

# FSA HANDBOOK

## CMA, DMA, and LSA Common Loan and LDP Procedures

For CMA's, DMA's, LSA's, and  
State and County Offices

SHORT REFERENCE

1-CMA  
(Rev. 3)

UNITED STATES DEPARTMENT OF AGRICULTURE  
Farm Service Agency  
Washington, DC 20250



**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency

Washington, DC 20250

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| <b>CMA, DMA, and LSA<br/>Common Loan and LDP Procedures<br/>1-CMA (Revision 3)</b> | <b>Amendment 1</b> |
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**Approved by:** Acting Deputy Administrator, Farm Programs



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**Amendment Transmittal**

**A Reason for Revision**

This handbook has been revised to update CMA, DMA, and LSA operating policy according to the Agriculture Improvement Act of 2018.

**B Obsolete Material**

1-CMA (Rev. 2) is obsolete.



## Table of Contents

|                  |   | Page No. |
|------------------|---|----------|
| <b>Part 1</b>    | <b>Basic Provisions</b>                                       |          |
| 1                | Overview.....   | 1-1      |
| 2                | Authority and Related References .....                        | 1-3      |
| 3                | National Office Responsibilities .....                        | 1-6      |
| 4                | State Office, County Office, and ADP Responsibilities .....   | 1-8      |
| 5                | CMA, DMA, and LSA Contact.....                                | 1-13     |
| 6-15             | (Reserved)  |          |
| <b>Part 2</b>    | <b>CMA Approval</b>   |          |
| <b>Section 1</b> | <b>General CMA Program Information</b>                        |          |
| 16               | CMA Program Overview .....                                    | 2-1      |
| 17               | Confidentiality of Information.....                           | 2-2      |
| 18               | Types and Length of CMA Approvals.....                        | 2-2      |
| 19               | Types of Loans Available to CMA's .....                       | 2-3      |
| 20               | Member Cooperative Volume.....                                | 2-3      |
| 21               | CMA's Responsibility to CCC for Losses.....                   | 2-4      |
| 22               | CMA's Responsibility to Update CCC.....                       | 2-4      |
| 23               | CMA Records Requirements and CCC's Investigation Rights ..... | 2-5      |
| 24               | Required CMA Reports .....                                    | 2-6      |
| 25               | CMA Appeal Rights .....                                       | 2-6      |
| 26-36            | (Reserved)  |          |
| <b>Section 2</b> | <b>CMA Program Requirements</b>                               |          |
| 37               | Ownership and Control .....                                   | 2-37     |
| 38               | Nondiscrimination.....  | 2-37     |
| 39               | Balance Sheet.....  | 2-38     |
| 40               | Financial Ratio .....   | 2-38     |
| 41               | Uniform Marketing Agreement .....                             | 2-39     |
| 42               | Member Business Percentage .....                              | 2-39     |
| 43-52            | (Reserved)  |          |

## Table of Contents (Continued)

|                  |  | Page No. |
|------------------|--|----------|
| <b>Part 2</b>    | <b>CMA Status Approval Information (Continued)</b>                       |          |
| <b>Section 3</b> | <b>CMA Applications, Recertifications, Suspensions, and Terminations</b> |          |
| 53               | CMA Requirements .....   | 2-71     |
| 54               | CMA Applications .....   | 2-72     |
| 55               | Completing CCC-846 .....   | 2-74     |
| 56               | CMA Recertifications .....   | 2-79     |
| 57               | Completing CCC-846-1 .....   | 2-80     |
| 58               | Submitting CCC-846 and Other Required Documents .....                    | 2-85     |
| 59               | Suspensions .....  | 2-86     |
| 60               | Terminations .....   | 2-86     |
| 61               | Calling CMA Loans .....  | 2-87     |
| 62-71            | (Reserved)   |          |
| <b>Part 3</b>    | <b>DMA Approval</b>  |          |
| 72               | General Provisions .....   | 3-1      |
| 73               | Applications for DMA Status .....  | 3-5      |
| 74               | Financial Security Requirements .....                                    | 3-15     |
| 75               | Terminating or Suspending the DMA Agreement .....                        | 3-17     |
| 76               | Annual Recertification for DMA Status .....                              | 3-18     |
| 77-84            | (Reserved)   |          |
| <b>Part 4</b>    | <b>LSA Approval</b>  |          |
| 85               | Overview .....   | 4-1      |
| 86               | General Provisions .....   | 4-1      |
| 87               | Applications for LSA Status .....  | 4-5      |
| 88               | Annual Recertifications .....  | 4-12     |
| 89               | Suspensions and Terminations .....                                       | 4-18     |
| 90               | Prohibited LSA Activities .....  | 4-20     |
| 91-100           | (Reserved)   |          |

## Table of Contents (Continued)

|  | Page No. |
|--|----------|
| <b>Part 5        Servicing County</b>  |          |
| 101    Overview.....   | 5-1      |
| <b>Section 1      CMA Service County Office and Related State Office Actions</b> |          |
| 102    Establishing a CMA Service County Office.....                             | 5-1      |
| 103    Servicing CMA Loans and LDP's .....                                       | 5-3      |
| 104    Loan and LDP Actions for Suspended CMA's.....                             | 5-4      |
| 105    Loan and LDP Actions for Terminated CMA's .....                           | 5-5      |
| 106    CMA Service County Office Contacts with Other County Offices.....         | 5-6      |
| <b>Section 2      DMA Servicing County Actions</b>                               |          |
| 107    DMA Servicing.....  | 5-8      |
| 108-118    (Reserved)  |          |
| <b>Part 6        Operating and Loan Servicing Policies</b>                       |          |
| <b>Section 1      General Program Information</b>                                |          |
| 119    Signatures and Authorizations Required .....                              | 6-1      |
| 120    Using FSA-211 and FSA-211A .....  | 6-3      |
| 121    FAXed Signatures.....   | 6-12     |
| 122    Completing CCC-10 .....   | 6-13     |
| 123    Liens and Encumbrances .....  | 6-18     |
| 124    CCC-736 (Addendum).....   | 6-24     |
| 125    Documenting Manual Eligibility Determinations.....                        | 6-26     |
| 126    General Producer Eligibility Requirements.....                            | 6-30     |
| 127    DCIA Policy.....  | 6-32     |
| 128    Payment Limitation Policies Applicable to CMA's, DMA's, and LSA's .....   | 6-34     |
| 129    Lobbying Disclosure Requirements, Compliance, and Reporting.....          | 6-35     |
| 130    Heirs of a Deceased Producer.....   | 6-41     |
| 131    Using CCC-686-A .....   | 6-42     |
| 132-140    (Reserved)  |          |
| <b>Section 2      CMA Loan Servicing Policies</b>                                |          |
| 141    General Commodity and Pool Requirements for CMA's.....                    | 6-73     |
| 142    CMA Pool Allocations and Distribution Policies.....                       | 6-76     |
| 143    Ineligible CMA Commodities.....   | 6-78     |
| 144-154    (Reserved)  |          |

## Table of Contents (Continued)

Page No.

### Part 6      Operating and Loan Servicing Policies (Continued)

#### Section 3      DMA Loan Servicing Policies

|         |  |       |
|---------|--|-------|
| 155     | DMA MAL and LDP Processing.....                                  | 6-113 |
| 156     | CCC-770 DMA.....   | 6-116 |
| 157     | Fees Charged to Producers by DMA .....                           | 6-121 |
| 158     | CCC Forms .....  | 6-121 |
| 159     | MAL Repayment Processing .....                                   | 6-122 |
| 160     | DMA Collection of Charges Due on Forfeited Loans .....           | 6-124 |
| 161     | DMA Collection of Amounts Due from Loan and LDP Violations ..... | 6-125 |
| 162-172 | (Reserved)   |       |

#### Section 4      LSA Loan Servicing Policies

|         |   |       |
|---------|---|-------|
| 173     | LSA Loan and LDP Process .....                                | 6-161 |
| 174     | Forms Information .....                                       | 6-163 |
| 175     | Filing and Distribution Instructions .....                    | 6-164 |
| 176     | Using CCC-605.....  | 6-166 |
| 177     | Required Signatures and Documents for Agent Designations..... | 6-168 |
| 178     | Using CCC-605-2 .....   | 6-171 |
| 179     | Completing Designation of Agent Forms .....                   | 6-172 |
| 180     | Using CCC-686-A .....   | 6-184 |
| 181     | AWP and CCA Announcement Times .....                          | 6-185 |
| 182     | Cotton Board Activities .....                                 | 6-188 |
| 183     | Beneficial Interest Requirements.....                         | 6-189 |
| 184     | Loan Disbursement Overview .....                              | 6-192 |
| 185     | Before Processing the Loan .....                              | 6-194 |
| 186     | Using CCC-Cotton A.....                                       | 6-197 |
| 187     | Using CCC-Cotton A Continuation.....                          | 6-201 |
| 188     | CCC-601 .....   | 6-204 |
| 189     | Using CCC-Cotton A-1 .....                                    | 6-211 |
| 190     | Seed Cotton Loans .....                                       | 6-216 |
| 191     | Repayment and Forfeiture Overview.....                        | 6-216 |
| 192     | Loan Repayments Using Cash.....                               | 6-217 |
| 193     | Maturity Date Notification Letter and Forfeiture Policy ..... | 6-218 |
| 194     | Collecting Charges Due on Forfeited Loans.....                | 6-221 |
| 195     | Loan Reconcentration .....                                    | 6-225 |
| 196-210 | (Reserved)  |       |

## Table of Contents (Continued)

|   | Page No. |
|---|----------|
| <b>Part 6                   Operating and Loan Servicing Policies (Continued)</b> |          |
| <b>Section 5            LSA LDP Servicing Policy</b>                              |          |
| 211    Before Processing LDP .....  | 6-271    |
| 212    LDP Overview .....   | 6-272    |
| 213    Establishing LDP Eligibility Before BI Is Lost .....                       | 6-273    |
| 214    Electronic Applications Not Received.....                                  | 6-280    |
| 215    LDP Options Relative to Harvest and Ginning.....                           | 6-281    |
| 216    Gin-Direct LDP's.....  | 6-282    |
| 217    Module Lock-In and Post-Ginning LDP's.....                                 | 6-289    |
| 218    Lost BI LDP's .....  | 6-296    |
| 219    Fees and Calculations .....  | 6-298    |
| 220-230   (Reserved)  |          |
| <b>Section 6            Market Gain Allocations</b>                               |          |
| 231    Overview.....  | 6-333    |
| 232    CMA and DMA Allocation of Market Gains to Members .....                    | 6-333    |
| 233    Denied or Reduced Benefit Policies .....                                   | 6-334    |
| 234    Ineligible Benefit, Excess Benefit, and Duplicate Benefit Refunds .....    | 6-335    |
| 235    Service County Office Refunds .....  | 6-338    |
| 236-246   (Reserved)  |          |
| <b>Section 7            Offsets and Assignments</b>                               |          |
| 247    General Policies for CMA Offsets and Assignments .....                     | 6-375    |
| 248    Offset Actions for CMA's .....   | 6-376    |
| 249    CMA Offset Actions for State and County Offices .....                      | 6-379    |
| 250    DMA Offsets, Assignments, and Deductions .....                             | 6-381    |
| 251    General Policies for LSA Offsets and Assignments .....                     | 6-382    |
| 252    Offset Actions for LSA's .....   | 6-383    |
| 253    LSA Offset Actions for State and County Offices.....                       | 6-386    |
| 254    LSA Assignments .....  | 6-388    |
| 255    CMA, DMA, or LSA Producer Bankruptcies.....                                | 6-389    |
| 256-265   (Reserved)  |          |
| <b>Part 7                   CMA, DMA, or LSA Administrative Reviews</b>           |          |
| 266    Overview.....  | 7-1      |
| 267    CMA, DMA, or LSA Administrative Review Plans .....                         | 7-2      |
| 268    Corrective Action Phase .....  | 7-2      |
| 269    Seed Cotton Spot Checks.....   | 7-3      |
| 270-279   (Reserved)  |          |

## Table of Contents (Continued)

|   | Page No. |
|---|----------|
| <b>Part 8      Reports From CMA's, DMA's, and LSA's</b>               |          |
| 280      General Information.....                                     | 8-1      |
| 281      Resolving Problems .....                                     | 8-1      |
| 282      Resolving Problems Arising From COC-Established Yields ..... | 8-3      |

## Exhibits

|   |  |
|---|--|
| 1      Reports, Forms, Abbreviations, and Redesignations of Authority |  |
| 2      Definitions of Terms Used in This Handbook                     |  |
| 3      (Reserved)   |  |
| 4      Approved CMA's, DMA's, and LSA's                               |  |
| 5-34      (Reserved)  |  |
| 35      Valid ID and Entity Type Combinations                         |  |
| 36      FSA Crop Codes, Unit of Measure, and Contract Type            |  |
| 37-49      (Reserved)   |  |
| 50      Example of CCC-770 LSA  |  |

**Part 1 Basic Provisions****1 Overview****A Introduction**

This handbook provides procedures and requirements for:

- ADP eligibility
- cooperatives to obtain and maintain CMA status
- loan servicing agents to obtain and maintain LSA status
- designated marketing agents to obtain and maintain DMA status
- State and County Offices concerning CMA's and DMA's
- CMA's, DMA's, LSA's, State and County Offices, and ISD to follow when communicating loan and LDP data
- CMA and DMA service County Offices and their State Offices concerning servicing CMA or DMA loans and LDP's

**1      Overview****B    Handbook Purpose**

These procedures and requirements apply to:

- CMA's according to Part 2, participating in the loan and LDP program for their members
- DMA's according to Part 3, participating in the loan and LDP program for their members
- LSA's according to Part 4, providing cotton loan and LDP services to producers.

**Note:** See Exhibit 4 for a list of CMA's, DMA's, LSA's and authorized commodities by ADP.

## 2 Authority and Related References

### A Sources of Authority

Authority for the requirements in this handbook is in:

- 7 CFR Parts 1421, 1425, and 1427
- Federal Agriculture Improvement and Reform Act of 1996, Pub. L. 104-127
- Agricultural Act of 1949, Pub. L. 81-439
- CCC Charter Act, Pub. L. 80-806
- Farm Security and Rural Investment Act of 2002, Pub. L. 107-171
- Food, Conservation, and Energy Act of 2008
- American Taxpayer Relief Act of 2012
- Agricultural Act of 2014
- Consolidated Appropriations Act, 2016
- Consolidated Appropriations Act, 2017
- Agriculture Improvement Act, 2018.

### B Related Handbooks for CMA's, DMA's, and LSA's

CMA's, DMA's, and LSA's should have the following handbooks related to CMA, DMA, and LSA programs:

- 7-CN for basic cotton loan and LDP program requirements
- 21-CN for cotton CMA and LSA ACRS requirement
- 2-LP Peanuts for MAL and LDP program requirements.

**2 Authority and Related References (Continued)****C Related Handbooks for County Offices**

The following handbooks are related to CMA and LSA programs for County Offices:

- 1-CM for signature and authorization requirements
- 10-CM for common farm and program provisions
- 7-CN for basic cotton loan and LDP program policy and procedure
- 50-FI for CCC interest rates
- 58-FI for payment priority procedures when offsets are applicable
- 61-FI Prompt Payment and Interest Penalties
- 64 FI for establishing and reporting receipts and receivables in NRRS
- 2-LP Grains and Oilseeds for basic grain and oilseed program policy and procedure
- 2-LP Peanuts for peanut program policy and procedure
- 2-LP Rice for basic rice program policy and procedure
- 8-LP for loan and LDP servicing procedures
- 6-PL for payment eligibility, payment limitation, and AGI
- 16-PS for Price Support commodity loan processing system automation
- 17-PS for Price Support loan and LDP administrative systems
- 19-PS for Price Support LDP's automation.

**Note:** The following provides an online link to FSA handbooks: [FSA Handbooks \(usda.gov\)](http://fsa手冊.usda.gov).

## 2 Authority and Related References (Continued)

**D Contact Information**

The following table provides contact information.

| Area of Interest   | Contact Information  |
|--|--|
| <b>Program Policy</b><br>CMA, DMA, LSA<br>Program Manager<br>PSD               | Dana Wood by either of the following:<br><ul style="list-style-type: none"> <li>• e-mail to <a href="mailto:dana.wood@usda.gov">dana.wood@usda.gov</a></li> <li>• telephone at 202-692-5288.</li> </ul>  |
| <b>Recertifications and Field Reviews</b><br>Program Specialist<br>PSD         | George Pryor by either of the following:<br><ul style="list-style-type: none"> <li>• e-mail to <a href="mailto:george.pryor@usda.gov">george.pryor@usda.gov</a></li> <li>• telephone at 202-690-4799.</li> </ul>   |
| <b>Commodity Policy and Field Reviews</b><br>Program Specialist<br>PSD         | Jeanette Matetzschk by either of the following:<br><ul style="list-style-type: none"> <li>• email to <a href="mailto:jeanette.matetzschk@usda.gov">jeanette.matetzschk@usda.gov</a></li> <li>• telephone at 202-692-5301.</li> </ul>   |
| <b>Banking and Financial Concerns</b><br>Financial Specialist<br>FMD           | Nanteza Shakes by e-mail to <a href="mailto:nanteza.shakes@usda.gov">nanteza.shakes@usda.gov</a> .   |
| <b>Automation &amp; Repayments</b><br>Program Specialist<br>PDD                | Paige Valdivia by either of the following:<br><ul style="list-style-type: none"> <li>• e-mail to <a href="mailto:paige.valdivia@usda.gov">paige.valdivia@usda.gov</a></li> <li>• telephone at 202-619-8565</li> </ul><br>Danielle Roder by either of the following:<br><ul style="list-style-type: none"> <li>• email to <a href="mailto:danielle.roder@usda.gov">danielle.roder@usda.gov</a></li> <li>• telephone at 202-720-4082.</li> </ul> |
| <b>Shannon Fulghem</b><br>Farm Production and Conservation Business Center ISD | For a manual authorization code:<br><ul style="list-style-type: none"> <li>• e-mail to <a href="mailto:cops.support@usda.gov">cops.support@usda.gov</a></li> <li>• telephone at 816-926-1533.</li> </ul>   |

**3 National Office Responsibilities****A Introduction**

This paragraph contains responsibilities in administering CCC loan and LDP activities.

**B Executive Vice President, CCC Responsibilities**

Executive Vice President, CCC or designee must:

- determine policy and program provisions
- make determinations on program questions
- revise or rescind incorrect determinations made by designees.

**C DAFP Responsibilities**

DAFP must provide general direction and supervision of the requirements in this handbook.

**D PSD Responsibilities**

PSD must:

- notify State Offices of new CMA's, DMA's, and LSA's
- notify State Offices and service County Offices of changes or restrictions to CMA's, DMA's, and LSA's approval status
- administer the requirements in this handbook
- provide program policy and procedures to CMA's, DMA's, LSA's, ISD, and State and County Offices
- perform administrative reviews of CMA, DMA, and LSA operations
- approve, in a timely manner, ISD's release of data, files, and reports covered by this handbook to applicable CMA's, DMA's, LSA's, and State and County Offices.

**3 National Office Responsibilities (Continued)****E PDD Responsibilities**

PDD automation must:

- develop and maintain all automation procedures for CMA's, DMA's, and LSA's
- provide and maintain operational instructions for the automation procedures as they relate to the CMA's, DMA's, and LSA's.

**F FMD Responsibilities**

FMD must:

- ensure that loan and LDP procedures support CCC accounting practices and controls
- provide CCC's loan interest rate
- provide accounting instructions for recording and reporting loan and LDP activity reported by CMA's, DMA's, and LSA's
- administer and oversee CCB operations
- approve CCB's and designate which Federal Reserve Bank CCB must use.

**G WCMD Responsibilities**

WCMD must provide CMA's, DMA's, and LSA's with:

- lists of approved warehouses and applicable storage rates
- reconcentration instructions.

**H ISD Responsibilities**

ISD must issue reports to PSD, CMA's, DMA's, LSA's, and State and County Offices.

**I CCB's Responsibilities**

CCB's must:

- examine and authenticate ADP documents
- verify that cash transfers agree with related documents
- process requests for fund transfers to or from CCC.

**4 State Office, County Office, and ADP Responsibilities****A CMA, DMA, and LSA Responsibilities**

CMA's, DMA's, and LSA's must:

- obtain loans and LDP's **only** for eligible producers on eligible farms
- monitor and act on changes in data sent to them by ISD or County Offices
- notify PSD's CMA Program Manager, according to subparagraph 2 D, immediately of changes to the data that appears in Exhibit 4
- must obtain and maintain ADP status according to:
  - CMA's in Part 2
  - DMA's in Part 3
  - LSA's in Part 4
- ADP's handling commodities other than cotton must process loan and LDP activity **only** through designated service County Offices
- DMA's handling peanuts must process loan and LDP activity **only** through designated service County Offices and CLPS according to 16-PS
- Cotton CMA's and LSA's must process loan and LDP activity **only** through ACRS according to 21 CN.

**4 State Office, County Office, and ADP Responsibilities (Continued)****A CMA, DMA, and LSA Responsibilities (Continued)**

After other program requirements are met, ADP's must:

- prepare and execute commodity loan and LDP documents, and perform the following related acts:
  - loan disbursement
  - loan repayment, either with cash or commodity certificates
  - LDP
  - reconcentration, when directed by WCMD
  - loan forfeiture
- ensure that commodity to be pledged to CCC as security for a loan is:
  - eligible for loan benefits according to applicable commodity handbook
  - free and clear of all liens according to 8-LP
- ensure that commodity for which LDP is requested is eligible for LDP benefits according to applicable commodity handbook
- instruct producer or producer's agent who is the current holder, to notify any EWR provider to amend EWR to show:
  - CCC as holder on EWR's used to pledge commodity as collateral for loan
  - commodity used to obtain LDP's reflect this action
- disburse loans and LDP's
- provide CCC-719 and supporting documents to CCB according to 21-CN
- collect loan proceeds related to loans originating with ADP
- transfer funds to and from CCC through CCB
- collect loan data for reporting to CCC
- report activity to CCC according to 21-CN.

**4 State Office, County Office, and ADP Responsibilities (Continued)****B Service County Office Responsibilities**

Service County Offices must provide loan and LDP services to their applicable CMA and DMA's according to this handbook along with other handbooks about loan or LDP processing for the applicable commodity. This includes the following:

- disbursing loans and LDP's
- maintaining loan participation records
- receiving loan repayments and handling forfeitures
- ascertaining beneficial interest determinations
- following procedures in 8-LP for approving and servicing CMA and DMA loans and LDP's
- uploading automated loan and LDP files on a regular schedule.

4 **State Office, County Office, and ADP Responsibilities (Continued)****C State Office Responsibilities**

State Offices must:

- concur with designation of the CMA or DMA service County Office that will provide loan and LDP services for all commodities, except cotton, to CMA's and DMA's
- ensure that each service County Office completes actions related to ADP's in a timely manner
- increase understanding of CMA, DMA, and LSA operations, invite CMA's, DMA's, and LSA's that are headquartered in their State to either of the following:
  - 1 State level joint meeting each crop year, if applicable
  - loan and LDP training meetings for County Offices each crop year
- train all County Offices, as the State Office deems appropriate, on responsibilities and activities about CMA, DMA, and LSA activities
- notify CMA's, DMA's, and LSA's of any STC changes to county crop reporting dates for the crops for which the applicable ADP is approved.

**Note:** See Exhibit 4 for approved commodities by CMA, DMA, or LSA.

**D Administrative County Office Responsibilities**

Administrative County Offices must, in a timely and accurate manner:

- update files with information available on producers and farms in their county
- review, correct, and return information submitted by other administrative and control County Offices
- refer outstanding issues to the State Office
- review CMA volume reports as instructed in this handbook
- provide loan and LDP servicing required in 8-LP for ADP loans and LDP's as required
- upload automated files on a regular subsidiary file process schedule.

Transfer out is the action taken by an administrative County Office, at the producers' request, to transfer farm records to another County Office for administration. After the "transfer out" is completed, ADP Process input file records must reflect the new administrative County Office.

**4 State Office, County Office, and ADP Responsibilities (Continued)****E Recording County Office Responsibilities**

Recording County Offices must:

- verify ID and entity type discrepancies between County Offices
- update automated and manual files with the most current information available
- refer outstanding issues to the State Office
- upload automated files on a regular subsidiary file process schedule
- research and validate 6-CP problems reported in recording County Offices.

**F CED Responsibilities**

CED's must designate an employee or employees to handle areas of responsibility covered in this handbook.

**5 CMA, DMA, and LSA Contact****A Contact for CMA, DMA, and LSA Program**

All CMA, DMA, and LSA Program applications and recertification submissions, policy information requests, and computer and electronic communication information requests must be sent to the PSD CMA, DMA, and LSA Program Manager. See subparagraph 2 D for the program manager's contact information.

**6-15 (Reserved)**



## Part 2 CMA Approval

### Section 1 General CMA Program Information

#### 16 CMA Program Overview

##### A Overview

Cooperatives participate in the CMA Program for members based on approval according to this part. Once approved, CMAs are considered to be the producer for loan and LDP purposes. Regulations prohibit CMAs from:

- receiving or allocating loan and LDP proceeds for ineligible production or producers
- allocating marketing gains to be eligible “persons” above the “persons” payment limitation amount.

This following table provides the steps CMA's must follow in the loan and LDP program.

| Step | Action  |
|------|---|
| 1    | Follow procedures in this part to gain and maintain CMA status.   |
| 2    | Enter into uniform marketing agreements with each CMA member included in marketing pools, according to paragraph 41.  |
| 3    | Obtain member ID numbers from the member's uniform marketing agreement and applicable farm numbers by the administrative County Office for deliveries made to eligible pools from the applicable member.  |
| 4    | Submit ID numbers (parent ID numbers for joint operations) to the ADP Process before loans or LDP's are obtained.   |
| 5    | Obtain loan and LDP funds for the member from CMA's: <ul style="list-style-type: none"> <li>• service County Office, according to this handbook, for grain, rice, and peanut CMAs and DMA's</li> <li>• CCB, according to 21-CN procedures, for cotton CMA's and LSA's.</li> </ul> |
| 6    | Issue funds to the applicable member.   |
| 7    | Monitor producer and farm eligibility.  |
| 8    | Repay or forfeit loan collateral based on CCC's loan program for the specific commodity.  |

**17 Confidentiality of Information**

**A Policy**

Information submitted to CCC about trade secrets, financial or commercial operations, or the financial condition of ADP, whether for initial approval or continued approval, must be kept confidential by the officers and employees of CCC and USDA, except as required to be disclosed by law.

**18 Types and Length of CMA Approvals**

**A Approval Types**

CCC may approve CMA to participate in a MAL and LDP program as either of the following:

- unconditionally approved
- conditionally approved.

If CCC determines that CMA is in substantial, but not total, compliance with the requirements of this part, CCC may make the approval conditional on CMA coming into full compliance, within a reasonable period of time, as specified in the notification of conditional approval.

**B Length of CMA Approval**

CMA is approved to participate in a MAL and LDP program until CMA's approval is suspended or terminated by CCC.

**19 Types of Loans Available to CMA's****A Types of Loans**

Loans will be available to CMAs that have beneficial interest in commodities that meet other eligibility requirements in this handbook that are:

- stored in an approved warehouse
- farm-stored, with the exception of peanuts.

**Notes:** See Part 6, Section 2 for eligibility and pool requirements.

See paragraph 106 for related CMA service County Office spot-checking procedures for farm-stored loans.

**20 Member Cooperative Volume****A Policy**

CMA may obtain loans or LDP's for a member cooperative when the member cooperative is itself a CMA according to this part. Loans and LDP's are restricted based on CMA obtaining the loan or LDP.

**Examples:** X Cooperative has member A Cooperative. X Cooperative is CMA. Only commodities delivered to X Cooperative, through a marketing agreement with X Cooperative, are eligible through the CMA Program.

Y Cooperative has member B Cooperative. B Cooperative is CMA. Only commodities delivered to B Cooperative, through a marketing agreement with B Cooperative, are eligible through the CMA Program.

**21 CMA's Responsibility to CCC for Losses****A Policy**

CMA is responsible to CCC for any loss related to commodities that CMA pledged as collateral for a loan or used to obtain LDP related to:

- CMA's failing to comply with CCC handbooks and 7 CFR Part 1425
- changes in quantity or quality of commodity (warehouse-stored or farm-stored)
- liens based on either the CMA's or its members' financial agreements.

**22 CMA's Responsibility to Update CCC****A Policy**

CMA must, **within 30 calendar days**, provide CCC with any:

- changes in its:
  - articles of incorporation
  - loan pool marketing agreements
- resolutions affecting loan or LDP operations
- change to CMA's name, address, telephone number, and related data shown on CCC-846-1
- change in loan pool operations with an explanation and justification
- additional information that CCC may request related to CMA's continued approval by CCC.

**23 CMA Records Requirements and CCC's Investigation Rights****A CCC Rights to Inspection**

CCC has the right, at any time after an application is received, to examine:

- all books, documents, and papers to determine whether CMA is operating or has operated according to the regulations in 7 CFR Part 1425
- CMA's articles of incorporation or articles of association, and agreements with producers
- representations made by CMA in its application for approval

**B How Long to Keep CMA Records**

The books, documents, papers, and records of CMA and subsidiaries must be maintained for 6 years after the applicable crop year and must be available to CCC for inspection and examination.

## 23 CMA Records Requirements and CCC's Investigation Rights (Continued)

### C Records Required

CMA must maintain records for each loan or LDP commodity showing the quantity:

- received from each member and nonmember
- eligible for loans and LDP's
- by quality factors specified in the applicable commodity regulations, including class, grade, and quality, where applicable
- of unprocessed inventory broken down by the items in this subparagraph.

Except when sales proceeds from pools are allocated according to the quantity and quality of commodity in the pools, allocate the inventory as follows until all inventory in a loan pool is depleted. For:

- **processed commodities**, adjust the pool's inventory when the commodity is withdrawn from inventory for processing
- **commodities not processed**, allocate the pool's inventory to the pool and adjust the pool's inventories when the commodity is shipped.

## 24 Required CMA Reports

### A Policy

CMA's and DMA's must, according to Part 8:

- provide CCC a volume report of all commodity deliveries involved in loans and LDP's by FSA farm number for each member
- when instructed by CCC, report market gains or other benefits received for each member.

## 25 CMA Appeal Rights

### A Policy

CMA may obtain reconsideration and review of determinations made under this part according to the appeal regulations in 7 CFR Parts 11 and 780.

## 26-36 (Reserved)

## Section 2 CMA Program Requirements

### 37 Ownership and Control

#### A Requirement

CMA's must be owned and controlled by active members of CMA. To meet this requirement, cooperatives and CMA's must provide CCC evidence that:

- active members own more than 50 percent of the CMA's allocated equity
- a majority of CMA's directors are active members of CMA or authorized representatives of active members.

An applicant cooperative or CMA not meeting these requirements may be conditionally approved by CCC if the applicant cooperative or CMA is able to establish that, by retiring the equity of its inactive members or by obtaining new members, it can vest ownership and control in its active members, as required by this paragraph, by a date specified by CCC.

### 38 Nondiscrimination

#### A Requirement

CMA must provide CCC documented proof that CMA admits every membership applicant who is eligible under the statute incorporating CMA.

**Note:** Documented proof includes the Board Resolution on CCC-846, item 20. See paragraph 55.

CMA may refuse membership to an applicant whose admission would prejudice, hinder, or otherwise obstruct the interests or purposes of CMA.

**Example:** CMA that markets only hard red winter wheat may deny membership to any producer not growing hard red winter wheat.

**39      Balance Sheet**

**A   Requirements**

Balance sheets submitted by cooperatives for initial approval and CMA's for recertification must be:

- dated within the last year
- prepared according to generally accepted accounting principles
- accompanied by a letter from an independent certified public accountant certifying that it was prepared according to generally accepted accounting principles.

**40      Financial Ratio**

**A   Requirement**

To be financially able to make advances to their members and to market their commodities, CMA's must have a current ratio of at least 1 dollar of current assets for each 1 dollar of current liabilities (current ratio of 1:1) on the balance sheet it submits to CCC with its initial application or annual recertification. It must also meet the requirements in paragraph 39.

## 41 Uniform Marketing Agreement

### A Requirement

CMA must enter into a uniform marketing agreement with each member before the member delivers a commodity to a loan pool. It must:

- give CMA beneficial interest in the commodity

**Note:** CMA's that request farm-stored loans must have beneficial interest in the commodity at the farm as described in a uniform marketing agreement or an addendum to the uniform marketing agreement.

- report the ID number used by the member to report acreage on applicable farms to FSA
- give CMA the authority to:
  - pledge the commodity delivered to it by members as collateral for a loan
  - place a lien on this commodity
  - market the commodity for its members.

**Note:** Individual members may retain the right to determine the price at which the commodity can be marketed by CMA.

## 42 Member Business Percentage

### A Requirement

At least 50 percent of a crop of an authorized commodity acquired by, or delivered to, CMA for marketing must be produced by its members for CMA to obtain a loan or LDP for this crop.

CCC may, for no longer than 2 years, waive this requirement and grant CMA conditional approval status if:

- CMA can establish that this authorization is necessary for the efficient operation of CMA
- CMA's plan, approved by CCC, will bring CMA into compliance with the provisions of this section.

Commodities purchased or acquired from CCC, and processed products acquired from other processors or merchandisers must **not** be considered in determining the volume of member or nonmember business.

## 43-52 (Reserved)



### Section 3 CMA Applications, Recertifications, Suspensions, and Terminations

#### 53 CMA Requirements

##### A Introduction

This section provides the policies and related procedures for obtaining initial continuing approval as CMA to cooperatives applying for approval and CMA's seeking recertification.

CCC may require CMA to submit an initial application according to paragraph 54 instead of CCC-846-1 when CCC questions whether CMA is operating according to documents previously submitted.

##### B Steps to Become Operational

The following table provides the steps that cooperatives must take to become operational.

| Step | Action  |
|------|---|
| 1    | Contact the CMA Program Manager at the address in subparagraph 2 D.                                     |
| 2    | Complete CCC-846 according to paragraph 55 and submit to the Director, PSD.                             |
| 3    | Obtain approval and CMA's State and county code assignment from the Director, PSD.                      |
| 4    | Follow procedures in the approval letter from PSD to become operational.                                |
| 5    | To obtain the services of CCB, cotton cooperatives must contact FMD at the address in subparagraph 2 D. |

**54 CMA Applications****A CMA Approval**

Cooperatives seeking approval as CMA's must submit CMA applications, according to this paragraph, to PSD. PSD will e-mail cooperatives a cover letter providing the internet location of forms and FSA handbooks necessary for an application.

After the application is received, PSD must review application documents and send:

- applicants notification of approval status or justification for denial of approval
- applicable State Offices and County Offices notification of CMA's approval status.

**Note:** Terminated CMA's must submit a new application for renewed approval according to this paragraph.

**B Application Requirements**

A cooperative seeking CMA approval status must submit the following to PSD:

- CCC-846 completed according to paragraph 55
- balance sheet meeting the requirements in paragraph 39
- copy of:
  - the articles of incorporation or articles of association
  - all marketing agreements for loan pools
- resolutions made by the cooperative's board of directors stating that the cooperative will abide by:
  - provisions of this and related handbooks and 7 CFR Part 1425
  - nondiscrimination provisions of the related handbooks and 7 CFR Part 1425
  - all other related CCC policies
- description of loan pools according to subparagraph 54 C
- CCC-Cotton G completed by cooperatives seeking approval for the cotton loan and LDP program
- other information requested by CCC about the organizational, operational, financial, or any other aspect of the cooperative requested by CCC about the cooperative's proposed methods of conducting CCC loan and LDP business.

Cooperatives must submit originals of CCC forms and copies of other documents to the CMA Program Manager at the address in subparagraph 2 D and maintain a copy of all items submitted to PSD for the cooperative's records.

## 54 CMA Applications (Continued)

**C Required Loan Pool Description**

A cooperative applying for approval in the CMA Program must submit a written narrative description of each loan pool it intends to operate by authorized commodity. This narrative must describe all loan pools operated by CMA. The narrative must document how the cooperative will:

- determine:
  - the quantity commodity allocated to each loan pool
  - to which loan pool a commodity is assigned
  - advances made to members
  - progress payments during the marketing year
  - final settlements
- determine deductions or capital retains withheld by CMA from:
  - advances for items, such as storage and conditioning charges
  - progress payments during the marketing year
  - final settlements
- distribute proceeds obtained from:
  - marketing
  - disposing of commodity
- distribute loan or LDP pool proceeds to each pool participant according to subparagraph 142 B.

## 55 Completing CCC-846

## A Instructions

The following table provides instructions for completing CCC-846. When any data on CCC-846 is not available because CMA is applying for approval before the end of its first operating year, CMA must enter the projected number as of the end of the first operating year.

