

For: Peanut State and County Offices, Peanut CMA's, and DMA's

2012 Policy and Procedures for Peanut Marketing Activities

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Food, Conservation, and Energy Act of 2008 (2008 Act) authorized MAL's and LDP's for peanuts for 2008 through 2012 crop years. Enhancements for the 2012 crop peanut MAL's and LDP's include continuing to:

- enroll eligible producers in the ACRE Program, if requested
- process all LDP requests through the eLDP system, when applicable.

For 2012 crop peanuts, the policy for the following items will be unchanged from the 2011 crop year:

- the loan rate will **not** be reduced for unpaid storage
- CCC will pay handling and other associated costs, other than storage, when peanuts are placed in a warehouse-stored MAL

Note: The handling and associated costs will be repaid at MAL redemption.

- FV-95 will continue to be used as a note sheet to record the official peanut inspection and grading information
- FSA-1007 approved template provided to the industry will continue to be used
- FSA-1007 data will continue to be transmitted to the FSA Peanut Market Place-Data Collection (PMP-DC) in Kansas City
- warehouse receipt for peanuts will be **required** to apply for a warehouse-stored MAL
- new handlers should request handler numbers through PSD

Disposal Date	Distribution
July 1, 2013	Peanut State Offices; State Offices relay to County Offices, Peanut CMA's, and DMA's

1 Overview (Continued)

A Background (Continued)

- new buying points should request buying point numbers through the FAV Branch, AMS
- wire transfer may be used for repaying peanut MAL's.

B Purpose

This notice:

- provides State and County Office responsibilities associated with peanut marketing activities for the 2012 crop
- highlights PSD, ITSD, DACO, EWR, Inc. (Provider), peanut handler/sheller, and buying point responsibilities
- defines the roles of other entities involved in peanut marketing activities
- provides policy and procedures for:
 - handling:
 - statement of charges attached to peanut warehouse receipts
 - charges and other associated cost
 - segregation 1, 2, and 3 peanut loan and eLDP requests
 - peanuts harvested as green, hay, or feed
 - 2012 crop year peanut MAL and eLDP program
 - eligible farm storage
 - CCC-633 EZ
 - beneficial interest
 - determining the eligible:
 - eLDP quantity when using FSA-1007 for production evidence
 - loan and eLDP when using a warehouse receipt
- authorizes the offset of charges associated with storage.

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1 Overview (Continued)

C Contact

If there are any questions about this notice, contact Tonye Gross or Richard Flournoy, PSD, by any of the following:

- e-mail to **tonye.gross@wdc.usda.gov** or **richard.flournoy@wdc.usda.gov**
- telephone at 202-720-4319 (Tonye Gross) or 202-690-3802 (Richard Flournoy)
- FAX at 202-690-3307.

Note: County Offices shall route questions through the State Office.

2 Responsibilities

A PSD Responsibilities

PSD shall provide:

- guidelines and procedures for marketing farmers stock peanuts to peanut handlers/shellers and buying points
- guidelines for obtaining MAL or eLDP
- overall program integration.

B ITSD Responsibilities

ITSD shall do the following.

Step	Action
1	Operate PMP-DC.
2	Receive, process, and distribute FSA-1007 transmission files.
3	Provide technical support on issues about FSA-1007 transmissions. Note: This does not include supporting the buying point automation software.
4	Generate FSA-1007 transmission reports.
5	Monitor mandatory “TEST” and “DAILY” transmission activity.
6	Provide shellers support to PMP-DC.
7	Provide signup procedures for e-Authentication to access profiles.

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2 Responsibilities (Continued)

C State Office Responsibilities

State Offices shall do the following.

Step	Action
1	Inform buying points and handlers/shellers that technical questions about FSA-1007 processing and transmissions shall be handled by handler/sheller representatives.
2	Contact PSD for questions about buying point automation procedures and peanut MAL's and eLDP's.
3	Refer questions on peanut inspection and grading to Federal-State Inspection Service, AMS. Note: See Exhibit 1 for Federal-State Inspection Service, AMS contact information.
4	Inform County Offices, peanut CMA's, and DMA's of the contents of this notice.

