

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

Processing 2009 Crop Year (CY) Peanut MAL's and LDP's Using APSS County Release No. 671

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Food, Conservation, and Energy Act (2008 Act), authorizes peanut MAL's and LDP's from 2008 through 2012 crop years. Peanut MAL's and LDP's shall be administered using the general MAL and LDP regulations, policies, and procedures applicable to the commodities covered under the 2008 Act, and additional provisions specific only to peanut MAL's and LDP's.

County Release No. 671, mailed on July 13, 2009, included the following:

- 2009 CY loan rates, premiums, and discounts for each type of peanut
- 2009 CY rates of warehouse charges
- enhancements to APSS associated with the 2008 Act include but are not limited to the following:
 - enrollment in the ACRE Program
 - termination of payment limitation, permitted entity, actively engaged, cash rent tenant, and person rules for MAL's and LDP's.

B Purpose

This notice provides general instructions to State and County Offices for processing peanut MAL's and LDP's for the 2009 CY.

Disposal Date	Distribution
August 1, 2010	State Offices; State Offices relay to County Offices, Peanut CMA's, and DMA's

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2 General Peanut Loan and LDP Program Information

A References

County Offices shall refer to the following:

- 12-PS for general instructions about APSS
- 15-PS for general instructions about eLDP processing
- 8-LP for general policies and procedures about loans and LDP programs
- 1-CMA for CMA and DMA policies and procedures
- Notices LP-2114 and LP-2124 for additional policies and procedures for peanut loans and LDP's
- Notice CMA-122 for additional policies and procedures for peanut CMA's and DMA's
- applicable PL and FI notices and handbooks.

B Peanut Loan Rate for the 2009 CY

APSS will **automatically download** the 2009 loan rates and rate per percent of the total sound mature kernels (SMK) for peanuts for each peanut type during the software update process. The loan rates can be viewed by accessing the county-maintained tables and selecting the Commodity Loan Rate Table for peanuts.

See:

- Exhibit 1 for peanut loan rates for the 2009 CY
- Exhibit 2 for additional discounts for warehouse-stored Segregation (Seg.) 1 peanuts.

C ACRE Election

ACRE-enrolled farms will have 30 percent reduction in loan rates according to subparagraph 4 B. When requesting MAL or LDP, producers shall be responsible for informing the County Office whether the quantities included in the request are from ACRE-enrolled or non-ACRE-enrolled farms. County Offices shall verify the producer's ACRE-enrollment status before processing MAL's and LDP's in APSS.

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

Note: A forthcoming PS notice will provide instructions on handling eLDP requests.

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2 General Peanut Loan and LDP Program Information (Continued)

D AGI Provisions and Payment Limitations

Beginning with the 2009 CY, payment limitations provisions shall no longer apply to MAL's and LDP's. Accordingly, APSS has been enhanced to apply the 2008 Act AGI provisions when determining the amount of marketing loan gain (MLG) or the LDP disbursement.

APSS shall determine the amount of MLG or LDP associated with individuals or entities based on the 2008 Act AGI provisions.

MLG from commodity certificate repayment shall not be subject to the AGI provisions under the 2008 Act.

See 4-PL for additional information on AGI provisions.

E Other Eligibility Rules

The following provisions are **no** longer applicable to the 2009 and subsequent crop years:

- actively engaged
- cash rent tenant
- permitted entity
- person determination.

F Other Peanut Loan and LDP Features

The following program features are the same as the 2008 CY:

- assignments
- commodity certificate exchange
- commodity code and peanut type abbreviation
- handling of peanut assessments
- interest rate
- program codes for loans and LDP's
- service fees.

Note: Repayments of 2008-crop peanut loans shall continue to be subject to payment limitations.

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3 County-Maintained Table Files

A Updating the Peanut Offer Shipping Rate Table

Update the Peanut Offer Shipping Rate Table in APSS with 2009 CY rates for peanut warehouse charges for each storing warehouse according to the following.