**Note:** Retained earnings that have:

- **been allocated** should be shown in items 16 A and 16 B
- **not been allocated** should be shown in item 16 C.

| Item      | Instructions   |
|-----------|--|
| 1         | Enter legal name of cooperative.   |
| 2         | Enter complete address for CMA's headquarters' office.   |
| 3         | <p>CMA's handling:</p> <ul style="list-style-type: none"> <li>• commodities other than cotton must enter CMA physical office address that will prepare loan and LDP documents</li> <li>• cotton must enter CMA's headquarters' office city and State location.</li> </ul> <p><b>Note:</b> This item will be used to determine the CMA service County Office.</p> |
| 4         | Enter State statute under which CMA is incorporated.   |
| 5         | Enter date CMA was incorporated.   |
| 6         | Enter State where CMA was incorporated.  |
| 7         | Enter regular mail address where CMA wants CMA Program information mailed.   |
| 8         | Enter overnight mail address where CMA wants time-critical CMA Program information sent.   |
|           | <p><b>Note:</b> This address cannot be a P.O. Box.</p>   |
| 9<br>A-B  | Enter name and title of person CMA wants to have as its official contact for the CMA Program. Also provide the name of a contact person for automation purposes.   |
| 10        | Enter CMA's TIN.   |
| 11        | Enter business telephone number for the contact persons entered in item 9. If available, enter an "after business hours for emergency purposes" number.  |
| 12        | Enter CMA's FAX number where CMA Program material should be sent.  |
| 13        | Enter CMA's or, if different, contact person's e-mail addresses.   |
| 14<br>A-C | Enter name and title of employees authorized to conduct CCC Business and employee must sign in item C.   |
| 15A       | Enter number of active cooperative members as of CMA's last annual meeting.  |
| 15B       | Enter number of inactive cooperative members as of CMA's last annual meeting.  |
| 15C       | Enter total of item 14A plus item 14B.   |

## 55 Completing CCC-846 (Continued)

## A Instructions (Continued)

| Item | Instructions  |
|------|---|
| 16A  | Enter number of board members that are other than active members of the cooperative as of the CMA's last annual meeting.  |
| 16B  | Enter number of other than active board members of CMA as of CMA's last annual meeting.<br><br><b>Note:</b> This number includes inactive members who are board members as well as State-appointed and outside directors. |
| 16C  | Enter total of item 15 A plus item 15 B. This should be CMA's total number of directors.  |
| 17A  | Enter amount of CMA's equity on the balance sheet being submitted in subparagraph B allocated to active members.  |
| 17B  | Enter amount of CMA's equity on the balance sheet being submitted in subparagraph B allocated to inactive members (when typing in a pdf copy of CCC-846 do not enter commas).   |
| 17C  | Enter amount of CMA's equity on the balance sheet being submitted in subparagraph B that is unallocated (when typing in a pdf copy of CCC-846 do not enter commas).   |
| 17D  | Enter amount of CMA's equity on the balance sheet being submitted in subparagraph B owned by nonmembers of CMA (when typing in a pdf copy of CCC-846 do not enter commas).  |
| 17E  | Enter total amount of CMA's equity on the balance sheet being submitted. This should equal the sum of items 16 A, 16 B, 16 C, and 16 D.   |
| 18   | Enter date CMA's FY ends.   |
| 19   | Enter number of cooperatives, if any, that are members of CMA.  |
| 20B  | For each commodity for which CMA would like to be able to obtain loans or LDP's, enter last complete crop year for which CMA has records.   |
| 20D  | For each commodity identified in column 20A, enter volume in the units specified in column 20C for the crop year in column 20B delivered to CMA by members.   |
| 20E  | For each commodity identified in column 20A, enter volume in the units specified in column 20C for the crop year in column 20B delivered to CMA by nonmembers.  |
| 20F  | For each commodity identified in column 20A, enter volume in the units specified in column 20C for the crop year in column 20B delivered to CMA by member cooperatives.   |
| 20G  | For each commodity identified by the crop year in column 20B, enter total of columns 20D, 20E, and 20F.   |
| 20H  | Enter totals for all entries in each column.  |
| 21   | The board of directors must adopt the resolutions and make them a part of the official minutes of the applicable board meeting.<br><br>The <b>CMA's secretary</b> must sign and date the certification.                   |
| 22   | After reading the certification in item 21, the cooperative official must sign and enter applicable title and date.   |

## 55 Completing CCC-846 (Continued)

## B Example of Completed CCC-846

The following is an example of a completed CCC-846.

|   |   |  |
|---|---|--|
| CCC-846<br>(04-28-24)   | U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation                      |  |
| <b>APPLICATION FOR APPROVAL OF COOPERATIVE MARKETING ASSOCIATION<br/>FOR LOAN AND LOAN DEFICIENCY PAYMENTS (LDP)</b>  |   |  |
| <p><b>INSTRUCTIONS:</b> Submit original of this application, Articles of Incorporation, Uniform Marketing Agreement and related documents to the:</p> <p>Director, Price Support Division<br/>USDA, FSA, Stop 0512, Room 4095<br/>1400 Independence Avenue, SW<br/>Washington, D.C. 20250-0512</p> <p><b>NOTE:</b> If mailing express delivery, you must include the Room Number in the delivery address or the item will not reach the Price Support Division.</p> |   |  |
| 1. Legal Name of Cooperative Marketing Association (CMA)<br>USA Cotton Cooperative, Inc.  | 2. Headquarter's Office Address<br>P.O. Box 100<br>Sometown, Texas 77777-7110       |  |
| 3. CMA Program Location<br>Sometown, Texas  | 4. State Statute of Incorporation<br>Cooperative Marketing Act, Title A, Chapter 10 |  |
| 5. Date of Incorporation (MM/DD/YYYY)<br>6/1/1947   | 6. State of Incorporation<br>Texas  |  |
| 7. Regular Mail Address<br>P.O. Box 100<br>Sometown, Texas 77777-7110   | 8. Overnight Mail Address<br>120 Main Street<br>Sometown, Texas 77777-7110          |  |
| 9A. Contact Person<br>John Doe  | 10. IRS Tax ID Number<br>99-999999  |  |
| 9B. Contact Person Title<br>CEO   |   |  |
| 11. Telephone Number (Include area code)<br>555-444-3333  | 12. FAX Number (Include area code)<br>555-777-8888                                  | 13. E-Mail Address<br>XXXCOTTON@USA.COM          |
| 14. Employees Authorized to Conduct Commodity Credit Corporation Business:  |   |  |
| A. Name<br>Paul Heraldson   | B. TITLE<br>Cotton Merchandiser & Hedger  | C. AUTHORIZED SIGNATURE<br><i>Paul Heraldson</i> |
| William Heraldson   | Office Manager  | <i>William Heraldson</i>                         |
|   |   |  |
|   |   |  |
|   |   |  |

## 55 Completing CCC-846 (Continued)

## B Example of Completed CCC-846 (Continued)

| CCC-846 (04-26-24)   |              |                    |                  |  |                              |                 | Page 2 of 4    |
|--|--------------|--------------------|------------------|--|------------------------------|-----------------|----------------|
|  | A. ACTIVE    |                    | B. INACTIVE      |  | C. TOTAL                     |                 |                |
| 15. Number of Voting Members:  | 500          |                    | + 10             |  | = 510                        |                 |                |
|  | A. ACTIVE    |                    | B. OTHER         |  | C. TOTAL                     |                 |                |
| 16. Number of Board Members:   | 7            |                    | + 0              |  | = 7                          |                 |                |
|  | A. ACTIVE    |                    | B. INACTIVE      |  | C. UNALLOCATED               | D. OTHERS       | E. TOTAL       |
| 17. Amount of Equity:  | 1,200,000.00 |                    | + 50,000.00      |  | + 75,000.00                  | + 0.00          | = 1,325,000.00 |
| 18. Date Fiscal Year Ends (MM/DD/YYYY)                                   | 6/30/2024    |                    |                  | 19. Number of Member Cooperatives<br>0 |                              |                 |                |
| 20. Requested Authorized Commodity Volume: <u>1</u> / CWT. Hundredweight |              |                    |                  |  |                              |                 |                |
| A. Authorized Commodity  | B. Crop Year | C. Unit <u>1</u> / | D. Member Volume | E. Non-Member Volume                   | F. Member Cooperative Volume | G. Total Volume |                |
| Barley   |              | Bushel             |                  |  |                              |                 | 0              |
| Canola   |              | Cwt.               |                  |  |                              |                 | 0              |
| Corn   |              | Bushel             |                  |  |                              |                 | 0              |
| Cotton: Upland   | 20XX         | Bale               | 750,000          | 50,000                                 | 0                            | 800,000         |                |
| Dry Peas   |              | Tons               |                  |  |                              |                 | 0              |
| ELS  | 20XX         | Bale               | 25,000           | 2,000                                  | 0                            | 27,000          |                |
| Flaxseed   |              | Cwt.               |                  |  |                              |                 | 0              |
| Lentils  |              | Cwt.               |                  |  |                              |                 | 0              |
| Mohair   |              | Lbs.               |                  |  |                              |                 | 0              |
| Mustard Seed   |              | Cwt.               |                  |  |                              |                 | 0              |
| Oats   |              | Bushel             |                  |  |                              |                 | 0              |
| Peanuts  |              | Tons               |                  |  |                              |                 | 0              |
| Rapeseed   |              | Cwt.               |                  |  |                              |                 | 0              |
| Rice   |              | Cwt.               |                  |  |                              |                 | 0              |
| Safflower  |              | Cwt.               |                  |  |                              |                 | 0              |
| Small Chickpeas  |              | Cwt.               |                  |  |                              |                 | 0              |
| Grain Sorghum  |              | Cwt.               |                  |  |                              |                 | 0              |
| Soybeans   |              | Bushel             |                  |  |                              |                 | 0              |
| Sunflower Seed   |              | Cwt.               |                  |  |                              |                 | 0              |
| Wheat  |              | Bushel             |                  |  |                              |                 | 0              |
| Wool   |              | Lbs.               |                  |  |                              |                 | 0              |
| Other: _____   |              |                    |                  |  |                              |                 | 0              |
| H. TOTALS  |              |                    | 775,000          | 52,000                                 | 0                            | 827,000         |                |

## 55 Completing CCC-846 (Continued)

## B Example of Completed CCC-846 (Continued)

|   |                        |                        |
|---|------------------------|------------------------|
| CCC-846 (04-28-24)  |                        | Page 3 of 4            |
| <p><b>21. Required Resolutions:</b></p> <p><i>The board of directors of a cooperative applying for approval in the CMA Program must adopt the following resolutions: (a) CMA Program handbooks have been read and considered by this cooperative and this cooperative will abide by these policies and procedures. (b) This cooperative shall not, on the basis of race, color, age, sex, religion, marital status, national origin, or disability, deny any producer from participation in, or otherwise subject any producer to discrimination with respect to any benefits resulting from its approval to obtain loans and LDP's and shall comply with the provisions of the Civil Rights Act of 1964 and the Secretary's regulations issued thereunder, appearing in 6 CFR 15.1-15.12 and any amendments thereto; Section 504 of the Rehabilitation Act of 1973, as amended by the Rehabilitation Comprehensive Services and Developmental Disabilities Amendments of 1978; and provisions of the Age Discrimination Act of 1975, as amended, and the Equal Credit Opportunity Act of 1975. The cooperative shall not discriminate against employees under Title VII of the Civil Rights Act of 1964, as amended, or the Equal Pay Act of 1963 or Title VI of the Civil Rights Act of 1964 as administered by the Equal Employment Opportunity Commission and shall handle employee discrimination complaints as provided for in 28 CFR Part 42 and 29 CFR Part 1691. The United States shall have the right to enforce compliance with statutes and regulations by suit or by any other action authorized by law.</i></p> <p><i>This is to certify that Board resolutions related to CMA Program compliance and nondiscrimination were adopted by the board of directors at its meeting on <u>06/11/2024</u> (date), a quorum being present.</i></p> |                        |                        |
| 21A. SIGNATURE (This resolution must be signed by the Cooperative's secretary)  | 21B. DATE (MM/DD/YYYY) |                        |
| <i>John Doe</i>   | 6/12/2024              |                        |
| <p><b>22. CERTIFICATION:</b></p> <p><i>I certify that the information included with this application is true and correct to the best of my knowledge and belief. I also certify that the articles of incorporation and marketing agreements and their related amendments, if any, submitted with true and correct current copies of these documents. The executive Vice President, CCC, or any duly authorized representative of the U.S. Department of Agriculture, is hereby authorized to examine the books, records, and files of this cooperative for the purpose of verifying any of the information as may be required for the purpose of making the determination for which application is made. If any change is made in any cooperative documents furnished with this application either by revision, amendment or by a resolution of the board of directors, a copy of such revised documents will be furnished promptly to the Director, Price Support Division, identified in the "INSTRUCTION" on the front side.</i></p>   |                        |                        |
| 22A. Signature (This application must be signed by an authorized official of the Cooperative)   | 22B. Title             | 22C. Date (MM/DD/YYYY) |
| <i>John Doe</i>   | CEO                    | 6/12/2024              |
| <b>PENALTY STATEMENT</b>  |                        |                        |
| <p><i>Section 15(a) of the Commodity Credit Corporation (CCC) Charter Act of 15 USC 714 (m)(a) provides a fine of not more than \$10,000 or not more than five years imprisonment, or both, for making any statement knowing it to be false for the purpose of influencing the action of CCC or of obtaining money under any act applicable to CCC. The making of such false statements may be subject entity to civil liability, including liable under 31 USC 231.</i></p>  |                        |                        |
| <p><b>Privacy Act Statement:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a - as amended). The authority for requesting the information identified on this form is the Grains and Similarly Handled Commodities—Marketing Assistance Loans and Loan Deficiency Payments (7 C.F.R. Part 1421), the Cooperative Marketing Associations, (7 C.F.R. Part 1425), the Cotton (7 C.F.R. Part 1427), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine Cooperative Marketing Association eligibility to participate in and receive benefits under Loan and Loan Deficiency Payment programs. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for a Cooperative Marketing Association to participate in and receive benefits under Loan and Loan Deficiency Payment programs.</p>  |                        |                        |
| <p><b>Paperwork Reduction Act (PRA) Statement:</b> This information collection is exempted from the PRA as specified in 7 U.S.C. 9091(c)(2)(B).</p>   |                        |                        |
| <p>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.</p>   |                        |                        |
| <p><b>Non-Discrimination Statement:</b> In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</p>   |                        |                        |
| <p>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</p>   |                        |                        |

**56 CMA Recertifications****A Policy**

To maintain its approval status, CMA must submit, on an annual basis, the following information to CCC:

- CCC-846-1 completed according to paragraph 57, showing the following:
  - number of active and inactive CMA members
  - CMA's allocated equity
  - CMA's unallocated equity
  - quantity of each loan pool received from active members during the past crop year
- a balance sheet meeting the requirements in paragraph 39
- copies of all current marketing agreements and addenda whether or not the agreements have changed from the prior crop year.

**B How to Obtain and When to Submit CCC-846-1**

CMA's must:

- obtain CCC-846-1's from the Internet at [eForms Home](#)
- complete CCC-846-1 and submit it each year to Director, PSD, no later than 120 calendar days after CMA's FY end
- be subject to suspension for failing to submit CCC-846-1 no later than 150 calendar days after CMA's FY end.

## 57 Completing CCC-846-1

**A Instructions**

The following table provides instructions for completing CCC-846-1.

**Note:** Retained earnings that have:

- **been allocated** should be shown in items 16 A and 16 B
- **not been allocated** should be shown in item 16 C.

| Item | Instructions  |
|------|---|
| 1    | Enter date 120 calendar days after CMA's FY end date.   |
| 2    | Enter date CMA's last FY ended.   |
| 3    | Enter CMA's name.   |
| 4    | Enter CMA's headquarters' office city and State location.   |
| 5    | Enter CMA's regular mail address where CMA Program information is mailed.   |
| 6    | Enter CMA's overnight mail address where time-critical CMA Program information is sent.<br><br><b>Note:</b> This address cannot be a P.O. Box.  |
| 7    | Enter name CMA's official contact for the CMA Program.  |
| 8    |   |
| 9    | Enter business telephone number for the contact person entered in item 8.   |
| 10   | Enter CMA's FAX number where CMA Program material is sent.  |
| 11   | Enter CMA's or, if different, contact person's e-mail address.  |
| 12   | Leave blank.  |
| 13   | Enter number of cooperatives, if any, that are members of CMA.  |
| 14   | Enter employees name and title authorized to conduct CCC business and employee A-C must sign in item C.   |
| 15A  | Enter number of active cooperative members as of CMA's last annual meeting.   |
| 15B  | Enter number of inactive cooperative members as of CMA's last annual meeting.   |
| 15C  | Enter total of item 15A plus item 15B.  |
| 16A  | Enter number of active board members of CMA as of CMA's last annual meeting.  |
| 16B  | Enter number of board members that are other than active CMA members as of CMA's last annual meeting.<br><br><b>Note:</b> This number includes inactive members who are board members as well as State-appointed and outside directors. |
| 16C  | Enter total of item 16A plus item 16B. This should be CMA's total number of directors.  |

## 57 Completing CCC-846-1 (Continued)

## A Instructions (Continued)

| Item      | Instructions   |
|-----------|--|
| 17A       | Enter amount of CMA's equity on the balance sheet being submitted in paragraph 39 allocated to active members (when typing in a pdf copy of CCC-846 do not enter commas)..   |
| 17B       | Enter amount of CMA's equity on the balance sheet being submitted in paragraph 39 allocated to inactive members (when typing in a pdf copy of CCC-846 do not enter commas)..   |
| 17C       | Enter amount of CMA's equity on the balance sheet being submitted in paragraph 39 that is unallocated (when typing in a pdf copy of CCC-846 do not enter commas)..   |
| 17D       | Enter amount of CMA's equity on the balance sheet being submitted in paragraph 39 owned by nonmembers (when typing in a pdf copy of CCC-846 do not enter commas)..   |
| 17E       | Enter total amount of CMA's equity on the balance sheet being submitted. This should equal the sum of items 16A, 16B, 16C, and 16D.  |
| 18        | Answer the question. If the answer is "Yes", attach a copy of the change to the Articles of Incorporation.   |
| 19        | Answer the question. Even if there have been no changes, attach a copy of all marketing agreements and addenda.  |
| 20B       | For each commodity for which CMA obtains loans or LDP's, enter last complete crop year for which CMA has records.<br><br><b>Note:</b> If CMA is handling the commodity for the first time and no prior records are available, enter the next crop year and enter projections in columns 20D, 20E, and 20F. |
| 20D       | For each commodity identified in column 20B, enter volume in the units specified in column 20C for the crop year in column 20B delivered to CMA by members.  |
| 20E       | For each commodity identified in column 20B, enter volume in the units specified in column 20C for the crop year in column 20B delivered to CMA by nonmembers.   |
| 20F       | For each commodity identified in column 20B, enter volume in the units specified in column 20C for the crop year in column 20B delivered to CMA by member cooperatives.  |
| 20G       | Enter totals of columns 20D through 20G.   |
| 20H       | Enter totals for all entries in each column.   |
| 21<br>A-C | After verifying that data on CCC-846-1 is correct, CMA official must sign and enter applicable title and date.   |

## 57 Completing CCC-846-1 (Continued)

## B Example of Completed CCC-846-1

The following is an example of a completed CCC-846-1.

|  |  |  |  |  |           |                |
|--|--|--|--|--|-----------|----------------|
| CCC-846-1<br>(04-28-24)  |  | U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation |  |  |           |                |
| <b>LOAN AND LOAN DEFICIENCY PAYMENT (LDP) RECERTIFICATION FOR<br/>APPROVED COOPERATIVE MARKETING ASSOCIATIONS (CMA's)</b>  |  |  |  |  |           |                |
| <b>INSTRUCTIONS:</b> Return To: Director, Price Support Division<br>USDA, FSA, Stop 0512, Room 4095-S<br>1400 Independence Avenue, SW<br>Washington, D.C. 20250-0512 |  |  |  |  |           |                |
| 1. Date Due (MM/DD/YYYY)   | 2. For Fiscal Year Ending                    | 3. CMA's Name  | 4. CMA Program Location                |  |           |                |
| 04/30/2024   | 12/31/2023                                   | Mid-West Grain Coop  | Centerville, Kansas                    |  |           |                |
| 5. Regular Mail Address  | 6. Overnight Mail Address                    | 7. Contact Person Name   | 8. Contact Person Title                |  |           |                |
| P.O. Box 50<br>Centerville, Kansas 99999   | 128 Main Street<br>Centerville, Kansas 99999 | John Doe   | Executive Vice President               |  |           |                |
| 9. Telephone Number (Include area code)  | 10. FAX Number (Include area code)           | 11. E-Mail Address   |  |  |           |                |
| 555-555-5555   | 555-123-4567                                 | JDOEVP@GRAIN.COM   |  |  |           |                |
| 12. BBS User Name  | 13. Number of Member Cooperatives<br>0       |  |  |  |           |                |
| 14. Employees Authorized to Conduct Commodity Credit Corporation Business:   |  |  |  |  |           |                |
| 14A. Name  | 14B. Title                                   | 14C. Authorized Signature                                      |  |  |           |                |
| Tammy Burnett  | Manager                                      | <i>Tammy Burnett</i>   |  |  |           |                |
| Carlos Rodriguez   | Assistant Manager                            | <i>Carlos Rodriguez</i>  |  |  |           |                |
|  |  |  |  |  |           |                |
|  |  |  |  |  |           |                |
|  |  |  |  |  |           |                |
| 15. Number of Voting Members:  |  | A. ACTIVE  | B. INACTIVE                            | C. TOTAL   |           |                |
|  |  | 150  | + 0                                    | = 150  |           |                |
| 16. Number of Board Members:   |  | A. ACTIVE  | B. OTHER                               | C. TOTAL   |           |                |
|  |  | 6  | + 1                                    | = 7  |           |                |
| 17. Amount of Equity:  |  | A. ACTIVE  | B. INACTIVE                            | C. UNALLOCATED                                       | D. OTHERS | E. TOTAL       |
|  |  | 950,000.00   | + 0.00                                 | + 150,000.00   | + 0.00    | = 1,100,000.00 |
| 18. Have there been any changes in the Articles of Incorporation?  |  | YES <input type="checkbox"/>                                   | NO <input checked="" type="checkbox"/> | If "YES", attach a copy of the change                |           |                |
| 19. Have there been any changes in the Uniform Marketing Agreement?  |  | YES <input type="checkbox"/>                                   | NO <input checked="" type="checkbox"/> | Attach a copy of the marketing agreement and addenda |           |                |

## 57 Completing CCC-846-1 (Continued)

## B Example of Completed CCC-846-1 (Continued)

| CCC-846-1 (04-28-24)   |              |             |                          |                      |                              |                        | Page 2 of 3 |
|--|--------------|-------------|--------------------------|----------------------|------------------------------|------------------------|-------------|
| 20. Authorized Commodity Volume Report: <u>1</u> / Bu. = Bushels   |              |             | CWT. Hundredweight       |                      |                              |                        |             |
| A. Authorized Commodity  | B. Crop Year | C. Unit 1 / | D. Member Volume         | E. Non-Member Volume | F. Member Cooperative Volume | G. Total Volume        |             |
| Barley   |              | Bushel      |                          |                      |                              | 0                      |             |
| Canola   |              | Cwt.        |                          |                      |                              | 0                      |             |
| Corn   | 20XX         | Bushel      | 750,000                  | 50,000               | 0                            | 800,000                |             |
| Cotton: Upland   |              | Bale        |                          |                      |                              | 0                      |             |
| Dry Peas   |              | Tons        |                          |                      |                              | 0                      |             |
| ELS  |              | Bale        |                          |                      |                              | 0                      |             |
| Flaxseed   |              | Cwt.        |                          |                      |                              | 0                      |             |
| Lentils  |              | Cwt.        |                          |                      |                              | 0                      |             |
| Mohair   |              | Lbs.        |                          |                      |                              | 0                      |             |
| Mustard Seed   |              | Cwt.        |                          |                      |                              | 0                      |             |
| Oats   |              | Bushel      |                          |                      |                              | 0                      |             |
| Peanuts  |              | Tons        |                          |                      |                              | 0                      |             |
| Rapeseed   |              | Cwt.        |                          |                      |                              | 0                      |             |
| Rice   |              | Cwt.        |                          |                      |                              | 0                      |             |
| Safflower  |              | Cwt.        |                          |                      |                              | 0                      |             |
| Small Chickpeas  |              | Cwt.        |                          |                      |                              | 0                      |             |
| Grain Sorghum  |              | Cwt.        |                          |                      |                              | 0                      |             |
| Soybeans   | 20XX         | Bushel      | 400,000                  | 0                    | 0                            | 400,000                |             |
| Sunflower Seed   |              | Cwt.        |                          |                      |                              | 0                      |             |
| Wheat  | 20XX         | Bushel      | 500,000                  | 35,000               |                              | 535,000                |             |
| Wool   |              | Lbs.        |                          |                      |                              | 0                      |             |
| Other: _____   |              |             |                          |                      |                              | 0                      |             |
| H. TOTALS  |              |             | 1,650,000                | 85,000               | 0                            | 1,735,000              |             |
| 21. Information submitted is correct and complete to the best of my knowledge.   |              |             |                          |                      |                              |                        |             |
| 21A. Signature (This application must be signed by an authorized official of the Cooperative)  |              |             | 21B. TITLE               |                      |                              | 21C. DATE (MM-DD-YYYY) |             |
| <i>John Doe</i>  |              |             | Executive Vice President |                      |                              | 04/15/2024             |             |
| <b>PENALTY STATEMENT</b>   |              |             |                          |                      |                              |                        |             |
| <p><i>Section 15(a) of the Commodity Credit Corporation (CCC) Chapter Act of 15 USC 714 (m)(a) provides a fine of not more than \$10,000 or not more than five years imprisonment, or both, for making any statement knowing it to be false for the purpose of influencing the action of CCC or of obtaining money under any act applicable to CCC. The making of such false statements may be subject entity to civil liability, including liable under 31 USC 231.</i></p> |              |             |                          |                      |                              |                        |             |

## 57 Completing CCC-846-1 (Continued)

## B Example of Completed CCC-846-1 (Continued)

CCC-846-1 (04-28-24)

Page 3 of 3

**Privacy Act Statement:** The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a - as amended). The authority for requesting the information identified on this form is the Grains and Similarly Handled Commodities—Marketing Assistance Loans and Loan Deficiency Payments (7 C.F.R. Part 1421), the Cooperative Marketing Associations, (7 C.F.R. Part 1425), the Cotton (7 C.F.R. Part 1427), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine Cooperative Marketing Association eligibility to participate in and receive benefits under Loan and Loan Deficiency Payment programs. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for a Cooperative Marketing Association to participate in and receive benefits under Loan and Loan Deficiency Payment programs.

**Paperwork Reduction Act (PRA) Statement:** This information collection is exempted from the PRA as specified in 7 U.S.C. 9091(c)(2)(B).

The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.

**Non-Discrimination Statement:** In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider, employer, and lender.

**58 Submitting CCC-846 and Other Required Documents****A Authorization**

As a result of Pandemic Provisions introduced by FSA, electronic filing and document submission have become more widely accepted and used by USDA. ADP's are no longer required to send hard copy documents through the United States Postal Service unless specifically requested. ADP's are authorized to send by electronic means all documentation including, but not limited to, the following:

- application for approval status
- recertification of approval status
- financial statements
- copies of additional security obtained
- volume reports
- samples selected for field reviews
- documentation to support national spot checks.

**59      Suspensions****A    Policy**

CCC may:

- suspend CMA, DMA, and LSA from obtaining loans and LDP's when CCC determines that the ADP has **not**:
  - operated according to the terms of the application or last recertification
  - complied with applicable regulations
  - corrected operational deficiencies noted by CCC
  - complied with its agreements with CCC
- on demand, call all outstanding CCC loans made to a suspended CMA, DMA, and LSA according to paragraph 61.

**B    How Suspensions Are Lifted**

A suspension may be lifted when CCC determines that CMA, DMA, and LSA has complied with all requirements for approval.

**C    What Happens When Suspensions Are Not Lifted**

When suspensions are not lifted within 1 year, or a shorter time period if indicated in CCC's suspension notification, CMA's, DMA's, and LSA's approval automatically terminates. CCC may, on demand, call all outstanding CCC loans made to a suspended CMA, DMA, or LSA according to paragraph 61.

**60      Terminations****A    Policy**

CCC may terminate CMA's, DMA's, and LSA's approval by giving the ADP written notice of the termination.

CMA, DMA, or LSA may, when it does not have any MAL's outstanding, through written notice to CCC, voluntarily terminate its participation in a loan and LDP program.

**61 Calling CMA Loans****A Policy**

CCC may, on demand, call all outstanding CCC loans made to a suspended or terminated CMA, DMA, or LSA. When loans are called:

- CCC will provide at least 10 calendar days written notice to CMA, DMA, and LSA
- loans must be repaid by the date specified by CCC or title to the commodity must vest in CCC
- CCC must have no obligation to pay for any of the commodity's market value above the principal amount of these loans.

**62-71 (Reserved)**



**Part 3 DMA Approval****72 General Provisions****A Background**

According to 7 CFR Part 1421, Subpart E, under CCC's peanut MAL program, peanut MAL's and LDP's are available to producers of peanuts according to the general regulations governing the 2013 and subsequent crops. Peanut producers may obtain peanut MAL's and LDP's from any of the following:

- CMA's
- DMA's
- County Offices.

**B Related FSA Material**

FSA handbooks that DMA's must have and be knowledgeable of, which are related to the peanut MAL and LDP program, include the following:

- 1-CM for common provisions about signature requirements, FAXed signatures, powers of attorney, and assignments
- 2-LP Peanuts for MAL and LDP policy and procedure
- 8-LP for general MAL and LDP provisions.

**C DMA Responsibilities**

DMA's must act as CCC's agent for the following purposes:

- preparing and executing CCC peanut MAL and LDP application documents
- determining that producers and the commodity are eligible for MAL's and LDP's
- determining that eligible peanuts are free and clear of all liens by performing lien searches at DMA's expense

72 **General Provisions (Continued)****C DMA Responsibilities (Continued)**

- instructing the holder of EWR's, if applicable, to notify the EWR provider to amend EWR's to show CCC as the holder
- receiving MAL and LDP documents from a DMA service County Office
- disbursing CCC peanut MAL and LDP proceeds to individual producers who have beneficial interest in eligible peanuts
- preparing and executing documents for MAL repayments
- collecting repayment funds from producers or buyers and transmitting these funds to CCC
- transmitting documents to render forfeited collateral to CCC
- collecting data for reporting to CCC as required by CCC.

**D Further DMA Responsibilities**

As part of performing the responsibilities in subparagraph C, DMA's must:

- become familiar with the peanut program as set forth in the applicable regulations and notices published in the CFR, FSA peanut handbooks, forms, and other instructions issued about the peanut MAL and LDP program
- perform these services according to the procedures outlined in the applicable peanut program regulations and notices published in the CFR, applicable FSA peanut handbooks and amendments thereto, and any notices or instructions issued by DAFP
- make and service CCC peanut MAL's and LDP's, only upon presenting warehouse receipts, unless otherwise directed by CCC
- attend DMA, peanut MAL, and LDP program training offered by CCC at DMA's expense
- provide sufficient personnel, computer hardware, computer communication systems, and software, as determined necessary by CCC, to administer the peanut MAL and LDP program.

## 72 General Provisions (Continued)

**E Prohibited DMA Activity**

DMA's must **not**:

- pool the producer's peanuts for the purpose of obtaining peanut MAL's or LDP's from CCC
- pool the proceeds obtained from peanut MAL's or LDP's made by CCC
- make farm-stored certified or measured MAL's or LDP's unless authorized by CCC
- take title to any peanuts
- operate the DMA operation under the same entity and tax ID number that is a CCC approved CMA
- because of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, political beliefs, marital status, familial or parental status, and sexual orientation, deny any producer from participating in MAL or LDP for which they would otherwise be eligible to obtain benefits earned by participating in a MAL or LDP program
- refuse services to producers because DMA was not granted a power of attorney on FSA-211 for 1 of the following:
  - executing MAL documents to obtain MAL's
  - repaying MAL for the producer
  - obtaining LDP's
  - marketing the producer's peanuts
- adopt any scheme or device to circumvent the purpose of the peanuts' MAL and LDP program regulations, the regulation governing DMA's, or its agreement with CCC
- make MAL's or LDP's to producers involved in a bankruptcy proceeding

**Note:** Advise the producer to contact their administrative County Office.

- make MAL's or LDP's on ineligible peanuts.

72 **General Provisions (Continued)****F CCC Authority and Responsibilities**

DAFP must provide the program's general direction and supervision. PSD must:

- administer the program
- administer requirements in this part
- receive and approve or disapprove DMA applications
- provide producer eligibility data to DMA that DMA will use to determine whether the producer is an eligible producer and if the producer is AGI compliant
- make FSA claim, assignment, debt, and other applicable information available to DMA
- perform administrative reviews of DMA's.

FMD must:

- provide CCC's program interest rate to DMA's
- approve and manage the amount of DMA drawdown accounts.

**G DMA Service County Office Responsibility**

County Offices designated to be DMA service County Offices must:

- accept and process peanut MAL and LDP applications from DMA's

**Note:** DMA's will bundle MAL's or LDP's disbursed to individual producers with the same disbursement date. The DMA service County Office will provide a single MAL or LDP to DMA that covers the same MAL's or LDP's represented by multiple receipts from multiple producers.

- hold paper warehouse receipts if EWR's are **not** available

## 72 General Provisions (Continued)

## G DMA Service County Office Responsibility (Continued)

- disburse MAL or LDP to DMA's drawdown account as directed by FMD
- provide MAL or LDP documents to DMA
- **not** determine commodity and producer eligibility
- **not** charge DMA a service fee
- **not** collect assessment fees.

## 73 Applications for DMA Status

## A Application Process

Entities or subsidiaries that provide marketing functions for marketing associations of peanut producers wanting to apply for DMA status must submit the following documents and information to PSD:

- 2 properly executed CCC-912-P's (subparagraph C)

**Note:** Obtain CCC-912-P at  
<https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>.

- audited financial statement less than 1 year old on the date submitted, including accompanying notes, schedules, or exhibits, certified by a certified public accountant as fairly representing the entity's financial condition

**Note:** A pro-forma financial statement may be submitted if the entity to perform DMA services is a new entity.

- tax ID number applicable to the entity
- list of employees involved in CCC program activities and a sample of their signature, and a list of current directors, officers, and primary owners
- copy of any applicable incorporating documents or operating agreements

## 73 Applications for DMA Status (Continued)

## A Application Process (Continued)

- DMA contact person's:
  - name and title
  - mailing address
  - e-mail address
  - telephone number
  - FAX number
- narrative explaining how the proposed DMA entity or parent entity provides marketing services to a marketing association of peanut producers
- additional financial security, if applicable, according to paragraph 74
- nomination of a County Office to serve as the DMA service County Office
- certification as follows:

“We certify to the Farm Service Agency that \_\_\_\_\_ (**insert name of DMA**), a CCC-approved Peanut Designated Marketing Association, \_\_\_\_\_ (**insert “is” or “is not”**) controlled, either directly or indirectly, by a person or entity that acquires peanuts for processing or crushing through a business involved in buying and selling peanuts or peanut products.”

- the name, address, and telephone number of the DMA software provider
- amount needed, if any, for a CCC-authorized funds drawdown account
- any additional information requested by PSD.

**Note:** After submitting documentation, promptly notify the Director, PSD if any changes are made to the submitted documents.

## 73 Applications for DMA Status (Continued)

**B DMA Approval and Activation Process Summary**

DMA's must obtain approval and become activated according to the following table.

| Step | Action  |
|------|---|
| 1    | Potential DMA's must complete and FedEx application documents to PSD at the address in subparagraph 2 D.  |
| 2    | PSD must: <ul style="list-style-type: none"> <li>• review application documents</li> <li>• obtain additional information to support the application, if necessary</li> <li>• grant entity approval or disapproval to act as DMA.</li> </ul>   |
| 3    | DMA's must: <ul style="list-style-type: none"> <li>• if not already submitted to PSD, provide PSD the following: <ul style="list-style-type: none"> <li>• list of all employees authorized to sign CCC documents for DMA</li> <li>• sample signatures of everyone authorized to sign CCC documents</li> <li>• test files and other documents as required by PSD to demonstrate hardware and software accuracy</li> <li>• copies of DMA computer-generated CCC forms, if any</li> </ul> </li> <li>• establish a bank account enabled to receive direct deposit of funds from CCC</li> <li>• if DMA drawdown accounts are authorized by FMD, contact PSD to establish an amount for the account.</li> </ul> |
| 4    | PSD must: <ul style="list-style-type: none"> <li>• coordinate the establishment of DMA system files on the DMA service County Office computer system</li> <li>• provide DMA training to DMA's and to the DMA service County Office, if time permits.</li> </ul>   |

## 73 Applications for DMA Status (Continued)

## C Example of CCC-912-P

The following is an example of CCC-912-P.

|   |   |
|---|---|
| <b>CCC-912-P</b><br>(11-15-16)  | <b>U.S. DEPARTMENT OF AGRICULTURE</b><br>Commodity Credit Corporation |
| <b>AGREEMENT FOR DESIGNATED MARKETING ASSOCIATION</b><br><b>TERMS AND CONDITIONS FOR PEANUTS</b>  |   |
| <p><b>NOTE:</b> <i>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility to participate in and receive benefits under the CCC Peanut Marketing Assistance Loan Program through entry into an agreement for CCC appointment as a Designated Marketing Association for eligible peanut producers. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under the CCC Peanut Marketing Assistance Loan Program.</i></p> <p><i>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration).</i></p> <p><i>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN COMPLETED FORM TO THE DIRECTOR, PRICE SUPPORT DIVISION, USDA, FSA, STOP 0512, WASHINGTON, D.C. 20250.</i></p> |   |
| 1. Date of Agreement ( <i>Day, Month, Year</i> ):   | 2. Name of Designated Marketing Association                           |
| 3. Street Address   | 4. City, State, Zip Code  |
| 5. Phone Number ( <i>Including Area Code</i> ):   | 6. State and DMA Code ( <i>Assigned by FSA</i> ):                     |
| <p><b>7. Purpose:</b></p> <p>A. Under CCC's peanut marketing assistance loan program, peanut marketing assistance loans (MAL's) and loan deficiency payments (LDP's) are available to producers of peanuts in accordance with the general regulations governing the 2009 through 2012 crop, codified at 7 CFR Part 1421, and any amendments thereto (hereinafter referred to as "the regulations").</p> <p>B. According to the regulations at 7 CFR Part 1421, peanut producers may obtain peanut MAL's from a Designated Marketing Association (DMA).</p> <p>C. CCC desires to permit a DMA to act as agent for CCC in performing certain MAL making and servicing functions in accordance with CCC's peanut MAL and LDP program.</p> <p><b>8. Definitions:</b></p> <p>A. <b>Designated Marketing Association</b> means an entity, or subsidiary thereof, that performs marketing functions for a marketing association of peanut producers, does not take title to the commodity, and is authorized by CCC to provide and to service CCC peanut MAL's and LDP's for individual producers who have beneficial interest in peanuts.</p>   |   |

## 73 Applications for DMA Status (Continued)

## C Example of CCC-912-P (Continued)

CCC-912-P (11-15-16)

Page 2 of 7

- B. **Administrative County Office** means the FSA County Office where a producer's FSA records are maintained.
- C. **DMA Service County Office** means a FSA County Office designated by CCC to accept, process, and disburse peanut MAL's and LDP's to the DMA.

## 9. Functions to be performed by the DMA

- A. **Functions** - Subject to other provisions of this Agreement, CCC hereby appoints the person or firm named above as a DMA for the purpose of performing certain services requisite to the making and servicing of CCC peanut MAL's and LDP's to eligible producers of eligible peanuts in accordance with the peanut MAL and LDP program carried out by CCC. The DMA may act as CCC's agent for the following purposes:

- (1) preparing and executing CCC peanut MAL and LDP application documents;
- (2) determining that producers and the commodity are eligible for peanut MAL's and LDP's;
- (3) determining that eligible peanuts are free and clear of all liens by performing lien searches at DMA expense and, if necessary, obtaining lien waivers;
- (4) instructing the holder of Electronic Warehouse Receipts (EWR), if applicable, to notify the EWR provider to amend the EWR to show CCC is the holder;
- (5) receiving CCC funds, as directed by CCC, from either a CCC approved bank or a DMA Service County Office, previously approved by CCC, for the peanut MAL or LDP amounts shown on the MAL documents presented to the bank or DMA Service County Office;
- (6) disbursing CCC peanut MAL and LDP proceeds to individual producers who have beneficial interest in eligible peanuts;
- (7) preparing and executing documents for MAL repayments;
- (8) collecting repayment funds from producers or buyers and transmitting such funds to CCC; transmitting documents to render forfeited collateral to CCC; and collecting data for reporting to CCC as required by CCC.

- B. In performing the above services, the DMA shall further:

- (1) perform such services in accordance with the procedures outlined in the applicable peanut program regulations and notices published in the Federal Register and the Code of Federal Regulations, applicable peanut FSA Handbooks and amendments thereto, and any Notices or instructions issued by the Deputy Administrator for Farm Programs; or Director, Price Support Division (PSD).
- (2) make and service CCC peanut MAL's and LDP's, only upon presentation of warehouse receipts, (unless otherwise provided by CCC), and grading information by an eligible producer to the DMA;

## 73 Applications for DMA Status (Continued)

## C Example of CCC-912-P (Continued)

CCC-912-P (11-15-16)

Page 3 of 7

- (3) become familiar with the peanut program as set forth in the applicable regulations, notices published in the Federal Register, FSA peanut MAL Handbooks, forms, and other instructions issued relating to the peanut MAL and LDP program;
- (4) attend DMA and peanut MAL and LDP program training offered by CCC at DMA expense; and
- (5) provide sufficient personnel, computer hardware, computer communications systems, and software, as determined necessary by CCC, to administer the peanut MAL and LDP program.