D County Office Responsibilities

County Offices shall do the following.

Step	Action
1	Inform producers that: <ul style="list-style-type: none">• they will be responsible for tracking their peanut production and maintaining beneficial interest• the final loan availability date is January 31 of the year following the harvest• loans mature no later than the last day of the 9th calendar month following the month in which CCC-677 or CCC-678 was approved.
2	Inform peanut producers that they will be responsible for keeping track of individual producer shares for each load of peanuts delivered for commercial sale, warehouse-stored MAL, or eLDP.
3	Inform peanut producers and handlers/shellers to contact Federal-State Inspection Service, AMS for questions associated with peanut inspection and grading. Note: See Exhibit 1 for Federal-State Inspection Service, AMS contact information.
4	Instruct buying points and handlers/shellers to contact the handler/sheller designated representative for technical questions about FSA-1007 processing and transmissions.
5	Instruct peanut producers to contact the warehouse operator for questions about the contents of the warehouse receipt for peanuts.
6	Inform peanut producers that warehouse-stored MAL's will be based on the warehouse receipt for peanuts.

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2 Responsibilities (Continued)

D County Office Responsibilities (Continued)

Step	Action
7	Remind peanut producers, handlers/shellers, and warehouse operators that County Offices, CMA's, and DMA's shall not : <ul style="list-style-type: none"> • receive FSA-1007 transmissions • handle corrections to FSA-1007 and warehouse receipt for peanuts.
8	Inform peanut producers, buying points, handlers/shellers, warehouse operators, and other entities associated with the peanut industry of the contents of this notice.

E Peanut Handler/Sheller Responsibilities

Peanut handlers/shellers shall do the following.

Step	Action
1	Continue to use the assigned handler number and buying point number. Note: New peanut handler/sheller must contact PSD for handler number assignment. New buying points must continue to be registered with Federal-State Inspection Service, AMS.
2	Provide affiliated peanut buying points with software and hardware to process and transmit all FSA-1007 records to PMP-DC following the requirements established by FSA.
3	Instruct affiliated buying points on the continued use of FSA-1007 to reflect official results of farmer's stock inspection. Use FSA-1007's following the guidelines issued by FSA.
4	Designate a handler/sheller technical representative who will provide technical support and training to affiliated buying points.
5	Contact the FSA National Help Desk for questions about transmissions to PMP-DC. See paragraph 10 for FSA National Help Desk information.
6	Contact Cecile Wynne at 202-720-8413 before sending test transmissions to PMP-DC.
7	Ensure that all FSA-1007 records processed by all affiliated buying points are transmitted daily to PMP-DC following the guidelines issued by FSA.
8	Contact Cecile Wynne at 202-720-8413 to request a new transmission ID and password to transmit to PMP-DC.
9	Inform peanut producers that warehouse-stored MAL's will be processed based on the warehouse receipt for peanuts.
10	Instruct affiliated buying points that corrections to peanut grading and inspection data will be handled by Federal-State Inspection Service, AMS. Transmitted records with errors in FSA-1007, Section I will be superseded upon approval by the Federal-State Inspection Service, AMS inspector. Note: There is no need to notify the County Office of superseded or corrected FSA-1007's.

2 Responsibilities (Continued)

E Peanut Handler/Sheller Responsibilities (Continued)

Step	Action
11	Submit end-of-season reconciliation file (Recon.dat) to PMP-DC after completing all marketing activities for the 2012 crop year.
12	Complete the online peanut handler/sheller and buying point profile survey at https://arcticoccean.sc.egov.usda.gov/pmp-web/splash.do .
13	Print the buying point number where the peanuts were inspected on the warehouse receipt for peanuts. If using EWR, complete the "Buying Point Number" field as identified in the file layout when creating the receipt.
14	Follow 2012 Guidelines for Peanut Marketing Activity issued by PSD.

