



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

INFORMATIONAL MEMORANDUM - CORRECTION

TO: All Reinsured Companies

FROM: Kenneth D. Ackerman /s/ Ken Ackerman 7-2-99
Administrator

SUBJECT: Revision for Price Correction - 1999 Crop Revenue Coverage (CRC)
Durum Wheat, Informational Memorandum of July 1, 1999

On April 7, 1999, the United States District Court for the District of North Dakota granted the durum producers' request for a preliminary injunction. The court specifically stated:

IT IS HEREBY ORDERED that Bulletin MGR-99-004 is void and of no effect.
IT IS FURTHER ORDERED that the original terms of the CRC policy, as published in the July 14, 1998, Federal Register, 63 Fed. Reg. 37,829 (1998), control.

The preliminary injunction is only effective against Secretary of Agriculture, Dan Glickman and Kenneth D. Ackerman as Manager of the Federal Crop Insurance Corporation (FCIC) and Administrator of the Risk Management Agency. However, FCIC simply reinsures the CRC durum wheat policies and it does not publish or offer these policies directly. Under the terms of the preliminary injunction, FCIC must reinsure the CRC durum wheat policies with a base price of \$5.45. If the reinsured company elects to use this higher base price because reinsurance is available under the terms of the preliminary injunction, the Summary of Coverage should be annotated to notify the insureds that if the ultimate outcome of the litigation is adverse to the plaintiffs, a base price of \$4.68 will be in effect. Premium, liability and any indemnities paid based on the higher base price will be adjusted accordingly and any overpayment must be repaid.



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The Risk Management Agency Administrators and Oversees

All Programs Authorized Under the Federal Crop Insurance Corporation
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