## 10. CCC shall:

- A. provide producer eligibility and AGI data to the DMA that the DMA will use to determine whether the producer is an eligible producer or if the producer will exceed AGI limitation; and
- B. make FSA claim, assignment, debt, and other applicable information available to the DMA.

11. **Indebted Producers:** If the DMA is notified at any time that a producer requesting peanut MAL's or LDP's through the service provided by the DMA is indebted to CCC, is delinquent on other non-tax federal debt, or is otherwise subject to offset by CCC in accordance with the offset regulations of CCC, the DMA shall:

- A. contact CCC for the amount that is owed to CCC and is to be offset from the MAL or LDP proceeds prior to the disbursement of such proceeds; and
- B. prepare a check payable to CCC for the amount collected by offset and forward the check to CCC as directed by CCC.

12. **Fees:** The DMA may charge the producer requesting a CCC peanuts MAL or LDP a fee for preparation of MAL or LDP documents and for servicing the MAL, at a rate determined by the DMA. Fees shall be deducted from the MAL or LDP amount received by the DMA from CCC before distribution to the producer. Any fees charged by the DMA for making and servicing peanut MAL's or LDP's shall be assessed at the same rate for each producer requesting a CCC peanut MAL or LDP through the service provided by the DMA.

13. **Power of Attorney Policy:** Producers may designate the DMA, on form FSA-211 (Power of Attorney), to be the producer's agent for the purpose of executing MAL or LDP documents in order to obtain MAL's or LDP's, repaying peanut MAL's, or marketing peanuts on behalf of the producer. If the DMA is designated by a producer to be the producer's agent for the purpose of executing documents to obtain a peanut MAL or LDP, repaying peanut MAL's on behalf of the producer, or marketing the producer's peanuts, the DMA shall:

## 73 Applications for DMA Status (Continued)

## C Example of CCC-912-P (Continued)

CCC-912-P (11-15-16)

Page 4 of 7

A. disclose to CCC all facts which the DMA knows or should know would reasonably affect the judgment of CCC in permitting the DMA to act as agent for both CCC and the producer;

B. include the following language (or equivalent language approved by CCC) as an attachment to each FSA-211 entered into between the DMA and a producer:

"[The producer] hereby acknowledges that [the DMA] is an agent of the Commodity Credit Corporation for the purpose of performing certain services requisite to the making and servicing of Commodity Credit Corporation peanut MAL's and LDP's to eligible producers of eligible peanuts and agrees to permit [the DMA] to act as agent for both [the producer] and the Commodity Credit Corporation. [The DMA] shall disclose to [the producer] all facts which [the DMA] knows or should know would reasonably affect the judgement of [the producer] in permitting [the DMA] to act as agent for both [the producer] and the Commodity Credit Corporation"; and

C. submit for CCC's approval a sample copy of the FSA-211 and any attachments to be entered into between the DMA and producer.

**14. Prohibited Activity:** The DMA shall not:

- pool the producer's peanuts for the purpose of obtaining peanut MAL's or LDP's from CCC;
- pool the proceeds obtained from peanut MAL's or LDP's made by CCC;
- make settlement of MAL proceeds with producers on a pool basis;
- take title to any peanuts;
- make farm stored MAL's or LDP's unless authorized by CCC;
- make MAL's or LDP's to producers involved in bankruptcy proceedings unless otherwise authorized by CCC;
- make MAL's or LDP's to ineligible peanut producers or on ineligible peanuts;
- operate the DMA operation under the same entity and tax identification number that is a CCC-approved Cooperative Marketing Association (CMA).

**15. Scheme or Device:** The DMA will not adopt any scheme or device to circumvent the purpose of the applicable commodity program regulations, the regulation governing DMA's, or this Agreement.

**16. Marketing Services:** Any charge for marketing services performed by the DMA for a producer requesting CCC peanut MAL's or LDP's through the service provided by the DMA shall be established by the producer and the DMA before execution of a marketing agreement and power of attorney. Any such charge will be assessed at the same rate for all producers for which the DMA performs marketing services.

## 73 Applications for DMA Status (Continued)

## C Example of CCC-912-P (Continued)

CCC-912-P (11-15-16)

Page 5 of 7

17. **Nondiscrimination:** The DMA shall not discriminate against any person because of race, color, religion, sex, national origin, marital status, physical disability, mental disability, or age in conducting activities in accordance with this Agreement. The services of the DMA shall be made available to all eligible producers whether or not such producers have granted the DMA a power of attorney or have designated the DMA as the producer's agent for the purpose of:

- executing MAL documents to obtain peanut MAL's, or LDP's
- repaying such peanut MAL's on behalf of the producer; or
- marketing the producer's peanuts.

18. **Financial Security:**

- The DMA shall furnish security to CCC in order to guarantee performance. The security shall be either:
  - a certified or cashier's check payable to CCC;
  - an irrevocable commercial letter of credit in the form approved by CCC;
  - a performance or surety bond conditioned on the DMA fully discharging all of its obligations under this Agreement;
  - other form of security, as CCC may deem appropriate.
 The amount of the financial security shall be equal to an amount, as determined by CCC, that protects CCC from risk and takes into consideration the DMA's financial condition based upon the financial statements presented to gain initial DMA status and the financial statements presented to maintain DMA status.
- The DMA is liable to CCC for any losses incurred by CCC as a result of the DMA's failure to discharge all of its obligations under this Agreement. Payment in the amount of such losses shall be made to CCC first, from the financial security furnished by DMA, and second, by the DMA if the amount of the loss exceeds the amount of the financial security.

19. **Records Retention:** The DMA shall maintain, according to FSA Handbook 25-AS, for an indefinite period, unless otherwise notified by CCC, all MAL or LDP, current and complete records with respect to executed MAL and LDP documents required by this Agreement.

20. **Reviews:** The DMA shall permit CCC or its representatives to examine the books, MAL records, papers, and accounts relating to the activities of the DMA in connection with the making and servicing of CCC peanut MAL's or LDP's any time during normal business hours. Examination and inspections made by CCC or by a Federal, State, or other body authorized by CCC shall, however, in no way relieve the DMA of its obligations under the terms and conditions of this Agreement.

21. **Release of Information:** No information collected or acquired by the DMA in its capacity as agent of CCC shall be released, supplied, or made available, without prior approval of CCC, to any person other than CCC or the person who supplied such information.

## 73 Applications for DMA Status (Continued)

## C Example of CCC-912-P (Continued)

CCC-912-P (11-15-16)

Page 6 of 7

22. **Maintaining DMA Status:** The DMA shall, within 4 months of the end of the DMA fiscal year, furnish to PSD:

- A. a current and audited financial statement prepared in accordance with generally accepted accounting principles and including the items listed below:
  - balance sheet;
  - income statement (profit and loss statement);
  - cash flow statement;
  - statement of retained earnings;
- B. a report of audit or review of the financial statement conducted by an independent Certified Public Accountant in accordance with standards established by the American Institute of Certified Public Accountants. The accountant's report of audit or review shall include the accountant's certifications, assurances, opinions, comments and notes with respect to such financial statements; and
- C. basic DMA data including:
  - any changes to DMA name, contact person name, DMA address, phone number, FAX number, or e-mail addresses;
  - a current list of DMA employees authorized to conduct CCC business;
  - copies of all CCC forms that are computer-generated by the DMA.

23. **Liability:** The DMA shall hold CCC harmless from any claim made against CCC in connection with any MAL or LDP making, MAL servicing, or other activity carried out by the DMA which is not in accordance with the terms and conditions of this Agreement.

24. **Termination or Suspension:** Either party may terminate this Agreement at any time upon 30-calendar days written notice to the other party. CCC may terminate this Agreement without providing 30 days notice if CCC determines that the DMA has failed to meet the terms and conditions of this Agreement. Termination of this Agreement by either party is without prejudice to any rights of a party against the other under this Agreement arising from a party's failure to meet the terms and conditions of this Agreement. If the DMA sends a notice of termination to CCC or receives a notice of termination from CCC, the DMA shall immediately cease the execution of MAL or LDP documents. CCC may also suspend the DMA from making new peanut MAL's and LDP's. If the DMA can come into compliance with CCC terms and conditions within a time period established by CCC, the suspension may be lifted.

25. **Member Delegate:** Unless exempted by 41 U.S.C. 22, no member or Delegate to Congress, or resident commissioner, shall be admitted to any share or part of this Agreement or to any benefit arising from it. However, this provision does not apply to this Agreement to the extent that this Agreement is made with such persons in their capacity as producers of agricultural commodities or with a corporation for its general benefit.

26. **Federal Employee Status:** This Agreement does not render the DMA or its employees, a Federal employee.

## 73 Applications for DMA Status (Continued)

## C Example of CCC-912-P (Continued)

CCC-912-P (11-15-16)

Page 7 of 7

**27. Effective Date:** It is agreed that this Agreement will become effective upon execution by CCC and will remain in effect until terminated.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed on the date in Item 1.

**28. COMMODITY CREDIT CORPORATION**

A. Attest: \_\_\_\_\_ B. By \_\_\_\_\_ C. Date: \_\_\_\_\_  
 (Signature) (Signature of Contracting Officer)

**29. DESIGNATED MARKETING ASSOCIATION**

|  |  |                      |
|--|--|----------------------|
| A. Attest (Signature)                  |  |                      |
| B. Signature of Responsible Party (By) | C. Title/Relationship of Individual Signing in the Representative Capacity | D. Date (MM-DD-YYYY) |

*In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.*

*Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.*

*To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider, employer, and lender.*

74 **Financial Security Requirements****A Amount of Financial Security Required**

DMA's must provide the following:

- initial amount of financial security according to this subparagraph
- amount of financial security as determined by CCC during the annual recertification for DMA status conducted according to paragraph 76.

The financial security must be in the following 2 parts:

- a current net worth ratio of at least 1:1, current net worth being DMA's current assets minus current liabilities, according to the financial statement provided for:

- DMA application
- DMA recertification for CMA status

**Note:** The current net worth of an existing entity with CMA status may be included in calculating the current net worth of a subsidiary that will have DMA status, according to a consolidated financial statement.

- an additional security type according to subparagraph B equal to \$100,000 or a greater amount as determined by CCC.

74 **Financial Security Requirements (Continued)****B Additional Types of Financial Security**

Additional types of financial security must be any of the following:

- certified or cashier's check payable to CCC
- an **irrevocable** commercial letter of credit from a financial institution in a form acceptable to CCC and meeting the following minimal requirements:
  - contain the name of the ADP for whom it is being issued
  - equal to \$100,000 or a greater amount as determined by CCC
  - established in favor of or assigned to CCC
  - written in a manner sufficient to protect CCC's interest
  - the term must be for at least 1 year and provide an expiration date
  - contain a default provision similar to the following:

“the amount of the letter of credit is available upon submission of a dated statement issued on the letterhead of the beneficiary and signed by an authorized representative stating that:

demand is made for payment under this letter of credit in the amount of  
\$ \_\_\_\_\_

the undersigned representative of the Commodity Credit Corporation (CCC) hereby certifies that \_\_\_\_\_, a CCC-approved Designated Marketing Association, has failed to perform its obligations as required by its agreement with CCC on form CCC-912-P and is therefore in default under said agreement.”

- a performance or surety bond conditioned on DMA fully discharging all of its obligations under this agreement
- other form of security, as CCC may deem appropriate.

74 **Financial Security Requirements (Continued)****C Liability**

DMA's:

- must hold CCC harmless from any claim made against CCC in connection with any MAL or LDP making, MAL servicing, or other activity carried out by DMA, not according to the terms and conditions of the DMA agreement
- are liable to CCC for any losses incurred by CCC as a result of DMA's failure to discharge all of its obligations under this agreement. Payment in the amount of these losses must:
  - first, be made to CCC from the financial security provided by DMA
  - second, be made by DMA if the amount of the loss exceeds the amount of the financial security.

75 **Terminating or Suspending the DMA Agreement****A Termination Provision**

The DMA agreement may be terminated by:

- either party at any time upon 30 calendar days written notice to the other party
- CCC without providing 30 calendar days' notice if CCC determines that DMA has failed to meet the terms and conditions of the DMA agreement.

**B Suspension Provision**

If CCC determines that DMA is not in compliance with the DMA agreement, CCC may also:

- suspend DMA from making new peanut MAL's and LDP's
- lift the suspension, if DMA can come into compliance with CCC terms and conditions within a time period established by CCC.

**Note:** If DMA sends a notice of termination to CCC or receives a notice of termination from CCC, DMA must immediately cease executing MAL or LDP documents.

76     **Annual Recertification for DMA Status****A Recertification Requirements**

DMA's must, within 4 months after the end of the DMA FY, provide the following to PSD:

- a current and audited financial statement prepared according to generally accepted accounting principles
- a report of audit or review of the financial statement conducted by an independent certified public accountant

**Note:** The accountant's report of audit or review must include the accountant's certifications, assurances, opinions, comments, and notes with respect to these financial statements.

- additional financial security as determined by CCC, if the financial security on file with CCC does **not** meet current requirements or has expired
- basic DMA data documented on CCC-846-1A and materials, including the following:
  - any changes to DMA name, contact person name, DMA address, telephone number, FAX number, or e-mail addresses
  - current list of DMA employees authorized to conduct CCC business
  - name, address, and telephone number of DMA software provider
  - all DMA computer-generated CCC forms.

**77-84 (Reserved)**

**Part 4 LSA Approval****85 Overview****A Purpose**

This part provides parameters of CCC's LSA cotton loan and LDP program.

**B Definition of Program Services**

Program services are those services ADP's are authorized to provide for CCC to producers under CCC-912 with CCC.

**86 General Provisions****A Authorization**

CCC may authorize an entity to act as its agent to make and service upland cotton loans, LDP's, and ELS cotton loans.

**B Term of Approval**

LSA's approval to provide services continues until approval is suspended by CCC or terminated by either LSA or CCC.

**C Inspections**

LSA's books, documents, papers, and records for services must be available to CCC for inspection and examination for 6 business years after a loan is liquidated (repaid or collateral forfeited) or LDP is processed.

## 86 General Provisions (Continued)

**D Bale Limit on Activities**

CCC's authorization limits the number of bales that may be processed for MAL's and LDP's by the LSA. Initially, the bale limit is established by dividing LSA's net worth by \$5. CCC requires LSA's to have an amount of financial security equal to the amount by which 65 percent of the number of bales of cotton to be handled by the LSA multiplied by \$5 exceeds the LSA's net worth.

**Formula:** Net worth equals current assets minus current liabilities.

If LSA's net worth does not provide enough security for the number of bales it intends to process, CCC requires additional security in 1 or a combination of the following forms:

- a certified or cashier's check payable to CCC
- an irrevocable commercial letter of credit approved by CCC
- a performance bond conditioned on LSA fully discharging all of its obligations under CCC-912
- other forms of security as CCC deems appropriate.

**Note:** Additional security must be submitted to the Director, PSD. Parent company letter of guarantee is no longer an acceptable form of security.

## 86 General Provisions (Continued)

**E LSA Liability to CCC**

LSA's are liable to CCC for any monetary losses incurred by CCC as a result of LSA's failure to discharge all of its obligations under CCC-912 with CCC.

Payment of these losses must be made to CCC from the financial security provided by LSA, and directly by LSA if the amount of the loss exceeds the amount of financial security.

**F Approved Service Fees**

LSA's may charge producers a fee for services they provide on the original loan advance or LDP. Fees charged:

- for loans, must not exceed the lesser of the following:
  - \$7.50 per loan plus \$0.90 per bale
  - 0.5 of 1 percent (0.005) times the gross loan amount
- for LDP's:

The following table provides the amounts LDP's fees must not exceed.

| <b>No. of Bales</b> | <b>Fee Amounts</b>                      |
|---------------------|---|
| 1                   | \$0.25                                  |
| 2 through 6         | \$0.25 plus \$0.15 for each bale over 1 |
| 7 or more           | \$1 plus \$0.10 for each bale over 6    |

Fees charged must be deducted from the loan or LDP amount received by LSA from CCC before distribution to the producer.

**Note:** Fees must **not** be collected directly from producers.

86 **General Provisions (Continued)****G Data Confidentiality**

The following table describes the confidentiality of data submitted by LSA's to CCC and USDA.

| <b>IF the data submitted by LSA's is about...</b>         | <b>THEN it...</b>              |
|---|--------------------------------|
| trade secrets   | must be held confidential.     |
| financial operations or conditions                        |                                |
| commercial operations or conditions                       |                                |
| information necessary to conduct the loan and LDP program | may be released to the public. |
| information required by law                               |                                |

**H CCC's Program Address**

Please see subparagraph 2 D for CCC's program address for requests for information about LSA's.

## 87 Applications for LSA Status

**A Introduction**

This paragraph describes how entities apply to CCC for initial approval to serve as LSA.

**B Application Documents**

An LSA application includes the following documents:

- 2 signed CCC-912's (see subparagraph 87 D)
- an audited financial statement less than 1 year old on the date submitted, including accompanying notes, schedules, or exhibits, certified by a certified public accountant as fairly representing the entity's financial condition

**Note:** Other forms of additional security as described in subparagraph 86 D may be submitted with or instead of audited financial statements.

- list of employees involved in CCC program activities, including current directors, officers, and primary owners

**Definition:** Primary owners are those entities owning more than 10 percent of LSA.

- copy of any applicable incorporating or partnership documents

- contact person's:

- name
- address
- telephone number
- FAX number
- e-mail address

- LSA software provider's:

- name
- address
- telephone number
- FAX number
- e-mail address

- any additional information requested by PSD.

**Note:** After submission, promptly notify the Director, PSD of any changes to the documents.

## 87 Applications for LSA Status (Continued)

## C Initial Approval Process

The following table provides the steps for how entities become certified by CCC to act as LSA.

| Step | Action   |
|------|--|
| 1    | Potential LSA completes and mails application documents to the Director, PSD.  |
| 2    | Potential LSA contacts FMD for a package of instructions to designate CCB. See subparagraph 2 D for FMD's contact information.   |
| 3    | Using forms in the package, potential LSA nominates a bank to serve as its CCB. Nominations are sent to the controller, CCC at the address in subparagraph 2 D.  |
| 4    | CCC grants entity approval to act as LSA.<br><br><b>Note:</b> Entity may also be <b>denied</b> approval.   |
| 5    | LSA has its CCB execute a contract with CCC.<br><br><b>Note:</b> Controller may <b>deny</b> CCB approval.  |
| 6    | LSA provides CCB and PSD the following: <ul style="list-style-type: none"> <li>• a list of all employees authorized to certify CCC-719 and sign other documents for LSA</li> <li>• sample signatures of everyone on the list.</li> </ul> |

## 87 Applications for LSA Status (Continued)

## D Example of CCC-912

The following is an example of CCC-912.

|  |   |
|--|---|
| <b>CCC-912</b><br>(06-16-21)   | <b>U.S. DEPARTMENT OF AGRICULTURE</b><br>Commodity Credit Corporation |
| <b>AGREEMENT OF AUTHORIZED LOAN SERVICING AGENT</b>  |   |
| 1. Date of Agreement (MM-DD-YYYY)  | 2. Name of Authorized Loan Servicing Agent                            |
| <p><b>NOTE:</b> The authority for collecting the following information is Pub. L. 110-246. This authority allows for the collection of information without prior OMB approval mandated by the Paperwork Reduction Act of 1995. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.</p> <p><b>Paperwork Reduction Act (PRA) Statement:</b> The information collection is exempted from PRA as specified in 7 U.S.C. 8781(c)(2).</p> <p><i>The information will be used to evaluate if the applicant is eligible for LSA status. No further monies or other benefits may be paid out under this program unless this form is completed and filed as required by existing law and regulations (7 CFR Part 1427.19) This information maybe furnished to any agency responsible for enforcing the provisions of this program. RETURN COMPLETED FORM TO THE DIRECTOR, PRICE SUPPORT DIVISION, USDA, FSA, STOP 0512 WASHINGTON, D.C. 20013.</i></p>  |   |
| <p>This agreement is entered into on the date indicated above by and between the Commodity Credit Corporation (hereafter referred to as "CCC") and the authorized loan servicing agent indicated above (hereafter referred to as "LSA").</p> <p>It is the desire of CCC to permit, a person or firm to act as agent for CCC in performing certain administrative functions involved in making loans and loan deficiency payments (LDP's) available to cotton producers through Form A cotton loans in accordance with CCC's cotton loan and LDP program.</p> <p>It is the desire of the person or firm named above to be approved by CCC to render service to producers under the CCC cotton loan and LDP program.</p> <p>The CCC Cotton Loan Program Regulations provide that a person or firm which desires to act as Agent of CCC for these purposes shall execute and file a written agreement with CCC.</p> <p>NOW, THEREFORE, in consideration of the premises and other considerations contained herein, the parties hereto agree as follows:</p> <p>1. Subject to the other provisions of this Agreement, CCC hereby appoints the person or firm named above (hereinafter referred to as the "LSA") as a loan servicing agent for CCC for the purpose of performing certain services requisite to the making and servicing of CCC cotton loans and LDP's to eligible producers of eligible cotton in accordance with the cotton loan and LDP programs carried out by CCC. The LSA may act as CCC's agent for the following purposes:</p> <p class="list-item-l1">(a) preparing and executing CCC cotton loan and LDP documents;</p> <p class="list-item-l1">(b) disbursing CCC cotton loan and LDP proceeds to individual producers;</p> <p class="list-item-l1">(c) receiving funds from the cotton commercial bank (CCB) for the loan or LDP amount shown on the loan documents presented to the CCB;</p> <p class="list-item-l1">(d) preparing and executing documents for loan repayments;</p> <p class="list-item-l1">(e) collecting repayment funds from producers and transmitting such funds to CCC through the CCB;</p> <p class="list-item-l1">(f) handling documents involved in a claim for loss or damage of loan cotton by CCC or the producer;</p> <p class="list-item-l1">(g) transmitting documents and advising the CCB to render forfeited collateral to CCC; and</p> <p class="list-item-l1">(h) collecting data for reporting to CCC as may be prescribed by CCC.</p> |   |
| <div style="border: 1px solid black; padding: 5px; display: inline-block;">           DATE STAMPED         </div>  |   |

## 87 Applications for LSA Status (Continued)

## D Example of CCC-912 (Continued)

CCC-912 (06-16-21)

Page 2 of 5

2. In performing the services enumerated in section 1, the LSA shall:
  - (a) perform such services in accordance with the procedures outlined in the applicable cotton program regulations and notices published in the Federal Register, applicable cotton handbooks and any amendments thereto, and notices or instructions issued by the Deputy Administrator, Farm Programs.
  - (b) make and service CCC cotton loans and LDP's, as provided in section 1, only upon the presentation of warehouse receipts, unless otherwise provided by CCC, and class information by an eligible producer to the LSA;
  - (c) become familiar with the cotton program for each crop of cotton as set forth in the applicable regulations, notices published in the Federal Register, Farm Service Agency (FSA) Cotton Loans Handbook, forms, and other instructions issued relating to the cotton loan and LDP program;
  - (d) before executing documents for the purpose of making a CCC cotton loan or LDP to any producer, determine to the best of the LSA's knowledge and belief that the producer requesting a CCC cotton loan or LDP through the service provided by the LSA is an eligible cotton producer (as defined in the applicable commodity program regulations) and that the cotton is eligible cotton (as defined in the applicable commodity program regulations);
  - (e) make a lien search prior to the disbursement of a CCC cotton loan and determine that the cotton to be pledged to CCC as security for a CCC cotton loan is free and clear of all liens except for those liens authorized by CCC in the warehouseman's storage agreement with CCC. If liens are discovered, other than the liens authorized in the warehouseman's storage agreement with CCC, a lien waiver is required from lienholders before the loan proceeds are disbursed;
  - (f) advise each producer for whom the LSA executes loan or LDP documents that the producer should retain the producer's copy of the loan or LDP documents for the producer's records; and
  - (g) before executing and presenting loan or LDP documents to the CCB, provide to the CCB the signatures of those persons who were approved by CCC to sign as the LSA.
3. Upon notification by the LSA that a producer may request loans and LDP's through the service provided by the LSA, CCC shall:
  - (a) determine whether the producer is an eligible producer;
  - (b) determine whether the producer has complied with the applicable loans and LDP eligibility requirements; and; make debt information from the FSA debt register available to the LSA.
4. If the LSA is notified at any time that a producer requesting loans or LDP's through the service provided by the LSA is indebted to CCC or is otherwise subject to setoff by CCC in accordance with the setoff regulations of CCC, the LSA shall:
  - (a) contact CCC for the amount that is owed to CCC and is to be setoff from the loan or LDP proceeds prior to the disbursement of such proceeds; and
  - (b) prepare a check payable to CCC for the amount collected by setoff and forward the check to CCC as directed by CCC.

## 87 Applications for LSA Status (Continued)

## D Example of CCC-912 (Continued)

CCC-912 (06-16-21)

Page 3 of 5

5. (a) The LSA may charge the producer requesting a CCC cotton loan or LDP through the service provided by the LSA a fee for preparation of loan or LDP documents and for servicing the loan, at a rate determined by CCC. Fees shall be deducted from the loan or LDP amount received by the LSA from CCC before distribution to the producer.
  - (b) Any fees charged by the LSA for making and servicing loans or LDP's shall be assessed at the same rate for each producer requesting a CCC cotton loan or LDP through the service provided by the LSA.
6. If the LSA is designated by a producer to be the producer's agent for the purpose of executing loan or LDP documents in order to obtain LDP's or Form A cotton loans or repaying such loans on behalf of the producer, the LSA will not sign as a witness on a cotton Form A or applicable Cotton AA which the LSA has signed as either the agent for the producer or as agent for the producer's spouse.
7. If the LSA is designated by a producer to be the producer's agent for the purpose of executing documents to obtain a Form A cotton loan, repaying such loans on behalf of the producer, marketing the producer's cotton, or obtaining LDP, the LSA shall:
  - (a) disclose to CCC all facts which the LSA knows or should know would reasonably affect the judgment of CCC in permitting the LSA to act as agent for both CCC and the producer;
  - (b) include the following language (or equivalent language approved by CCC) in any agency agreement entered into between the LSA and a producer:
 

"[The producer] hereby acknowledges that [the LSA] is an agent of the Commodity Credit Corporation for the purpose of performing certain services requisite to the making and servicing of Commodity Credit Corporation cotton loans and LDP's to eligible producers of eligible cotton and agrees to permit [the LSA] to act as agent for both [the producer] and the Commodity Credit Corporation. [The LSA] shall disclose to [the producer] all facts which [the LSA] knows or should know would reasonably affect the judgement of [the producer] in permitting [the LSA] to act as agent for both [the producer] and the Commodity Credit Corporation"; and
  - (c) submit for CCC's approval any such agency agreement entered into between the LSA and producer.
8. The LSA will not pool the producer's cotton for the purpose of obtaining loans or LDP's from CCC and will not pool the proceeds obtained from loans or LDP's made by CCC or make settlement of loan proceeds with producers on a pool basis.
9. The LSA will not adopt any scheme or device to circumvent the purpose of the applicable commodity program regulations, the regulation governing LSA's, or this agreement.
10. Any charge for marketing services performed by the LSA for a producer requesting CCC cotton loans or LDP's through the service provided by the LSA shall be established by the producer and the LSA prior to execution of a marketing agreement and power of attorney. Any such charge will be assessed at the same rate for all producers for which the LSA performs marketing services.
11. The LSA shall not discriminate against any person because of race, color, religion, sex, national origin, marital status, national origin, physical disability, mental disability, or age in conducting activities in accordance with this agreement.
12. The services of the LSA shall be made available to all eligible producers whether or not such producers have granted the LSA a power of attorney or have designated the LSA as the producer's agent for the purpose of:
  - (a) executing loan documents to obtain Form A cotton loans, or LDP's
  - (b) repaying such loans on behalf of the producer, or
  - (c) marketing the producer's cotton.

## 87 Applications for LSA Status (Continued)

## D Example of CCC-912 (Continued)

CCC-912 (06-16-21)

Page 4 of 5

13. (a) The LSA shall furnish security to CCC in order to guarantee performance. The security shall be either:

- (1) a certified or cashier's check payable to CCC;
- (2) an irrevocable commercial letter of credit in the form approved by CCC; or
- (3) a bond conditioned on the LSA fully discharging all of its obligations under this agreement.

The amount of the financial security shall be equal to an amount, as determined by CCC, by which 65 percent of the number of bales of cotton to be handled by the LSA under this Agreement multiplied by \$5 exceeds the LSA's net worth. In lieu of the foregoing, CCC may at its discretion, accept such other form of security as CCC may deem appropriate.

(b) The LSA is liable to CCC for any losses incurred by CCC as a result of the LSA's failure to discharge all of its obligations under this agreement. Payment in the amount of such losses shall be made to CCC first, from the financial security furnished by LSA, and second, by the LSA if the amount of the loss exceeds the amount of the financial security.

14. The LSA shall maintain, for a period not less than six (6) years following loan closure (repayment or forfeiture) or LDP, current and complete records with respect to executed loan and LDP documents required by this agreement.

15. The LSA shall permit CCC or its representatives to examine the books, loan records, papers, and accounts relating to the activities of the LSA in connection with the making and servicing of CCC cotton loans or LDPs any time during normal business hours. Examination and inspections made by CCC or by a Federal, State, or other body authorized by CCC shall, however, in no way relieve the LSA of its obligations under the terms and conditions of this agreement.

16. No information collected or acquired by the LSA in its capacity as agent of CCC shall be released, supplied, or made available, without prior approval of CCC, to any person other than CCC or the person who supplied such information.

17. (a) An LSA shall, upon the request of CCC or its representatives, furnish a current financial statement prepared in accordance with generally accepted accounting principles and including the items listed below:

- (1) balance sheet;
- (2) income statement (profit and loss statement);
- (3) cash flow statement; and
- (4) statement of retained earnings.

(b) Each financial statement shall be accompanied by a report of audit or review conducted by an independent Certified Public Accountant in accordance with standards established by the American Institute of Certified Public Accountants. The accountant's report of audit or review shall include the accountant's certifications, assurances, opinions, comments and notes with respect to such financial statements.

## 87 Applications for LSA Status (Continued)

## D Example of CCC-912 (Continued)

CCC-912 (06-16-21)

Page 4 of 5

13. (a) The LSA shall furnish security to CCC in order to guarantee performance. The security shall be either:

- (1) a certified or cashier's check payable to CCC;
- (2) an irrevocable commercial letter of credit in the form approved by CCC; or
- (3) a bond conditioned on the LSA fully discharging all of its obligations under this agreement.

The amount of the financial security shall be equal to an amount, as determined by CCC, by which 65 percent of the number of bales of cotton to be handled by the LSA under this Agreement multiplied by \$5 exceeds the LSA's net worth. In lieu of the foregoing, CCC may at its discretion, accept such other form of security as CCC may deem appropriate.

(b) The LSA is liable to CCC for any losses incurred by CCC as a result of the LSA's failure to discharge all of its obligations under this agreement. Payment in the amount of such losses shall be made to CCC first, from the financial security furnished by LSA, and second, by the LSA if the amount of the loss exceeds the amount of the financial security.

14. The LSA shall maintain, for a period not less than six (6) years following loan closure (repayment or forfeiture) or LDP, current and complete records with respect to executed loan and LDP documents required by this agreement.

15. The LSA shall permit CCC or its representatives to examine the books, loan records, papers, and accounts relating to the activities of the LSA in connection with the making and servicing of CCC cotton loans or LDP's any time during normal business hours. Examination and inspections made by CCC or by a Federal, State, or other body authorized by CCC shall, however, in no way relieve the LSA of its obligations under the terms and conditions of this agreement.

16. No information collected or acquired by the LSA in its capacity as agent of CCC shall be released, supplied, or made available, without prior approval of CCC, to any person other than CCC or the person who supplied such information.

17. (a) An LSA shall, upon the request of CCC or its representatives, furnish a current financial statement prepared in accordance with generally accepted accounting principles and including the items listed below:

- (1) balance sheet;
- (2) income statement (profit and loss statement);
- (3) cash flow statement; and
- (4) statement of retained earnings.

(b) Each financial statement shall be accompanied by a report of audit or review conducted by an independent Certified Public Accountant in accordance with standards established by the American Institute of Certified Public Accountants. The accountant's report of audit or review shall include the accountant's certifications, assurances, opinions, comments and notes with respect to such financial statements.

88      **Annual Recertifications****A Recertification Documents**

The following documents must be included in annual LSA recertifications:

- an audited financial statement less than 1 year old on the date submitted, including accompanying notes, schedules, or exhibits, certified by a certified public accountant as fairly representing the entity's financial condition

**Note:** Other forms of additional security as described in subparagraph 86 D may be submitted with or instead of audited financial statements.

- completed CCC-846-1A
- list of employees involved in CCC program activities, current directors, officers, and primary owners
- copies of all FSA and CCC forms created according to paragraph 174
- LSA software provider's:
  - name
  - address
  - telephone number
  - FAX number
  - e-mail address
- any additional information requested by PSD.

**Note:** **After submission**, promptly notify the Director, PSD of any changes to the documents.

88     **Annual Recertifications (Continued)****B   Recertification Process**

LSA's must send recertification documents to the Director, PSD no later than 4 months after the end of the LSA's FY.

PSD must notify LSA of continued approval, suspension, or **termination** of approval to act as LSA.

**Note:** For suspensions and terminations, PSD must include an explanation.

## 88 Annual Recertifications (Continued)

**C Instructions for Completing CCC-846-1A**

The following table provides instructions for completing CCC-846-1A.

| Item | Instructions   |
|------|--|
| 1    | Enter date 120 calendar days after LSA's FY end date.  |
| 2    | Enter date LSA's last FY ended.  |
| 3    | Submit completed form to this address.   |
| 4    | Enter the LSA name.  |
| 5    | Enter the LSA headquarters office city and State.  |
| 6    | Enter LSA's regular mailing address where program information is mailed.   |
| 7    | Enter LSA's overnight mailing address where critical information is sent.<br><br><b>Note:</b> This address cannot be a P.O. Box. |
| 8A   | Enter name and title of LSA's or official contact for the LSA program.   |
| 8B   | Enter the telephone number, including area code, for the contact person identified in item 8A.                                   |
| 8C   | Enter LSA's FAX number, including area code, where program material is sent.   |
| 8D   | Enter the e-mail address for the contact person identified in item 8A.   |
| 9A   | Enter the name and title of the contact person responsible for the IT functions of LSA.  |
| 9B   | Enter a phone number, including area code, where the IT person can be reached after normal business hours.                       |
| 9C   | Enter the FAX number, including area code, for the IT person identified in item 9A.  |
| 9D   | Enter an e-mail address for the IT person identified in item 9A.   |
| 10A  | Enter the name of each employee of LSA that is authorized to conduct CCC business.   |
| 10B  | Enter the official title for each person listed in item 10A.   |
| 10C  | Enter the signature of each person listed in item 10A. This signature must be used for verification and identification purposes. |

88    **Annual Recertifications (Continued)****C   Instructions for Completing CCC-846-1A (Continued)**

| <b>Item</b> | <b>Instructions</b>  |
|-------------|--|
| 11A         | No entry required. This item identifies the authorized commodities for loans and LDP's.  |
| 11B         | Enter the crop year beside the applicable commodity listed in column 11A   |
| 11C         | No entry required. This item identifies the method of measurement for the commodities identified in column 11A.  |
| 11D         | Enter the loan volume for the commodity identified in item A in the units specified in item 11C.   |
| 11E         | Enter the LDP volume for the commodity identified in item A in the units specified in item 11C.  |
| 11F         | Enter the projected loan volume for the commodities specified in column 11C for the next crop year.  |
| 11G         | Enter the projected LDP volume for the commodities specified in column 11C for the next crop year.   |
| 12          | Enter totals of column 11D, E, F, and G.   |
| 13          | Attach the supporting documents listed in this item to CCC-846-1A and enter a check mark to verify that they have been attached and filed with the form. |
| 14          | Enter any remarks that are pertinent or supporting to the information entered on this form.  |
| 15A         | After verifying that data on CCC-846-1A is correct, enter the signature of the authorized company official.  |
| 15B         | Enter the title of the authorized official identified in item 20A.   |
| 15C         | Enter the date the authorized official identified in item 20A signed this form.  |

## 88 Annual Recertifications (Continued)

## D Example of Completed CCC-846-1A

The following is an example of a completed CCC-846-1A.

|   |  |  |   |
|---|--|--|---|
| <b>CCC-846-1A</b><br>(02-13-17)   |  | U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation   |   |
| <b>RECERTIFICATION OF STATUS FOR APPROVED LOAN SERVICING AGENTS (LSA's)<br/>OR DESIGNATED MARKETING ASSOCIATIONS (DMA's)</b>  |  |  |   |
| <p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, 7 CFR Part 1425, 7 CFR Part 1427, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to recertify status as an approved Loan Servicing Agent or Designated Marketing Association eligible to participate in and receive benefits under FSA programs. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information may result in a denial of the Loan Servicing Agent's or Designated Marketing Association's request to participate in and receive benefits under FSA programs.</p> <p>The information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F – Administration).</p> <p>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS ADDENDUM TO THE DIRECTOR, PRICE SUPPORT DIVISION, USDA, FARM SERVICE AGENCY, STOP 0512, ROOM 4095-S, 1400 INDEPENDENCE AVENUE SW, WASHINGTON, D.C. 20250-0512.</p>  |  |  |   |
| 1. Date Due (MM-DD-YYYY)<br><br>01-30-20XX  | 2. For Fiscal Year Ending<br><br>08-20-20XX                            | 3. Return To: Director, Price Support Division<br>USDA, FSA, Stop 0512, Room 4095-S<br>1400 Independence Avenue, SW<br>Washington, D.C. 20250-0512 |   |
| 4. LSA or DMA Name<br><br>Acme Cotton and Grain   | 5. LSA or DMA Headquarters<br>City and State<br><br>Plainville, Kansas | 6. Regular Mail Address<br><br>P.O. Box 70<br>Plainville, Kansas<br>99999  | 7. Overnight Mail Address (No P.O. Boxes)<br><br>205 N. Evergreen Street<br>Plainville, Kansas<br>99999 |
| 8A. Primary Contact Person and Title<br><br>Lewis Clark, Manager  | 8C. FAX No. (Include Area Code)<br><br>316-123-3457                    | 9A. IT Contact Person and Title<br><br>Thomas Smith  | 9C. FAX No. (Include Area Code)<br><br>316-999-8888   |
| 8B. Telephone No. (Include Area Code)<br><br>316-234-5678   | 8D. Contact Person's<br>E-Mail Address<br><br>LClark@aol.com           | 9B. IT After Hours Phone Number<br>(Including Area Code)<br><br>316-832-1973   | 9D. IT E-Mail address<br><br>TSmith@aol.com   |
| 10. Employees authorized to conduct CCC business:   |  |  |   |
| A. NAME<br><br>Lewis Clark  | B. TITLE<br><br>Manager  | C. AUTHORIZED SIGNATURE<br><br><i>/s/ Lewis Clark</i>  |   |
| Charles Stevens   | Assistant Manager  | <i>/s/ Charles Stevens</i>   |   |
| Jack Johnson  | Special Assistant  | <i>/s/ Jack Johnson</i>  |   |
|   |  |  |   |
| <p>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</p> <p>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</p> <p>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</p> |  |  |   |

## 88 Annual Recertifications (Continued)

## D Example of Completed CCC-846-1A (Continued)

| CCC-846-1A (02-13-17)   |              |         |                     |               |   |  | Page 2 |
|---|--------------|---------|---------------------|---------------|---|--|--------|
| 11. Authorized Commodity Volume Report:   |              |         |                     |               |   |  |        |
| A. Authorized Commodity   | B. Crop Year | C. Unit | D. Loan Volume      | E. LDP Volume | F. Projected Loan Volume for Next Crop Year | G. Projected LDP Volume for Next Crop Year |        |
| Cotton  |              | Bales   |                     |               |   |  |        |
| Peanuts   | 04           | Tons    | 79,106              | 0             | 82,000                                      | 0  |        |
| 12. Totals  |              |         | 79,106              | 0             | 82,000                                      | 0  |        |
| 13. Attach the following supporting documents:  |              |         |                     |               |   |  |        |
| <input checked="" type="checkbox"/> Blank copies of all DMA or LSA computer generated CCC forms.<br><input checked="" type="checkbox"/> Incorporation or partnership documents if there have been changes from the previous FY.<br><input checked="" type="checkbox"/> Audited financial statement (including the accountant report of audit or review).<br><input checked="" type="checkbox"/> If applicable, completed marketing assistance loan or LDP documents resulting from DMA or LSA software testing.<br><input checked="" type="checkbox"/> Proposed financial security. |              |         |                     |               |   |  |        |
| 14. Remarks:  |              |         |                     |               |   |  |        |
| 15. Information submitted is correct and complete to the best of my knowledge.  |              |         |                     |               |   |  |        |
| A. SIGNATURE: (This application must be signed by an authorized company official)<br><i>/s/ Lewis Clark</i>   |              |         | B. TITLE<br>Manager |               |   | C. DATE (MM-DD-YYYY)<br>01-20-20XX         |        |
| PENALTY STATEMENT   |              |         |                     |               |   |  |        |
| <p><i>Section 15(a) of the Commodity Credit Corporation (CCC) Chapter Act of 15 USC 714 (m)(a) provides a fine of not more than \$10,000 or not more than five years imprisonment, or both, for making any statement knowing it to be false for the purpose of influencing the action of CCC or of obtaining money under any act applicable to CCC. The making of such false statements may subject entity to civil liability, including liability under 31 USC 231.</i></p>  |              |         |                     |               |   |  |        |

**89      Suspensions and Terminations****A    Suspension Grounds**

CCC may suspend LSA whenever it determines that LSA has **not**:

- operated according to representations made
- followed program procedures as instructed
- corrected deficiencies annotated
- operated according to applicable Federal regulations.