F Buying Point Responsibilities

Buying points shall do the following.

Step	Action
1	Install peanut buying point hardware and software following the instructions provided by the affiliated peanut handler/sheller.
2	Continue to use the assigned buying point number and handler number. Note: New buying point numbers will be assigned by AMS. See Exhibit 1 for Federal-State Inspection Service, AMS contact information.
3	Follow the instructions issued by the handler/sheller about FSA-1007 processing and transmissions.
4	Contact the affiliated handler/sheller representative for technical software support.
5	Inform peanut producers that warehouse-stored MAL's will be processed based on the warehouse receipt for peanuts.
6	Contact Federal-State Inspection Service, AMS for questions about peanut grading, inspection, and FV-95 authentication code signatures.
7	Direct peanut producers to their local County Office for questions about warehouse-stored MAL's and eLDP's.
8	Create a backup of all FSA-1007 transmissions and keep the backup until all marketings for the 2012 crop year have been reconciled.
9	Print the buying point number on the warehouse receipts for peanuts, if issuing receipts from this buying point location.
10	Follow 2012 Guidelines for Peanut Marketing Activity issued by PSD.

2 Responsibilities (Continued)

G Federal-State Inspection Service, AMS Responsibilities

Federal-State Inspection Service, AMS shall do the following.

Step	Action
1	Continue to assign buying point numbers and notify PSD of newly assigned numbers.
2	Sign and date FSA-1007, Section I.
3	Approve superseded FSA-1007 to correct errors in a transmitted FSA-1007, Section I.
4	Handle questions about grading, inspection, and FV-95 authentication code signatures.
5	Issue official FSA-1007 serial numbers provided by PSD.

H DACO Responsibilities

DACO shall do the following.

Step	Action
1	Handle questions about peanut warehouses storing farmer's stock peanuts offered as collateral for warehouse-stored MAL's.
2	Handle issues about rates for storage, receiving, and load-out for warehouse-stored loan collateral and forfeited peanuts, when applicable.
3	Handle questions about peanut storage agreements and warehouse receipts for peanuts.
4	Handle warehouse receipt corrections for peanuts, as applicable.
5	Maintain a current list of approved peanut warehouses. A list is available at https://saltlake.sc.egov.usda.gov/approved_whses/peanuts/approved_peanut_warehouse.ses.asp .
6	Handle questions about EWR Provider Agreements.

I Provider Responsibilities

The provider shall do the following.

Step	Action
1	Provide assistance and information to shellers/handlers interested in using EWR's at their warehouse locations.
2	Store and maintain a centralized filing system of all EWR's in a secure manner.
3	Provide County Offices with EWR data to process loans in APSS and eLDP's.

3 Marketing of Segregation 1, Segregation 2, and Segregation 3 Peanuts

A Segregation 1 Peanuts

Segregation 1 peanuts are subject to premiums and discounts based on the grade factors shown on the warehouse receipt.

B Segregation 2 and 3 Peanuts

Segregation 2 and 3 peanuts are eligible for nonrecourse MAL's or eLDP's. The quantity of Segregation 2 and 3 peanuts eligible for loan or eLDP shall be the net weight (excluding foreign material and excess moisture) of the load, and include loose-shelled kernel (LSK) pounds or tons. Segregation 2 and 3 peanuts are repaid at principal plus interest.

Segregation 2 and 3 peanuts pledged as collateral for loan will:

- be discounted to 35 percent of the national loan rate for the applicable type
- **not** be subject to any other premiums or discounts.

Segregation 2 and 3 peanuts are eligible for eLDP. Eligible quantity will be based on net quantity according to the acceptable production evidence.