Step	Action
1	On Price Support Main Menu PCA005, ENTER "9".
2	On Menu PAA010, ENTER "3".
3	On Menu PAA015, ENTER "1".
4	On Menu PAA020, ENTER "3".
5	On Menu PAA79000, ENTER "6".
6	<p>On the Peanut Offer Shipping Rate Table:</p> <ul style="list-style-type: none">• ENTER "U" to update the table• enter the warehouse code assigned to the warehouse• ENTER "7/01/09" as the "Effective Date"• ENTER "N" or "Y" to the question, "Is this a merged warehouse?"• enter or verify the State and county codes where the warehouse is located. <p>Note: If the message, "Warehouse is not in the Name and Address File. Please correct or press Enter", is displayed, PRESS "Enter" and Screen PAA79035 will be displayed. Enter the warehouse information in the Other Name and Address file according to 1-CM, paragraph 931.</p>
7	<p>On Screen PAA79035, enter the following warehouse rates:</p> <ul style="list-style-type: none">• storage = \$2.71 per ton/month• load-out = \$8.00 per ton. <p>Note: See Notice LP-2125 for CCC-approved warehouse rates for 2009 CY.</p> <p>Important: CCC will pay in-handling charges on warehouse-stored peanut MAL's at loan disbursement; however, these charges have to be repaid when the loan is redeemed.</p>

B Commodity Loan Rate Table

On Menu PAA020, ENTER "2" or "8" to verify that the loan rates were uploaded properly. See Notice LP-2118 for peanut loan rates for 2009 CY.

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4 General Peanut MAL Processing

A General MAL Information

Price Support Loan Making Menu PLA000 options remain unchanged. However, both farm-stored and warehouse-stored loanmaking options have been modified to include the ability to indicate whether the quantities offered as loan collateral for MAL's are from ACRE-enrolled farms or not according to subparagraph B.

B Handling of Loan Requests

Each loan request must be for the same:

- peanut type
- producer
- ACRE enrollment indicator.

Additionally, if the request is for warehouse-stored loan, it should have the same:

- warehouse code
- date documents received date
- State where peanuts were inspected.

C MAL ACRE Indicator

When requesting for MAL, producer must separate the quantities from farms enrolled in ACRE from those that came from non-ACRE-enrolled farms. The County Office shall be responsible for verifying the ACRE enrollment status of the farm indicated by the producer before processing the loan.

APSS has been enhanced to prompt the user to answer the question, "Is this quantity from a farm enrolled in ACRE (Y/N)?" The question shall be displayed on:

- Screen PLB10005 for a farm-stored loan
- Screen PLC10010 for a warehouse-stored loan.

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4 General Peanut MAL Processing (Continued)

C MAL ACRE Indicator (Continued)

County Office must ensure that the loan rate applied to the loan is reduced by 30 percent before completing the loan process. Process loan requests according to the following.

Note: See Exhibit 3 for examples.

IF the request is from...	AND it is a...	THEN...
an ACRE-enrolled farm	farm-stored loan	APSS shall calculate the loan rate based on the grade factors on the receipt and automatically reduce the loan rate by 30 percent.
	warehouse-stored loan	APSS shall calculate the loan rate based on the grade factors on the receipt and automatically reduce the loan rate by 30 percent.
a non-ACRE-enrolled farm	farm-stored or warehouse-stored loan	APSS shall calculate the loan rate in the normal manner.

5 Warehouse-Stored Loan Processing in APSS

A General Warehouse-Stored Loan Information

Peanut warehouse-stored loanmaking shall continue to be processed in the same manner as the previous crop year.

When using a peanut electronic warehouse receipt (EWR), the County Office shall continue to use option 9, "Warehouse Peanut Loans Using Preprocessed Data" when using EWR's to process MAL's in APSS. This is unchanged from the previous crop year. Instructions on EWR's will be provided in a forthcoming PS notice.

Note: Loans on ACRE-enrolled farms shall be handled according to subparagraph 4 B.