**B    Termination Grounds**

CCC may terminate LSA whenever it determines that:

- LSA failed to correct deficiencies within a specified time period annotated in a letter suspending LSA's approval
- LSA's continued approval represents an unacceptable financial risk to CCC
- LSA's level of services provided to producers is unacceptable.

**Note:** LSA's may voluntarily withdraw from participation at any time.

**C    Suspension Procedures**

The Executive Vice President, CCC must notify LSA of reasons for suspension and corrective actions required within a specified time period for renewed approval. A suspension may be lifted if actions cited in the Executive Vice President's notification are corrected to CCC's satisfaction within the time period specified. LSA's not taking action to correct the deficiencies specified in the suspension letter within the specified time period must be terminated from any further program activities. See subparagraph E.

**89      Suspensions and Terminations (Continued)****D    Activities During Suspension**

A suspended LSA must:

- continue to provide services for loans made before suspension, such as repayments, reconcentrations, and forfeitures
- **not** process any additional loan or LDP disbursements.

**E    Termination Procedure**

The Executive Vice President, CCC may terminate LSA's approval to provide loan services by giving LSA written notice.

**Note:** CCC, in its notification, will issue instructions for transferring program records from the terminated LSA.

**F    Withdrawal Procedure**

LSA's may withdraw from CCC's loan and LDP program by sending written notification to the Executive Vice President, CCC, **only** when **all** of the loans it processed are closed.

**90 Prohibited LSA Activities****A Prohibited Activities**

LSA's must **not**:

- take title to producers' cotton
- pool producers' cotton for any purpose
- allow owners, employees, and their families to market producers' cotton

**Note:** LSA's may provide marketing services if requested by the producer.

- because of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status, deny any producer from participating in a loan or LDP for which they would otherwise be eligible to obtain benefits earned by participating in a loan or LDP program
- refuse services to producers because LSA was not granted a power of attorney on FSA-211 for executing loan documents to obtain loans, repaying the loans for the producer, obtaining LDP's, or marketing the producer's cotton
- adopt any scheme or device to circumvent the purpose of the cotton loan and LDP program regulations, the regulation governing LSA's, or its agreement with CCC
- make loans or LDP's to producers involved in a bankruptcy proceeding

**Note:** Advise that the producer may apply for loans or LDP's through the producers' local County Office.

- make loans or LDP's on ineligible cotton.

**91-100 (Reserved)**

**Part 5 Servicing County****101 Overview****A Overview**

This part provides State and County Offices with policies and procedures about servicing the loan and LDP programs for CMA's and DMA's.

**Section 1 CMA Service County Office and Related State Office Actions****102 Establishing a CMA Service County Office****A Background**

A CMA service County Office is the County Office an applicable CMA uses to obtain a loan or LDP for its members. Usually, CMA presents a single receipt for a large loan or LDP quantity to the CMA service County Office for each loan or LDP.

Upon request, the CMA service County Office processes a loan or LDP for CMA for the receipt. CMA does not identify on the loan or LDP documents specific producers involved in the loan or LDP.

**Note:** Paragraph 247 requires CMA's to obtain separate loans and LDP's by applicable producer for producers with offsets.

CMA's handling commodities other than cotton may request the CMA service County Office location where they would like to obtain loans and LDP's on CCC-846, item 3, according to paragraph 55.

## 102 Establishing a CMA Service County Office (Continued)

**B Selecting CMA Service County Office**

The following table describes how a cooperative becomes CMA, and how its related CMA service County Office is chosen to provide loans and LDP's.

**Note:** This paragraph is not applicable to CMA's approved for cotton since they process loan and LDP activity through ACRS.

| Step | Action  |
|------|---|
| 1    | Cooperative contacts PSD to obtain CMA application forms and procedures according to this part.   |
| 2    | PSD, if appropriate, according to Part 2: <ul style="list-style-type: none"> <li>• approves CMA status</li> <li>• assigns CMA's State and county code numbers</li> <li>• assigns the service County Office as nominated by CMA</li> <li>• sends State Office where CMA is headquartered a copy of CMA's approval letter.</li> </ul> |
| 3    | State Office where CMA is headquartered must concur with the designation of the CMA service County Office.  |
| 4    | State Office assists with establishing the CMA service County Office as necessary according to subparagraph C.  |

**C State Office Action**

The following table provides instructions for a State Office where CMA is headquartered to establish a CMA service County Office.

| Step | Action  |
|------|---|
| 1    | Receive copy of PSD's approval letter addressed to applicable CMA.  |
| 2    | Contact PSD if the State Office disagrees with PSD's designation of the CMA service County Office.                    |
| 3    | As necessary, coordinate establishment of CMA service County Office computer system files according to 1-CM with PDD. |

**D CMA Service County Office Action**

CMA service County Offices must follow instructions from the State Office and PDD for establishing CMA service County Office loan and LDP system files.

## 103 Servicing CMA Loans and LDP's

**A Policy**

CMA service County Offices must:

- make non-cotton CMA loans and LDP's according to 8-LP
- service non-cotton CMA loans and LDP's according to 8-LP
- base loan and LDP rates for CMA's on where the:
  - commodity is stored, unless stored in a merged warehouse
  - commodity was delivered, if stored in a merged warehouse
  - producer's farm records (administrative County Office) are maintained for LDP's
- follow procedures in 3-FI for CMA loan repayments by wire transfers
- follow subparagraph B for additional instructions
- handle non-cotton CMA loans and LDP's the same as any other loan or LDP would be handled for a producer

**Reminder:** For loan and LDP purposes, CMA is the producer.

- **not** obtain and file financing statements for CMA farm-stored loans
- **not** perform lien searches for either farm- or warehouse-stored CMA loans.

## 103 Servicing CMA Loans and LDP's (Continued)

**B Special CMA Service County Office Actions**

The following table provides special actions CMA service County Offices must take related to non-cotton CMA loans and LDP's.

| Item  | Reference                 |
|---|---------------------------|
| Signature authorizations                                    | paragraph 119             |
| Lien waivers  | paragraph 123             |
| Spot checks   | 8-LP                      |
| Production evidence   | 2-LP Peanuts<br>2-LP Rice |
| Determining and handling denied benefit repayments          | paragraph 234             |
| Determining and handling excess benefit repayments          |                           |
| Determining and handling ineligible loan and LDP repayments |                           |

## 104 Loan and LDP Actions for Suspended CMA's

**A Background**

CCC may, based on policies in Part 2, suspend CMA's authority to participate in the loan and LDP program. When this occurs, the applicable State Office and CMA service County Office are sent a copy of CMA's suspension letter. During the suspension period, CMA may not obtain any additional loans or LDP's. Existing loans are serviced as other eligible loans are serviced. If the suspension is subsequently lifted, the applicable State and CMA service County Office is sent a copy of the notification to the applicable CMA. If the suspension is not lifted, CMA will be terminated.

**B CMA Service County Office Action**

Effective with the date of suspension, the applicable CMA's service County Office must:

- **not** process any loans or LDP's for the applicable CMA
- continue to service the applicable CMA's outstanding loans according to 8-LP
- refer any questions the applicable CMA has about its suspension status to the PSD, CMA Program Manager according to paragraph 59.

**105    Loan and LDP Actions for Terminated CMA's****A    Background**

CCC may, based on policies in Part 2, terminate CMA's authority to participate in the loan and LDP program. CMA's may also voluntarily terminate their approval to participate in the loan and LDP program. When either occurs, the applicable State Office and CMA service County Office are sent a copy of CCC's termination letter to the former CMA. Upon termination, CMA may not obtain any additional loans or LDP's and all outstanding loans are called. The termination letter will provide the timeframe required for loan repayments.

**Note:** When CMA status is terminated, a cooperative must follow procedures for initial approval in Part 2 to regain approval status. If new approval is granted, CMA is assigned a new State and county code number.

**B    CMA Service County Office Action**

Effective on the date of termination, the applicable CMA's service County Office must:

- **not** process any loans or LDP's for the applicable CMA
- follow deadlines in CCC's termination letter to call outstanding loans according to 8-LP
- refer any questions the applicable CMA has about its termination to the PSD, CMA Program Manager according to paragraph 60.

## 106 CMA Service County Office Contacts With Other County Offices

**A Background**

Non-cotton CMA's may obtain a loan or LDP through its CMA service County Office for commodities stored in another county or in another State. Some of the large CMA's may obtain loans or LDP's for commodities stored several hundred miles from the CMA service County Office. This paragraph provides CMA service County Offices and State Offices with procedures to follow in monitoring CMA loans and LDP's when the applicable commodity is outside the CMA service County Office.

**B CMA Service County Office Action**

The following table provides the steps the CMA service County Offices must follow for contacting other County Offices in monitoring CMA loans and LDP's.

| Step          | Action   |   |
|---------------|--|---|
| 1             | Determine, according to 8-LP, CMA loans and LDP's that require: <ul style="list-style-type: none"> <li>• spot checks</li> <li>• production evidence.</li> </ul>                            |   |
| 2             | <b>IF the applicable commodity is or was stored...</b>   | <b>THEN...</b>  |
|               | in the CMA service County Office   | follow applicable procedures in 8-LP, 2-LP-Peanuts and 2-LP Rice. |
| anywhere else |  | go to step 3.   |
| 3             | Make copies of data related to spot checks or production evidence.   |   |
| 4             | Sort data by County Office where the commodity is or was stored.   |   |
| 5             | Write a memorandum to the State Office enclosing data required for spot checks or production evidence for CMA loan or LDP for a commodity stored outside of the CMA service County Office. |   |
| 6             | Send the memorandum from step 5, with data from step 4 to the State Office.  |   |

## 106 CMA Service County Office Contacts With Other County Offices (Continued)

**C CMA Service County State Office Action**

The following table provides the steps the State Offices must follow when a memorandum is received from the CMA service County Office related to spot checks or production evidence for CMA loans or LDP's.

| <b>IF the applicable commodity is or was stored...</b>           | <b>THEN...</b>  |
|--|---|
| in the same State  | <ul style="list-style-type: none"> <li>forward applicable data to applicable County Offices in the State</li> <li>instruct County Offices to respond within 15 workdays.</li> </ul> |
| anywhere else  | <ul style="list-style-type: none"> <li>forward applicable data to State Offices where the commodity is or was stored</li> <li>request response within 30 workdays.</li> </ul>       |
| <b>IF the response is...</b>                                     | <b>THEN...</b>  |
| received   | forward it to the CMA service County Office.  |
| <b>not</b> received timely from a County Office in the State     | contact the County Office and take steps needed to answer the inquiry.  |
| <b>not</b> received timely from a County Office in another State | contact PSD and request assistance.   |

**D State Office Action in Other States**

The following table provides the steps for State Offices in States other than the CMA service County Office's State when a memorandum is received from the CMA service County Office's State Office related to spot checks or production evidence for CMA loans or LDP's.

| <b>Forward applicable data to applicable County Offices in the State and instruct County Offices to respond within 15 workdays.</b> |  |
|---|--|
| <b>IF the response is...</b>  | <b>THEN...</b>   |
| received  | forward it to the CMA service County Office's State Office.            |
| <b>not</b> received timely  | contact the County Office and take steps needed to answer the inquiry. |

**Section 2 DMA Servicing County Actions****107 DMA Servicing****A Service County Office Actions**

County Offices designated to be DMA service County Offices must:

- accept and process peanut MAL and LDP applications from DMA's

**Note:** DMA's will bundle MAL's or LDP's disbursed to individual producers with the same disbursement date. The DMA service County Office will provide a single MAL or LDP to DMA that covers the same MAL's or LDP's represented by multiple receipts from multiple producers.

- hold paper warehouse receipts if EWR's are **not** available
- disburse MAL or LDP to DMA's drawdown account as directed by FMD
- provide MAL or LDP documents to DMA
- **not** determine commodity and producer eligibility
- **not** charge DMA a service fee
- **not** collect assessment fees.

**108-118 (Reserved)**

## **Part 6 Operating and Loan Servicing Policies**

### **Section 1 General Program Information**

#### **119 Signatures and Authorizations Required**

##### **A CMA Responsibilities**

CMA's must provide sample signatures of officials authorized by CMA to sign documents with CCC for CMA. Forms CCC-846 and CCC-846-1 have been amended to include authorized signatures.

CMA's must submit updated lists immediately when a change occurs in authorized officials.

##### **B CMA Service County Office Responsibility**

CMA service County Offices must use authorization lists and signatures provided by CMA's according to 1-CM.

## 119 Signatures and Authorizations Required (Continued)

## C LSA Responsibilities

Individual producers acting on behalf of other persons or entities must provide evidence that they have authority to sign CCC documents. Policy on signature authority and limitations is provided in 1-CM, paragraph 707 which LSA employees must review and be familiar with. However, the following provides a quick reference guide and is intended to clarify policy that is only applicable to LSA's.

| IF LSA producer...  | THEN see 1-CM, paragraphs...   | 1-CM Examples  |
|---|--|--|
| wants to sign CCC documents on behalf of another person or entity and no acceptable evidence of signature authority is on file at LSA | <p>707 through 717 for types of acceptable evidence of authority depending upon the type of producer.</p> <p><b>Note:</b> LSA's provide PSD evidence of authority on CCC-846-1A for their employees to sign for the LSA.</p> | <p>For corporations, limited liability corporations, limited partnerships, limited liability partnerships and similar entities, any of the following authorize an officer, manager, or member to sign:</p> <ul style="list-style-type: none"> <li>corporate charter, bylaws, articles of organization, operating agreement, or partnership papers executed according to State law, that designates the officer, member, or manager</li> <li>resolution by the corporations' board of directors, signed by the corporation's secretary, or an officer other than the signatory being extended signature authority</li> <li>signed corporate minutes.</li> </ul> |
| has acceptable evidence of signature authority on file at LSA and is ready to sign CCC documents                                      | 707 through 717 for the acceptable signature format depending upon the type of producer.   | <p>For estates and trusts, the signature for an individual authorized to sign must consist of:</p> <ul style="list-style-type: none"> <li>an indicator, such as "by" or "for" illustrating that the individual is signing in a representative capacity</li> <li>the name of the estate or trust, except when the name of the estate or trust shows on the document</li> <li>the representative's name and capacity.</li> </ul>   |

**120 Using FSA-211 and FSA-211A****A Policy**

See 1-CM for general policies about the FSA-211's and FSA-211-A's. Producers may delegate a power of attorney to another person or to ADP on FSA-211. A Notary Public seal on FSA-211 is not required when FSA-211 is signed by an individual in the presences of an FSA or LSA employee. Persons who have been granted an FSA-211 by a producer must deliver FSA-211 to ADP. ADP must call the County Office identified in the revocation sentence on FSA-211 to verify that FSA-211 has not been revoked before processing any applicable loan advance or LDP.

FSA-211 used to delegate ADP with a producer's FSA-211 must include an attachment with the following statement.

“The grantor hereby acknowledges that the ADP is an agent of the Commodity Credit Corporation for the purpose of performing certain services requisite to the making and servicing of Commodity Credit Corporation cotton loans and LDP's to eligible producers of eligible cotton and agrees to permit the ADP to act as agent for both the grantor and the Commodity Credit Corporation. The ADP must disclose to the grantor all facts which the ADP knows or should know would reasonably affect the judgment of the grantor in permitting the ADP to act as agent for both the grantor and the Commodity Credit Corporation.”

**Notes:** For this handbook, FSA-211 must refer to both FSA-211 and FSA-211-A. “Power of attorney” forms other than FSA-211 will **not** be accepted.

**120 Using FSA-211 and FSA-211A (Continued)****B FSA-211 Used With CCC-605**

Producers may designate an agent on FSA-211 to act on their behalf to execute CCC-605's if FSA-211 specifically grants the authority to execute CCC-605's. Producers must be fully aware that designating an agent to execute CCC-605's grants that agent the authority to further delegate authority to another agent.

An agent designated on FSA-211 cannot execute a new FSA-211 to further delegate authority to another agent.

**C LSA Power of Attorney Restrictions**

If the producer has delegated LSA a power of attorney, LSA must **not**:

- make any purchase for LSA's own account of cotton redeemed from loan
- sell any cotton to any person who is employed or has the right to control or direct LSA's sale of redeemed cotton or equities.

**D FSA-211's Applicable to CCC-605's**

LSA's must accept CCC-605's if FSA-211 specifically grants authority to designate another agent on CCC-605.

## 120 Using FSA-211 and FSA-211A (Continued)

## E Completing FSA-211's Assigned to ADP

The following table provides instructions to complete FSA-211's to delegate power of attorney to ADP's.

| <b>Item</b>       | <b>Instructions</b>   |
|-------------------|---|
| (1) through (4)   | Enter ADP's:<br><br><ul style="list-style-type: none"> <li>• name</li> <li>• address</li> <li>• county</li> <li>• State.</li> </ul>   |
| (5)               | Enter the producer's name.  |
| A                 | Check the number:<br><br><ul style="list-style-type: none"> <li>• "10"</li> <li>• "17" and ENTER the applicable commodity.</li> </ul>   |
| B                 | Check number "4". If FSA-211 will be used to execute CCC-605, check number "6" and ENTER "Execute CCC-605".   |
| 6A through B      | Individual producers must:<br><br><ul style="list-style-type: none"> <li>• sign</li> <li>• enter date.</li> </ul>   |
| 7A through C      | Corporations must:<br><br><ul style="list-style-type: none"> <li>• sign</li> <li>• enter title</li> <li>• enter date.</li> </ul>  |
| 8A through C      | Witness must:<br><br><ul style="list-style-type: none"> <li>• sign</li> <li>• date</li> <li>• enter position.</li> </ul>  |
| 9A through C      | Enter notary public's seal, State and county of commission and signature.<br><br><b>Note:</b> Notarization is required when FSA-211 is not signed by an individual in the presence of an FSA or ADP employee. |
| 10(a) and (b)     | Enter place where FSA-211 is signed.  |
| 10(c) through (e) | Enter date FSA-211 is executed.   |

## 120 Using FSA-211 and FSA-211A (Continued)

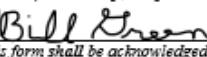
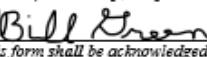
## F Example of a Completed FSA-211 for Individual (Continued)

The following is an example of a completed FSA-211 for an individual.

| FSA-211<br>(06-20-23)  |  | U. S. DEPARTMENT OF AGRICULTURE<br>Farm Service Agency – Natural Resources Conservation Service -<br>Commodity Credit Corporation - Federal Crop Insurance Corporation - Risk Management Agency |  |  |  |  |   |  |                                 |  |  |  |
|--|--|---|--|--|--|--|---|--|---------------------------------|--|--|--|
| <b>POWER OF ATTORNEY</b>   |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <p><b>THE UNDERSIGNED</b> does hereby appoint the following grantee:</p> <p>(1) <u>US LSA</u> of the following address: (2) <u>123 Way Street, McLouth</u><br/>in the county of: (3) <u>Jefferson</u> in the State of: (4) <u>Kansas</u> the attorney-in-fact for (5) <u>Robert Brown</u><br/>(insert grantor's name) in connection with the Farm Service Agency, Natural Resources Conservation Service Agency, or Commodity Credit Corporation programs checked below. NOTE: This power of attorney form is not valid for FSA Farm Loan Program purposes.</p>  |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <p><b>A. FSA, NRCS and CCC PROGRAMS</b><br/>(Check applicable programs)</p> <p><input type="checkbox"/> 1. All current programs. <input checked="" type="checkbox"/> 10. Marketing Assistance Loans and Loan Deficiency Payments</p> <p><input type="checkbox"/> 2. All current and all future programs. <input type="checkbox"/> 11. Margin Protection Program for Dairy Producers (MPP/Dairy)</p> <p><input type="checkbox"/> 3. Agricultural Risk Coverage/Price Loss Coverage (ARCC/PLC).</p> <p><input type="checkbox"/> 4. Biomass Crop Assistance Program (BCAP).</p> <p><input type="checkbox"/> 5. Tree Assistance Program (TAP).</p> <p><input type="checkbox"/> 6. Livestock Indemnity Program (LIP).</p> <p><input type="checkbox"/> 7. Livestock Forage Disaster Program (LFP).</p> <p><input type="checkbox"/> 8. Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP).</p> <p><input type="checkbox"/> 9. Noninsured Crop Disaster Assistance Program (NAP).</p> <p><input type="checkbox"/> 12. Farm Storage Facility Loan Program.</p> <p><input type="checkbox"/> 13. Conservation Reserve Program (CRP).</p> <p><input type="checkbox"/> 14. NRCS Conservation Programs.</p> <p><input type="checkbox"/> 15. Emergency Conservation Program (ECP).</p> <p><input type="checkbox"/> 16. Emergency Forest Restoration Program (EFRP).</p> <p><input type="checkbox"/> 17. Other (Specify):</p>  |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <p><b>B. TRANSACTIONS for FSA, NRCS, and CCC PROGRAMS</b><br/>(Check applicable actions)</p> <p><input type="checkbox"/> 1. All actions.</p> <p><input type="checkbox"/> 2. Signing applications, agreements, and contracts.</p> <p><input type="checkbox"/> 3. Making reports.</p> <p><input checked="" type="checkbox"/> 4. Conducting all marketing assistance loan and LDP transactions.</p> <p><input type="checkbox"/> 5. Routing Banking Accounts.</p> <p><input type="checkbox"/> 6. Other (Specify):</p>  |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <b>Cotton</b>  |  | <b>Executing CCC-605</b>  |  |  |  |  |   |  |                                 |  |  |  |
| <p>This form may also be used to grant authority to an attorney-in-fact to act on the grantor's behalf with respect to FCIC transactions. Checking any of the FCIC transaction does not have any impact as to the FSA, NRCS or CCC transactions checked above.</p>   |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <p><b>C. INSURED CROPS/STATE/COUNTY</b><br/>(Enter "All" or specify each crop, state, county and year(s))</p> <p>1. <u>All</u></p> <p>2. _____</p> <p>3. _____</p> <p>4. _____</p>   |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <p><b>D. CROP INSURANCE TRANSACTIONS</b><br/>(Check applicable actions)</p> <p><input checked="" type="checkbox"/> 1. All actions.</p> <p><input type="checkbox"/> 2. Making applications for insurance.</p> <p><input type="checkbox"/> 3. Reporting crop acreage and production reports.</p> <p><input type="checkbox"/> 4. Reporting a notice of damage or loss and making claim for indemnity.</p> <p><input type="checkbox"/> 5. Making transfers and cancellations.</p> <p><input type="checkbox"/> 6. Making contract changes.</p> <p><input type="checkbox"/> 7. Other (Specify):</p>  |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <p>This Power of Attorney is valid in all counties in the United States unless otherwise noted. This power of attorney shall remain in full force and effect until (1) written notice of its revocation has been duly served upon FSA, NRCS or CCC as appropriate; (2) death of the undersigned grantor; or (3) incompetence or incapacity of the undersigned grantor. The undersigned grantor shall provide separate written notice of revocation to the applicable crop insurance agent. This power of attorney shall not be effective until properly executed and served to a USDA Service Center.</p>  |  |   |  |  |  |  |   |  |                                 |  |  |  |
| <p><b>AUTHORIZED SIGNATURES</b></p> <table border="1"> <tr> <td>6A. Signature of Grantor (Individual)<br/><i>Robert Brown</i></td> <td>6B. Signature Date (MM-DD-YYYY)<br/>9-12-20XX</td> <td>6C. For Grantor's Signature<br/>Continuation, check here if<br/>FSA-211A is attached. <input type="checkbox"/></td> </tr> <tr> <td>7A. Signature of Grantor (Partnership, Corporation, Trust, etc.) (By)<br/><i>Joe Black</i></td> <td>7B. Title/Relationship of Individual Signing in<br/>the Representative Capacity</td> <td>7C. Signature Date (MM-DD-YYYY)</td> </tr> </table> <p>8. Notary Public (this form shall be acknowledged by a notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).</p> <p>Signature (a) _____ the state of (b) _____ the County of (c) _____</p> <p><b>FOR FSA USE ONLY</b></p> <table border="1"> <tr> <td>9A. Witness Signature (FPAC Employee Only)<br/><i>Joe Black</i></td> <td>9B. Signature Date (MM-DD-YYYY)<br/>9-12-20XX</td> <td>9C. Official Position<br/>County Executive Director</td> </tr> </table> <p>10. This power of attorney was served to (a) <u>Jefferson</u> _____ USDA Service Center, _____<br/>State of (b) <u>Kansas</u> and became effective this (c) <u>12th</u> day of (d) <u>September</u>, (e) <u>20XX</u>.</p> <p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a), as amended. The authority for requesting the information identified on this form is 7 CFR Part 754, the Commodity Credit Corporation Charter (7 U.S.C. 754 et seq.), the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-234), and the Agriculture Act of 2014 (Pub. L. 113-79). The information will be used to administer a producer/grantor's applicant individual organization to serve as an attorney-in-fact (grantee) that is authorized to act on behalf of the producer, conduct business with USDA concerning Farm Service Agency, Natural Resources Conservation Service, Commodity Credit Corporation, Federal Crop Insurance Corporation, and Risk Management Agency programs. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal entities, and other organizations that are authorized to receive information in accordance with the Privacy Act of 1974, the Freedom of Information Act, the Right-to-Know Act, the Agricultural Marketing Act of 1946, the Agricultural Risk Protection Act (A.R.P.A.), USDA/USRC-1, Landowner Operator, Producer Cooperator, or Participants Act, and USDA/FCIC-10, Policyholder. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of producer/individual's inability to participate in and receive benefits under Farm Service Agency, Natural Resources Conservation Service, Commodity Credit Corporation, Federal Crop Insurance Corporation, and Risk Management Agency programs.</p> <p>This information collection for FSA commodity and conservation programs in Titles I and II of the Agricultural Act of 2014 (Pub. L. 113-79) are exempt from the Paperwork Reduction Act (PRRA) as specified in the Agricultural Act of 2014, Title I, Subtitle F, Administration, and Title II, Subtitle G, Funding Administration. For the PRRA, this information collection is exempted from the PRRA as specified in the Fiscal Year 2010 Supplemental Appropriations Act (Pub. L. 111-313). For the PRRA, this information collection is exempted from the PRRA as it is required for the administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-234, Title I, Subtitle F, Administration).</p> <p>For the PRRA, this information collection is exempted from the PRRA as it is required for the administration of the Commodity Credit Corporation Charter (7 U.S.C. 754 et seq.), the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), and the Agriculture Act of 2014 (Pub. L. 113-79).</p> <p>In accordance with Federal and rights and U.S. Department of Agriculture (USDA) reporting regulations and policies, the USDA, its operating offices, and employees participating in administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender, disability (including gender expression), sexual orientation, ethnicity, age, marital status, family status, or any other protected class. USDA is an equal opportunity provider, employer, and lender.</p> <p>For more information on the requirements and responsibilities of the program information, see the FSA-211A, FSA-211, and FSA-211A-A. For more information on the FSA-211A, FSA-211, and FSA-211A-A, contact the FSA-211A, FSA-211, and FSA-211A-A program administrator, or contact the FSA-211A, FSA-211, and FSA-211A-A program manager. USDA programs may be made available in languages other than English. To file a program discrimination complaint, contact the USDA Program Discrimination Complaint Panel, (402) 943-2600, or file a written complaint at: U.S. Department of Agriculture, 1400 Independence Avenue, Washington, D.C. 20250-0002, or file a written complaint at FSA, (866) 832-5123, or file a written complaint at FSA-211A, (866) 832-5123, or file a written complaint at FSA-211, (866) 832-5123, or file a written complaint at FSA-211A-A, (866) 832-5123. Submit your complaint form or letter to USDA by (i) mail to U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, Washington, D.C. 20250-0002; (ii) fax to (202) 720-8328; or (iii) email to <a href="mailto:OASCR.PREP@USDA.GOV">OASCR.PREP@USDA.GOV</a>. USDA is an equal opportunity provider, employer, and lender.</p> |  |   |  | 6A. Signature of Grantor (Individual)<br><i>Robert Brown</i> | 6B. Signature Date (MM-DD-YYYY)<br>9-12-20XX | 6C. For Grantor's Signature<br>Continuation, check here if<br>FSA-211A is attached. <input type="checkbox"/> | 7A. Signature of Grantor (Partnership, Corporation, Trust, etc.) (By)<br><i>Joe Black</i> | 7B. Title/Relationship of Individual Signing in<br>the Representative Capacity | 7C. Signature Date (MM-DD-YYYY) | 9A. Witness Signature (FPAC Employee Only)<br><i>Joe Black</i> | 9B. Signature Date (MM-DD-YYYY)<br>9-12-20XX | 9C. Official Position<br>County Executive Director |
| 6A. Signature of Grantor (Individual)<br><i>Robert Brown</i>   | 6B. Signature Date (MM-DD-YYYY)<br>9-12-20XX                                   | 6C. For Grantor's Signature<br>Continuation, check here if<br>FSA-211A is attached. <input type="checkbox"/>  |  |  |  |  |   |  |                                 |  |  |  |
| 7A. Signature of Grantor (Partnership, Corporation, Trust, etc.) (By)<br><i>Joe Black</i>  | 7B. Title/Relationship of Individual Signing in<br>the Representative Capacity | 7C. Signature Date (MM-DD-YYYY)   |  |  |  |  |   |  |                                 |  |  |  |
| 9A. Witness Signature (FPAC Employee Only)<br><i>Joe Black</i>   | 9B. Signature Date (MM-DD-YYYY)<br>9-12-20XX                                   | 9C. Official Position<br>County Executive Director  |  |  |  |  |   |  |                                 |  |  |  |

## G Example of a Completed FSA-211 for Corporation

The following is an example of a completed FSA-211 for a corporation and the individual is authorized to sign on behalf of the corporation.