C Reinspecting Segregation 3 Peanuts

Farmer's stock peanuts graded Segregation 3 may be reconditioned at the buying point to remove foreign material and LSK. When a load of peanuts is presented for regrade, a copy of FV-95 **must** be presented to the inspector to identify the load.

4 Peanuts Harvested for Green Peanuts

A Definition of Green Peanuts

Green peanuts are peanuts that are, before drying or removal of moisture from the peanuts either by natural or artificial means, marketed by the producer for consumption exclusively as boiled peanuts.

Note: Peanuts harvested as green peanuts are eligible for eLDP's; however, they are **not** eligible for MAL's.

B Using NAP Crop Planting Periods

To ensure that producers receive eLDP program benefits for the applicable crop year's production, County Offices shall use NAP crop planting periods to establish final planting and harvest dates for green peanuts, because there is a wide range of planting and harvest dates in some States.

4 Peanuts Harvested for Green Peanuts (Continued)

C NAP Crop Information Tables

See 1-NAP, Exhibit 7.4 for NAP crop information tables.

Note: County Offices **must** determine the maximum eligible quantity according to 8-LP, paragraph 528.

5 Statement of Charges

A Authorizing Offsets of Unpaid Charges

8-LP, paragraph 547 provides policies for authorizing offsets of amounts, contained on a separate statement of unpaid charges or a separate bill for unpaid charges, from the loan proceeds. These charges **must** be associated with the:

- handling of the commodity represented by the warehouse receipt
- marketing of the commodity pledged for loan collateral.

For peanuts, County Offices are authorized to **only** offset charges associated with cleaning, drying, custom harvesting, seed accounts, and storing peanuts from the producer's loan proceeds. These charges are **not** considered a lien, but **must** be included on CCC-679, item 5 (c), if an offset will be made for these charges. Storage charges can be offset **only** if the warehouse receipt indicates storage has been paid or provided for, as applicable.

B Request for Additional Charges To Be Offset

State and County Offices and DMA's must request DAFP concurrence for any charges, except for cleaning, drying, custom harvesting, seed accounts, and storage costs associated with the handling of peanuts that will be offset from a producer's loan proceeds.

6 Minimum Quality Standards

A Definition of Segregation 1 Peanuts

Segregation 1 peanuts are farmer stock peanuts with no more than 2.49 percent damaged kernels; no more than 1 percent concealed damage caused by rancidity, mold, or decay; and are free from visible *Aspergillus flavus*.

B Definition of Segregation 2 Peanuts

Segregation 2 peanuts are farmer stock peanuts with more than 2.49 percent damaged kernels; no more than 1 percent concealed damage caused by rancidity, mold, or decay; and are free from visible *Aspergillus flavus*.

6 Minimum Quality Standards (Continued)

C Definition of Segregation 3 Peanuts

Segregation 3 peanuts are farmer stock peanuts with visible *Aspergillus flavus*.

D Loan Eligibility

For loan eligibility, peanuts must **not** contain less than 2.49 percent or more than 10.49 percent moisture.

7 Designation of Agent (CCC-605P, CCC-605P-1, and CCC-605P-2)

A Producer Responsibility

Producers may designate an agent to redeem all or a portion of the peanuts pledged as collateral for MAL.

Designation of an agent does **not** relieve the producer from the terms and conditions of the note and security agreement. Agents:

- designated may transfer the designation to a subsequent agent on CCC-605P by endorsement
- subsequently designated may transfer the designation to other subsequent agents on CCC-605P-2 by endorsement.

B Authorized Signatures of Agents

Each sheller/handler or entity **must** annually, at the start of the peanut marketing season, provide a list of authorized agents/representatives with sample signatures for designated agents from their company to PSD and the State Office. The State Office will provide a copy of all authorized agents' signatures to each peanut County Office in their State.

8 Peanut MAL's and eLDP Provisions

A Peanuts Harvested for Hay

Peanuts harvested for hay are eligible for eLDP's. County Offices must determine the maximum eligible quantity according to 8-LP, paragraph 336.