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5 Warehouse-Stored Loan Processing in APSS (Continued)

B Warehouse Information

For warehouses that are not in the “Other Name and Address” file, enter warehouse information according to 1-CM, paragraph 931. For peanut warehouses, enter the following:

- ID Number –tax ID number provided by the warehouse
- ID Type – “E”
- Facility Code – “12”
- Warehouse Code – warehouse code assigned to the warehouse
- License Code:
 - “F” for Federal warehouse license
 - “S” for State licensed warehouse
 - “U” for unlicensed warehouse
- Eligible for Designation – “Y”.

For a list of approved peanut warehouses, see

https://saltlake.sc.egov.usda.gov/approved_whses/peanuts/approved_peanut_whses.asp.

To receive payment of handling charges associated with warehouse-stored MAL, warehouses must have a completed form SF-1199A submitted to PSD. An updated form has to be re-submitted if there are changes in the warehouse’s banking information.

For SF-1199A, see **<http://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>**.

C Date Document Received and Inspection State

Screen PLC10005 will prompt the user to enter the following:

- “Date Documents Received” date
- “State of Inspection”.

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5 Warehouse-Stored Loan Processing in APSS (Continued)

C Date Document Received and Inspection State (Continued)

The “Date Documents Received” date shall be the actual date all required loan documents were received by the County Office. This shall be the later of the date:

- of loan request
- CCC becomes the holder of the receipt

Notes: County Offices shall download EWR’s as soon as requests for loans are received. If download does not occur on the day of loan request, make a note of the loan request date in the loan folder and use this date to compare with other documents when determining the “Date Documents Received” date.

- of other applicable documents, like lien waiver (excluding lien search).

Notes: The “Date Documents Received” date for the DMA-prepared MAL shall be the date of DMA loan disbursement. Service Centers shall process DMA loans using the same “Date Documents Received” date and “Disbursement Date” as the DMA-prepared loan.

The “State of Inspection” shall be the 2-digit State code where the peanuts were inspected. This shall be the same as the first 2 digits of the buying point number. If using EWR, the field will automatically be filled.

D Peanut Warehouse Receipt Validation

Screen PLC40000 shall have the information for each warehouse receipt. Enter the data manually if using paper receipt, or verify data displayed on the screen if using EWR.

Field	Description	Explanation
Warehouse Receipt Number	Warehouse receipt number associated with the receipt.	Entry required.
Date Receipt Issued (mmddy)	Date warehouse receipt was issued.	
Storage Date (mmddy)	Date the storage starts to accrue.	
Date Storage Paid Through Date (mmddy)	Date through which storage has been paid or provided for.	Entry optional. Accepts blank entry. Note: If blank entry, this field will default to the “Date Documents Received” date.
Net Tons	Net tons from warehouse receipt.	Tons of Kernels, including SMK’s and sound splits (SS), but excluding loose shelled kernels (LSK’s).

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5 Warehouse-Stored Loan Processing in APSS (Continued)

D Peanut Warehouse Receipt Validation (Continued)

Field	Description	Explanation
LSK Tons	LSK tons from warehouse receipt.	Tons of LSK, if applicable.
Total Tons	Total tons from warehouse receipt.	Equal to Net Tons plus LSK Tons.
Storage Charge Per Unit	CCC-approved storage rate per ton.	Entry optional.
Prepaid In Charges	Prepaid in charges shown on the warehouse receipt.	Note: Cannot be greater than the CCC approved rate.
Prepaid Out Charges	Prepaid out charges shown on the warehouse receipt.	

Note: The warehouse-stored peanut loan rate shall **not** be adjusted for the amount of unpaid storage through loan maturity.

E Calculating the Receipt Loan Amount

The manner of calculating the receipt loan amount for peanuts remains unchanged. APSS shall determine the receipt loan amount of:

- Seg. 1 peanuts in the same manner as the 2008 CY using the:
 - 2009 CY loan rates in Exhibit 1
 - premiums and discounts in Exhibits 1 and 2
- Seg. 2 and Seg. 3 peanuts in the same manner as the 2008 CY using the loan rate in Exhibit 1.

It is strongly recommended to screen print Screen PLC11000 and file the printout in the loan folder for future reference.

For loans on quantities from ACRE-enrolled farms, the “Receipt Loan Amount” displayed on Screen PLC11000, shall be based on the reduced loan rate. See Exhibit 3.