|   |  |   |   |  |
|---|--|---|---|--|
| <b>FSA-211</b><br>(06-20-23)  | <b>U. S. DEPARTMENT OF AGRICULTURE</b><br>Farm Service Agency – Natural Resources Conservation Service –<br>Commodity Credit Corporation - Federal Crop Insurance Corporation – Risk Management Agency<br><b>POWER OF ATTORNEY</b>   |   |   |  |
| <b>THE UNDERSIGNED</b> does hereby appoint the following grantee:<br>(1) <u>US LSA</u> of the following address: (2) <u>569 East Street, Oskaloosa</u><br>in the county of: (3) <u>Jefferson</u> in the State of: _____<br>(4) <u>Kansas</u> the attorney-in-fact for (5) <u>ABC Corporation</u><br>(insert grantor's name) in connection with the Farm Service Agency, Natural Resources Conservation Service Agency, or Commodity Credit Corporation programs checked below. <b>NOTE: This power of attorney form is not valid for FSA Farm Loan Program purposes.</b>  |  |   |   |  |
| <table border="0"> <tr> <td style="vertical-align: top;"> <b>A. FSA, NRCS and CCC PROGRAMS</b><br/> <i>(Check applicable programs)</i> <ul style="list-style-type: none"> <li><input type="checkbox"/> 1. All current programs.</li> <li><input type="checkbox"/> 2. All current and all future programs.</li> <li><input type="checkbox"/> 3. Agricultural Risk Coverage/Price Loss Coverage (ARC/PLC).</li> <li><input type="checkbox"/> 4. Biomass Crop Assistance Program (BCAP).</li> <li><input type="checkbox"/> 5. Tree Assistance Program (TAP).</li> <li><input type="checkbox"/> 6. Livestock Indemnity Program (LIP).</li> <li><input type="checkbox"/> 7. Livestock Forage Disaster Program (LFP).</li> <li><input type="checkbox"/> 8. Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP).</li> <li><input type="checkbox"/> 9. Noninsured Crop Disaster Assistance Program (NAP).</li> </ul> </td> <td style="vertical-align: top;"> <b>B. TRANSACTIONS for FSA, NRCS, and CCC PROGRAMS</b><br/> <i>(Check applicable actions)</i> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> 10. Marketing Assistance Loans and Loan Deficiency Payments.</li> <li><input type="checkbox"/> 11. Margin Protection Program for Dairy Producers (MPP/Dairy).</li> <li><input type="checkbox"/> 12. Farm Storage Facility Loan Program.</li> <li><input type="checkbox"/> 13. Conservation Reserve Program (CRP).</li> <li><input type="checkbox"/> 14. NRCS Conservation Programs.</li> <li><input type="checkbox"/> 15. Emergency Conservation Program (ECP).</li> <li><input type="checkbox"/> 16. Emergency Forest Restoration Program (EFRP).</li> <li><input checked="" type="checkbox"/> 17. Other (Specify): _____</li> </ul> </td> </tr> </table> |  |   | <b>A. FSA, NRCS and CCC PROGRAMS</b><br><i>(Check applicable programs)</i> <ul style="list-style-type: none"> <li><input type="checkbox"/> 1. All current programs.</li> <li><input type="checkbox"/> 2. All current and all future programs.</li> <li><input type="checkbox"/> 3. Agricultural Risk Coverage/Price Loss Coverage (ARC/PLC).</li> <li><input type="checkbox"/> 4. Biomass Crop Assistance Program (BCAP).</li> <li><input type="checkbox"/> 5. Tree Assistance Program (TAP).</li> <li><input type="checkbox"/> 6. Livestock Indemnity Program (LIP).</li> <li><input type="checkbox"/> 7. Livestock Forage Disaster Program (LFP).</li> <li><input type="checkbox"/> 8. Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP).</li> <li><input type="checkbox"/> 9. Noninsured Crop Disaster Assistance Program (NAP).</li> </ul> | <b>B. TRANSACTIONS for FSA, NRCS, and CCC PROGRAMS</b><br><i>(Check applicable actions)</i> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> 10. Marketing Assistance Loans and Loan Deficiency Payments.</li> <li><input type="checkbox"/> 11. Margin Protection Program for Dairy Producers (MPP/Dairy).</li> <li><input type="checkbox"/> 12. Farm Storage Facility Loan Program.</li> <li><input type="checkbox"/> 13. Conservation Reserve Program (CRP).</li> <li><input type="checkbox"/> 14. NRCS Conservation Programs.</li> <li><input type="checkbox"/> 15. Emergency Conservation Program (ECP).</li> <li><input type="checkbox"/> 16. Emergency Forest Restoration Program (EFRP).</li> <li><input checked="" type="checkbox"/> 17. Other (Specify): _____</li> </ul> |
| <b>A. FSA, NRCS and CCC PROGRAMS</b><br><i>(Check applicable programs)</i> <ul style="list-style-type: none"> <li><input type="checkbox"/> 1. All current programs.</li> <li><input type="checkbox"/> 2. All current and all future programs.</li> <li><input type="checkbox"/> 3. Agricultural Risk Coverage/Price Loss Coverage (ARC/PLC).</li> <li><input type="checkbox"/> 4. Biomass Crop Assistance Program (BCAP).</li> <li><input type="checkbox"/> 5. Tree Assistance Program (TAP).</li> <li><input type="checkbox"/> 6. Livestock Indemnity Program (LIP).</li> <li><input type="checkbox"/> 7. Livestock Forage Disaster Program (LFP).</li> <li><input type="checkbox"/> 8. Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP).</li> <li><input type="checkbox"/> 9. Noninsured Crop Disaster Assistance Program (NAP).</li> </ul>   | <b>B. TRANSACTIONS for FSA, NRCS, and CCC PROGRAMS</b><br><i>(Check applicable actions)</i> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> 10. Marketing Assistance Loans and Loan Deficiency Payments.</li> <li><input type="checkbox"/> 11. Margin Protection Program for Dairy Producers (MPP/Dairy).</li> <li><input type="checkbox"/> 12. Farm Storage Facility Loan Program.</li> <li><input type="checkbox"/> 13. Conservation Reserve Program (CRP).</li> <li><input type="checkbox"/> 14. NRCS Conservation Programs.</li> <li><input type="checkbox"/> 15. Emergency Conservation Program (ECP).</li> <li><input type="checkbox"/> 16. Emergency Forest Restoration Program (EFRP).</li> <li><input checked="" type="checkbox"/> 17. Other (Specify): _____</li> </ul> |   |   |  |
| <b>Cotton</b> <span style="float: right;"><b>Executing CCC-605</b></span>   |  |   |   |  |
| <small>This form may also be used to grant authority to an attorney-in-fact to act on the grantor's behalf with respect to FCIC crop insurance policies. Checking any of the FCIC transactions does not have any impact as to the FSA, NRCS or CCC transactions checked above.</small>  |  |   |   |  |
| <table border="0"> <tr> <td style="vertical-align: top;"> <b>C. INSURED CROPS/STATE/COUNTY</b><br/> <i>(Enter "All" or specify each crop, state, county and year(s))</i> <ul style="list-style-type: none"> <li>1. <u>All</u></li> <li>2. _____</li> <li>3. _____</li> <li>4. _____</li> </ul> </td> <td style="vertical-align: top;"> <b>D. CROP INSURANCE TRANSACTIONS</b><br/> <i>(Check applicable actions)</i> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> 1. All actions.</li> <li><input type="checkbox"/> 2. Making applications for insurance.</li> <li><input type="checkbox"/> 3. Reporting crop acreage and production reports.</li> <li><input type="checkbox"/> 4. Reporting a notice of damage or loss and making claim for indemnity.</li> <li><input type="checkbox"/> 5. Making transfers and cancellations.</li> <li><input type="checkbox"/> 6. Making contract changes.</li> <li><input type="checkbox"/> 7. Other (Specify): _____</li> </ul> </td> </tr> </table>   |  |   | <b>C. INSURED CROPS/STATE/COUNTY</b><br><i>(Enter "All" or specify each crop, state, county and year(s))</i> <ul style="list-style-type: none"> <li>1. <u>All</u></li> <li>2. _____</li> <li>3. _____</li> <li>4. _____</li> </ul>  | <b>D. CROP INSURANCE TRANSACTIONS</b><br><i>(Check applicable actions)</i> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> 1. All actions.</li> <li><input type="checkbox"/> 2. Making applications for insurance.</li> <li><input type="checkbox"/> 3. Reporting crop acreage and production reports.</li> <li><input type="checkbox"/> 4. Reporting a notice of damage or loss and making claim for indemnity.</li> <li><input type="checkbox"/> 5. Making transfers and cancellations.</li> <li><input type="checkbox"/> 6. Making contract changes.</li> <li><input type="checkbox"/> 7. Other (Specify): _____</li> </ul>  |
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| <small>This Power of Attorney is valid in all counties in the United States unless otherwise noted. This power of attorney shall remain in full force and effect until (1) written notice of its revocation has been duly served upon FSA, NRCS or CCC as appropriate; (2) death of the undersigned grantor, or (3) insolvency or incapacity of the undersigned grantor. The undersigned grantor shall provide a separate written notice of revocation to the applicable crop insurance agent. This power of attorney shall not be effective until properly executed and served to a USDA Service Center.</small>   |  |   |   |  |
| <b>AUTHORIZED SIGNATURES</b>  |  |   |   |  |
| <b>6A. Signature of Grantor (Individual)</b><br>   | <b>6B. Signature Date (MM-DD-YYYY)</b><br>9-12-20XX  | <b>6C. For Grantor's Signature Continuation, check here if FSA-211A is attached.</b> <input type="checkbox"/> |   |  |
| <b>7A. Signature of Grantor (Partnership, Corporation, Trust, etc.) (By)</b><br>   | <b>7B. Title/Relationship of Individual Signing in the Representative Capacity</b><br>President of ABC Corporation   | <b>7C. Signature Date (MM-DD-YYYY)</b><br>9-12-20XX   |   |  |
| <b>8. Notary Public (this form shall be acknowledged by a notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).</b><br>Signature (a) _____ the state of (b) _____ the County of (c) _____   |  |   |   |  |
| <b>FOR FSA USE ONLY</b>   |  |   |   |  |
| <b>9A. Witness Signature (FPAC Employee Only)</b><br>  | <b>9B. Signature Date (MM-DD-YYYY)</b><br>9-12-20XX  | <b>9C. Official Position</b><br>County Executive Director   |   |  |
| <b>10. This power of attorney was served to (a) Jefferson</b><br>State of (b) <u>Kansas</u> and became effective this (c) <u>12th</u> day of (d) <u>September</u> , (e) <u>20XX</u> at <u>USDA Service Center</u> .   |  |   |   |  |
| <small><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a, as amended). The authority for requesting the information identified on this form is 7 CFR Part 718, the Commodity Credit Corporation Charter (12 U.S.C. 714 et seq.), the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-234), and the Agriculture Act of 2014 (Pub. L. 113-79). The information will be used to enable a grantor to receive services from the grantee and to enable the grantee to administer the programs and services of the Food, Conservation, and Energy Act of 2008 and the Agriculture Act of 2014. The information collected on this form may be shared with other Federal, State, and Local government agencies, USDA agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in Agriculture Notice of Record Use for USDA-FS-2, Farm Records File (dissolved), USDA-FR-02-1, Landowner Operator, Producer, Cooperator, or Participant File, and USDA-FR-02-15, Policyholder. Providing the requested information is voluntary. However, failure to furnish the requested information will result in denial of the producer's eligibility to participate in and receive benefits under Farm Service Agency, Natural Resources Conservation Service, Commodity Credit Corporation, Federal Crop Insurance Corporation, and Risk Management Agency programs.</small>   |  |   |   |  |
| <small>This information collection for FSA commodity and conservation programs is Title I and Title II of the Agricultural Act of 2014 (Pub. L. 113-79) as exempt from the Paperwork Reduction Act (PRA) as specified in the Agricultural Act of 2014, Title I, Subtitle F, Administration, and Title II, Subtitle B, Funding Administration. For the PRA, this information collection is exempted from the PRA, as specified in the Paperwork Reduction Act of 2005 (see Pub. L. 108-186, Title I, Subtitle B, Funding Administration).</small>  |  |   |   |  |
| <small>For those FSA, CCC, and NRCS programs that are not exempt from PRA, PRA may not conduct a program audit, and a grantor is not required to respond to a collection of information unless this collection of information has a valid OMB control number, which is 0580-0410 for this information collection, and the average time required to complete this information collection is 1.5 minutes per response. RETURN THIS COMPLETED FORM TO THE APPLICABLE USDA SERVICE CENTER.</small>  |  |   |   |  |
| <small>In accordance with Federal civil rights law, all U.S. Department of Agriculture (USDA) administrative offices and programs are prohibited from discriminating based on race, color, national origin, gender, disability, and age, in all program administration. (Not all programs benefit from Title VI protection depending on the program). Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's Title VI/Section 504/ADA Coordinator at (202) 720-2600 (voice and TTY) to request special accommodations or for more information.</small>  |  |   |   |  |
| <small>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's Title VI/Section 504/ADA Coordinator at (202) 720-2600 (voice and TTY) to request special accommodations or for more information.</small>   |  |   |   |  |

## H Example of a Completed FSA-211 by FSN

The following is an example of a completed FSA-211 by FSN.

## 120 Using FSA-211 and FSA-211A (Continued)

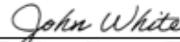
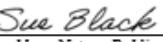
## I Example of a Completed FSA-211 for General Partnership When All Members Signatures Are Required

The following is an example of a completed FSA-211 for a general partnership when the partnership papers do not provide any individual the authority to act on behalf of the partnership. The partnership is comprised of 3 individuals who executed FSA-211 to appoint 1 of the members as attorney-in-fact for the partnership.

|   |  |  |  |
|---|--|--|--|
| <b>FSA-211</b><br>(06-20-23)  |  | <b>U. S. DEPARTMENT OF AGRICULTURE</b><br>Farm Service Agency – Natural Resources Conservation Service –<br>Commodity Credit Corporation – Federal Crop Insurance Corporation – Risk Management Agency<br><b>POWER OF ATTORNEY</b>   |  |
| <b>THE UNDERSIGNED</b> does hereby appoint the following grantee:<br>(1) <u>John White</u> of the following address: (2) <u>999 My Street</u><br><u>Leesburg</u> in the county of: (3) <u>Loudoun</u> in the State of: (4) <u>Virginia</u> the attorney-in-fact for (5) <u>XYZ General Partnership</u><br>(insert grantor's name) in connection with the Farm Service Agency, Natural Resources Conservation Service Agency, or Commodity Credit Corporation programs checked below. <b>NOTE: This power of attorney form is not valid for FSA Farm Loan Program purposes.</b>  |  |  |  |
| <b>A. FSA, NRCS and CCC PROGRAMS</b><br><i>(Check applicable programs)</i>  |  | <b>B. TRANSACTIONS FOR FSA, NRCS, and CCC PROGRAMS</b><br><i>(Check applicable actions)</i>  |  |
| <input type="checkbox"/> 1. All current programs.<br><input type="checkbox"/> 2. All current and all future programs.<br><input type="checkbox"/> 3. Agricultural Risk Coverage/Price Loss Coverage (ARC/PLC).<br><input type="checkbox"/> 4. Biomass Crop Assistance Program (BCAP).<br><input type="checkbox"/> 5. Tree Assistance Program (TAP).<br><input type="checkbox"/> 6. Livestock Indemnity Program (LIP).<br><input type="checkbox"/> 7. Livestock Forage Disaster Program (LFP).<br><input type="checkbox"/> 8. Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP).<br><input type="checkbox"/> 9. Noninsured Crop Disaster Assistance Program (NAP).  |  | <input type="checkbox"/> 10. Marketing Assistance Loans and Loan Deficiency Payments.<br><input type="checkbox"/> 11. Margin Protection Program for Dairy Producers (MPP Dairy).<br><input type="checkbox"/> 12. Farm Storage Facility Loan Program.<br><input type="checkbox"/> 13. Conservation Reserve Program (CRP).<br><input type="checkbox"/> 14. NRCS Conservation Programs.<br><input type="checkbox"/> 15. Emergency Conservation Program (ECP).<br><input type="checkbox"/> 16. Emergency Forest Restoration Program (EFRP).<br><input type="checkbox"/> 17. Other (Specify): <u>Cotton</u> |  |
| <b>Executing CCC-605</b>  |  |  |  |
| <small>This form may also be used to grant authority to an attorney-in-fact to act on the grantor's behalf with respect to FCIC crop insurance policies. Checking any of the FCIC transactions does not have any impact as to the FSA, NRCS or CCC transactions checked above.</small>  |  |  |  |
| <b>C. INSURED CROPS/STATE/COUNTY</b><br><i>(Enter "All" or specify each crop, state, county and year(s))</i>  |  | <b>D. CROP INSURANCE TRANSACTIONS</b><br><i>(Check applicable actions)</i>   |  |
| 1. _____<br>2. _____<br>3. _____<br>4. _____  |  | <input type="checkbox"/> 1. All actions.<br><input type="checkbox"/> 2. Making applications for insurance.<br><input type="checkbox"/> 3. Reporting crop acreage and production reports.<br><input type="checkbox"/> 4. Reporting a notice of damage or loss and making claim for indemnity.   |  |
| <small>This Power of Attorney is valid in all counties in the United States unless otherwise noted. This power of attorney shall remain in full force and effect until (1) written notice of its revocation has been duly served upon FSA, NRCS or CCC as appropriate; (2) death of the undersigned grantor; or (3) incompetence or incapacity of the undersigned grantor. The undersigned grantor shall provide separate written notice of revocation to the applicable crop insurance agent. This power of attorney shall not be effective until properly executed and served to a USDA Service Center.</small>   |  |  |  |
| <b>AUTHORIZED SIGNATURES</b>  |  |  |  |
| <b>6A. Signature of Grantor (Individual)</b><br>7A. Signature of Grantor (Partnership, Corporation, Trust, etc.) (By)   |  | <b>6B. Signature Date (MM-DD-YYYY)</b><br>7B. Title/Relationship of Individual Signing in the Representative Capacity  |  |
| 8. Notary Public (this form shall be acknowledged by a notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).<br>Signature (a) _____ the state of (b) _____ the County of (c) _____  |  | <b>6C. For Grantor's Signature Continuation, check here if FSA-211A is attached.</b> <input checked="" type="checkbox"/>   |  |
| <b>FOR FSA USE ONLY</b>   |  | <b>9A. Witness Signature (FPAC Employee Only)</b> <b>9B. Signature Date (MM-DD-YYYY)</b> <b>9C. Official Position</b>  |  |
| 10. This power of attorney was served to (a) <u>Prince Williams</u> day of (d) <u>September</u> , (e) <u>20XX</u> at USDA Service Center, State of (b) <u>Virginia</u> and became effective this (c) <u>12th</u> day of (d) <u>September</u> , (e) <u>20XX</u> .  |  |  |  |
| <small>NOTE: The following statement is made in accordance with the Privacy Act of 1974, as amended. The authority for requesting the information specified on this form is FSA Crop/Title/FCIC Crop Insurance Act (7 U.S.C. 774a et seq.), the Federal Crop Insurance Act (7 U.S.C. 1801 et seq.), the Risk Management Agency Act of 2000 (Pub. L. 106-278), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to enable a producer/grantor to appoint an individual/organization to serve as an attorney-in-fact (grantee) that is authorized to take on behalf of the producer conduct business with USDA concerning Farm Service Agency, Natural Resources Conservation Service, Commodity Credit Corporation, Federal Crop Insurance Corporation, and Risk Management Agency programs. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and other organizations that have a legitimate need to know. In addition, the information may be used in accordance with the Freedom of Information Act (5 U.S.C. 552), the Privacy Act (5 U.S.C. 552a), and the Records Management Act (41 U.S.C. 1301-1307). The disclosure of this information to another agency or organization may result in a determination of producer/individual's ineligibility to participate in and receive benefits under Farm Service Agency, Natural Resources Conservation Service, Commodity Credit Corporation, Federal Crop Insurance Corporation, and Risk Management Agency programs.</small>  |  |  |  |
| <small>This information collection for FSA commodity and conservation programs in Titles I and V of the Agricultural Act of 2014 (Pub. L. 113-79) are exempt from the Paperwork Reduction Act (PRRA) as specified in the Agricultural Act of 2014, Title I, Section 101, Administration, and Title II, Section 2. Funding Administration. For the EFRP, this information collection is exempted from the PRRA, as specified in the Fiscal Year 2010 Supplemental Appropriations Act (Public Law 111-212). For the PRPL, this information collection is exempted from the PRRA as it is required for the administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-234, Title I, Subtitle F, Fiduciary Administration).</small>  |  |  |  |
| <small>Farmers FSA, CCC, and NRCS programs that are not exempt from PRRA, FSA may not conduct or sponsor, and a grantee is not required to respond to a collection of information unless this collection of information has a valid OMB control number, which is 0570-0180 for this information collection, and the average time required to complete this information collection is 1.5 minutes per response. RETURN THIS COMPLETED FORM TO THE APPLICABLE USDA SERVICE CENTER.</small>  |  |  |  |
| <small>In accordance with Federal privacy laws and U.S. Department of Agriculture (USDA) and its regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in insuring USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for previous protected activity. In any program or activity conducted or funded by USDA (that all laws apply), discrimination based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for previous protected activity is prohibited. Questions and complaints may be filed with USDA.</small>  |  |  |  |
| <small>For additional information on the use and release of information for administrative purposes, see 5 U.S.C. 552a(e)(1), (e)(2), (e)(3), (e)(4), (e)(5), (e)(6), (e)(7)(A), (e)(7)(B), (e)(7)(C), (e)(7)(D), (e)(7)(E), (e)(7)(F), (e)(7)(G), (e)(7)(H), (e)(7)(I), (e)(7)(J), (e)(7)(K), (e)(7)(L), (e)(7)(M), (e)(7)(N), (e)(7)(O), (e)(7)(P), (e)(7)(Q), (e)(7)(R), (e)(7)(S), (e)(7)(T), (e)(7)(U), (e)(7)(V), (e)(7)(W), (e)(7)(X), (e)(7)(Y), (e)(7)(Z), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), 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(e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (e)(7)(YY), (e)(7)(ZZ), (e)(7)(AA), (e)(7)(BB), (e)(7)(CC), (e)(7)(DD), (e)(7)(EE), (e)(7)(FF), (e)(7)(GG), (e)(7)(HH), (e)(7)(II), (e)(7)(JJ), (e)(7)(KK), (e)(7)(LL), (e)(7)(MM), (e)(7)(NN), (e)(7)(OO), (e)(7)(PP), (e)(7)(QQ), (e)(7)(RR), (e)(7)(TT), (e)(7)(UU), (e)(7)(VV), (e)(7)(WW), (e)(7)(XX), (</small> |  |  |  |

## J Example of a Completed FSA-211A

The following is an example of a completed FSA-211A.

| <b>FSA-211A</b><br>U. S. DEPARTMENT OF AGRICULTURE<br>Farm Service Agency – Natural Resources Conservation Service –<br>Commodity Credit Corporation – Federal Crop Insurance Corporation – Risk Management Agency<br><b>POWER OF ATTORNEY SIGNATURE CONTINUATION SHEET</b>   |   | Attachment Pages<br>of _____                |
|---|---|---|
| <b>Attach to Form FSA-211</b>   |   |   |
| <small>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 115, the Commodity Credit Corporation Charter Act (7 U.S.C. 714 et seq.), the Federal Crop Insurance Act (7 U.S.C. 1801 et seq.), the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246), and the Agriculture Act of 2014 (Pub. L. 113-79). The information will be used to enable a producer (grantee) to appoint an individual/organization to serve as an attorney-in-fact (grantee) that is authorized to on behalf of the producer, conduct business with USDA concerning Farm Service Agency, Natural Resources Conservation Service, Commodity Credit Corporation, Federal Crop Insurance Corporation, and Risk Management Agency programs. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and non-governmental organizations that have been granted authority by statute or regulation to use and maintain the Systematic Records Notice for USDA/USDA-2, Farm Records File (dynamically), USDA/NRCS-1, Landowner, Owner, Producer, Cooperator, or Participant File, and USDA/FCIC-10, Policyholder. Providing this requested information is voluntary. However, failure to furnish the requested information will result in a determination of producer ineligibility to participate in and receive benefits under Farm Service Agency, Natural Resources Conservation Service, Commodity Credit Corporation, Federal Crop Insurance Corporation, and Risk Management Agency programs.</small> |   |   |
| <small>This information collection for FSA commodity and conservation programs in Title I and IV of the Agriculture Act of 2014 (Pub. L. 113-79) are exempt from the Paperwork Reduction Act (PRA) as specified in the Agriculture Act of 2014, Title I, Subtitle F, Administration, and Title IV, Subtitle G, Funding Administration. For the FSA, this information collection is exempted from the PRA, as specified in the Fiscal Year 2010 Supplemental Appropriations Act (Public Law 111-212). For the FSA, this information collection is exempted from the PRA as it is required for the administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title II, Subtitle F-Administration).</small>   |   |   |
| <small>For those FSA, CCC, and NRCS programs that are not exempt from PRA, FSA may not conduct or sponsor, and a person is not required to respond to a collection of information unless this collection of information has a valid OMB control number, which is 0580-0190 for this information collection, and the average time required to complete this information collection is 15 minutes per response.</small>   |   |   |
| <small>RETURN THIS COMPLETED FORM TO THE APPLICABLE USDA SERVICE CENTER</small>   |   |   |
| 1. Name of Attorney-In-Fact (Item 1) from FSA-211)<br>John White  | 2. Name of Grantor (Item 5) from FSA-211)<br>XYZ General Partnership        |   |
| <b>AUTHORIZED SIGNATURES</b>  |   |   |
| 3A. Signature of Grantor (By)<br>  | 3B. Title/Relationship of Individual Signing in the Representative Capacity | 3C. Signature Date<br>9-12-20XX             |
| 3D. Witness Signature (FPAC Employee Only)<br>   | 3E. Signature Date<br>9-12-20XX   | 3F. Official Position<br>Program Technician |
| <small>3G. Notary Public (this form shall be acknowledged by a Notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).</small>  |   |   |
| <small>Signature: _____ the State of _____ the County of _____</small>  |   |   |
| 4A. Signature of Grantor (By)<br>  | 4B. Title/Relationship of Individual Signing in the Representative Capacity | 4C. Signature Date<br>9-12-20XX             |
| 4D. Witness Signature (FPAC Employee Only)<br>  | 4E. Signature Date<br>9-12-20XX   | 4F. Official Position<br>Program Technician |
| <small>4G. Notary Public (this form shall be acknowledged by a Notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).</small>  |   |   |
| <small>Signature: _____ the State of _____ the County of _____</small>  |   |   |
| 5A. Signature of Grantor (By)<br>  | 5B. Title/Relationship of Individual Signing in the Representative Capacity | 5C. Signature Date<br>9-12-20XX             |
| 5D. Witness Signature (FPAC Employee Only)<br>   | 5E. Signature Date<br>9-12-20XX   | 5F. Official Position<br>Program Technician |
| <small>5G. Notary Public (this form shall be acknowledged by a Notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).</small>  |   |   |
| <small>Signature: _____ the State of _____ the County of _____</small>  |   |   |
| 6A. Signature of Grantor (By)   | 6B. Title/Relationship of Individual Signing in the Representative Capacity | 6C. Signature Date                          |
| 6D. Witness Signature (FPAC Employee Only)  | 6E. Signature Date  | 6F. Official Position                       |
| <small>6G. Notary Public (this form shall be acknowledged by a Notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).</small>  |   |   |
| <small>Signature: _____ the State of _____ the County of _____</small>  |   |   |
| 7A. Signature of Grantor (By)   | 7B. Title/Relationship of Individual Signing in the Representative Capacity | 7C. Signature Date                          |
| 7D. Witness Signature (FPAC Employee Only)  | 7E. Signature Date  | 7F. Official Position                       |
| <small>7G. Notary Public (this form shall be acknowledged by a Notary Public unless witnessed by a FPAC employee or a corporate seal of grantor is affixed).</small>  |   |   |
| <small>Signature: _____ the State of _____ the County of _____</small>  |   |   |
| <small>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior use of Title VI to file a complaint. Individuals who believe they have been discriminated against based on their protected class may file a complaint with USDA through the USDA's Office of Civil Rights. To file a program discrimination complaint (e.g., age, sex, national origin, disability, race) with USDA, write a letter addressed to USDA's Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9412 or call (202) 720-5964; or file a program discrimination complaint (e.g., age, sex, national origin, disability, race) with the USDA, write a letter addressed to USDA's Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9412 or call (202) 720-5964. USDA is an equal opportunity provider and employer.</small>   |   |   |

**120     Using FSA-211 and FSA-211A (Continued)**

**K   Distributing FSA-211**

LSA's preparing FSA-211 must distribute FSA-211 as follows:

- copy to principal granting FSA-211
- original to ADP

**121 FAXed Signatures****A General Authorization**

FAXed signatures from producers must be accepted for certain forms and other documents, if **all** of the following are met:

- the applicable program form or other document is approved for FAXed signatures

**Note:** See 1-CM, Exhibit 50 for program forms and documents not approved for FAXed signatures.

- all other applicable signature requirements are met.

**Important:** The authority to accept FAXed signatures does not alter existing authorities for producers to execute transactions, such as power of attorney, fiduciary capacity, or other approved signature authorities.

**B Authority to Accept**

FAXed signatures are:

- signatures received through a FAX machine
- **not** electronic signatures, such as signatures obtained by e-mail or the Internet.

The authority to accept FAXed signatures applies only to forms used by FSA. The authority is not applicable to forms used by other agencies or departments.

**C Prohibited Uses**

FAXed signatures are **not** authorized for any program form or document in 1-CM, Exhibit 50.

## 121 FAXed Signatures (Continued)

**D Producer Responsibilities**

Producers are responsible for the successful transmission and receipt of information provided to the office through FAX transmission.

USDA is not responsible for any transmission failures or any other problems that prevent the successful or timely receipt of information provided by producers through FAX transmission.

**E Determining Date for Program Purposes**

The date and time printed by the FAX machine on the applicable program form or document must be used to determine whether program deadline and filing date requirements are met.

**Example:** Producer signs and dates CCC-633 EZ, page 3 on August 15, 2024. LSA's receive FAXed CCC-633 EZ, page 3 on August 16, 2024. Provided all eligibility requirements have been met, LSA's must use the LDP rate in effect on the date printed by the FAX machine, August 16, 2024, on CCC-633 EZ.

LSA's must **not** accept or approve any form or document received through FAX machine if the date and time of the FAX cannot be verified.

## 122 Completing CCC-10

**A Applicability**

Producers applying for CCC or FSA loans with DMA's or LSA's are required to provide specific information on CCC-10. CCC-10:

- serves as CCC's or FSA's notice of intent to perfect its security interest
- identifies the debtor's exact full legal name, and if the debtor is an entity, the type and location of the entity
- identifies the jurisdiction in which CCC will conduct lien searches
- if applicable, authorizes CCC or FSA to file financing statements before executing a security agreement
- is not applicable for loans made to a producer who will immediately exchange the commodity certificate for all loan collateral
- is applicable to warehouse loans to identify the jurisdiction in which to conduct lien searches, but for which UCC is not filed.

**122 Completing CCC-10 (Continued)****B Obtaining Authorization**

DMA's and LSA's must obtain CCC-10 and signatures as follows:

- if a current CCC-10 is not already filed, obtain a signed CCC-10
- ensure that producers understand that:
  - applicable collateral for loans is not described on CCC-10
  - CCC-10 remains in effect until the producer notifies CCC or FSA of any changes by completing a new CCC-10
  - for UCC's filed manually that require the debtor's signature, CCC requires CCC-10 to identify the jurisdiction in which to perform lien searches
- for:
  - general partnerships and joint ventures, all partner's signatures are required
  - corporations, limited partnerships, and limited liability corporations, the person authorized to sign for the entity is required to sign
  - trusts, the trustee or trustees are required to sign
  - estates, the executor is required to sign
- allow spouses to sign CCC-10 for each other only as allowed according to 1-CM
- gather data and signatures concerning spouses where spousal information is required by State law, according to the regional attorney
- if applicable, obtain a copy of CCC-10 from County Offices in which the producer is active.

**C CCC-10 Availability**

CCC-10 is available for download by LSA employees from the FFAS Employee Forms/Publications Online Website at

<https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>

## 122 Completing CCC-10 (Continued)

**D Instructions**

LSA's must complete CCC-10 according to the following table.

| Item   | Instructions   |
|--------|--|
| Part A | Ensure that the producer understands the statements in this part.  |
| 1      | <p>Check the box for:</p> <ul style="list-style-type: none"> <li>• individual, if the producer conducts a farming operation as an individual</li> <li>• organization or entity, if the producer conducts a farming operation as an organization or entity.</li> </ul>  |
| 2      | <p>If the box in item 1 is checked for:</p> <ul style="list-style-type: none"> <li>• individual, enter the applicable Social Security number or tax identification number</li> <li>• organization or entity, enter the applicable tax identification number.</li> </ul>  |
| 3      | <p>If the box in item 1 is checked for:</p> <ul style="list-style-type: none"> <li>• individual, enter the first, middle, and last name and, if applicable, a suffix</li> <li>• organization or entity, enter the full legal name of the organization or entity.</li> </ul> <p><b>Note:</b> This is the name that will be used on UCC forms.</p> |
| 4      | <p>If the box in item 1 is checked for individual, enter the first, middle, and last name and, if applicable, a suffix for a spouse.</p> <p><b>Note:</b> This is the name that will be used on UCC forms for additional debtors.</p>   |

## 122 Completing CCC-10 (Continued)

## D Instructions (Continued)

| Item      | Instructions   |
|-----------|--|
| 5         | If the box in item 1 is checked for individual, enter the name of the State and county of the producer's primary residence. Unless otherwise advised by OGC, this is where to file UCC's and to perform lien searches.   |
| 6         | If the box in item 1 is checked for organization or entity, enter the type of organization or entity. Acceptable types are corporations, general or limited partnerships, limited liability companies, and trusts. An informal joint operation or venture is not a legal entity. Members of an informal joint operation or venture are treated as individuals.   |
| 7         | If the organization or entity is registered, it must be organized under the law of a single State and must be displayed in a State public record as being organized. If the organization or entity is registered, enter the State in which the organization or entity was created and is registered. Unless otherwise advised by OGC, this is where to file UCC's and to perform lien searches.  |
| 8         | If the organization or entity is <b>not</b> registered, enter the State where the place of business is located or where the organization or entity conducts its affairs. Unless otherwise advised by OGC, this is where to file UCC's and to perform lien searches.  |
| 9         | Ensure that the producer understands the statement in item 9.  |
| 10<br>A-F | <p>If the box in item 1 is checked for:</p> <ul style="list-style-type: none"> <li>• individual, the producer enters signature as first, middle, and last name and, if applicable, a suffix</li> <li>• organization or entity, the producer enters the following:</li> </ul> <ul style="list-style-type: none"> <li>• legal name of the organization or entity</li> <li>• the word "by"</li> <li>• producer's signature</li> <li>• producer's title.</li> </ul> <p><b>Example:</b> Hobbitt Farms Inc. by John H. Smith, President.</p> |
| 11<br>A-F | Obtain signature, title and relationship, and date from organization or entity.  |

## 122 Completing CCC-10 (Continued)

## E Example of CCC-10

The following is an example of CCC-10.

|   |  |  |  |
|---|--|--|--|
| <b>CCC-10</b><br>(08-23-21)   |  | OMB Control No. 0580-0215<br>OMB Expiration Date: 08/31/2024   |  |
| <b>U.S. DEPARTMENT OF AGRICULTURE</b><br>Commodity Credit Corporation<br>Farm Service Agency  |  |  |  |
| <b>REPRESENTATIONS FOR COMMODITY CREDIT CORPORATION OR FARM SERVICE AGENCY LOANS AND AUTHORIZATION TO FILE A FINANCING STATEMENT AND RELATED DOCUMENTS</b>  |  |  |  |
| <b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a - as amended). The authority for requesting the information identified on this form is the Commodity Credit Corporation Charter Act (5 U.S.C. 714 et seq.), the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), the Agricultural Act of 2014 (7 U.S.C. 9031 et seq.), 7 CFR Part 751, and 7 CFR Part 1426. The information will be used to determine eligibility to participate in and receive benefits under a CCC or FSA loan program through documentation of producer acknowledgement of, and agreement to, the terms and conditions of CCC's or FSA's notice of intent to protect its security interest, identification of debtor or entity, and authorization for CCC or FSA to file financing statements before executing a security agreement. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Use identified in the System of Records Notice for USDA/FFSA-2, Farm Records File (Automated) and USDA/FFSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under a CCC or FSA loan program. |  |  |  |
| <b>Public Burden Statement (Paperwork Reduction Act):</b> According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0580-0215. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.   |  |  |  |
| <b>PART A – INTRODUCTION</b>  |  |  |  |
| <p>The undersigned is an applicant for a loan from the Commodity Credit Corporation (CCC) or the Farm Service Agency (FSA), or is currently indebted to CCC or FSA on account of loans previously made or will encumber, pledge or mortgage property to CCC or FSA to secure payment of a loan made or to be made by CCC or FSA. The undersigned understands that CCC or FSA will take or has taken a security interest in collateral to secure the payment of any loan made or to be made, that CCC or FSA will file or has filed a financing statement or an amended financing statement to perfect its security interest in such collateral, that the information provided in this instrument will affect the contents of the financing statement or any amended financing statement and where it will be filed and that CCC or FSA will rely upon this information provided by the undersigned. For warehouse-stored CCC marketing assistance loans, I understand that a financing statement will not be filed but this form is necessary to establish the jurisdiction in which a lien search will be conducted. Further, the undersigned understands that CCC or FSA will continue to use this information for any future loans to be made to the undersigned until the undersigned notifies CCC or FSA of any changes. The undersigned agrees to immediately notify CCC or FSA of any changes in this information.</p>   |  |  |  |
| <b>PART B – REPRESENTATION OF UNDERSIGNED</b>   |  |  |  |
| 1. Type of Undersigned: <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Organization or Entity  |  | 2. Tax Identification Number (9 Digits)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  |
| 3. Undersigned's Full Legal Name<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  | 4. Spouse's Full Legal Name<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  |
| 5. State and County of Primary Residence if Undersigned is an Individual<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  | 6. If Undersigned is an Organization or Entity, Specify the Type of Organization or Entity<br><span style="background-color: black; color: black;">XXXXXXXXXX</span> |  |
| 7. If undersigned's organization or entity is a registered organization or entity, specify the state in which the organization or entity was created.<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>   |  |  |  |
| 8. If undersigned's organization is a non-registered organization or entity, specify the state where the place of business is located or where the organization or entity conducts its affairs.<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>   |  |  |  |
| <b>PART C – AUTHORIZATION TO FILE</b>   |  |  |  |
| 9. The undersigned authorizes CCC or FSA to file a financing statement under the name of the undersigned for collateral to be described in the financing statement and security agreement at any time following the date that this instrument is signed. By signing below, I give CCC or FSA permission to file a financing statement prior to the execution of the security agreement, as well as to file amendments and continuations of the financing statement thereafter.  |  |  |  |
| <p style="text-align: center;"><i>I authorize CCC to enter on the financing statement a broader description of the collateral used to secure a CCC marketing assistance loan than the description on the applicable security agreement.</i></p>   |  |  |  |
| 10A. Signature of Individual in Item 3 (By)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>   |  | 10B. Title/Relationship of the Individual Signing in the Representative Capacity<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>           |  |
| 10D. Signature of Individual in Item 4 (By)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>   |  | 10E. Title/Relationship of the Individual Signing in the Representative Capacity<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>           |  |
| 11A. Signature for Organization or Entity in Item 3 (By)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  | 11B. Title/Relationship of the Individual Signing in the Representative Capacity<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>           |  |
| 11D. Signature for Organization or Entity in Item 3 (By)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  | 11E. Title/Relationship of the Individual Signing in the Representative Capacity<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>           |  |
| 10C. Date (MM-DD-YYYY)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  |  |  |
| 10F. Date (MM-DD-YYYY)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  |  |  |
| 11C. Date (MM-DD-YYYY)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  |  |  |
| 11F. Date (MM-DD-YYYY)<br><span style="background-color: black; color: black;">XXXXXXXXXX</span>  |  |  |  |
| <small>           In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal for previous civil rights activity. In any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.         </small>  |  |  |  |
| <small>           Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (866) 800-8770 (voice/TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.         </small>   |  |  |  |
| <small>           To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.aoa.usda.gov/complaint_filing_cust.html">http://www.aoa.usda.gov/complaint_filing_cust.html</a> and at any USDA office, or write a letter addressed to USDA, and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (866) 632-7632; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer and lender.         </small>   |  |  |  |

## 123 Liens and Encumbrances

## A Lien Search Policy

DMA's and LSA's must:

- follow lien policies in 8-LP
- determine whether a lien exists by performing or obtaining a lien search:
  - for **all** peanuts to be pledged for each MAL
  - for all loan requests greater than \$25,000
  - at the appropriate recording official's office or a centralized filing facility
  - in the appropriate UCC jurisdiction according to data on CCC-10 filed by the producer
  - at DMA's expense
- file the results in the applicable MAL folder.
- LSA's must make a lien search on **all** cotton, including Federal and State tax liens, to be pledged for loan at the appropriate recording official's office according to information provided on CCC-10

## B Policies

The following policies apply to CMA's, DMA's, and LSA's liens and encumbrances.

- Commodities used to obtain loans must be free and clear of liens and encumbrances based on CMA's and DMA's financial agreements.

**Note:** Liens and encumbrances based on producer financial agreements are not reviewed. However, CMA's must be sure to pass benefits only to eligible producers and must honor liens against the producer. Benefits must not be passed at the request of the producer to other payees; for example, to a landlord to pay the producer's rent.

- When liens based on CMA or DMA financial agreements are present, CMA's must provide CCC-679's before loans are disbursed.

**Note:** CMA or DMA service County Offices and CCB's must **not** perform lien searches for CMA's.

**123 Liens and Encumbrances (Continued)****B Policies (Continued)**

- CMA's or DMA's must **not** obtain additional liens or encumbrances on the commodity after a loan is approved.
- If liens exist, LSA's obtain lienholder signatures on CCC-679 to release a particular lien on cotton pledged for loan.

**Notes:** LSA's must obtain CCC-679 for each lienholder.

If an offset is applicable, do **not** disburse the loan unless the lienholder agrees to the offset by checking line 1 or 3 on CCC-679.

CCC-679's are required for all loan requests received from FSA Farm Loan Program borrowers.

- LSA's must not obtain lien waivers for liens that are not recorded unless actual notice of the existing lien is provided to LSA by the lienholder in person or in writing

**C CMA & DMA CCC-679 Submissions**

**Before a loan is disbursed** and when liens are outstanding, CMA's or DMA's, handling commodities other than cotton, must provide CCC-679's to their CMA or DMA service County Office.

**Note:** CCC-679s are **not** required for LDP's.

**D LSA CCC-679 Submissions**

LSA's must follow lien policies in 7-CN, paragraph 124. Lien waivers must not be obtained for unrecorded liens, including landlord liens, ginners' possessory liens, and harvesters' liens, unless LSA has received actual notice of the existing lien.