B In-Handling Charges

The 2008 Act requires CCC to pay handling and other associated costs (other than storage) when peanuts are placed in the MAL Program for the 2008 through 2012 crop years. DACO will continue to be responsible for setting these rates for the 2008 through 2012 crop years.

In-handling charges shall be:

- paid to the storing warehouse at the time the loan is disbursed
- repaid when MAL is redeemed.

C Storage Charges

The 2008 Act requires CCC to pay storage, handling, and other associated costs for peanuts that are forfeited. As a result, the warehouse-stored loan rate shall **not** be reduced if the warehouse receipt issued by the warehouse has **not** been paid through the loan maturity date.

For peanuts that are placed under the warehouse-stored MAL for the 2012 crop year, which are subsequently forfeited to CCC, CCC will pay storage, handling, and associated costs.

D ACRE Election

ACRE farms will have a 30 percent reduction in loan rates according to 8-LP, paragraphs 235 and 506. When requesting MAL or eLDP, producers shall be responsible for informing the County Office whether the quantities included in the request are from ACRE or non-ACRE farms. County Offices shall verify the producer's ACRE status **before** processing MAL/eLDP.

County Offices shall process the loan/eLDP request for quantities from ACRE farms separate from request for loans/eLDP's from non-ACRE farms.

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8 Peanut MAL's and eLDP Provisions (Continued)

E Peanut Forfeited to CCC

If MAL is **not** repaid within the 9-month period and peanuts are subsequently forfeited to CCC, storage charges will be handled as follows.

IF storage charges were...	THEN CCC will pay storage charges to the warehouse...
paid through loan maturity	starting the day after loan maturity through final disposition.
not fully paid	from the later of the "Date Storage Paid Through" or "Date Document Received" through final disposition, when applicable.

Note: The producer will be billed for storage charges incurred from the storage start date to date all loan documents were received, if applicable.

F Loan Rates by Peanut Type

The 2012 crop approved loan rates by peanut type were issued in Notice LP-2170.

G Beneficial Interest

To obtain MAL or eLDP, producers **must** have beneficial interest in the peanuts at the time of the request, and beneficial interest **must** be maintained through repayment for MAL's. CCC has determined that if a producer has control of the commodity, it is assumed that the producer has risk of loss of the commodity; therefore, the risk of loss component is removed when determining whether a producer has beneficial interest in the commodity. Beneficial interest consists of the producer maintaining control of the commodity and title to the commodity. If either of these conditions is **not** true, the producer does **not** have beneficial interest in the peanuts. There are **no** provisions for waiving beneficial interest for the 2012 and subsequent crop years.

Notes: For the 2012 crop year, FSA-1007 may be considered acceptable production evidence **only** if the producer has filed completed CCC-633 EZ, pages 1 and 2, and peanuts are immediately sold on delivery. The date peanuts are sold will be the date:

- printed in the "Date Delivered for Immediate Sale" field under FSA-1007, columns R, S, and T
- used when determining when beneficial interest is lost.

This date should **not** exceed 72 hours from "Date Inspected" field in FSA-1007, Section I.

8 Peanut MAL's and eLDP Provisions (Continued)

H Approved Contracts

Any contract that has been reviewed and approved by FSA for determining the loss of beneficial interest is **not** interchangeable or replaceable unless the contract is amended, revised, or canceled **before** the earlier of the date:

- peanuts are harvested
- beneficial interest is lost.

Any written and/or verbal agreement or revision to an approved contract, with or without the producer's awareness, may cause the producer to lose beneficial interest and could result in refund of unearned benefits to CCC.

I Loan Service Fee

The service fee for peanut loans shall be the smaller of the following:

- $\frac{1}{2}$ of 1 percent times the gross loan amount
- \$45 per loan plus \$3 for each receipt or bin more than 1.