F Handling of Storage Charges

The 2008 Act requires CCC to pay handling, storage, and other associated costs when the peanuts are forfeited to CCC.

No deductions for unpaid storage shall be applied to peanut warehouse-stored MAL at loanmaking.

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5 Warehouse-Stored Loan Processing in APSS (Continued)

G Discounts on Quality Factors

Seg. 1 warehouse-stored peanuts shall have additional discounts based on the percent damage, foreign materials (FM), and SS, indicated on the warehouse receipt. The discount rates shown in Exhibit 2 are unchanged from the 2008 crop year.

Note: No additional discounts shall be applied to Seg. 2 and Seg. 3 peanuts.

H Determining Loan Quantity and Loan Amount

APSS shall determine the loan quantity (Total Tons) in the same manner as the 2008 crop year, which shall be the net tons (excluding LSK) plus LSK tons.

Note: The total loan amount shall be the sum of the receipt loan amounts for all receipts included in the loan.

I Determining the Amount of Handling Charges

APSS shall determine the amount of handling charges applicable to each load of peanuts offered as collateral for warehouse-stored MAL by multiplying the loan quantity times the CCC-approved rate of handling charges. See Notice LP-2125 for 2009 CY rates. The calculated amount shall be:

- printed on the Warehouse Receipt Summary for Peanuts Report, block 8
- displayed on Screens PLC12000 and PLC12005.

Note: The load-in payment associated with the loan shall be repaid according to subparagraph 7 G, when the quantity is redeemed.

J Warehouse Receipt Summary for Peanuts Report

The Warehouse Receipt Summary for Peanuts Report contains receipt data associated with each loan. Use the Warehouse Receipt Summary for Peanuts Report to verify the following:

- grade factors shown on the report match with the warehouse receipt information
- receipt loan amount and total loan amount are correct
- disbursement date in block 4 is correct
- warehouse code in block 5 is correct
- date document received in block 6 is correct
- load-in charges in block 8 are correct according to subparagraph I
- research and promotion fee is correct according to paragraph 5.

Note: The research and promotion fee refers to the assessment collected on behalf of the National Peanut Board, and should be the same as the "Marketing Assessment" amount printed on CCC-678.

File a copy of the report in the producer's loan folder for future reference.

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5 Warehouse-Stored Loan Processing in APSS (Continued)

K Disbursing MAL

APSS has been enhanced to conform to the NPS Centralization requirements. A forthcoming PS notice will provide additional instructions.

6 Commodity Assessments for Peanuts

A Handling Peanut Assessments

APSS shall automatically calculate and deduct the authorized amount of assessment from MAL's at disbursement and display these deductions on:

- Screens PLC12000 and PLC12005 when completing warehouse-stored loans
- Screens PLB13500 and PLB13505 when completing farm-stored loans.

Note: For farms enrolled in ACRE, the National Peanut Board research and promotion assessment shall be based on the dollar value of the loan using the loan rate reduced according to the ACRE provisions.

B Assessment Deductions

The amount of assessment deductions shall be printed on CCC-677 and CCC-678 as:

- "Assessments" for authorized State commodity assessment
- "Marketing Assessments" for the national research and promotion fee collected for the National Peanut Board.

Note: DMA and CMA Service Centers must ENTER "0" in the "Marketing Assessment Amount" field when completing CMA and DMA loans in APSS.

Peanut DMA's and CMA's shall be responsible for collecting and remitting **all** authorized commodity assessments including the national research and promotion fee to the applicable entity.

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7 Processing Peanut Loan Repayment in APSS

A General Information

Beginning with the 2009 CY, APSS shall:

- apply 2009 AGI provisions to peanut repayments

Note: APSS shall apply the AGI adjustments according to the AGI rules applicable to price support benefits. Peanut CMA's and DMA's shall be responsible for determining the AGI eligibility of producers requesting loans through the CMA or DMA.

- allow commodity certificate redemption, if applicable
- **not** apply payment limitations to MLG.

B Loan Repayment Options

Screen PPD00000 will display the available loan repayment options. These are the same as the previous CY's. Select the type of repayment to be processed according to the following.