## 123 Liens and Encumbrances (Continued)

## E Completing CCC-679 for CMA's and DMA's

Complete CCC-679 for CMA's and DMA's according to 8-LP and the following table.

| Item     | Instructions   |
|----------|--|
| 1<br>A-C | Enter county name, address, telephone number, and FAX number.  |
| 2        | Enter CMA's or DMA's name and address or Producer's name and address   |
| 3        | Enter crop year of the commodity.  |
| 4        | Enter name of the commodity. More than 1 commodity may be listed. Enter each commodity.<br><br><b>Example:</b> Enter “ <b>Corn, Soybeans, Wheat, Cotton</b> ”.                   |
| 5        | The lienholder <b>must</b> indicate how the monetary proceeds are to be distributed by entering an “X” in 1 of the boxes provided. See subparagraph 123 G to complete item 5(c). |
| 6        | Enter lienholder's or authorized agent's name and address.   |
| 7<br>A-C | The lienholder identified in item 6 must sign and date CCC-679.<br><br><b>Exception:</b> If the lienholder is CCC, a signature is <b>not</b> required.                           |

## 123 Liens and Encumbrances (Continued)

## F Example of CCC-679

The following is an example of CCC-679.

|   |   |  |
|---|---|--|
| <b>LIEN WAIVER</b>  |   |  |
| U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation  |   | 1A. County Name and Address (Including Zip Code)<br>[REDACTED]         |
|   |   | 1B. County Office Telephone Number (Including Area Code)<br>[REDACTED] |
|   |   | 1C. County Fax Number (Including Area Code)<br>[REDACTED]              |
| 2. Name and Address of Producer (Including Zip Code)<br>[REDACTED]  | 3. Crop Year<br>[REDACTED]  | 4. Commodity<br>[REDACTED]   |
| <p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Agriculture Improvement Act of 2018 (Pub. L. 115-334), 7 CFR Part 1421, 7 CFR Part 1425, 7 CFR Part 1427 and 7 CFR Part 1436. The information will be used to determine eligibility to participate in and receive benefits under a Commodity Credit Corporation (CCC) loan program by documenting that a lien waiver has been authorized by the current lienholder for purposes of pledging the commodity to CCC for a loan. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under a CCC loan program.</p> <p><b>Paperwork Reduction Act (PRA) Statement:</b> The information collection is exempted from PRA as specified in 7 U.S.C. 9091(c)(2)(B). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></p>  |   |  |
| <p>5. The undersigned is the holder of a lien on the commodity identified above. In order for the producer identified above to pledge such commodity as collateral for a Commodity Credit Corporation ("CCC") loan, with respect to CCC only, the undersigned waives all interest in, and title to, such commodity. The undersigned agrees that the proceeds of the loan shall be disbursed (<i>lienholder must check one of the following</i>):</p> <p>(a) <input type="checkbox"/> To the producer.</p> <p>(b) <input type="checkbox"/> Jointly to the producer and the undersigned lienholder.</p> <p>(c) <input type="checkbox"/> Jointly to the producer and the undersigned lienholder, less (1) \$ _____<br/>administrative offset as of (2) _____ and charges due (3) _____<br/>(Date (MM-DD-YYYY))</p>   |   |  |
| 6. Name and Address of Lienholder or Authorized Agent<br>[REDACTED]   |   |  |
| 7A. Lienholder Signature (By)<br>[REDACTED]   | 7B. Title/Relationship (of the Individual Signing in the Representative Capacity)<br>[REDACTED] | 7C. Date (MM-DD-YYYY)<br>[REDACTED]                                    |
| 7A. Lienholder Signature (By)<br>[REDACTED]   | 7B. Title/Relationship (of the Individual Signing in the Representative Capacity)<br>[REDACTED] | 7C. Date (MM-DD-YYYY)<br>[REDACTED]                                    |
| <p>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity. In any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</p> <p>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2500 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</p> <p>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ams.usda.gov/complaint_form_cust.htm">http://www.ams.usda.gov/complaint_form_cust.htm</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</p> |   |  |

## 123 Liens and Encumbrances (Continued)

## G Completing CCC-679, Item 5(c)

Complete CCC-679, item 5(c) according to the following table.

| IF...  | AND...                                  | THEN...  |
|--|---|--|
| an administrative offset does <b>not</b> apply                             |   | enter “none” on CCC-679, item 8(3)(a).   |
| an administrative offset does apply  |   | enter the offset amount as of the date CCC-679 is prepared on CCC-679, item 8(3)(a).   |
|  | the lienholder is any of the following: | <ul style="list-style-type: none"> <li>• United States of America, Acting through USDA or FSA</li> <li>• USDA</li> <li>• USDA, formerly FmHA</li> <li>• FSAFSA, formerly FmHA</li> </ul>   |
| a statement of charges accompanies the warehouse receipt according to 7-CN |   | <p>do either of the following:</p> <ul style="list-style-type: none"> <li>• add the total dollar amount of the charges to any other offset amounts</li> <li>• modify the statement to add language that states whose charges are being offset without specifying the type or amount of the charges.</li> </ul> |

## 123 Liens and Encumbrances (Continued)

## G Completing CCC-679, Item 5(c) (Continued)

| IF...   | AND... | THEN...   |
|---|--------|---|
| a statement of charges, according to 2-LP Peanuts, signed by the producer accompanies the warehouse receipt |        | <p>do either of the following:</p> <ul style="list-style-type: none"> <li>• add the total dollar amount of the charges to any other offset amounts</li> <li>• modify the statement to add language that states whose charges are being offset without specifying the type or amount of the charges.</li> </ul> <p><b>Note:</b> For peanuts, CMA's, DMA's, and County Offices are authorized to <b>only</b> offset charges associated with cleaning, drying, custom harvesting, seed accounts, and storing peanuts from the producer's loan proceeds. These charges are <b>not</b> considered a lien, but <b>must</b> be included in CCC-679, item 5(c), if an offset will be made for these charges. Storage charges can be offset <b>only</b> if the warehouse receipt indicates storage has been paid or provided for, as applicable.</p> |

## H Distributing CCC-679

The CCC-679 must be distributed as follows:

- file original in a locked, fireproof file
- send 1 copy to the producer.

**Note:** Lienholder will keep 1 copy.

## 124 CCC-736 (Addendum)

**A Policy**

CCC-736 (Addendum) is a Privacy Act, Public Burden and Penalty Statement that Cotton CMA's and LSA's complete once to eliminate the need to provide the statement on computer-generated CCC forms they create. Cotton CMA's and LSA's must:

- obtain CCC-736 (Addendum) from PSD

**Note:** See subparagraph B.

- complete CCC-736 (Addendum)
- submit **only** one CCC-736 (Addendum) to PSD
- maintain a copy of the completed CCC-736 (Addendum) with other CMA and LSA documents
- use manual versions of CCC forms or exact copies if CCC forms are computer-generated by CMA or LSA software
- computer generate CCC-719 because it is not available as a hardcopy.

**Note:** CMA forms remain exempt from the Paperwork Reduction Act since passage of the 2002 Farm Bill. However, CMA forms still display the public burden statement.

## 124 CCC-736 (Addendum) (Continued)

## B Example of CCC-736 (Addendum)

This is an example of CCC-736 (Addendum).

|  |                              |
|--|------------------------------|
| <p>This form is available electronically.</p> <p><b>CCC-736 (Addendum)</b><br/>(11-15-16)</p> <p><b>U.S. DEPARTMENT OF AGRICULTURE</b><br/>Commodity Credit Corporation</p> <p><b>PRIVACY ACT, PUBLIC BURDEN, AND PENALTY STATEMENT<br/>FOR CMA AND LSA LOAN AND LOAN DEFICIENCY PAYMENT (LDP) FORMS</b></p>   |                              |
| <p>This addendum provides statements required by the Privacy Act, Paperwork Reduction and CCC Charter Act for Form: CCC-719, ACRS Transaction Report. This form must be maintained in the CMA's or LSA's office.</p>   |                              |
| <p><b>PRIVACY ACT AND PUBLIC BURDEN STATEMENTS</b></p> <p><i>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, 7 CFR Part 1425, 7 CFR Part 1427, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to document Cooperative Marketing Association and/or Loan Servicing Agent acknowledgment of receipt of the Privacy Act, Public Burden, and Penalty Statements that are applicable to the computer generated forms created by the Loan and/or Loan Deficiency Payment programs. The information collected on the form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that that the Cooperative Marketing Association and/or Loan Servicing Agent is ineligible to participate in and receive benefits under Loan and/or Loan Deficiency Payment programs.</i></p> <p><i>The information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F – Administration).</i></p> <p><i>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS ADDENDUM TO THE DIRECTOR, PRICE SUPPORT DIVISION, USDA, FARM SERVICE AGENCY, STOP 0512, ROOM 4095-S, 1400 INDEPENDENCE AVENUE SW, WASHINGTON, D.C. 20250-0512.</i></p>  |                              |
| <p><b>PENALTY STATEMENT</b></p> <p>Section 15 (a) of the Commodity Credit Corporation (CCC) Chapter Act of 15 USC 714 (m(a)) provides a fine of not more than \$10,000 or not more than five years imprisonment, or both, for making any statement knowing it to be false for the purpose of influencing the action of CCC or of obtaining money under any applicable to CCC. The making of such false statements may also subject entity to civil liability, including liable under 31 USC 231.</p>   |                              |
| <p><b>ACKNOWLEDGMENT OF RECEIPT</b></p>  |                              |
| <p>A. SIGNATURE OF CMA OR LSA</p>  | <p>B. NAME OF CMA OR LSA</p> |
| <p>C. DATE (MM-DD-YYYY)</p>  |                              |
| <p><small>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</small></p> <p><small>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</small></p> <p><small>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</small></p> |                              |

## 125 Documenting Manual Eligibility Determinations

**A Background**

CCC-746 was developed to provide documentation of requests for manual eligibility determinations by CMA's, DMA's, and LSA's. CCC-746 may be:

- system-filled by CMA, DMA, or LSA software
- e-mailed or FAXed between CMA, DMA, or LSA offices and FSA recording County Offices.

**B Completing CCC-746**

The following table provides instructions for completing CCC-746.

| Item  | Instructions   |
|---|--|
| <b>Part A (to be completed by CMA, DMA, or LSA)</b> |  |
| 1A  | Enter the name of CMA, DMA, or LSA.  |
| 1B  | Enter the State and CMA, DMA, or LSA code.   |
| 1C  | Enter the telephone number for CMA, DMA, or LSA.   |
| 1D  | Enter the FAX number for CMA, DMA, or LSA.   |
| 1E  | Enter the e-mail address for CMA, DMA, or LSA.   |
| 1F  | Enter the name of the producer for which a determination is requested. This must be the name of the individual, entity, or joint operation that corresponds to the name used by the producer for FSA purposes. |
| 1G  | Enter only the producer's last 4 digits of the Social Security number or TIN that corresponds with the number used by the producer for FSA purposes.   |
| 1H  | Enter the ID type, if known, and applicable to the ID number according to Exhibit 35.  |
| 1I  | Enter the producer's entity type code according to Exhibit 35.   |
| 1J  | Enter the applicable crop year.  |
| 1K  | Enter the applicable crop codes according to Exhibit 36.   |

## 125 Documenting Manual Eligibility Determinations (Continued)

## B Completing CCC-746 (Continued)

| Item   | Instructions  |
|--|---|
| 2<br>A-C   | Enter State and county codes and FSN's applicable to the request.   |
| 2D   | Enter the last change date applicable to FSN's. This is field [80] from the ADP Process record.   |
| 3<br>A-C   | Representative must sign and enter a title and date.  |
| 4  | Check 1 or more checkboxes to indicate the eligibility error or errors returned by the ADP Process output file. Processing fields are also included because CMA, DMA, or LSA may need resolution for fields that result in denied market gain or LDP.         |
| <b>Part B (to be completed by FSA recording County Office)</b> |   |
| 5<br>A-C   | Enter State and county codes and FSN's applicable to the request from CMA, DMA, or LSA. If any of the FSN's requested by CMA, DMA, or LSA were incorrect, provide the correct FSN. If there is <b>not</b> enough space on CCC-746 for FSN's, attach AD-1026A. |
| 5D   | Check "YES" or "NO", indicating the producer's eligibility, including compliance with cropland reporting and DCIA screening, for MAL's.   |
| 5E   | Check "YES" or "NO", indicating the producer's eligibility for LDP's and market gains.<br><br><b>Note:</b> CMA's, DMA's, and LSA's are responsible for monitoring whether a producer should be denied a market gain.  |
| 6<br>A-D   | Enter the County Office name, telephone number, and State and county codes.   |
| 7<br>A-C   | CED or designee must sign and enter a title and date.   |
| 8  | Enter any applicable remarks.   |

## 125 Documenting Manual Eligibility Determinations (Continued)

## C Example of CCC-746

The following is an example of CCC-746.

|  |                |  |  |
|--|----------------|--|--|
| <b>This form is available electronically.</b>  |                |  |  |
| <b>CCC-746</b><br>(11-15-16)   |                | <b>U.S. DEPARTMENT OF AGRICULTURE</b><br>Commodity Credit Corporation  |  |
| <b>CMA, DMA, OR LSA REQUEST FOR MANUAL PRODUCER ELIGIBILITY DETERMINATION</b>  |                |  |  |
| <i>(See Page 2 for Privacy Act and Paperwork Reduction Act Statements)</i>   |                |  |  |
| <p>The representative of a CCC authorized CMA, DMA, or LSA requests assistance with verifying the eligibility for MAL or LDP for the producer identified below. The CMA, DMA, or LSA has received eligibility data from the Alternative Delivery Partner (ADP) process but the process indicates there are errors or questions as indicated below. Please take action to resolve the applicable problem(s) and provide an eligibility determination.</p>   |                |  |  |
| <b>PART A – CMA, DMA or LSA PRODUCER INFORMATION</b>   |                |  |  |
| 1A. Name of CMA, DMA or LSA  |                | 1B. State and CMA, DMA, or LSA Code  |  |
| 1C. Telephone No. of CMA, DMA, or LSA<br><i>(Include Area Code)</i>  |                | 1D. FAX No. of CMA, DMA, or LSA<br><i>(Include Area Code)</i>  |  |
| 1F. Name of Producer   |                | 1G. Producer's Identification or SSN Number<br><i>(Enter Last 4 digits only.)</i>  |  |
| 1I. Producer's Entity Type Code  |                | 1J. Crop Year  |  |
| 1K. Crop Code(s) for Which Eligibility is Needed   |                |  |  |
| 2. List Farm Serial Number(s) (FSNs) with Applicable State and County Codes:   |                |  |  |
| A. State Code  | B. County Code | C. FSN   | D. Last Change Date<br><i>(MM-DD-YYYY)</i> |
|  |                |  |  |
|  |                |  |  |
|  |                |  |  |
|  |                |  |  |
|  |                |  |  |
| 3A. Representative's Signature   |                | 3B. Title  |  |
| 3C. Date (MM-DD-YYYY)  |                |  |  |
| 4. Check one or more of the following checkbox(es) to indicate the eligibility error(s) and/or processing flags questioned. <i>(See 1-CMA, Part 7, Section 5.)</i>   |                |  |  |
| <input type="checkbox"/> Field 44. Ineligible ID Type or Entity Type.<br><input type="checkbox"/> Field 45. ID Number Not Found or Primary ID Number is a Joint Venture.<br><input type="checkbox"/> Field 46. ID Number Not Active in Compliance or General Partnership without Members.<br><input type="checkbox"/> Field 47. Conservation Compliance.<br><input type="checkbox"/> Field 48. Controlled Substance Violation.<br><input type="checkbox"/> Field 49. ID Number/Crop Not Found in Compliance Files.<br><input type="checkbox"/> Field 50. Activity Engaged<br><input type="checkbox"/> Field 53. Adjusted Gross Income Eligibility, Reason Code _____<br><input type="checkbox"/> Field 54. Adjusted Gross Income Status.<br><input type="checkbox"/> Field 55. Certified Reported or Determined Acres.<br><input type="checkbox"/> Field 57. Eligible Share. |                | <input type="checkbox"/> Field 58. FCIC Fraud.<br><input type="checkbox"/> Field 59. Delinquent Debt.<br><input type="checkbox"/> Field 60. Invalid AD-1026 Status.<br><input type="checkbox"/> Field 61. Foreign Person.<br><input type="checkbox"/> Field 63. Joint Operation – Missing Member Records.<br><input type="checkbox"/> Field 65. Bankruptcy.<br><input type="checkbox"/> Field 67. Offset for Claims.<br><input type="checkbox"/> Field 68. Assignment Flag.<br><input type="checkbox"/> Field 81. Validation Reason Codes. _____ Code<br><input type="checkbox"/> ADP Process Did Not Return Any Data After 5 Submission Attempts. |  |

## 125 Documenting Manual Eligibility Determinations (Continued)

## C Example of CCC-746 (Continued)

| CCC-746 (11-15-16)   |                   |           |   |                          | Page 2  |                          |
|--|-------------------|-----------|---|--------------------------|---|--------------------------|
| PART B – CCC USE ONLY. (To determine Producer's Eligibility, match CCC's data in Items 5A, 5B, and 5C with the Producer's data in Items 2A, 2B, and 2C on Page 1.)   |                   |           |   |                          |   |                          |
| 5. List Applicable Farm Serial Number (FSN) with Applicable State and County Codes:  |                   |           |   |                          |   |                          |
| A.<br>State Code   | B.<br>County Code | C.<br>FSN | D.<br>Eligibility for MAL's<br>(Check "YES" or "NO")        |                          | E.<br>Eligibility for<br>LDP's/Market Gain<br>(Check "YES" or "NO") |                          |
|  |                   |           | YES   | NO                       | YES   | NO                       |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
|  |                   |           | <input type="checkbox"/>                                    | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/> |
| 6A. County Office Name   |                   |           | 6B. County Office Telephone Number<br>(Including Area Code) |                          | 6C. State Code  | 6D. County Code          |
| 7A. Signature  |                   |           | 7B. Title   |                          |   | 7C. Date (MM-DD-YYYY)    |
| 8. Remarks:  |                   |           |   |                          |   |                          |
| <b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, 7 CFR Part 1425, 7 CFR Part 1427, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to allow a representative of a CCC authorized CMA, DMA, or LSA to request assistance with verifying producer eligibility to participate in and receive benefits under the MAL program and LDP program. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the request for a manual producer eligibility determination cannot be processed and a determination of producer ineligibility to participate in and receive benefits under the MAL program and LDP program. |                   |           |   |                          |   |                          |
| <i>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration). The provisions of criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.</i>   |                   |           |   |                          |   |                          |
| <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b>   |                   |           |   |                          |   |                          |
| <i>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</i>   |                   |           |   |                          |   |                          |
| <i>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</i>  |                   |           |   |                          |   |                          |
| <i>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</i>   |                   |           |   |                          |   |                          |

## 126 General Producer Eligibility Requirements

### A Eligibility Process

CMA's, DMA's, and LSA's must refer to the automation guidelines to ensure compliance with all eligibility requirements over time.

### B Conservation Compliance – Farm/Tract Eligibility

CMA and LSA producers must visit their administrative County Office to complete or update AD-1026 to comply or continue compliance with conservation compliance provisions. The County Office maintains a flag in subsidiary files that is applicable to the current year.

### C Controlled Substance Violations

The CMA or LSA producer's administrative County Office will:

- determine whether a producer has been convicted under Federal or State law of a controlled substance violation
- set the appropriate flag in the County Office subsidiary files.

### D AGI Requirements

AGI provisions were modified by the 2014 Farm Bill. Producers whose average AGI exceeds \$900,000 are **not** eligible to receive MLG or LDP. See 8-LP and 5-PL.

The period for calculation of the average AGI will be of the three taxable years preceding the most immediately preceding complete taxable year for which benefits are requested.

**Example:** The 3-year average AGI for crop year 2024 will be 2020, 2021, and 2022.

**Note:** Producers will still be allowed to receive MAL's, but MAL **must** be repaid at principal plus interest.

### E Acreage Reporting

Producers with an ownership share interest in the eligible crop must provide a complete acreage report to FSA of all cropland acres on an FSA-578 for applicable farms where the commodity is produced by the applicable acreage reporting deadline dates for the planted crop according to 2-CP.

Producers who fail to accurately certify acreage according to 2-CP will be required to repay any market loan gain realized or refund any LDP received plus interest.

**Note:** Once the producer's acreage report is recorded by the local service center, the information is updated across applicable systems.

## 126 General Producer Eligibility Requirements (Continued)

**F Screening for DCIA Compliance**

According to DCIA, producers who are delinquent on non-tax Federal debt are ineligible for Federal loans. Exemption for CCC loans and LDP's was rescinded by passage of the 2002 Farm Bill. CMA's, DMA's, and LSA's must:

- **not** obtain loans and LDP's for delinquent Federal debtors, except if the debtor satisfies the delinquency before the end of the loan availability period
- monitor field [67], Offset for Claims, of the ADP Process output file to identify producers who are delinquent debtors to FSA
- conduct further screening of CMA applicants by the following methods:
  - obtaining producer certification for DCIA by entering the following statement on an annual addendum to the CMA's uniform marketing agreement, "Are you or any co-applicant delinquent on any federal non-tax debt?" and obtaining DCIA certification from producers at least annually on the addendum to the uniform marketing agreement

**Note:** Provide blocks for the producer to check "Yes" or "No" to the question.

- obtaining data about a producer's DCIA status from available systems, such as CAIVRS or Debtcheck, at CMA's expense to conduct screening of producers
- reviewing lists as provided by County Offices
- conduct further screening of LSA or DMA applicants by the following methods:
  - obtaining producer certification on the applicable CCC Cotton A-5 or other CCC form containing the DCIA certification statement
  - obtaining data about a producer's DCIA status from available systems, such as CAIVRS or Debtcheck, at LSA's or DMA's expense to conduct screening of producers
  - reviewing lists as provided by County Offices.

**G Disqualification Because of FCIC Fraud**

Producers determined by Risk Management Agency of willingly and intentionally providing any false or inaccurate information to FCIC may be disqualified from receiving any monetary or nonmonetary benefits for a period of up to 5 years.

## 127 DCIA Policy

**A CMA, DMA, or LSA Action**

The following table provides action that CMA's, DMA's, or LSA's must take when a producer is a delinquent Federal nontax debtor.

| IF the...  | THEN...  |
|--|--|
| delinquent Federal nontax debt has been resolved before the final loan availability date | use the rate in effect on the day the original MAL or LDP request was made.  |
| producer certifies that he or she has an unresolved delinquent Federal nontax debt       | hold the request until the final loan availability date, and if the producer does <b>not</b> resolve the delinquent Federal nontax debt before the final loan availability date, immediately notify the producer that he or she is ineligible, and the request is disapproved. |

**Notes:** See 58-FI for alternate methods for resolving delinquent Federal nontax debts.

For purposes of barring delinquent debtors from obtaining Federal financial assistance, a debt is not in delinquent status if the debtor is the subject of, or has been discharged in a bankruptcy proceeding. Producers with an unresolved delinquent Federal nontax debt **are** considered eligible to receive MAL or LDP if the unresolved delinquent Federal nontax debt is the subject of a bankruptcy proceeding.

**B MAL's or LDP's Issued Before a Delinquent Federal Nontax Debt Is Discovered**

If the producer received MAL or LDP and later it is discovered that the producer has a delinquent Federal nontax debt, CMA, DMA, or LSA must:

- notify the producer that the delinquent Federal nontax debt must be resolved before the final loan availability date
- discuss with the producer alternatives to resolve the delinquent Federal nontax debt
- inform the producer that if MAL was obtained and the delinquent Federal nontax debt is not resolved before the final loan availability date, MAL must be immediately called and must be repaid at principal plus interest
- inform the producer that if LDP was received and the delinquent Federal nontax debt is not resolved before the final loan availability date, LDP must be repaid with interest.

## 127 DCIA Policy (Continued)

**C Producer Incorrectly Certifies to the DCIA Question**

If it is discovered that a producer incorrectly certified to the DCIA question, CMA, DMA, or LSA must:

- immediately notify the producer that a disbursed loan is called and must be repaid at principal and interest
- follow CMA, DMA, and LSA procedures in subparagraph 234 D for MAL or LDP violations.

If the producer has resolved the delinquent debt, then MAL or LDP may be continued.

**D Delinquency Resolution**

For DCIA purposes, a producer's delinquent debt is resolved only if the producer does 1 of the following:

- pays or otherwise satisfies the delinquent debt in full
- pays the delinquent debt in part if the creditor agency accepts this payment as a compromise instead of payment in full
- cures the delinquency under terms acceptable to the creditor agency in that the person pays any overdue payments, plus all interest, penalties, late charges, and administrative charges assessed by the creditor agency as a result of the delinquency
- enters into a written repayment agreement with the creditor agency to pay the debt, in whole or in part, under terms and conditions acceptable to the creditor agency.

**Note:** If a portion of a debt has been written off or compromised instead of payment in full, after the person has paid the debt in part through an approved payment agreement, the debt would be considered "resolved".

Follow 58-FI, Part 9 for working out debts by installments.

**128 Payment Limitation Policies Applicable to CMA's, DMA's, and LSA's****A The Agriculture Improvement Act of 2018 (2018 Farm Bill)**

For all commodities, starting in crop year 2019, MLG, LDP, and Graze-Out payments are not subject to payment limitation.

**B Maximum PLM Policy For All Years Preceding 2019**

For all MLG's and LDP's received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year for MLG or LDP, payments may **not** exceed \$125,000 including ARC and PLC payments.

**C Benefits Exceeding PLM Repayment Policy**

When a control County Office determines a "person's" PLM has been exceeded for the crop year, the control County Office must contact all CMA's, DMA's, LSA's, and County Offices the "person" is active in to:

- determine the benefit amount and date earned through each location
- inform them of the amount of repayment required through them to bring benefits received by the "person" for the crop year into compliance with PLM.

**Note:** Benefits are repaid in reverse order; that is, the last benefit received is the first benefit repaid.

**D Entity Types with Zero PLM**

The following entity types are **not** eligible for payments and will, therefore, always have PLM of zero:

- "08" means "Federal owned"
- "99" means "Other".

**Note:** CMA's, DMA's, and LSA's should **not** request increased PLM's for "persons" with these entity types since no increase is possible.

**128 Payment Limitation Policies Applicable to CMA's, DMA's, and LSA's (Continued)****E Entity Types with Unlimited PLM**

The following entities are comprised of many “persons”:

- “13” means “Public school”
- “14” means “Indian tribal venture” or “BIA”
- “15” means “Individuals represented by BIA”.

These entities have entered into an agreement with CCC to monitor PLM's for the “persons” included in their organization. Benefits to them are **not** monitored by CCC.

**Note:** An individual Indian or group of Indians may have its affairs handled by BIA. In these cases, ID on FSA records for the Indian is assigned by FSA and it is the key to all eligibility records (entity type 15). If CMA or LSA has any of these producers, CMA or LSA should submit the FSA-assigned number, not the employer ID used by BIA (entity type 14), to obtain eligibility data.

**129 Lobbying Disclosure Requirements, Compliance, and Reporting****A Applicability**

The disclosure requirement applies to:

- peanut loans with a principal value exceeding \$150,000, redeemed with cash
- cotton loans with a principal value exceeding \$150,000 whether the loan collateral is redeemed with cash for a commodity certificate
- LDP applications exceeding \$100,000.

## 129 Lobbying Disclosure Requirements, Compliance, and Reporting (Continued)

**B To Comply with Disclosure Requirements**

To comply with lobbying disclosure requirements, applicants for and recipients of a loan disbursement exceeding \$150,000 or LDP exceeding \$100,000 must file, with the DMA office, 1 of the following forms in subparagraph C for **each** loan or LDP that exceeds \$150,000 or \$100,000, respectively.

| IF monies received have...  | THEN...  |
|---|--|
| <b>not</b> or will <b>not</b> be used to lobby or otherwise influence the action of a Federal official about a particular <b>loan</b> | CCC-674 is <b>not</b> required because CCC-601, item 6(i) contains lobbying disclosure requirements. Loan applicants certify to compliance when signing CCC-677 or CCC-678.  |
| <b>not</b> or will <b>not</b> be used to lobby or otherwise influence the action of a Federal official about a particular <b>LDP</b>  | file CCC-674 (subparagraph E).<br><br><b>Note:</b> CCC-674 is needed for <b>all</b> LDP's exceeding \$100,000.   |
| or will be used to lobby or otherwise influence the action of a Federal official about a particular loan or LDP                       | file SF-LLL (subparagraph F). CCC-674 is <b>not</b> required because CCC-601, item 6(i) contains lobbying disclosure requirements. Loan applicants certify to compliance when signing CCC-677 or CCC-678.<br><br><b>Note:</b> File SF-LLL-A (subparagraph G), if applicable. |

**Note:** Lobbying activity provisions apply to individual loans and LDP's, **not** the producer's or entity's cumulative total.

**C Providing Forms**

Each time a loan exceeding \$150,000 or LDP exceeding \$100,000 is requested, DMA offices must give the applicant a copy of 1 of the following:

- CCC-674
- SF-LLL
- SF-LLL-A.

**Note:** If subparagraph B conditions apply, provide CCC-674, SF-LLL, or SF-LLL-A.

**DMA and LSA offices must** inform the applicant that the applicable form must be returned to the DMA or LSA office before the loan or LDP will be disbursed.

**D Disbursing the Loan or Payment**

DMA offices must **not** disburse a loan exceeding \$150,000 or LDP exceeding \$100,000 until the applicant has returned the completed CCC-674, SF-LLL, or SF-LLL-A, if applicable.

## 129 Lobbying Disclosure Requirements, Compliance, and Reporting (Continued)

## E Example of CCC-674

The following is an example of CCC-674.

|  |  |   |
|--|--|---|
| This form is available electronically.<br><b>CCC-674</b><br>(11-15-16)   |  | Form Approved - OMB No. 0348-0046   |
| <b>CERTIFICATION FOR CONTRACTS, GRANTS, LOANS,<br/>AND COOPERATIVE AGREEMENTS</b>  |  |   |
| NAME AND ADDRESS OF RECIPIENT<br><br>John A. Largefarm<br>1000 Largefarm Road<br>Vienna, GA 31092  |  | TRANSACTION DOCUMENT (Loan No.,<br>Contract No., CCC-6 No(s)., Check No., etc.)<br>D0008417 |
|  |  | PROGRAM YEAR<br>20XX  |
| <p><i>To comply with lobbying disclosure requirements (31 U.S.C. 1352), applicants for and recipients of: 1) A Federal loan exceeding \$150,000; or 2) A Federal contract, grant, or cooperative agreement payment exceeding \$100,000 must file, with the disbursing office:</i></p> <p>A. If they <u>have not or will not use monies received for lobbying purposes</u>, CCC-674.<br/> B. If they <u>have or will use monies received for lobbying purposes</u>, SF-L1L.</p>   |  |   |
| <b>CERTIFICATION</b>   |  |   |
| <p>The undersigned certifies, to the best of his or her knowledge and belief, that:</p>  |  |   |
| <p>(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.</p> <p>(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-L1L, "Disclosure Form to Report Lobbying," in accordance with its instructions.</p> <p>(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.</p> |  |   |
| <p>This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>  |  |   |
| RECIPIENT SIGNATURE  |  | DATE  |
| <p><i>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0348-0046. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</i></p>  |  |   |
| <p><i>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</i></p>  |  |   |
| <p><i>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</i></p>   |  |   |
| <p><i>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (865) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</i></p>  |  |   |

## 129 Lobbying Disclosure Requirements, Compliance, and Reporting (Continued)

## F Example of SF-LLL

The following is an example of SF-LLL.

|   |   |  |
|---|---|--|
| Approved by OMB No. 0348-0046   |   |  |
| <b>DISCLOSURE OF LOBBYING ACTIVITIES</b>  |   |  |
| Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352<br>(See Reverse for public burden disclosure.)  |   |  |
| <b>1. Type of Federal Action:</b><br><input type="checkbox"/> a. contract<br><input type="checkbox"/> b. grant<br><input type="checkbox"/> c. cooperative agreement<br><input type="checkbox"/> d. loan<br><input type="checkbox"/> e. loan guarantee<br><input type="checkbox"/> f. loan insurance   | <b>2. Status of Federal Action:</b><br><input type="checkbox"/> a. bid/offer/application<br><input type="checkbox"/> b. initial award<br><input type="checkbox"/> c. post-award | <b>3. Report Type:</b><br><input type="checkbox"/> a. initial filing<br><input type="checkbox"/> b. material change<br><b>For Material Change Only:</b><br>year _____ quarter _____<br>date of last report _____ |
| <b>4. Name and Address of Reporting Entity:</b><br><input type="checkbox"/> Prime <input type="checkbox"/> Subawardee<br>Tier _____, if known:  | <b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>  |  |
| <b>Congressional District, If known:</b>  |   |  |
| <b>6. Federal Department/Agency:</b>  | <b>7. Federal Program Name/Description:</b>   |  |
| <b>CFDA Number, if applicable:</b>  |   |  |
| <b>8. Federal Action Number, If known:</b>  | <b>9. Award Amount, If known:</b><br>\$   |  |
| <b>10. a. Name and Address of Lobbying Registrant</b><br><i>(If individual, last name, first name, MI):</i>   | <b>b. Individuals Performing Services (Including address if different from No. 10a)</b><br><i>(last name, first name, MI):</i>  |  |
| <b>11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</b> |   |  |
| <b>Federal Use Only:</b>  |   | Signature: _____<br>Print Name: _____<br>Title: _____<br>Telephone No.: _____ Date: _____  |
|   |   | Authorized for Local Reproduction<br>Standard Form LLL (Rev. 7-97)   |

## 129 Lobbying Disclosure Requirements, Compliance, and Reporting (Continued)

## F Example of SF-LLL (Continued)

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward receipt. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g. "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in Item 4 to influence the covered Federal action.  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (MI).
11. Certifying official shall sign and date the form, print his/her name, title and telephone number.

*According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.*

## 129 Lobbying Disclosure Requirements, Compliance, and Reporting (Continued)

## G Example of SF-LLL-A

The following is an example of SF-LLL-A.

**DISCLOSURE OF LOBBYING ACTIVITIES  
CONTINUATION SHEET**

Approved by OM  
0348-0048

Reporting Entity: \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

Authorized for Local Reproduction  
Standard Form - LLL-A

## 130 Heirs of a Deceased Producer

**A Succession of Interest**

Succession of interest occurs before or after harvest if heirs:

- succeed to the beneficial interest of the deceased producer in both the commodity and the farming unit on which it was produced
- assume the decedent's obligation under a loan if a loan has already been obtained.

**B Knowledge of a Deceased Producer**

If ADP learns that a producer who has an outstanding loan is deceased, and CCC-686-A has not been executed, ADP must:

- send a certified letter to the fiduciary representative, heirs, or other persons in charge of settling the estate notifying that person:
  - of the existence of the outstanding CCC loan
  - that the loan is covered by a security agreement or secured by pledged warehouse receipts
- attach a copy of the letter to the loan papers on file in the ADP Office
- immediately notify the State Office.

**Note:** State Offices must forward notification of deceased producers for which CCC-686-A has not been executed to the regional attorney for appropriate action.

**C Eligibility for Deceased Producer**

If ADP learns that a producer is deceased, and the heir wishes to obtain a loan or LDP, the ADP must:

- check to ensure crop has been reported and fully certified in the deceased producer's name
- confirm the heir meets all other eligibility requirements according to paragraph 126.

**Note:** FSA-578's should NOT be changed to show the heirs name. ADP's will need to perform manual eligibility checks for the heir using provisions established for the CCC-746 outlined in paragraph 125.

## 131 Using CCC-686-A

### A When to Complete CCC-686-A

Complete CCC-686-A if the heirs want to obtain or continue a loan and either of the following applies:

- there will be no administration or probate of the estate
- administration or probate of the estate is closed.

Before a loan is disbursed or continued under loan, CCC-686-A must be:

- executed by persons claiming succession to a deceased producer
- approved by ADP.

### B Completing CCC-686-A

The following table provides instructions for completing an original and 1 copy for each person signing CCC-686-A.

| Item | Instructions   |
|------|--|
| 1    | Enter CMA, DMA or LSA name, address and telephone number.  |
| 2    | Enter crop year.   |
| 3    | Enter commodity.   |
| 4    | Enter the name of the deceased person.   |
| 5    | Enter the date the person died.  |
| 6    | Enter check the appropriate box concerning when death occurred before or after harvest.                                  |
| 7    | Enter the name and address of all persons inheriting the commodity whether or not the person is related to the deceased. |
| 8    | Enter the relationship to the person inheriting the commodity to the deceased.   |
| 9    | Enter names of all persons assuming farming unit whether or not related to the deceased.                                 |
| 10   | Enter the relationship to the deceased or capacity (wife, son, daughter, etc.)   |
| 11   | Enter name of any heir who is a minor or incompetent.  |
| 12   | Enter the disability if any.   |
| 13   | Enter the name and address and capacity of the representative of this person.  |
| 14   | Enter the capacity.  |

## 131 Using CCC-686-A (Continued)

## B Completing CCC-686-A (Continued)

| Item | Instructions   |
|------|--|
| 15   | <p>Heirs or representative of heirs, who have inherited the commodity and who are requesting a loan or LDP must sign CCC-686-A. Please read the Certification Statement and sign and date where indicated.</p> <p>Item 15F check “Yes” or “No” to indicate if you or any co-applicant is delinquent on any Federal non tax debt. If “Yes” provide details.</p> <p>If you are mailing or faxing this form, print the form and manually enter your signature. If this form is approved for electronic transmission and you have established credentials with USDA to submit forms electronically, use the buttons provided on the form for transmitting the form to the USDA servicing office.</p> <p>Contact the County FSA Office before signing and dating this document if you have any questions or concerns.</p> |
| 16A  | Heirs or representative of heirs, who have inherited the commodity and who are requesting a loan or LDP must read the certification statement and sign.  |
| 16B  | Enter the title/Relationship (of the individual signing in the Representative Capacity).   |
| 16C  | Enter the date individual signing in 16A.  |
| 17A  | CMA, DMA, or LSA must read the certification statement.  |
| 17B  | Enter signature of representative of the applicable ADP.   |
| 17C  | Enter the title/Relationship (of the individual signing in the Representative Capacity).   |
| 17D  | Enter the date individual signing in 17B.  |

## 131 Using CCC-686-A (Continued)

## C Example of CCC-686-A

The following is an example of CCC-686-A.

| See Page 2 for Privacy Act Statement.  |  |  |   |
|--|--|--|---|
| <b>CCC-686-A</b><br>(12-12-23) <b>U.S. DEPARTMENT OF AGRICULTURE</b><br>Commodity Credit Corporation   |  | 1. NAME AND ADDRESS OF CMA, DMA, LSA<br><br>TELEPHONE NO. (Include Area code):<br>2. CROP YEAR      3. COMMODITY |   |
| <b>APPLICATION FOR LOAN OR LOAN DEFICIENCY<br/>PAYMENT BY HEIRS (CMA, DMA, LSA)</b><br><i>(On a commodity produced by a person who has died)</i>   |  | 4. NAME OF DECEASED PERSON      5. DATE OF DEATH<br><i>(MM/DD/YYYY)</i>  |   |
|  |  | 6. DEATH OCCURRED<br>BEFORE HARVEST <input type="checkbox"/> AFTER HARVEST <input type="checkbox"/>              |   |
| 7. PERSONS INHERITING COMMODITY (Name and Address)   |  | 8. RELATIONSHIP TO DECEASED  |   |
|  |  |  |   |
|  |  |  |   |
|  |  |  |   |
| 9. NAMES OF PERSONS ASSUMING FARMING UNIT (Include heirs in Item 7)<br><i>(Address if not already listed in Item 7)</i>  |  | 10. RELATIONSHIP TO DECEASED OR<br>CAPACITY  |   |
|  |  |  |   |
|  |  |  |   |
|  |  |  |   |
| If any person shown in Item 7 or 9 above is a minor or incompetent, furnish the following:   |  |  |   |
| 11. NAME OF MINOR<br>OR INCOMPETENT  |  | 12. NATURE OF DISABILITY<br><i>(if any)</i>  | 13. REPRESENTATIVE OF PERSON SHOWN IN ITEM 11<br>NAME AND ADDRESS |
|  |  | 14. CAPACITY<br><i>(Guardian, Custodian, Conservator,<br/>           Liquidator, etc.)</i>                       |   |
|  |  |  |   |
|  |  |  |   |
|  |  |  |   |
| 15. CERTIFICATIONS (To be certified to and by each person shown in Items 7 and 9 or his or her representative shown in Item 13 who is requesting a loan or LDP.)   |  |  |   |
| <b>The undersigned hereby certifies that 1/</b>  |  |  |   |
| A. The person shown in Item 4 died on the date shown and he or she produced the commodity identified above in the crop year shown.<br>B. The decedent and the commodity produced were eligible for loan or LDP and that the persons shown in Item 7 have inherited the decedent's interest in the commodity shown above.<br>C. (1) There has not been nor is it contemplated that there will be administration or probate of the estate or (2) administration or probate of the estate is closed.<br>D. The persons listed in Items 7, 9, and, if applicable 11, are the only persons who have inherited or otherwise acquired an interest in the commodity and farming unit of the decedent described in this form.<br>E. Each of such persons requests (1) a loan be continued or disbursed, or (2) an LDP be made.<br>F. Are you or any co-applicant delinquent on any federal non-tax debt?      YES <input type="checkbox"/> NO <input type="checkbox"/> (If "YES", provide details): |  |  |   |
| 16A. Signature (By)  |  | 16B. Title/Relationship of the Individual Signing in the<br>Representative Capacity                              | 16C. Date (MM-DD-YYYY)  |
| 16A. Signature (By)  |  | 16B. Title/Relationship of the Individual Signing in the<br>Representative Capacity                              | 16C. Date (MM-DD-YYYY)  |
| 16A. Signature (By)  |  | 16B. Title/Relationship of the Individual Signing in the<br>Representative Capacity                              | 16C. Date (MM-DD-YYYY)  |
| 17A. CERTIFICATION OF CMA, DMA, LSA  |  |  |   |
| <i>The undersigned certifies that each applicant whose signature appears above has the authority to act in the capacity indicated; that the right of the applicant(s) to file this application was determined in accordance with the regulations of the Department of Agriculture; and that the statements contained herein have been examined and are true and correct to the best of my knowledge and belief.</i>  |  |  |   |
| 17B. SIGNATURE (BY)  |  | 17C. Title/Relationship of the Individual Signing in the Representative<br>Capacity                              | 17D. Date (MM-DD-YYYY)  |
| <small>1/ Section 15 (a) of the Commodity Credit Corporation Charter Act (62 Stat. 1070) provides a fine of not more than \$10,000 or not more than five years imprisonment for making any statements knowing it to be false for the purpose of influencing the action of the Corporation or of obtaining money under any act applicable to the Corporation.</small>   |  |  |   |

## 131 Using CCC-686-A (Continued)

## C Example of CCC-686-A (Continued)

|  |        |
|--|--------|
| <p><b>CCC-686-A</b> (12-12-23)</p> <p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 718, 7 CFR Part 1421, the Commodity Credit Corporation Charter Act (5 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine the ability of an heir that has inherited the decedent's interest in the commodity to participate in and receive benefits under a CCC loan program through application for a loan or loan deficiency payment. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Use identified in the System of Records Notice for USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the heir is unable to participate in and receive benefits under a CCC loan program.</p> <p><b>Paperwork Reduction Act Statement:</b> This information collection is exempted from the Paperwork Reduction Act as specified in 7 U.S.C. 9091(c)(2)(B).</p> <p>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.</p> <p>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</p> <p>Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</p> <p>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</p> | Page 2 |
|--|--------|

## D Distributing CCC-686-A

Distribute CCC-686-A as follows:

- keep original in the ADP Office
- give each person signing CCC-686-A a copy.