J Eligible Farm Storage

Peanuts stored in approved farm-storage structures are eligible for farm-stored loans. Eligible farm-storage structures **must**:

- be located on or off of the farm, excluding public warehouses
- provide safe storage for the peanuts through the loan maturity date
- be measurable.

Peanuts can be stored in bags if all of the conditions provided in 8-LP, paragraph 522 are met for storing commodities in bags. Peanut wagons are considered eligible storage structures for farm-stored loans.

8 Peanut MAL's and eLDP Provisions (Continued)

K National Posted Price (NPP)

NPP for peanuts will:

- be announced each Tuesday at 3 p.m. e.t. for each of the 4 types of peanuts
- become effective on Wednesday at 12:01 a.m.

NPP rates are used to determine:

- alternative loan repayment rates for MAL's
- eLDP's.

Producers will repay outstanding peanut MAL's at a rate that is the lesser of the principal plus interest or NPP. When NPP for peanuts is less than the national loan rate for the applicable type, producers can request eLDP instead of MAL.

The rates can be obtained at http://www.fsa.usda.gov/Internet/FSA_File/peanut.xls.

L Peanut EWR's

PSD has been authorized to continue using EWR's for peanuts for the 2012 crop year. Beginning with the 2009 crop year, peanut EWR's were migrated to a web-based EWR system that is also used to handle rice EWR's. The web-based system will provide the functionalities needed to process EWR's for price support and can be accessed using eAuthentication ID and password.

Peanut EWR's will continue to be issued by warehouses through a single peanut EWR provider, EWR, Inc. (provider).

The provider will be responsible for maintaining a central filing system for all EWR's for peanuts. Following the guidelines issued by FSA, the provider will continue operating under an agreement with DACO.

8 Peanut MAL's and eLDP Provisions (Continued)

M Peanut Promotion and Research Fees

7 CFR Part 1405 provides CCC the authority to collect commodity assessments from the proceeds of MAL's when the proceeds from MAL's are disbursed.

Research and promotion fees are processed in Kansas City and disbursed to the applicable National or State Board, Commission, or Association monthly.

The following entities are the authorized commodity assessment deductions for the 2012 crop year.

Entity Name	Applicability	Rate
National Peanut Board	All farm-stored and warehouse-stored MAL's.	1 percent of total loan amount.
North Carolina Peanut Growers Association	All farm-stored and warehouse-stored MAL's for peanuts produced in North Carolina.	\$.15 per pound or \$3 per ton of loan quantity.
Oklahoma Peanut Commission	All farm-stored and warehouse-stored MAL's for peanuts produced in Oklahoma.	\$4 per ton of loan quantity.
South Carolina Peanut Board	All farm-stored and warehouse-stored MAL's for peanuts produced in South Carolina.	\$2 per ton of loan quantity.
Texas Peanut Producers Board	All farm-stored and warehouse-stored MAL's for peanuts produced in Texas.	\$2 per ton of loan quantity
Virginia Peanut Board	All farm-stored and warehouse-stored MAL's for peanuts produced in Virginia.	<ul style="list-style-type: none"> \$6 per ton of loan quantity for 2010 through 2012 crop years. \$3 per ton of loan quantity for 2013 and subsequent crop years.

The amount deducted will be printed on CCC-677's and CCC-678's as the following:

- marketing assessments, for the National Research and Promotion fee

Note: The 1 percent National assessment will be calculated using the reduced loan rate for all ACRE farms.

- assessments for all authorized State commodity assessment fees.

Note: The 2008 Act terminated the authority for CCC to collect any administrative fees with respect to administering commodity assessments.

8 Peanut MAL's and eLDP Provisions (Continued)

N DMA and CMA Peanut Research and Promotion Fee Collection

Peanut DMA's and CMA's shall be responsible for collecting the research and promotion fee and assessments from the producer and remitting that amount to the National Peanut Board and all approved applicable State entities. DMA and CMA Service County Offices **must** enter zero in the "Marketing Assessment" and "Assessment" fields.