Menu Option	Description
1	"Regular Repayment" calculates repayments at principal plus interest (P+I).
2	"Commodity Certificate Repayment" calculates certificate exchange at CCC-determined value based on the National Posted Price (NPP) (alternative repayment amount).
3	"Market Price Repayment" calculates repayments at the lower of: <ul style="list-style-type: none">• P+I• CCC-determined value based on NPP (alternative repayment amount).

C Regular Repayment

Use the regular repayment option for either of the following:

- to process **Seg. 2** and **Seg. 3** peanut repayments
- when specific instructions to use this option are issued.

See 12-PS, Part 7, for instruction on processing regular repayment. This is unchanged from the previous crop years.

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7 Processing Peanut Loan Repayment in APSS (Continued)

D Commodity Certificate Repayment

Select the commodity certificate repayment option for outstanding loan collateral eligible for commodity certificate exchange. See:

- 8-LP, Part 9, Section 8 for policies on commodity certificate exchanges
- 12-PS, Part 7, Section 3 for additional APSS instructions.

APSS shall allow commodity certificate redemption for all 2009-crop loans regardless of the date of redemption.

E Market Price Repayment

Important: The market price repayment software included in County Release No. 671 does **not** include the AGI provisions.

Use the market price repayment option to process **Seg. 1** peanut repayments and when the loan will not be redeemed using a commodity certificate.

APSS will calculate market price repayment at the lower of the calculated P+I or the CCC-determined value based on NPP (alternative repayment amount).

The following provides general information on market price repayment.

IF NPP is...	THEN...
equal to National loan rate (NLR)	<ul style="list-style-type: none"> • repay at the alternative repayment amount • interest is forgiven • market gain is not applicable.
less than NLR	<ul style="list-style-type: none"> • repayment is the alternative repayment amount • interest is forgiven • market gain is the difference between principal liquidated and alternative repayment amount.
greater than NLR	<ul style="list-style-type: none"> • repayment is P+I <p style="margin-left: 20px;">Note: Repayment shall not be greater than the alternative repayment amount.</p> <ul style="list-style-type: none"> • interest is partially forgiven, if P+I is greater than the alternative repayment amount • market gain is not applicable.

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7 Processing Peanut Loan Repayment in APSS (Continued)

E Market Price Repayment (Continued)

See:

- 8-LP, Part 9, Section 2 for policies on market loan repayments
- 12-PS, Part 7, Section 4 for additional instructions on processing market loan repayments.

Note: The 2008-crop redemptions shall continue to be subject to payment limitations.

F Handling of Interest

Interest rate shall be handled in the same manner as the previous crop year. See 8-LP, Part 9 for additional information.

On Screens PPD11200 or PPD61000, County Office shall enter “**Y**” to the question, “**Was this loan disbursed entirely by direct deposit (Y/N)?**” This indicator will allow APSS to give 2-days interest credit on the MAL being repaid.

A forthcoming PS notice will provide additional information.

G Repayment of Handling Charges

APSS shall determine the handling charges repayment amount associated with the receipt quantity being redeemed. The amount of handling charges due shall be calculated by multiplying the loan quantity being redeemed times the CCC-approved handling charges applicable to the loan.

The calculated amount shall be:

- displayed on Repayment Summary Screen PPD13800 or PPD64400
- printed on CCC-500, “Remarks” section
- added to the amount due at repayment.

H Repayment of Loan Disbursed Before ACRE Sign-up

If a producer received MAL and later enrolled in ACRE, the outstanding loan disbursed before ACRE sign-up must be repaid at P+I.

Correct the loan according to 12-PS, Part 11, and re-process the loan using the reduced loan rate (ACRE loan rate), if the loan is being:

- repaid using Commodity Certificate Repayment (option 2)
- repaid using Market Price Repayment (option 3)
- forfeited to CCC.

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8 Peanut Settlements/Forfeitures

A Peanut Settlements

APSS shall process peanut settlements using the applicable loan rates, and premiums and discounts in Exhibits 1 and 2.