## 132-140 (Reserved)



## Section 2 CMA Loan Servicing Policies

### 141 General Commodity and Pool Requirements for CMA's

#### A General Requirements and Policies

The following general requirements and policies apply to CMA loan pool commodities and pools:

- CMA may establish separate loan pools as needed for quantities of a commodity
- loans and, if applicable, LDP's will be available to CMA's for any eligible commodity in a loan pool as provided in subparagraph 54 C
- CMA must have in inventory a quantity of commodity delivered by members of each class and grade at least equal to the quantity each class and grade pledged as loan collateral
- loan eligibility for commingled commodities stored on a farm or in a warehouse may be transferred to an approved warehouse
- commodities pledged as collateral for CCC loans must be free and clear of all liens and encumbrances based on CMA's financial agreements, or CMA must obtain a completed CCC-679 according to paragraph 123
- CMA's must not take any action to cause a lien or encumbrance to be placed on a commodity after a loan is approved.

**Note:** See paragraph 123.

**141 General Commodity and Pool Requirements for CMA's (Continued)****B Loan Pool Eligibility Requirements**

A pool must be eligible for loans and LDP's when:

- all of the commodity in the pool is eligible for loans or LDP's

**Note:** See subparagraph C for exceptions to this requirement.

- the commodity was delivered by members covered by an approved marketing agreement with CMA for their market gain
- the member and farm are eligible for loans and LDP's
- all members retain the right to share in marketing proceeds from the commodity according to paragraph 41
- members agree to accept a payment of initial advances from CMA according to subparagraph 54 C
- identity-preserved loan pool commodities are stored in approved warehouses while the commodities are pledged as collateral for a loan.

**C When Loan Pools May Include Ineligible Deliveries**

Ineligible commodities may be included in loan pools when:

- CMA inadvertently included ineligible quantities based on grade, quality, bale weight, or repacking in the case of cotton or other factors
- there are eligibility discrepancies in FSA records.

**Example:** The producer has certified to CMA that the commodity is eligible for loan or LDP, and there is no market gain or LDP involved in the loan pool for the crop year.

**141 General Commodity and Pool Requirements for CMA's (Continued)****C When Loan Pools May Include Ineligible Deliveries (Continued)**

CMA may, for a limited time, include a commodity that is ineligible based on FSA records when the producer has certified to CMA that the commodity is eligible. In these instances, CCC specifies a time period during which CMA's may obtain loans or LDP's on the applicable quantity until the eligibility status is resolved. If the final resolution is that the commodity was ineligible, CMA must repay any loans outstanding, with principal plus interest, and any market gains obtained, plus interest, from the date of receiving the market gain through the repayment date.

**D Types of Loans and LDP's Available and Transferring Loan Eligibility**

Loans or LDP's are available to CMA's for farm-stored commodities when it is, according to the applicable CMA's marketing agreement with a member, part of CMA's loan pool.

Loans will be available to CMA's for identity-preserved loan pool commodities stored in approved warehouses while the commodities are pledged as collateral for a loan.

Loan eligibility for commingled commodities stored on a farm or in a warehouse may be transferred to an approved warehouse.

**142 CMA Pool Allocations and Distribution Policies****A Loan Pool Allocations**

The following general policies apply to loan pool allocations:

- if a loan or LDP is obtained for any quantity in a loan pool, allocations of costs and expenses among separate pools for the commodity must be made according to generally accepted accounting principles
- CMA must not apply marketing losses from a commodity not used to obtain a loan or LDP against the marketing proceeds of a commodity used to obtain a loan or LDP
- CMA's must not carry forward losses from 1 loan pool and apply them against a subsequent loan pool without CCC's authorization.

**Note:** CCC may grant authorization when it determines that carrying forward the loss complies with CCC's loan and LDP program intent.

**B Pool Distribution Requirements**

If CCC makes MAL's or LDP's to CMA for any quantity in a loan pool, the related proceeds must be distributed by CMA or otherwise made available to the member's account:

- based on the quantity and quality of the commodity delivered to each member
- less any authorized charges for services performed or paid by CMA necessary to condition or otherwise make the commodity eligible for loans or LDP's, according to the uniform marketing agreement provided in paragraph 41
- crediting any advances made to members before MAL's or LDP's were obtained
- within 15 workdays from the date CMA receives MAL or LDP proceeds from CCC or held according to the terms of a deferred payment agreement if requested by the member

## 142 CMA Pool Allocations and Distribution Policies (Continued)

**B Pool Distribution Requirements (Continued)**

- loan pool proceeds must not be combined with non-loan pool proceeds and CMA must distribute loan pool proceeds according to the information provided to CCC according to paragraph 54

**Note:** Sales proceeds from a loan pool may be combined with sales proceeds from other pools if the proceeds from these pools are allocated among the pools according to the quantity and quality of the commodity included in the pools.

- loan and LDP proceeds must only be issued to members involved in pools used for loans or LDP's
- when notified by CCC that loan and LDP distributions to a member must be reduced for a program year, farm, or crop, CMA must not make subsequent pool distributions to that member and must reimburse CCC for distributions previously issued, if applicable.

## 143 Ineligible CMA Commodities

## A Loan Action

When CMA has pledged a commodity as collateral for CCC loan and the commodity is found to be ineligible while still under loan, CMA must take corrective action according to the following table.

| IF the commodity is... | AND CMA has...  | THEN, subject to provisions in paragraph 102...   |
|------------------------|---|---|
| identity preserved     |   | <p>and according to paragraph 234:</p> <ul style="list-style-type: none"> <li>• redeem ineligible loan quantity without benefit</li> <li>• repay any benefits obtained.</li> </ul>  |
| commingled             | sufficient quantity of eligible commodity available for loan                                  | <p>reduce the eligible pool inventory not used for loan by ineligible amount.</p>   |
|                        | eligible commodity inventory available for loan that is less than the amount found ineligible | <ul style="list-style-type: none"> <li>• reduce the ineligible quantity by the amount of eligible pool inventory available for loan</li> <li>• through the CMA service County Office, according to paragraph 234: <ul style="list-style-type: none"> <li>• redeem the remaining ineligible quantity in loan without benefit</li> <li>• repay any benefits obtained on the remaining ineligible quantity.</li> </ul> </li> </ul> |
|                        | no eligible commodity to replace the ineligible quantity                                      | <p>through the CMA service County Office, according to paragraph 234:</p> <ul style="list-style-type: none"> <li>• redeem any ineligible quantity in loan without benefit</li> <li>• repay any benefits obtained on the ineligible quantity.</li> </ul>   |

## 143 Ineligible CMA Commodities (Continued)

## B LDP Action

When CMA used a commodity to obtain LDP that is found to have been ineligible, CMA must take corrective action according to the following table.

| IF the commodity is... | AND CMA has...   | THEN, subject to provisions in paragraph 102...   |
|------------------------|--|---|
| identity preserved     |  | and according to paragraph 234, repay any benefits obtained.  |
| commingled             | <p>sufficient quantity of eligible commodity available for LDP</p> <p>eligible commodity inventory available for LDP that is less than the amount found ineligible</p> <p>no eligible commodity to replace the ineligible quantity</p> | <p>reduce the eligible pool inventory not used for loan or LDP by ineligible amount.</p> <ul style="list-style-type: none"> <li>• reduce the ineligible quantity by the amount of eligible pool inventory available for loan or LDP</li> <li>• through the CMA service County Office, according to paragraph 234, repay any benefits obtained or LDP on the remaining ineligible quantity.</li> </ul> <p>through the CMA service County Office, according to paragraph 234, repay any benefits obtained on the ineligible quantity.</p> |

## 144-154 (Reserved)



### Section 3 DMA Loan Servicing Policies

#### 155 DMA MAL and LDP Processing

##### A Processing MAL and LDP Requests

The following table provides the steps for DMA's to process MAL and LDP requests.

| Step | Action   |
|------|--|
| 1    | <p>Peanut producers:</p> <ul style="list-style-type: none"> <li>may request MAL or LDP at DMA</li> </ul> <p><b>Note:</b> For LDP's, producers should file CCC-633 EZ, page 1 before loss of beneficial interest.</p> <ul style="list-style-type: none"> <li>must provide beneficial interest information</li> <li>may provide FSA-211 for DMA to sign documents on their behalf</li> </ul> <p><b>Note:</b> FSA-211 is <b>not</b> approved for a FAXed signature and cannot be accepted if FAXed.</p> <ul style="list-style-type: none"> <li>must provide jurisdictional data on CCC-10 for lien search purposes only</li> </ul> <p><b>Note:</b> See 8-LP, paragraph 502 for CCC-10 instructions.</p> <ul style="list-style-type: none"> <li>must deliver to DMA either of the following: <ul style="list-style-type: none"> <li>individual paper warehouse receipts in the producer's name</li> <li>EWR numbers, warehouse code, and provider's name.</li> </ul> </li> </ul> |
| 2    | <p>DMA's must follow procedures to determine whether the producer and commodity are eligible using the ADP Process, based on beneficial interest, for MAL's or LDP's. See 8-LP for beneficial interest provisions. If beneficial interest is:</p> <ul style="list-style-type: none"> <li><b>held</b> by the producer at time of MAL or LDP, the process must continue</li> <li><b>lost</b> by the producer before requesting MAL or LDP, the process must <b>stop</b>.</li> </ul>  |
| 3    | <p>DMA's must verify producer eligibility using the ADP Process. If the producer is:</p> <ul style="list-style-type: none"> <li>eligible, the process must continue</li> <li>ineligible, DMA must return the documents submitted by the producer in step 1 and stop the MAL or LDP process.</li> </ul> <p>DMA's must enter into FSA-211 with the producer, according to paragraph 120, if requested by the producer.</p>   |

## 155 DMA MAL and LDP Processing (Continued)

## A Processing MAL and LDP Requests (Continued)

| Step | Action                      |  |
|------|-----------------------------|--|
| 4    | <b>IF the request is...</b> | <b>THEN DMA must...</b> <ul style="list-style-type: none"> <li>complete lien search at DMA's expense and obtain lien waivers</li> <li>if EWR's are applicable, instruct current holder to notify the EWR provider to amend EWR to show DMA as the holder</li> <li>generate CCC-678 and other MAL forms</li> <li>have producer or power of attorney sign MAL document</li> <li>give or mail CCC-601 and CCC-678 to each producer</li> <li>instruct the EWR provider to make CCC holder of EWR</li> <li>if applicable, obtain CCC-674 or SF-LLL according to paragraph 129</li> <li>disburse funds to the producer from DMA's CCC-authorized drawdown account or wait for funds from the service County Office.</li> </ul> <p><b>Note:</b> The "date documents received" date for the DMA-prepared MAL must be the date of disbursement.</p> |
|      | LDP                         | <ul style="list-style-type: none"> <li>complete CCC-633 EZ, page 2</li> <li>have producer or power of attorney sign LDP documents</li> <li>if applicable, obtain CCC-674 or SF-LLL according to paragraph 129</li> <li>disburse funds to the producer from DMA's CCC-authorized drawdown account or wait for funds from the service County Office.</li> </ul> <p><b>Note:</b> The LDP rate applicable to the CCC-633 EZ request is the rate in effect on the date DMA receives the request.</p>  |

## 155 DMA MAL and LDP Processing (Continued)

## A Processing MAL and LDP Requests (Continued)

| Step | Action   |
|------|--|
| 5    | <p>Within 3 workdays of disbursement, DMA must:</p> <ul style="list-style-type: none"> <li>• group MAL's with same: <ul style="list-style-type: none"> <li>• disbursement date</li> <li>• peanut type</li> <li>• warehouse code</li> <li>• State where peanuts were inspected</li> </ul> </li> <li>• group LDP's with same: <ul style="list-style-type: none"> <li>• LDP rate</li> <li>• approval date</li> <li>• peanut type</li> </ul> </li> <li>• submit each group to the service County Office by either of the following methods: <ul style="list-style-type: none"> <li>• manually with individual paper warehouse receipts or EWR numbers, and the EWR provider's name representing bundled MAL's or LDP's</li> <li>• create pre-processed files.</li> </ul> </li> </ul> |
| 6    | <p>The DMA service County Office must:</p> <ul style="list-style-type: none"> <li>• process each DMA-prepared MAL or LDP group for the volume of peanuts on multiple receipts using dates provided by the DMA to include: <ul style="list-style-type: none"> <li>• application date</li> <li>• original approval date</li> <li>• date of lien search</li> <li>• disbursement date</li> </ul> </li> <li>• waive the service fee to DMA</li> <li>• <b>not</b> deduct national and State commodity assessment amounts</li> <li>• <b>not</b> require CCC-674 or SF-LLL</li> <li>• hold MAL paper warehouse receipts or <b>verify</b> that CCC is holder of EWR's as of the date of disbursement</li> </ul>   |

**155 DMA MAL and LDP Processing (Continued)****A Processing MAL and LDP Requests (Continued)**

| Step        | Action   |
|-------------|--|
| 6<br>(Cntd) | <ul style="list-style-type: none"> <li>• disburse MAL or LDP funds to DMA</li> <li>• provide MAL or LDP documents to DMA on the date of loan processing.</li> </ul>  |
| 7           | DMA must send the producer a maturity notice letter according to 8-LP.   |
| 8           | DMA's must process MAL repayments and forfeitures as authorized by the producer, designated agent on CCC-605P, or power of attorney.   |
| 9           | DMA's must maintain MAL or LDP documents according to 25-AS.   |
| 10          | DMA's must repay MAL <b>at the DMA service County Office</b> with producer or agent funds. If interest is applicable, the repayment amount to the service County Office must match the amount repaid at DMA. The service County Office must release paper receipts or EWR's. |

**156 CCC-770 DMA****A Background**

The Payment Integrity Information Act of 2019 required each agency to:

- identify programs and activities susceptible to significant improper payments
- estimate the annual amount of improper payments and report that estimate to Congress
- report the actions taken to reduce improper payments, including possible causes, and a description of the steps in place to ensure accountability for reducing improper payments.

## 156 CCC-770 DMA (Continued)

**B DMA Action**

DMA employees must:

- access [eForms Home \(usda.gov\)](http://eForms Home (usda.gov)) to obtain CCC-770 DMA (in subparagraph C)
- locally reproduce CCC-770 DMA
- complete CCC-770 DMA for each MAL or LDP processed to the extent that all items are dated when they are completed or marked “Not applicable”
- maintain a copy of CCC-770 DMA in each MAL or LDP folder
- certify by signing CCC-770 DMA as a preparer that each item is complete.

**Note:** All employees who are directly involved with each MAL or LDP must certify and date CCC-770 DMA. For example, an employee involved with MAL disbursement must sign and date the checklist when MAL is disbursed. If another employee is involved with MAL repayment, the other employee must also sign and date CCC-770 DMA when MAL is repaid.

## 156 CCC-770 DMA (Continued)

## C Example of CCC-770 DMA

The following is an example of CCC-770 DMA.

|   |  |  |                       |
|---|--|--|-----------------------|
| <p><b>This form is available electronically.</b></p> <p><b>CCC-770 DMA      U.S. DEPARTMENT OF AGRICULTURE</b><br/>           (11-15-16)      Commodity Credit Corporation</p> <p><b>DMA PEANUT MAL or LDP PROCESSING<br/>CHECKLIST</b></p> |  |  |                       |
| 1. Applicant's Name<br>3. State Office Name<br>5. Loan/LDP Number   |  | 2. Date of Application (MM-DD-YYYY)<br>4. DMA Name<br>6. Crop Year |                       |
| <b>7. Pre MAL or LDP DMA Actions:</b>   |  | <b>Handbook or Other<br/>Applicable References</b>                 | <b>Date Completed</b> |
| A. Discuss key program provisions with applicant.   |  | <i>8-LP, LP Notices</i>  |                       |
| B. Obtain name, address and ID number used to conduct business with FSA.  |  | <i>1-CMA, paragraph 225</i>  |                       |
| C. Obtain FSA-211 if requested. If producer is an entity or joint operation, obtain documents authorizing representative to sign.   |  | <i>1-CMA, paragraph 618<br/>1-CM, Part 25, Section 3</i>           |                       |
| D. Obtain CCC-10 if a current one is not on file.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| E. Before each loan is disbursed, conduct lien search. Document results.  |  | <i>1-CMA, paragraph 619</i>  |                       |
| F. If there are lienholders on the crop, obtain lien holder instructions on CCC-679.  |  | <i>1-CMA, paragraph 619</i>  |                       |
| G. When available, obtain paper receipts or EWR data. For EWR's instruct holder to request that DMA be made holder.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| H. Determine whether producer has beneficial interest in commodity.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| I. Submit producer ID number to CMA eligibility process.  |  | <i>1-CMA, paragraph 236</i>  |                       |
| J. Receive producer eligibility data from CMA process and if necessary resolve eligibility problems.  |  | <i>1-CMA, Part 7</i>   |                       |
| K. Determine if producers meets the AGI eligibility provisions.   |  | <i>1-CMA, Part 7</i>   |                       |
| L. Producer or POA should file CCC-633 EZ Page 1 in case an LDP is requested.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| <b>8. MAL Processing:</b>   |  |  |                       |
| A. Prepare a folder for each MAL.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| B. For applications lacking required information, notify applicant and obtain necessary information.  |  | <i>1-CMA, paragraph 615</i>  |                       |
| C. If DAFP authorized deductions to MAL are applicable according to a producer signed statement of charges, obtain lien holder instructions on CCC-679.   |  | <i>1-CMA, paragraph 620</i>  |                       |
| D. Verify DCIA compliance by checking applicant certification on CCC-678 or a separate certification and take further action if producer is not in compliance.  |  | <i>1-CMA, paragraph 107</i>  |                       |
| E. Instruct EWR provider to make CCC holder of EWR.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| F. Producer or POA signs CCC-678.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| G. Complete CCC-678 (date documents received shall be the disbursement date).   |  | <i>1-CMA, paragraph 615</i>  |                       |
| H. Disburse funds to producer using authorized drawdown funds or wait for funds from service county office.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| I. Obtain and retain CCC-674 or SF-LLL for MAL's exceeding 150,000.   |  | <i>8-LP, paragraph 28</i>  |                       |
| J. Provide producer with copies of CCC-678 and CCC-601.   |  | <i>1-CMA, paragraph 615</i>  |                       |
| K. Distribute assessment amounts to NPB and applicable States.  |  | <i>1-CMA, paragraph 620</i>  |                       |

## 156 CCC-770 DMA (Continued)

## C Example of CCC-770 DMA (Continued)

| CCC-770 DMA (11-15-16)   |   |                |                         | Page 2 of 3 |
|--|---|----------------|-------------------------|-------------|
| 9. Obtain MAL from Service County Office:  | Handbook or Other Applicable References | Date Completed | Check if Not Applicable |             |
| Within 3 workdays of disbursement group and submit MAL's with same disbursement date, peanut type, warehouse code, and State where peanuts were inspected, by either of the following methods: <ul style="list-style-type: none"> <li>manually with individual paper warehouse receipts or EWR numbers, and the EWR provider's name representing bundled MAL's</li> <li>create pre-processed files.</li> </ul> | 1-CMA, paragraph 615                    |                |                         |             |
| <b>10. MAL Servicing Actions:</b>  |   |                |                         |             |
| A. Collect repayment using repayment type requested by producer or their agent on CCC-605P (P+I or MLG).   | 1-CMA, paragraph 615                    |                |                         |             |
| B. Repay underlying MAL's obtained from service county office. Create and provide a repayment summary report (1 sheet for each receipt number) to the service County Office.   | 1-CMA, paragraph 621                    |                |                         |             |
| C. Service county offices releases receipts to DMA, DMA releases receipts to producers or agent.   | 1-CMA, paragraph 615                    |                |                         |             |
| D. Send Notices of MAL Maturity 45 days before maturity date.  | 1-CMA, paragraph 615                    |                |                         |             |
| E. Follow procedure to collect excess storage paid as a result of forfeitures.   | 1-CMA, paragraph 622                    |                |                         |             |
| F. Accept and process lock in requests, provide daily report to service county office.   | 1-CMA, paragraph 621                    |                |                         |             |
| G. Process producer violations as applicable.  | 1-CMA, paragraph 623                    |                |                         |             |
| H. Record MAL volume amounts for volume report purposes.   | 1-CMA, paragraph 550                    |                |                         |             |
| <b>11. LDP Processing:</b>   |   |                |                         |             |
| A. Complete CCC-633 EZ, page 2.  | 1-CMA, paragraph 615                    |                |                         |             |
| B. If EWR's are applicable, instruct current holder to notify the EWR provider to amend EWR to show peanuts were used to obtain LDP.   | 1-CMA, paragraph 615                    |                |                         |             |
| C. Have producer or power of attorney sign LDP documents.  | 1-CMA, paragraph 615                    |                |                         |             |
| D. Obtain and retain CCC-674 or SF-LLL for LDP's exceeding \$100,000.  | 8-LP, paragraph 28                      |                |                         |             |
| E. Disburse funds to the producer from DMA's CCC authorized drawdown account or wait for funds from the service County Office.<br><br><b>Note:</b> The LDP rate applicable to the CCC-633 EZ request is the rate in effect on the date DMA receives the request or the date BI was lost.   | 1-CMA, paragraph 615                    |                |                         |             |
| <b>12. Obtain LDP from service county office</b>   |   |                |                         |             |
| Group LDP's with same LDP rate, approval date, and peanut type. Submit each group to the service County Office by either of the following methods: <ul style="list-style-type: none"> <li>manually with individual paper warehouse receipts or EWR numbers, and the EWR provider's name representing bundled MAL's or LDP's</li> <li>create a preprocessed file</li> </ul>                                     | 1-CMA, paragraph 615                    |                |                         |             |

## 156 CCC-770 DMA (Continued)

## C Example of CCC-770 DMA (Continued)

| CCC-770 DMA (11-15-16)   |   |                        |                         | Page 3 of 3 |                            |            |                        |                            |            |                        |   |            |                        |
|--|---|------------------------|-------------------------|-------------|----------------------------|------------|------------------------|----------------------------|------------|------------------------|---|------------|------------------------|
| 13. LDP Servicing Actions  | Handbook or Other Applicable References | Date Completed         | Check if Not Applicable |             |                            |            |                        |                            |            |                        |   |            |                        |
| Record volume for volume report purposes.  | 1-CMA, paragraph 551                    |                        |                         |             |                            |            |                        |                            |            |                        |   |            |                        |
| <b>14. Remarks:</b>  |   |                        |                         |             |                            |            |                        |                            |            |                        |   |            |                        |
| <p><b>Certifications:</b><br/> <i>I (we) the undersigned certify the above items have been verified or updated accordingly.</i></p> <table border="1"> <tr> <td>15A. Signature of Preparer</td> <td>15B. Title</td> <td>15C. Date (MM-DD-YYYY)</td> </tr> <tr> <td>16A. Signature of Preparer</td> <td>16B. Title</td> <td>16C. Date (MM-DD-YYYY)</td> </tr> <tr> <td>17A. Signature of Second Party Reviewer</td> <td>17B. Title</td> <td>17C. Date (MM-DD-YYYY)</td> </tr> </table>  |   |                        |                         |             | 15A. Signature of Preparer | 15B. Title | 15C. Date (MM-DD-YYYY) | 16A. Signature of Preparer | 16B. Title | 16C. Date (MM-DD-YYYY) | 17A. Signature of Second Party Reviewer | 17B. Title | 17C. Date (MM-DD-YYYY) |
| 15A. Signature of Preparer   | 15B. Title                              | 15C. Date (MM-DD-YYYY) |                         |             |                            |            |                        |                            |            |                        |   |            |                        |
| 16A. Signature of Preparer   | 16B. Title                              | 16C. Date (MM-DD-YYYY) |                         |             |                            |            |                        |                            |            |                        |   |            |                        |
| 17A. Signature of Second Party Reviewer  | 17B. Title                              | 17C. Date (MM-DD-YYYY) |                         |             |                            |            |                        |                            |            |                        |   |            |                        |
| <p><i>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</i></p> <p><i>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</i></p> <p><i>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</i></p> |   |                        |                         |             |                            |            |                        |                            |            |                        |   |            |                        |

**157 Fees Charged to Producers by DMA**

**A Fees for Marketing Services**

If applicable, DMA's may charge producers a fee for marketing services at a rate to be determined by DMA.

**B Fees for Providing MAL's and LDP's**

DMA's may charge the producer, who is requesting a CCC peanut MAL or LDP, a fee for preparing MAL or LDP documents and for servicing MAL, at a rate determined by DMA. Service fees must be:

- deducted from the MAL or LDP amount received by DMA from CCC before distribution to the producer
- assessed at the same rate for each producer requesting a CCC peanut MAL or LDP through the service provided by DMA.

**158 CCC Forms**

**A Policy**

DMA's, as authorized agents of CCC, must use the following:

- current CCC forms and instructions obtained from CCC by accessing the web site located at [eForms Home \(usda.gov\)](http://eForms Home (usda.gov))
- forms approved by CCC to document program services
- computer-generated forms as described in subparagraph B.

**158 CCC Forms (Continued)****B Requests to Use Computer-Generated Forms**

DMA's must:

- request approval to use computer-generated forms by sending computer-generated copies of the proposed forms to PSD
- **not** use the computer-generated form until written approval has been received from the Director, PSD or designated representative
- submit revised forms to PSD for approval
- submit all DMA-generated forms to PSD as part of the annual DMA status recertification review.

**159 MAL Repayment Processing****A Repayment Types and General Processing**

Producers or their agents may repay MAL's to DMA's at principal plus interest or when applicable, at rates less than the loan rate as a marketing loan repayment according to 8-LP. Furthermore, for lock-in of repayment rates DMA's must:

- accept and administer requests from producers on CCC-697 according to 8-LP, paragraph 716
- during periods of lock-in activity, submit a DMA producer daily lock-in report (1 sheet for each applicable FSA loan number) to the service County Office by COB, that contains the following elements:
  - DMA State and DMA code
  - crop year
  - applicable FSA loan number
  - maturity date
  - lock-in expiration date
  - outstanding DMA loan quantity
  - quantity to lock-in
  - lock-in repayment rate
  - EWR or paper receipt numbers
  - repayment effective date
  - date requested
  - approval date

**159 MAL Repayment Processing (Continued)****A Repayment Types and General Processing (Continued)**

- do **not** provide the service County Office with copies of CCC-697
- for all repayment transaction types, collect the correct amount of funds from the producer or agent for the applicable repayment transaction
- create and provide a repayment summary report (1 sheet for each receipt number) to the service County Office containing the following elements:
  - DMA State and DMA code
  - DMA loan number
  - FSA loan number
  - EWR or paper receipt numbers
  - type of peanut
  - total tons
  - repayment date
  - date documents received
  - repayment rate per ton
  - type of repayment
- repay the underlying CCC loan, as applicable, at the service County Office.

**160 DMA Collection of Charges Due on Forfeited Loans****A Determining Charges Due**

When loans are forfeited, charges are due for storage from the date the peanuts were put into storage to the day before the “date documents received” date, if storage was not prepaid by the producer. DMA’s will not be assessed the storage charges due when the DMA loan is forfeited. Subsequently, DMA’s will not collect the storage charges due from the producer. The DMA service county will follow 64-FI procedure to establish receivables for each individual producer based on the information the DMA provides. No later than the date of forfeiture, the DMA must provide the FSA service County Office:

- the producer's name
- administrative State and county code
- warehouse receipt number forfeited
- all related outstanding loan information and calculations made by DMA.

**B Collecting Charges Due From Producer**

The DMA service County Office will establish receivables for each individual producer that forfeits a DMA loan because FSA has a more efficient and streamlined receivable collection process. The notification letter will be issued to the producer by FSA through NRRS. DMA’s will not be responsible for issuing notification letters to the individual producer.

**C DMA Service County Office Action**

The DMA service County Office must provide each producer’s administrative County Office the associated forfeiture storage calculation information for the receivable establishment. The forfeiture receivable information must be provided by e-mail using an encrypted file, and must include the following scanned documents:

- Forfeiture Summary Report for each producer, with specific producer's receipts highlighted
- loan documentation
- calculation by producer.

**D DMA Producer Administrative County Office Action**

For debts transferred from DMA’s according to this part, administrative County Offices must:

- begin collection actions according to 58-FI and 64-FI
- create NRRS receivable according to 64-FI, paragraph 21, using code “XXPNUTSTGCRS”, replacing “XX” with the applicable crop year.

**161 DMA Collection of Amounts Due From Loan and LDP Violations****A DMA Producer Violations**

DMA producers are subject to penalties for violating the terms and conditions applicable to MAL's and LDP's. DMA's must follow policy for violations according to 8-LP, Part 4. When violations are discovered or DMA's are notified by administrative County Offices of violations:

- send the producer a notification letter according to 8-LP
- if necessary, seek advice from the service County Office to calculate amounts due that will include the following:
  - interest and liquidated damages
  - in charges and storage credit
- collect amounts due from producers
- repay the underlying receivable created at the service County Office.

If producers request waiver of interest or liquidated damages, DMA's must forward a waiver request to PSD for consideration. Include any supporting documents and recommendations.

For amounts that remain unpaid 30 calendar days (not including the time a waiver request is under consideration) after the date of the notification letter, DMA's must:

- contact the producer's **administrative** County Office to request that a receivable be established and provide a case file that contains copies of the following:
  - calculation of amounts due
  - DMA notification letter
  - documentation of any collection activity
- forward any funds collected by DMA to the applicable administrative County Office **after** the debt has been referred.

**161 DMA Collection of Amounts Due From Loan and LDP Violations (Continued)****B DMA Service County Office Action**

DMA service County Offices must:

- accept DMA payments as a result of DMA collections towards receivables created
- cease applying DMA collections to receivables when notified by DMA that DMA is transferring DMA producer debts to administrative County Offices
- after all DMA collections have taken place, allow the automatic creation of a claim for unpaid amounts
- immediately withdraw claims against DMA's.

**Note:** Document that the reason for withdrawal is DMA referral of unpaid amounts to administrative County Offices according to this part.

**C DMA Producer Administrative County Office Action**

For debts transferred from DMA's according to this part, administrative County Offices must:

- begin collection actions according to 58-FI and 64-FI
- send another notification letter even though DMA has already sent one to the producer.

**162-172 (Reserved)**

## Section 4 LSA Loan Servicing Policies

### 173 LSA Loan and LDP Process

#### A Providing Program Services

The following table describes the process that occurs as LSA's provide program services.

| Step | Description   |
|------|---|
| 1    | <p>Producers:</p> <ul style="list-style-type: none"> <li>• request a loan or LDP</li> <li>• provide BI information according to paragraph 28</li> <li>• may file FSA-211</li> <li>• deliver to LSA one of the following:</li> <ul style="list-style-type: none"> <li>• EWR numbers and provider's name</li> <li>• gin tag lists and class data to LSA.</li> </ul> </ul> |
| 2    | <p>LSA's follow procedures in paragraph 183 to determine whether the producer is eligible based on BI, for loan or LDP. If BI is:</p> <ul style="list-style-type: none"> <li>• held by the producer at time of the loan or LDP, the process continues</li> <li>• lost by the producer before the loan or LDP, the process <b>stops</b>.</li> </ul>                      |
| 3    | <p>LSA's verify eligibility according to paragraph 125. If:</p> <ul style="list-style-type: none"> <li>• eligible, the process continues</li> <li>• ineligible, LSA returns the documents submitted by the producer in step 1 and stops the loan or LDP process.</li> </ul>   |

## 173 LSA Loan and LDP Process (Continued)

## A Providing Program Services (Continued)

| Step | Description  |   |
|------|--|---|
|      | IF...  | THEN LSA's...   |
| 4    | MAL  | <ul style="list-style-type: none"> <li>complete lien search according to paragraph 123</li> <li>instruct producer to notify EWR provider to amend EWR to show CCC as holder</li> <li>complete CCC-Cotton A, CCC-Cotton A-1, and other loan advance forms</li> <li>give CCC-601 (paragraph 188) to each producer.</li> </ul> |
|      | LDP  | <ul style="list-style-type: none"> <li>complete CCC-Cotton AA-1</li> <li>notify EWR provider to show cotton was used to obtain LDP.</li> </ul>  |
| 5    | Producer or power of attorney entity signs loan or LDP documents.  |   |
| 6    | LSA's submit any individual EWR numbers, and EWR provider's name, CCC-719, and other documents, as required, to CCB, and receive loan or LDP disbursement funds. |   |
| 7    | LSA's issue loan or LDP funds to producer within 3 calendar days.  |   |
| 8    | LSA's send the producer a notice before loan maturity according to paragraph 193.  |   |
| 9    | LSA's process loan repayments, forfeitures, or reconcentrations as authorized by the producer or designated agent on CCC-605.                                    |   |
| 10   | LSA's maintain loan or LDP documents according to this handbook.   |   |

**174 Forms Information****A Policy**

LSA's, as authorized agents of CCC, must use either current CCC forms or forms approved by CCC to document program services. See Exhibit 50 for Cotton Loan and LDP Checklist CCC-770 LSA.

**B Form Options**

LSA's may use either of the following:

- computer-generated forms as described in this paragraph
- forms obtained from CCC.

**C Obtaining CCC Forms**

CCC forms may be obtained by accessing the web site located at [eForms Home \(usda.gov\)](http://eForms Home (usda.gov)).

**D Form References in This Handbook**

Throughout this handbook, references are made to forms by FSA and CCC form numbers. Many of these forms, as described in this paragraph, may be computer generated.

**E Requests to Computer Generate Forms**

CCC may grant LSA's permission to computer generate certain FSA and CCC forms. LSA's must request approval to use computer-generated forms by sending computer-generated copies of the proposed forms to the Director, PSD.

**Note:** Do **not** use the computer-generated form until written approval has been received from the Director, PSD.

**F Computer-Generated Forms**

LSA's may request approval to computer generate the following forms:

- CCC-Cotton A
- CCC-Cotton A Continuation
- CCC-Cotton A-1
- CCC-Cotton AA-1
- FSA-211
- CCC Cotton A-5.

**174 Forms Information (Continued)****G Required Computer- Generated Form Revisions**

Each time an FSA or CCC form is revised; existing approved computer-generated LSA forms derived from it must be resubmitted for approval. LSA must:

- revise the applicable computer-generated form
- submit the revised form to the Director, PSD for approval.

**175 Filing and Distribution Instructions****A LSA File Retention**

LSA's must indefinitely retain copies or originals of documents prepared or processed by LSA for 6 years after the applicable crop year.

**B Documents Maintained**

LSA's must maintain files of the following documents, according to subparagraph A:

- CCC-10
- CCC-Cotton A and the applicable CCC-Cotton A Continuation
- CCC-Cotton A-1
- CCC-Cotton A-5
- CCC-601
- Repayment Listing
- Notice to Producer Before Loan Maturity
- Forfeiture Listing
- FSA-211
- CCC-679
- CCC-605, CCC-605-1, and CCC-605-2
- CCC-Cotton AA-1
- CCC-719 (electronic record of CCC-719 is acceptable)
- BI documents (include options to purchase and sales contracts)
- correspondence about any of the documents in this subparagraph
- correspondence with any EWR provider.

**Notes:** According to subparagraph 176 D, if CCC-605, CCC-605-1, or CCC-605-2 is for a partial redemption, make and file a copy of the applicable CCC-605, CCC-605-1, or CCC-605-2 and return original to redeemer.

CCC-770 Cotton MAL is optional and may be completed for each producer requesting MAL according to 7-CN.

**175 Filing and Distribution Instructions (Continued)****C Securing Files**

LSA's must maintain the following documents in a locked, fireproof file:

- CCC-Cotton A and the applicable CCC-Cotton A Continuation
- FSA-211
- CCC-679
- CCC-605, CCC-605-1, and CCC-605-2
- CCC-Cotton AA-1.

**Note:** If CCC-605, CCC-605-1, or CCC-605-2 is about a partial redemption, file a copy.

**D Distributing Forms and Documents**

LSA's must distribute to the applicable producer completed, executed copies of:

- CCC-Cotton A and the applicable CCC-Cotton A Continuation
- CCC-Cotton A-1
- CCC-Cotton A-5
- CCC-601
- Notice to Producer Before Loan Maturity
- FSA-211
- CCC-679
- CCC-Cotton AA
- CCC-Cotton AA-1.

**176 Using CCC-605****A Initial and Subsequent Designation of Agent**

Producers may use CCC-605 to designate to an agent the right to redeem all or a portion of the bales pledged as collateral for a specified loan.

Such designation of an agent does not relieve the producer from the terms and conditions of the note and security agreement.

Agents designated by producers may transfer the designation to a subsequent agent by endorsement on CCC-605.

Subsequent agents, designated on CCC-605, may further transfer the designation to other subsequent agents on CCC-605 by endorsement.

**B Additional Forms for Agent Designations**

If the transfer of designation is for less bales than:

- are associated with the applicable loan, CCC-605-1 or other bale list must be completed according to 7-CN subparagraph 207 C
- originally designated by the producer, CCC-605-2 and CCC-605-1 must be completed according to 7-CN subparagraphs 207 B and 207 C, respectively.