O Determining MAL and eLDP Quantities

Eligible quantities for:

- MAL's on warehouse-stored segregation 1, 2, and 3 peanuts shall be the "Total Tons", that is the sum of "Net Tons" and "Net LSK Tons", from the warehouse receipt for peanuts
- eLDP's requested on all grades of peanuts:
 - a warehouse receipt for peanuts shall be the "Total Tons" that is the sum of "Net Tons" and "Net LSK Tons"
 - "net weight" will be provided on FSA-1007, Section II, item G.

Applicable eLDP rates for peanuts can be obtained at
http://www.fsa.usda.gov/Internet/FSA_File/peanut.xls.

Note: See Exhibit 2 for examples of determining eligible MAL and eLDP quantities.

9 Peanut Warehouse-Stored Loans

A Peanut Forfeitures

Peanut warehouse-stored loan forfeitures should be processed in APSS immediately. There is **no** waiting period after the loan maturity date.

B Reconcentrating Peanut Warehouse-Stored Loans

See 8-LP, Part 6, Section 3 for policy and procedures for reconcentrating peanut warehouse-stored loans.

10 FSA National Help Desk Technical Assistance

A Contact Information

Designated handler/sheller representatives may call the FSA National Help Desk at 816-926-1552 for technical support relating to PMP-DC and FSA-1007 transmissions.

B Hours of Operation

FSA National Help Desk calls:

- will be answered directly Monday through Friday from 8 a.m. to 5:30 p.m. c.t.
- received after work hours will be recorded by voicemail and returned the next workday morning.

Federal-State Inspection Service, AMS Contact Information

The following are Federal-State Inspection Service, AMS contact persons, addresses, and telephone numbers.

Southeast (Alabama, Florida, Georgia, and Mississippi)	
Federal Contacts	State Contacts
Mr. Gary Verheek Mr. Robert Bently Federal Program Managers USDA, AMS, FVP, Fresh Products Branch PO Box 3999 Haines City FL 33845-3999 Telephone: 863-421-0973 FAX: 863-421-6783	Mr. Jeff Jeffers Alabama Federal-State Inspection Service PO Box 1368 Dothan AL 36302 Telephone: 334-792-5185 FAX: 334-671-7984 Mr. Barry Gaffney Florida Federal-State Inspection Service PO Box 566 Graceville FL 32440 Telephone: 850-263-2355 FAX: 850-263-7382 Mr. Charles Beasley Florida Federal-State Inspection Service PO Box 1072 Winter Haven FL 33882-1072 Telephone: 863-291-5820 FAX: 863-291-5215 Mr. Phillip Sutton Georgia Federal-State Inspection Service PO Box 71767 Albany GA 31708-1767 Telephone: 229-432-7505 FAX: 229-438-8920 Mr. Kevin Riffin MDAC/Federal-State Inspection Service PO Box 1609 Jackson MS 39215-1609 Telephone: 601-359-1138 FAX: 601-359-1175

Federal-State Inspection Service, AMS Contact Information (Continued)

Virginia-Carolina (North Carolina, South Carolina, and Virginia)	
Federal Contacts	State Contacts
Mr. Alan Novakowski Mr. Gary Crane Federal Program Managers USDA, AMS, FVP, Fresh Products Branch 8610 Baltimore Washington Blvd. Suite 212 Jessup, MD 20794 Telephone: 301-317-5365 FAX: 301-317-5438	Mr. Ronnie Wynn NCDA Cooperative Grading Service PO Box 588 Williamston NC 27892 Telephone: 252-792-1672 FAX: 252-792-4784 Mr. Jack Dantzler SCDA, Inspection Service PO Box 13391 Columbia SC 29201 Telephone: 803-737-4588 FAX: 803-737-4667 Ms. Teresa Byrd VDACS, Peanut Marketing Program PO Box 1130 Suffolk VA 23434 Telephone: 757-925-2286 FAX: 757-925-2275

