



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN NO. 1149 (1962)

February 25, 1985

SUBJECT: Amendment to Memorandum of Understanding Between Commodity Credit Corporation and Farmers Home Administration regarding cash dividends paid to producers from peanut marketing pools

TO: All State Directors, Farmer Program Chiefs, District Directors and County Supervisors, FmHA

This AN is to make all field personnel who make and service farmer program loans involving peanut production and marketing aware of an amendment to the Memorandum of Understanding (MOU) between Commodity Credit Corporation (CCC) and Farmers Home Administration (FmHA). The amendment modifies the MOU dated the 29th day of May 1973 and published as Exhibit A of FmHA Instruction 1962-A. It was effective January 17, 1985. The purpose of the amendment is to set procedures for paying FmHA liens from dividends due peanut producers from marketing pools administered by the peanut cooperative association on collateral pledged to CCC for price-support loan(s).

The amendment is as follows:

FmHA agrees to:

- A. Relinquish all rights of physical possession of peanuts pledged to CCC as collateral for warehouse-stored price support loan and to limit any rights to repayment of the dollar amount of its lien to the sums of the price support advance and any subsequent marketing pool dividends.
- B. Allow CCC to recover its marketing pool costs or other costs incurred in the process of making available price support loans on the peanut collateral involved in any FmHA lien prior to paying liens from pool dividends.
- C. Implement this Memorandum of Understanding through its State and County Offices or through its Washington, D.C. office.

CCC agrees to:

- A. Implement this Memorandum of Understanding through the peanut Marketing Cooperative Associations referenced in Appendix 1 of the Memorandum of Understanding dated May 29, 1973.
- B. Instruct the peanut associations to make loan dividend pool proceeds jointly payable to producer members and FmHA when applicable.

EXPIRATION DATE: September 30, 1985

FILING INSTRUCTIONS: File Preceding FmHA Instruction 1962-A



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

1149(1962)

Peanut associations will now make payments from marketing pool dividends jointly payable to the producer members and FmHA when applicable. Restrictive endorsements will not be placed on a CCC loan draft for warehouse-stored price support loan on peanuts.

Issuance of the amendment to Exhibit A of FmHA Instruction 1962-A will be made as soon as possible. All offices are to abide by this AN during the interim period.

Dwight O. Calhoun

DWIGHT O. CALHOUN
Acting Associate Administrator