B Peanut Forfeitures

APSS shall process peanut forfeitures in the same manner as the 2008 CY.

9 Peanut LDP's

A General Information

Important: The LDP software included in County Release No. 671 does **not** include the AGI provisions. **Do not** process any LDP in APSS until the updated software is installed. LDP requests can be processed using the eLDP software.

See 12-PS, Part 19 for general instructions for processing LDP in APSS. Beginning with 2009 CY, ensure that each LDP request is for the same:

- peanut type
- producer
- ACRE enrollment status.

LDP's will be calculated in the same manner as the previous CY. See http://www.fsa.usda.gov/Internet/FSA_File/peanut.xls for LDP rates for peanuts.

Note: When using a receipt as production evidence, use the "Total Tons" shown on the receipt when determining the quantity in the "Net Tons" field.

B AGI Provisions

The AGI provisions described in subparagraph 2 D are applicable to LDP's.

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9 Peanut LDP's (Continued)

C LDP ACRE Indicator

The LDP processing software has been enhanced to provide the user the ability to indicate whether the commodity is subject to ACRE provision or not by answering the question, "Is this quantity from a farm enrolled in ACRE (Y/N)?" This question shall be displayed on Screen **PGA10005**.

APSS shall calculate the loan rate based on the grade factors on the receipt and automatically reduce the loan rate by 30 percent. Refer to subparagraph 4 C for handling loan rate reduction.

Note: County Offices shall be responsible for verifying whether the farm is enrolled in ACRE.

See Exhibit 3 for example LDP calculations for farms enrolled in ACRE.

D Handling of LDP Issued Before ACRE Sign-up

LDP's issued before sign-up must be corrected according to 12-PS, Part 19, Section 4.5.

E LDP's for Green Peanuts and Peanuts for Hay

Green peanuts and peanuts for hay are eligible for certified LDP's **only**. On LDP Screen PGA10000:

- in the "Commodity" field, ENTER "PNUT"
- in the "Class/Variety" field, ENTER "GRN" for green peanuts or "HAY" for peanuts for hay
- in the "Crop Year" field, enter the last 2 digits of the applicable crop year
- the question, "Does this LDP have multiple producers", will be displayed, ENTER "Y" or "N"
- PRESS "Enter".

Note: An additional line, labeled "Class/Variety", will be displayed if other than grain. Enter the applicable peanut type according to the LDP application being processed.

LDP for green peanuts are subject to the ACRE provisions.

Peanut Rates and Premiums for 2009 CY

The following provides peanut rates and premiums for the 2009 CY.

Seg. 1 Peanuts		
Peanut Type	National Loan Rate Per Ton	Rate Per Percent Total Sound Mature Kernels (SMK)
Virginia	\$358.26	\$4.949
Runner	\$354.40	\$4.852
Spanish – SW	\$350.11	\$4.828
Spanish – SE	\$348.95	\$4.828
Valencia	\$358.26	\$5.205
ALL PEANUT TYPES		
Loose Shelled Kernels (LSK)	\$140	
Other Kernels (OK)		\$1.40
Extra Large Kernels (LSK) – Virginia only		\$.35
Seg. 2 and Seg. 3 Peanuts		
Virginia	\$125.39	No additional premiums and discounts.
Runner	\$124.04	
Spanish – SW	\$122.54	
Spanish – SE	\$122.54	
Valencia	\$125.39	

Peanut Discounts for 2009 CY

The following provides discounts for Seg. 1 peanuts.

Damage	
Percent	Deduction
1	
2	\$3.40
Foreign Material	
Percent	Deduction
1	
2	
3	
4	
5	\$1.00
6	\$2.00
7	\$3.00
8	\$4.00
9	\$5.00
10	\$6.00
11	\$7.00
12	\$8.50
13	\$10.00
14	\$11.50
15	\$13.00
Above 15 percent	\$13.00 + \$2.00 for each percent over 15 percent
Sound Splits	
Percent	Deduction
1	
2	
3	
4	
5	\$0.80
6	\$1.60
7	\$2.40
8	\$3.20
9	\$4.00
10	\$4.80
11	\$5.60
12	\$6.40
13	\$7.20
14	\$8.00
15	\$8.80
Above 15 percent	\$8.80 + \$0.80 for each percent over 15 percent

