



United States
Department of
Agriculture

FV200

September 28, 2001

Marketing and
Regulatory
Programs

Agricultural
Marketing
Service

P.O.Box 96456
Washington, DC
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AMENDMENT NO. 03

ANNOUNCEMENT FV-200

Purchase of CANNED FRUIT

The purpose of this amendment is to add the following paragraph to Section VI.:

B. Loss Due to Product Recalled for Health or Safety Risk

In accordance with Article 60 of USDA-1, the contractor shall be held liable for failure of the commodity or product to meet all of the contract requirements. In the event the commodity or product is recalled due to a health or safety risk, the contractor is responsible for the removal and replacement of recalled commodities or products, and reimbursement of State and local costs incurred as a result of the recall, as outlined in the Food and Nutrition Service's (FNS) Commodity Hold and Recall Process. These costs include, at a minimum, storage, transportation, processing, and distribution of the commodities or products.

Additionally, when contractor provides bulk product which is then further processed in accordance with a State contract, and that bulk product is subsequently recalled, the contractor is responsible for all costs incurred by USDA, the State Distributing Agency, and/or recipient agencies, as outlined in the FNS's Commodity Hold and Recall Process. At a minimum, these costs include replacement of the raw commodity and reimbursement for processing costs.

All other terms and conditions remain unchanged.

Sincerely,

Susan E. Proden
Contracting Officer
Commodity Procurement Branch
Fruit and Vegetable Programs



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