Southwest (Arkansas, New Mexico, Oklahoma, and Texas)	
Federal Contacts	State Contacts
Mr. Dave Markwardt Mr. Douglas Goodson Federal Program Managers USDA, AMS, FVP, Fresh Products Branch 1511 NE Parvin Rd Kansas City MO 64116 Telephone: 816-453-4926 FAX: 816-453-4914 Mr. John Lansdale Mr. Terry Walker Arkansas State Plant Board 285 Bradley 124 Hermitage, AR 71647 Telephone: 870-820-0290 FAX: 870-463-8719	Mr. Layne Marlow Texas Cooperative Inspection Program PO Box 368 Gorman TX 76454 Telephone: 254-734-3006 FAX: 254-734-3009 Mr. Stacy Gerk New Mexico Federal-State Inspection Service PO Box 483 Portales NM 88130 Telephone: 575-356-8393 FAX: 575-356-6464 Mr. Steve Mueller USDA, AMS FVP, FFB 218 SW First Street Anadarko OK 73005 Telephone: 405-247-2040 FAX: 405-247-2232

Example of Determining Eligible MAL and eLDP Quantities

Example 1: A warehouse receipt was used to determine the eligible loan quantity.

Producer A presents a warehouse receipt and makes a request for MAL on segregation 1, 2, or 3, Runner type peanuts. The warehouse receipt contains the following information.

- “Net Pounds” = 8,200
- “LSK Pounds” = 165

Eligible quantity:

- pounds: $8,200 + 165 = 8,365$
- tons: $8,200 \div 2,000 = 4.10$
- tons: $165 \div 2,000 = \frac{+.08}{4.18}$

Loan rate per ton of segregation 1, Runner peanuts:

\$354.52

Loan amount:

$\$354.52 \times 4.18 = \$1,481.89$

Loan rate per ton of segregations 2 and 3, Runner peanuts:

35 percent of \$354.52 = \$124.08 per ton

Loan amount:

$\$124.08 \times 4.18 = \518.65

Note: Premiums and discounts were **not** applied to the segregation 1 example.
Premiums and discounts are **not** applicable to segregations 2 and 3 peanuts.

Example of Determining Eligible MAL and eLDP Quantities (Continued)

Example 2: A warehouse receipt was used as production evidence to determine eligible eLDP quantity.

Producer B presents a warehouse receipt and makes a request for eLDP on segregation 1, 2, or 3, Virginia type peanuts. The warehouse receipt contains the following information.

- “Net Pounds” = 10,000
- “LSK Pounds” = 345

Eligible quantity:

- pounds: $10,000 + 345 = 10,345$
- tons: $10,000 \div 2,000 = 5.00$
- tons: $345 \div 2,000 = \frac{+.17}{5.17}$

Loan rate per ton of segregation 1, Virginia peanuts:

\$358.26

NPP for Virginia peanuts:

\$341.66

eLDP rate per ton of Virginia peanuts:

$\$358.26 - \$341.66 = \$16.60$ per ton

eLDP amount:

$\$16.60 \times 5.17 = \85.82

Example of Determining Eligible MAL and eLDP Quantities (Continued)

Example 3: FSA-1007 was used as production evidence to determine eligible eLDP quantity.

Producer C presents FSA-1007 and makes a request for eLDP on segregation 1, 2, or 3, Valencia type peanuts. FSA-1007 contains the following information.

- FSA-1007, Section II, item G = 6,000 pounds

Eligible quantity:

- pounds: 6,000
- tons: $6,000 \div 2,000 = 3$

Loan rate per ton of segregation 1, Valencia peanuts:

\$358.26

NPP for Valencia peanuts:

\$338.66

eLDP rate per ton of Valencia peanuts:

$\$358.26 - \$338.66 = \$19.60$ per ton

eLDP amount:

$\$19.60 \times 3 = \58.80