Examples of ACRE and Non ACRE Warehouse-Stored Peanut MAL and LDP

A NPP Is Greater Than the ACRE Loan Rate

WAREHOUSE-STORED MARKET GAIN AND LDP: Peanuts – Seg. 1 NPP > ACRE Loan Rate (Dollars Per Ton)			
		ACRE	Non-ACRE
1	Loan Rate	\$355.75	\$355.75
2	Quality Adjustment (Premiums/Discounts)	- \$21.06	- \$21.06
3	Rate Adjusted for Quality	\$334.69	\$334.69
4	ACRE:30% of Rate Adjusted for Quality (.30 x line 3)	\$100.41	\$0.00
5	Effective Loan Rate (line 3 - line 4) Note: see subparagraph 5 E.	\$234.28	\$334.69
6	Assumed NPP Rate	\$300.00	\$300.00
7	Repayment Rate Quality Adjustment (line 2 -/+ line 7a)	- \$14.74	- \$21.06
7a	- ACRE: 30% Rate Adjustment (.3 x line 2)	- \$6.32	
8	Adjusted for Repayment Rate (line 6 - line 7b)	\$285.26	\$278.94
MARKET LOAN GAIN CALCULATIONS			
9	Effective Loan Rate (line 5)	\$234.28	\$334.69
10	Adjusted Repayment Rate (line 8)	\$285.26	\$278.94
11	Market Gain (line 9 - line 10)	\$0.00	\$55.75
		Note: Repayment shall be at P+I.	
LDP CALCULATIONS: Peanuts			
12	Loan Rate (line 1)	\$355.75	\$355.75
13	ACRE: 30% Loan Rate Adjustment (.30 x line 12)	\$106.73	\$0.00
14	ACRE: Adjusted Loan Rate (line 12 - line 13)	\$249.02	\$355.75
15	Assumed NPP Rate (line 6)	\$300.00	\$300.00
16	LDP ACRE: Adjusted LDP (line 14 - line 15)	\$0.00	\$55.75

Examples of ACRE and Non ACRE Warehouse-Stored Peanut MAL and LDP (Continued)

B NPP Is Less Than the ACRE Loan Rate

WAREHOUSE-STORED MARKET GAIN AND LDP: Peanuts – Seg. 1 NPP < ACRE Loan Rate (Dollars Per Ton)			
		ACRE	Non-ACRE
1	Loan Rate	\$355.75	\$355.75
2	Quality Adjustment (Premiums/Discounts)	- \$21.06	- \$21.06
3	Rate Adjusted for Quality	\$334.69	\$334.69
4	ACRE:30% of Rate Adjusted for Quality (.30 x line 3)	\$100.41	\$0.00
5	Effective Loan Rate (line 3 - line 4)	\$234.28	\$334.69
6	Assumed NPP Rate	\$200.00	\$200.00
7	Repayment Rate Quality Adjustment (line 2 -/+ line 7a)	- \$14.74	- \$21.06
7a	- ACRE: 30% Rate Adjustment (.3 x line 2)	(\$6.32)	
8	Adjusted for Repayment Rate (line 6 - line 7b)	\$185.26	\$178.94
MARKET LOAN GAIN CALCULATIONS			
9	Effective Loan Rate (line 5)	\$234.28	\$334.69
10	Adjusted Repayment Rate (line 8)	\$185.26	\$178.94
11	Market Gain (line 9 - line 10)	\$49.02	\$155.75
LDP CALCULATIONS: Peanuts			
12	Loan Rate (line 1)	\$355.75	\$355.75
13	ACRE: 30% Loan Rate Adjustment (.30 x line 12)	\$106.73	\$0.00
14	ACRE: Adjusted Loan Rate (line 12 - line 13)	\$249.02	\$355.75
15	Assumed NPP Rate (line 6)	\$200.00	\$200.00
16	LDP (line 14 - line 15)	\$49.02	\$155.75