**C Preparing and Using CCC-605**

LSA's must make CCC-605's, CCC-605-1's, and CCC-605-2's available to the public. Producers should be advised that a separate CCC-605 is required for each loan.

These forms must be prepared only by producers and designated agents.

When a valid CCC-605 or CCC-605-2 and supporting CCC-605's, CCC-605-1's, and CCC-605-2's, as applicable, are presented to LSA, the last agent designated may redeem the bales covered by CCC-605 or CCC-605-2.

**176 Using CCC-605 (Continued)****D Filing Policy and Procedure**

CCC-605, CCC-605-2, and CCC-605-1 must **not** be kept on file by LSA's because CCC is not a party to these agreements. LSA filing would infer that CCC is responsible for managing producer agent designation agreements, which is not a responsibility CCC.

**Exception:** If a designated agent is redeeming part of the cotton covered by CCC-605 or CCC-605-2, LSA must place a copy of CCC-605 or CCC-605-2 and supporting CCC-605's, CCC-605-1's, and CCC-605-2's in the loan folder and return the originals to the agent.

LSA employee making any photocopy of an original CCC-605 or CCC-605-2 must write or stamp, initial, and date the following statement on the photocopy: "This is a photocopy of the original having the required original signatures".

**E Canceling CCC-605**

Producers may cancel CCC-605's by providing a written request to LSA with the following information:

- agent
- loan number
- applicable bales.

**Note:** The producer must sign and date the request.

Any cancellation request is filed, but not the original CCC-605.

**177 Required Signatures and Documents for Agent Designations****A Signatures Required for Valid CCC-605**

If CCC-605 is presented, the agent must present a properly completed CCC-605. A FAXed copy of CCC-605 is acceptable if all signatures are obtained according to paragraph 121.

**B Signature Required for Valid CCC-605-2**

For a presented CCC-605-2 to be considered valid, the agent must present:

- a properly completed CCC-605-2 that has **the original signature, a FAXed signature, or approved impressed signature** of the transferring agent according to subparagraph E
- a copy of the original CCC-605 that was properly completed and signed by the producer
- copies of all CCC-605-2's transferring designation for the presented CCC-605-2.

**C Impressed Signatures on CCC-605's and CCC-605-2's**

Any signature that is affixed to an original CCC-605 or CCC-605-2 and is a reproduction of the person's or authorized person's signature must be considered an impressed signature.

**Note:** Signatures that were reproduced by a photocopy machine or a facsimile machine are not considered impressed signatures.

**D National Registry for Original and Impressed Signatures**

For information about the National Registry, see 7-CN.

LSA's are provided access to the National Registry.

## 177 Required Signatures and Documents for Agent Designations (Continued)

**E Approved Impressed Signatures**

State Offices must notify each LSA of the impressed signatures that have been registered with the State Office and the format in which an impressed signature is to be represented.

**Example:** Southern Cotton Merchants has registered the following impress with the State Office:

Southern Cotton Merchants

The State Office would notify LSA's that an impress signature for Bill E. Jones is acceptable on CCC-605's or CCC-605-2's if it is in the following format: "Southern Cotton Merchants /s/ Bill E. Jones".

**F Presenting Documents to LSA**

The following table provides what must be presented at LSA where the loan originated by designated agents based on who is presenting CCC-605 and whether all or a portion of the loan quantity is being redeemed.

| Type of Designation            | Producer to Agent "A"   | Agent "A" to Agent "B"   |
|--------------------------------|---|--|
| Situation                      | Producer has designated Agent "A" to redeem all or a portion of the bales of a specific loan.   | Agent "A" has transferred the designation to Agent "B" for all the bales designated by the producer.   |
| CCC-605 or CCC-605-2 Presented | CCC-605: <ul style="list-style-type: none"> <li>• original signatures of producer</li> <li>• "ALL" is checked (item 8)</li> <li>• No. of bales = 100 (item 9).</li> </ul> | CCC-605: <ul style="list-style-type: none"> <li>• original endorsement by Agent "A" on CCC-605 (Reverse)</li> <li>• "ALL" is checked (item 8)</li> <li>• No. of bales = 100 (item 9).</li> </ul> |
| Document Needed for Redemption | CCC-605   | CCC-605  |

## 177 Required Signatures and Documents for Agent Designations (Continued)

## F Presenting Documents to LSA (Continued)

| Type of Designation  | Agent "B" to Agent "C"  | Agent "C" to Agent "D"  |
|--|---|---|
| Situation  | Agent "B" has transferred the designation to Agent "C" for a portion of the bales transferred by Agent "A".   | Agent "C" has transferred the designation to Agent "D" for a portion of the bales transferred by Agent "B".   |
| CCC-605 or CCC-605-2 Presented                               | <p>CCC-605-2:</p> <ul style="list-style-type: none"> <li>• original signatures of Agent "B" as agent</li> <li>• No. of Bales = 25 (item 6).</li> </ul>  | <p>CCC-605-2:</p> <ul style="list-style-type: none"> <li>• new CCC-605-2</li> <li>• original signatures of Agent "C" as agent</li> <li>• No. of Bales = 10 (item 6).</li> </ul>   |
| What Is Needed Before LSA Will Allow Redemption or Extension | <p>CCC-605-2 and the following supporting documentation:</p> <ul style="list-style-type: none"> <li>• list of 25 bale receipt numbers</li> <li>• copy of CCC-605 signed by producer and endorsed by Agent "A" transferring designation to Agent "B".</li> </ul> | <p>CCC-605-2 and the following supporting documentation:</p> <ul style="list-style-type: none"> <li>• list of 10 bale receipt numbers</li> <li>• copy of CCC-605-2 signed by Agent "B" transferring designation for 25 bales to Agent "C"</li> <li>• copy of the list of 25 bales transferred from Agent "B" to Agent "C"</li> <li>• copy of CCC-605 signed by producer and endorsed by Agent "A" transferring designation to Agent "B".</li> </ul> |

**178 Using CCC-605-2****A Preparing CCC-605-2's**

Agents who want to redeem only a portion of the cotton listed on CCC-605 or CCC-605-2 designating themselves as agent, may prepare a new CCC-605-2, completed according to subparagraph 179 C, which transfers only those bales the agent wants to redeem to themselves.

**Note:** For this purpose, CCC-605-2, front side, is all that is required. Copies of CCC-605-2 without a reverse side must be acceptable if the front side is completed properly.

**B Supporting Documentation**

Agents who prepare a new CCC-605-2 for redeeming cotton under loan must submit to LSA a new CCC-605-2, with the original signature or approved impressed signature, and a copy of the original CCC-605 and supporting CCC-605-2's, as applicable.

**C CCC-605-1 Signature**

LSA's must not require CCC-605-1, or other bale list, to be signed when accompanied by CCC-605's that transfer the right to redeem the cotton loan from an agent to themselves.

## 179 Completing Designation of Agent Forms

## A Completing CCC-605

Complete CCC-605 according to the following instructions.

| Item   | Instructions  |
|--|---|
| <b>Part B - Designation of Agent for Loan Redemption</b>   |   |
| 1A   | Enter the crop year of the loan to which the designation of agent and authorization for CCR apply. A <b>separate</b> CCC-605 is required for each individual loan.  |
| 1B   | Enter the loan number of the loan to which the designation of agent and authorization for CCR apply. A <b>separate</b> CCC-605 is required for each individual loan.  |
| 1C   | Enter the maturity date of the loan to which the designation of agent and authorization for CCR apply. A <b>separate</b> CCC-605 is required for each individual loan.  |
| 1D   | Enter the file sequence number for the bales under loan.  |
| 2  | If the producer is designating the agent for the total loan quantity identified in Part B, item 1, check the “ <b>ALL</b> ” box.<br><br>If the producer is designating a partial loan quantity, or a partial designated quantity is being designated by the agent or subsequent agent, check the “See attached Form CCC-605-1 or other list” box.                             |
| 3A and 3B  | Producer reads Parts A and B and enters in item 3 the name, address, and <b>holder ID</b> of the agent designated by the producer under the terms of Parts A and B (the holder ID is an alphanumeric code assigned to agents by the provider of electronic warehouse receipts).   |
| 4A and 4B  | Enter the name and address and FAX number of the FSA office where the documents for the loans identified in Part B, item 1 are maintained.  |
| <b>Part C - Signature of Producer(s) Who Signed Loan Note and Security Agreement (CCC Cotton A) for Loans to Designate and Authorize Agent</b> |   |
| 1A   | Enter the name and address including ZIP Code of the contact producer. Only the contact producer needs to be listed in cases where several producers have signed the note and security agreement for the loan. However, the other producers <b>must</b> sign and date in items 9A through 10B. Part C is continued on CCC-605, page 4, to provide additional signature space. |
| 1B   | Enter the contact producer's telephone number including area code.  |
| 1C   | Contact producer's signature.   |
| 1D   | Enter the date (mm-dd-yyyy) the contact producer signed Part C, item 1C.  |
| 2A-2C  | Each individual producer (other than the contact producer) who signed the loan note and security agreement enters their signature and date (mm-dd-yyyy) of signature.   |

## 179 Completing Designation of Agent Forms (Continued)

## A Completing CCC-605 (Continued)

| Item   | Instructions  |
|--|---|
| <b>Part D - Endorsement</b>  |   |
| 1-4  | Agents <b>must</b> endorse items 11 through 14 if they transfer their authority to a subsequent agent. Enter the name of the agent transferring the functions specified in part B, and enter the name of the subsequent agent. Transferring agent must sign the form when designating a subsequent agent.                               |
| <b>Part E - Request/Acknowledgement for Commodity Certificate Exchange</b> |   |
| 1A   | Enter holder ID.  |
| 1B-1C  | Agent's signature and date. Date cannot be later than the date of the commodity certificate exchange.   |
| <b>Part F - For Commodity Credit Corporation's Use Only</b>                |   |
| 1  | Enter the date (mm-dd-yyyy) CCC-605 was received in the County Office.  |
| <b>Part G - Authorization for Agent Transfer Loan Cotton</b>               |   |
| 8  | Enter the crop year of the loan collateral. This is the same as entered in Part B, item 1A.   |
| 9  | Enter the loan number of the loan. This is the same as entered in Part B, item 1B. A separate Part H is required for each individual loan.  |
| 10A  | Enter the maturity date of the loan for which the transfer authorization is provided. This is the same as entered in Part B, item 1C for the loan.  |
| 10B  | Enter the file sequence number of the loan to which the transfer authorization is granted. This is the same as entered in Part B, item 1D.  |
| 11   | <p>If the producer is designating the agent for the total loan quantity identified in item 2, check the "ALL" box.</p> <p>If the producer is designating a partial loan quantity, or a partial designated quantity is being designated by the agent or subsequent agent, check the "See attached Form CCC-605-1 or other list" box.</p> |
| 12A  | The producer reads Part G and enters the name, address, and holder ID of the agent designated by the producer in Part B, item 3A.   |
| 12B  | Enter the holder ID for the agent. This is the same as entered in Part B, item 3B.  |

## 179 Completing Designation of Agent Forms (Continued)

## A Completing CCC-605 (Continued)

| Item   | Instructions   |
|--|--|
| <b>Part H - Signature of Producers(s) Who Signed Loan Note and Security Agreement to Authorize Transfer of Cotton Loan Collateral Subject to this Agency Designation/Authorization</b> |  |
| 1A   | <p>Enter the name and address including ZIP Code of the contact producer. Only the contact producer's address needs to be listed in cases where several producers have signed the note and security agreement for the loan.</p> <p>However, the other producers <b>must</b> sign and date in Part H, items 2A and 2B-C. Part H is continued on CCC-605, page 4, to provide additional signature space.</p> |
| 1B   | Enter the telephone number including area code. This is the same as item 8B.   |
| 1C   | Contact producer signs.  |
| 1D   | Enter the date (mm-dd-yyyy) the contact producer signed Part H, item 2C.   |
| 2A   | Each individual producer (other than the contact producer) who signed the loan note and security agreement enters their signature.   |
| 2B   | Enter the date (mm-dd-yyyy) of signature for each signature entered in Part H, item 2A.  |
| 2C   | Enter the title/relationship of the individual signing in a representative capacity.   |

## 179 Completing Designation of Agent Forms (Continued)

## B Example of CCC-605

The following is an example of CCC-605.

|  |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
|--|---|---|---|-----------------------|-------------------------|--|--|--|--|--|--|--|--|--|--|
| <p><b>This form is available electronically.</b></p> <p><b>CCC-605</b><br/>(11-13-17)</p>  |   | <p><b>U.S. DEPARTMENT OF AGRICULTURE</b><br/>Commodity Credit Corporation</p> |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p align="center"><b>AUTHORIZATION OF ELECTRONIC AGENT AND DESIGNATION OF AGENT – COTTON<br/>(DESIGNATION OF AGENT – COTTON, Continuation Sheet)</b></p>   |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p><b>NOTE:</b> Instructions for completing CCC-605: Producer reads Parts A and B. All Producers who signed the note and security agreement (CCC Cotton A) for the loan identified in Part B, Item 1 must sign Part C. Agents complete Part D to transfer designation to a subsequent agent. Agents complete Part E to request a Commodity Certificate Exchange of all or a portion of the cotton pledged as collateral for the loan(s) identified in Part B, Item 1.</p>  |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p><b>PART A - TERMS OF AUTHORIZATION FOR CCC TO USE ELECTRONIC AGENT DESIGNATION</b></p> <p>1. For purposes of this authorization:</p> <ol style="list-style-type: none"> <li>The term "Provider" means the individual or entity that maintains electronic warehouse receipts for the collateral applicable to the loan identified in Part B of this authorization in a central filing system. The list of Providers can change and may have changed by the time this document is executed.</li> <li>The term "Designated Agent" means the individual or entity identified by the Provider on the electronic warehouse receipt bale data file as being authorized, through a grant by the Producer or by succession to a grant by the Producer, to redeem all or a portion of the cotton pledged as collateral for the loan(s) identified in Part B, Item 1B of this authorization.</li> <li>The undersigned Producer(s) hereby requests and authorizes CCC to accept repayment of all bales of the loan or loans, as identified in Part B, Item 1B of this authorization, from the individual or entity identified as the Designated Agent on the electronic warehouse receipt bale data file maintained by the Provider for such loan collateral. Producer agrees further that the Producer will hold CCC harmless for any errors that may result from reliance on the information supplied in that regard by the Producer through the electronic warehouse receipt or otherwise.</li> <li>The undersigned Producer(s) may request cancellation of this authorization by submitting a signed and dated request of such cancellation that identifies the applicable loan number. Producer agrees that CCC will not permit the loan collateral identified in Part B, Item 1B to be redeemed by the Producer at a County Office until the producer cancels this authorization. Producer acknowledges that cancellation of this electronic authorization and agent designation occurs when the electronic record is affected and not at the time of the producer request, and that cancellation of the electronic authorization does not constitute cancellation of any agency designation provided in Part B.</li> </ol> |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p><b>PART B - DESIGNATION OF AGENT FOR LOAN REDEMPTION</b></p> <p><b>THE UNDERSIGNED PRODUCER(S) ("PRODUCER")</b> hereby authorizes the agent identified in Part B, Item 3B or, if applicable, the subsequent agent identified by endorsement on Part D, Page 2 of this form or the execution of a Form CCC-605-2, to redeem all or a portion of the cotton pledged as collateral for the loan identified in Item 4B, and to utilize CCC's centralized electronic redemption process for such redemption. The Producer agrees that no other Form CCC-605 has been or will be executed with respect to such cotton. If this form covers all the warehouse receipts pledged as security for the loan as described in Part B, Item 1B, mark "ALL" in Part B, Item 2. If this designation of agent is for only some of the warehouse receipts pledged as security for the loan, mark "see attached Form CCC-605-1, or other list" and enter the bale receipt number(s) in numerical order on Form CCC-605-1 or other list properly dated and signed by the producer. Attach CCC-605-1 or other list to this form.</p> <p>Title to the cotton shall, without a sale thereof, immediately vest in CCC upon maturity of the loan. CCC shall have no obligation to pay for any market value which the cotton may have in excess of the amount of the loan. CCC may sell, store, and deliver the cotton or documents evidencing title thereto at such time, in such manner, and upon such terms and conditions as CCC may determine, without demand, advertisement, or notice of the time and place of sale. CCC does not guarantee that the cotton subject to this agreement will be permitted to be redeemed at a level lower than the original loan level if the producer has exceeded statutory Payment Limit and/or Adjusted Gross Income amounts. In addition, CCC does not guarantee that the cotton subject to this agreement will not be redeemed by anyone other than the designated agent or that the warehouse receipts representing the cotton will not be released to anyone other than the designated agent.</p>  |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p>1. Loan Number to which authorization for electronic redemption applies to all bales:</p> <table border="1"> <tr> <td>A. Crop Year:</td> <td>B. Loan Number:</td> </tr> <tr> <td>C. Maturity Date</td> <td>D. File Sequence Number</td> </tr> </table>  |   | A. Crop Year:   | B. Loan Number:   | C. Maturity Date      | D. File Sequence Number | <p>2. Loan Quantity Applicable to this Agent Designation</p> <p><input type="checkbox"/> All      <input type="checkbox"/> See attached Form CCC-605-1 or other list</p> |  |  |  |  |  |  |  |  |  |
| A. Crop Year:  | B. Loan Number:   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| C. Maturity Date   | D. File Sequence Number   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p>3A. Agent's Name and Address (Including Zip Code)</p>   |   | <p>4A. Name and Address of County FSA Office Providing Loan</p>               |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p>3B. Holder ID Number:</p>   |   | <p>4B. FAX Number (Including Area Code):</p>                                  |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p><b>PART C - SIGNATURE OF PRODUCER(S) WHO SIGNED LOAN NOTE AND SECURITY AGREEMENT (CCC COTTON A) FOR LOAN(S) (SIGNATURES CONTINUED ON PAGE 4) TO DESIGNATE AND AUTHORIZE AN AGENT</b></p>  |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p>1A. Name and Address of Contact Producer (Include ZIP Code)</p>   |   | <p>1C. Signature of Contact Producer</p>                                      |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <p>1B. Telephone Number (Include Area Code):</p>   |   | <p>1D. Date (MM-DD-YYYY):</p>   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
| <table border="1"> <tr> <td>2A. Other Producers Signature</td> <td>2B. Title/Relationship of the Individual Signing in the Representative Capacity</td> <td>2C. Date (MM-DD-YYYY)</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>  |   | 2A. Other Producers Signature   | 2B. Title/Relationship of the Individual Signing in the Representative Capacity | 2C. Date (MM-DD-YYYY) |                         |  |  |  |  |  |  |  |  |  |  |
| 2A. Other Producers Signature  | 2B. Title/Relationship of the Individual Signing in the Representative Capacity | 2C. Date (MM-DD-YYYY)   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
|  |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
|  |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |
|  |   |   |   |                       |                         |  |  |  |  |  |  |  |  |  |  |

## 179 Completing Designation of Agent Forms (Continued)

## B Example of CCC-605 (Continued)

|  |  |                       |
|--|--|-----------------------|
| <b>CCC-605 (11-13-17)</b>  |  | Page 2 of 4           |
| <b>PART D - ENDORSEMENT</b>  |  |                       |
| <p>The transfer or endorser must complete the relevant information for each transfer. Failure to complete the information renders this CCC-605 void.</p> <p><b>BY ENDORSEMENT:</b></p>   |  |                       |
| <p>1. _____<br/>(Name of agent)<br/><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO _____<br/>(Name of subsequent agent)</p> <p>BY _____<br/>(Signature of agent)</p>   | <p>2. _____<br/>(Name of agent)<br/><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO _____<br/>(Name of subsequent agent)</p> <p>BY _____<br/>(Signature of agent)</p> |                       |
| <p>3. _____<br/>(Name of agent)<br/><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO _____<br/>(Name of subsequent agent)</p> <p>BY _____<br/>(Signature of agent)</p>   | <p>4. _____<br/>(Name of agent)<br/><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO _____<br/>(Name of subsequent agent)</p> <p>BY _____<br/>(Signature of agent)</p> |                       |
| <b>PART E - REQUEST/ACKNOWLEDGMENT FOR COMMODITY CERTIFICATE EXCHANGE</b>  |  |                       |
| <p><i>I acknowledge: (1) receipt of CCC Commodity Credit Certificate which I requested to purchase from CCC; (2) that the certificate will be exchanged with CCC in manner specified in CCC regulations at 7 CFR Part 1401 in order that I may receive commodities from CCC which had previously been pledged as collateral for a CCC marketing assistance loan; and (3) that for purposes of valuing the commodity acquired under this transaction, such value will be the marketing loan repayment rate applicable under 7 CFR Part 1427 for the commodity as the day I made payment to CCC for the commodity certificate.</i></p> |  |                       |
| 1A. Holder ID to Which Loan Collateral Released  | 1B. Signature of Producer's Agent  | 1C. Date (MM-DD-YYYY) |
| <b>PART F - FOR COMMODITY CREDIT CORPORATION'S USE ONLY</b>  |  |                       |
| <p>1. Date Received (MM-DD-YYYY)</p>   |  |                       |

## 179 Completing Designation of Agent Forms (Continued)

## B Example of CCC-605 (Continued)

|  |   |   |
|--|---|---|
| <b>CCC-605 (11-13-17)</b>  |   | Page 3 of 4   |
| <b>PART G - AUTHORIZATION FOR AGENT TRANSFER LOAN COTTON</b> <i>(If submitted by a producer or LSA, Part F of CCC-605 must be submitted with Part C. If submitted by a CMA, Part C does not apply)</i>   |   |   |
| <p>The undersigned producer(s) hereby:</p> <ol style="list-style-type: none"> <li>1. Understands that the producer may grant authorization to transfer (relocate) the producer's loan cotton only to the agent designated and authorized in Part B, Item 3B of this form. The producer is not obligated by CCC to grant authorization to transfer loan cotton as a condition of designating and authorizing any agent to redeem from the loan all or a portion of the cotton identified in Part B, Item 1B.</li> <li>2. Authorizes the agent identified in Part G, Item 12B, or if applicable, the subsequent agent identified by endorsement on Part D, Page 2 of this form or the execution of a form CCC-605-2, to transfer all or a portion of the cotton pledged as collateral for the loan identified in Item 4B of this form to another warehouse that has entered into a cotton storage agreement with CCC, on the condition that if the agent named in Part G, Item 12B, or a properly designated subsequent agent, requests such a transfer, the agent will be responsible for any loss of quantity, quality, or value, or for any charges that may result from the transfer or intended transfer of cotton including, but not limited to, those associated with the receipt, compression, storage, transportation, and restocking or load-out of the cotton from the shipping warehouse.</li> <li>3. Requests and authorizes CCC to settle the obligation of the loan identified in Part G, Item 9, if requested before the maturity of such obligation, based on the original loan terms and credits and charges applicable at the shipping warehouse, and, requests and authorizes CCC to settle the obligation of such loan, or any portion of such loan, upon delivery of the loan collateral to CCC, based on the credits and charges applicable to such delivered collateral at the receiving warehouse.</li> <li>4. Agrees that CCC shall not be held responsible for any charges, fees, costs, or expenses incident to the transfer of cotton loan collateral.</li> <li>5. Understands that (i) CCC does not assume any loss in quantity or quality resulting from transfer of loan collateral; (ii) CCC shall hold the producer responsible for losses or charges including those that, despite Part G, Item 2, of this agreement, are not paid by any agent of the producer, and (iii) the transfer may occur without notice to the producer of the date of relocation or the new location of the cotton.</li> <li>6. Understands that the cotton may not be eligible for storage credits for the entire term of the loan and agrees to refund upon demand by CCC all excessive storage credits that may have been applied at time of loan redemption.</li> <li>7. Understands that CCC shall consider the authorizations provided by both Parts B and Part G of this form as cancelled if the producer provides written notification to CCC that the designation of agent is cancelled. A producer may not authorize an agent to transfer loan cotton unless such agent is also authorized to repay the producer's loan obligation for the same cotton.</li> </ol>   |   |   |
| 8. Crop Year   | 9. Loan Number  | 11. Loan Quantity Applicable to this Agent Authorization                |
| 10A. Maturity Date   | 10B. File Sequence Number   | <input type="checkbox"/> All <input type="checkbox"/> See attached list |
| 12A. Agent's Name and Address <i>(Including Zip Code)</i>  |   | 12B. Holder ID Number:  |
| <b>PART H - SIGNATURE OF PRODUCER(S) WHO SIGNED LOAN NOTE AND SECURITY AGREEMENT TO AUTHORIZE TRANSFER OF COTTON LOAN COLLATERAL SUBJECT TO THIS AGENT DESIGNATION / AUTHORIZATION</b><br><i>(SIGNATURES CONTINUED ON PAGE 4)</i>  |   |   |
| 1A. Name and Address of Contact Producer <i>(Including Zip Code)</i>   |   | 1C. Signature of Contact Producer                                       |
| 1B. Telephone Number <i>(Include Area Code)</i> :  |   | 1D. Date <i>(MM-DD-YYYY)</i> :  |
| 2A. Other Producer Signature   | 2B. Title/Relationship of the Individual Signing in the Representative Capacity | 2C. Date <i>(MM-DD-YYYY)</i>  |
| <p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1427, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine producer ability to participate in and receive benefits under the cotton loan program through documentation of producer authorization/designation of an agent to redeem cotton pledged as collateral for a CCC loan. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the producer is unable to participate in and receive benefits under the cotton loan program.</p> <p><i>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO THE COUNTY OFFICE OF THE COTTON OFFICE IDENTIFIED IN PART B, ITEM 7A, TO SUPPORT A REQUEST FOR CASH REDEMPTION OR COMMODITY CERTIFICATE EXCHANGE OF LOAN COLLATERAL BY SUCH OFFICE.</i></p> <p><i>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</i></p> <p><i>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</i></p> <p><i>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.sscr.usda.gov/complaint_filing_cust.html">http://www.sscr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</i></p> |   |   |

## 179 Completing Designation of Agent Forms (Continued)

## B Example of CCC-605 (Continued)

## 179 Completing Designation of Agent Forms (Continued)

## C Completing CCC-605-1

If the producer or, if applicable, the agent or subsequent agent designates less quantity than the loan quantity or designated quantity, a properly completed CCC-605-1 must be attached to CCC-605 or CCC-605-2 before being accepted. Complete CCC-605-1 according to the following table.

**Note:** A list other than CCC-605-1 may be attached if the same information that is on CCC-605-1 is provided and the list is signed and dated by the producer or, if applicable, the agent.

| Item     | Instructions  |
|----------|---|
| 1        | Name and address of producer or, if applicable, the name and address of transferring agent must be entered. |
| 2        | Name and address of agent or, if applicable, the name and address of subsequent agent must be entered.      |
| 3        | Name of LSA holding warehouse receipts must be entered.   |
| 4        | Maturity date of applicable loan must be entered.   |
| 5        | Applicable loan number must be entered.   |
| 6        | Applicable crop year must be entered.   |
| 7(a)-(d) | List of applicable warehouse receipt numbers in numerical order must be entered.                            |
| 8A       | Producer must sign.   |
| 8B       | Title/Relationship of person signing in representative capacity, if applicable.                             |
| 8C       | Enter Date of signature in item 8A.   |

## 179 Completing Designation of Agent Forms (Continued)

## D Example of CCC-605-1

The following is an example of CCC-605-1.

| <p>This form is available electronically.</p> <p><b>CCC-605-1</b><br/>(11-13-17)</p> <p><b>U.S. DEPARTMENT OF AGRICULTURE</b><br/>Commodity Credit Corporation</p> <p><b>DESIGNATION OF AGENT - COTTON</b><br/><b>(CONTINUATION SHEET TO FORM CCC-605)</b></p>   |  |   |                       |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
|--|--|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1437, the Commodity Credit Corporation Charter Act (15 U.S.C. 774 et seq.), and the Agriculture Act of 2014 (Pub. L. 113-79). The information will be used to determine producer ability to participate in and receive benefits under the cotton loan program through documentation of producer authorization/designation of an agent to redeem cotton pledged as collateral for a CCC loan. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and non-governmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSAS-14, Applicant/Producer. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the producer is unable to participate in and receive benefits under the cotton loan program.</p> <p>This information collection is exempted from the Paperwork Reduction Act as specified in the Agriculture Act of 2014 (Pub. L. 113-79, Title V, Subtitle F, Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></p>  |  |   |                       |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 1. Producer's Name and Address (Including Zip Code)  | 2. Agent's Name and Address (Including Zip Code) | 3. County Office Holding Warehouse Receipts                                     |                       |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 4. Maturity Date (MM-DD-YYYY)  |  | 5. Loan Number  | 6. Crop Year          |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <p>7. List warehouse receipt numbers in numerical order:</p> <table border="1"> <thead> <tr> <th>(a) WHSE. RECEIPT NO.</th> <th>(b) WHSE. RECEIPT NO.</th> <th>(c) WHSE. RECEIPT NO.</th> <th>(d) WHSE. RECEIPT NO.</th> </tr> </thead> <tbody> <tr><td>1. [REDACTED]</td><td>21. [REDACTED]</td><td>41. [REDACTED]</td><td>61. [REDACTED]</td></tr> <tr><td>2. [REDACTED]</td><td>22. [REDACTED]</td><td>42. [REDACTED]</td><td>62. [REDACTED]</td></tr> <tr><td>3. [REDACTED]</td><td>23. [REDACTED]</td><td>43. [REDACTED]</td><td>63. [REDACTED]</td></tr> <tr><td>4. [REDACTED]</td><td>24. [REDACTED]</td><td>44. [REDACTED]</td><td>64. [REDACTED]</td></tr> <tr><td>5. [REDACTED]</td><td>25. [REDACTED]</td><td>45. [REDACTED]</td><td>65. [REDACTED]</td></tr> <tr><td>6. [REDACTED]</td><td>26. [REDACTED]</td><td>46. [REDACTED]</td><td>66. [REDACTED]</td></tr> <tr><td>7. [REDACTED]</td><td>27. [REDACTED]</td><td>47. [REDACTED]</td><td>67. [REDACTED]</td></tr> <tr><td>8. [REDACTED]</td><td>28. [REDACTED]</td><td>48. [REDACTED]</td><td>68. [REDACTED]</td></tr> <tr><td>9. [REDACTED]</td><td>29. [REDACTED]</td><td>49. [REDACTED]</td><td>69. [REDACTED]</td></tr> <tr><td>10. [REDACTED]</td><td>30. [REDACTED]</td><td>50. [REDACTED]</td><td>70. [REDACTED]</td></tr> <tr><td>11. [REDACTED]</td><td>31. [REDACTED]</td><td>51. [REDACTED]</td><td>71. [REDACTED]</td></tr> <tr><td>12. [REDACTED]</td><td>32. [REDACTED]</td><td>52. [REDACTED]</td><td>72. [REDACTED]</td></tr> <tr><td>13. [REDACTED]</td><td>33. [REDACTED]</td><td>53. [REDACTED]</td><td>73. [REDACTED]</td></tr> <tr><td>14. [REDACTED]</td><td>34. [REDACTED]</td><td>54. [REDACTED]</td><td>74. [REDACTED]</td></tr> <tr><td>15. [REDACTED]</td><td>35. [REDACTED]</td><td>55. [REDACTED]</td><td>75. [REDACTED]</td></tr> <tr><td>16. [REDACTED]</td><td>36. [REDACTED]</td><td>56. [REDACTED]</td><td>76. [REDACTED]</td></tr> <tr><td>17. [REDACTED]</td><td>37. [REDACTED]</td><td>57. [REDACTED]</td><td>77. [REDACTED]</td></tr> <tr><td>18. [REDACTED]</td><td>38. [REDACTED]</td><td>58. [REDACTED]</td><td>78. [REDACTED]</td></tr> <tr><td>19. [REDACTED]</td><td>39. [REDACTED]</td><td>59. [REDACTED]</td><td>79. [REDACTED]</td></tr> <tr><td>20. [REDACTED]</td><td>40. [REDACTED]</td><td>60. [REDACTED]</td><td>80. [REDACTED]</td></tr> </tbody> </table> |  |   |                       | (a) WHSE. RECEIPT NO. | (b) WHSE. RECEIPT NO. | (c) WHSE. RECEIPT NO. | (d) WHSE. RECEIPT NO. | 1. [REDACTED] | 21. [REDACTED] | 41. [REDACTED] | 61. [REDACTED] | 2. [REDACTED] | 22. [REDACTED] | 42. [REDACTED] | 62. [REDACTED] | 3. [REDACTED] | 23. [REDACTED] | 43. [REDACTED] | 63. [REDACTED] | 4. [REDACTED] | 24. [REDACTED] | 44. [REDACTED] | 64. [REDACTED] | 5. [REDACTED] | 25. [REDACTED] | 45. [REDACTED] | 65. [REDACTED] | 6. [REDACTED] | 26. [REDACTED] | 46. [REDACTED] | 66. [REDACTED] | 7. [REDACTED] | 27. [REDACTED] | 47. [REDACTED] | 67. [REDACTED] | 8. [REDACTED] | 28. [REDACTED] | 48. [REDACTED] | 68. [REDACTED] | 9. [REDACTED] | 29. [REDACTED] | 49. [REDACTED] | 69. [REDACTED] | 10. [REDACTED] | 30. [REDACTED] | 50. [REDACTED] | 70. [REDACTED] | 11. [REDACTED] | 31. [REDACTED] | 51. [REDACTED] | 71. [REDACTED] | 12. [REDACTED] | 32. [REDACTED] | 52. [REDACTED] | 72. [REDACTED] | 13. [REDACTED] | 33. [REDACTED] | 53. [REDACTED] | 73. [REDACTED] | 14. [REDACTED] | 34. [REDACTED] | 54. [REDACTED] | 74. [REDACTED] | 15. [REDACTED] | 35. [REDACTED] | 55. [REDACTED] | 75. [REDACTED] | 16. [REDACTED] | 36. [REDACTED] | 56. [REDACTED] | 76. [REDACTED] | 17. [REDACTED] | 37. [REDACTED] | 57. [REDACTED] | 77. [REDACTED] | 18. [REDACTED] | 38. [REDACTED] | 58. [REDACTED] | 78. [REDACTED] | 19. [REDACTED] | 39. [REDACTED] | 59. [REDACTED] | 79. [REDACTED] | 20. [REDACTED] | 40. [REDACTED] | 60. [REDACTED] | 80. [REDACTED] |
| (a) WHSE. RECEIPT NO.  | (b) WHSE. RECEIPT NO.                            | (c) WHSE. RECEIPT NO.   | (d) WHSE. RECEIPT NO. |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 1. [REDACTED]  | 21. [REDACTED]                                   | 41. [REDACTED]  | 61. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2. [REDACTED]  | 22. [REDACTED]                                   | 42. [REDACTED]  | 62. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 3. [REDACTED]  | 23. [REDACTED]                                   | 43. [REDACTED]  | 63. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 4. [REDACTED]  | 24. [REDACTED]                                   | 44. [REDACTED]  | 64. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 5. [REDACTED]  | 25. [REDACTED]                                   | 45. [REDACTED]  | 65. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 6. [REDACTED]  | 26. [REDACTED]                                   | 46. [REDACTED]  | 66. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 7. [REDACTED]  | 27. [REDACTED]                                   | 47. [REDACTED]  | 67. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 8. [REDACTED]  | 28. [REDACTED]                                   | 48. [REDACTED]  | 68. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 9. [REDACTED]  | 29. [REDACTED]                                   | 49. [REDACTED]  | 69. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 10. [REDACTED]   | 30. [REDACTED]                                   | 50. [REDACTED]  | 70. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 11. [REDACTED]   | 31. [REDACTED]                                   | 51. [REDACTED]  | 71. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 12. [REDACTED]   | 32. [REDACTED]                                   | 52. [REDACTED]  | 72. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13. [REDACTED]   | 33. [REDACTED]                                   | 53. [REDACTED]  | 73. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 14. [REDACTED]   | 34. [REDACTED]                                   | 54. [REDACTED]  | 74. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 15. [REDACTED]   | 35. [REDACTED]                                   | 55. [REDACTED]  | 75. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 16. [REDACTED]   | 36. [REDACTED]                                   | 56. [REDACTED]  | 76. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 17. [REDACTED]   | 37. [REDACTED]                                   | 57. [REDACTED]  | 77. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 18. [REDACTED]   | 38. [REDACTED]                                   | 58. [REDACTED]  | 78. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 19. [REDACTED]   | 39. [REDACTED]                                   | 59. [REDACTED]  | 79. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 20. [REDACTED]   | 40. [REDACTED]                                   | 60. [REDACTED]  | 80. [REDACTED]        |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 8A. Signature of Producer (BY)   |  | 8B. Title/Relationship of the Individual Signing in the Representative Capacity | 8C. Date (MM-DD-YYYY) |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <p>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</p> <p>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8332. Additionally, program information may be made available in languages other than English.</p> <p>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.usda.gov/ombcomplaint_filing_cust.html">http://www.usda.gov/ombcomplaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:usda.omb.foia@usda.gov">usda.omb.foia@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</p>   |  |   |                       |                       |                       |                       |                       |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |

## 179 Completing Designation of Agent Forms (Continued)

## E Completing CCC-605-2

Complete CCC-605-2, including supporting CCC-605-2, according to the following table.

| Item  | Instructions   |
|---|--|
| <b>Part A - Loan and Agent Data</b>                                 |  |
| 1   | Agent's name and address must be entered.  |
| 2   | Subsequent agent's name and address must be entered.   |
| 3   | LSA name and address where loan documents are held must be entered.  |
| 4   | Maturity date for the loan under which the cotton is currently pledged must be entered.  |
| 5   | Applicable loan number must be entered.<br><br><b>Note:</b> Separate CCC-605-2's are required for each loan.   |
| 6   | Enter number of bales listed on attached CCC-605-1 or other acceptable bale list.  |
| 7   | Crop year of the cotton must be entered.   |
| <b>Part B - Designation of Subsequent Agent for Loan Redemption</b> |  |
| 1A-C  | The transferring agent must sign, add title, and date.   |
| 2   | Enter subsequent agent name and address.   |
| <b>Part C - Endorsement</b>   |  |
| 1-6   | <p>If the entire loan quantity indicated on the front of CCC-605-2 is being transferred, the transferrer must:</p> <ul style="list-style-type: none"> <li>• enter the transferrer's name</li> <li>• enter the transferee's name</li> <li>• endorse by signing.</li> </ul> <p><b>Note:</b> If the entire quantity covered by the front of CCC-605 is not being transferred, a new CCC-605-2 must be prepared and completed.</p> |

## 179 Completing Designation of Agent Forms (Continued)

## F Example of CCC-605-2

The following is an example of CCC-605-2.

|  |   |  |                                |  |
|--|---|--|--------------------------------|--|
| <b>This form is available electronically.</b>  |   | <b>U. S. DEPARTMENT OF AGRICULTURE</b><br>Commodity Credit Corporation |                                |  |
| <b>DESIGNATION OF SUBSEQUENT AGENT – COTTON</b>  |   |  |                                |  |
| <b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1427, the Commodity Credit Corporation Charter Act (16 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used by the subsequent agent on behalf of the cotton producer or another subsequent agent to redeem a portion of the cotton pledged as collateral for a CCC loan. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the subsequent agent is unable to act on behalf of the cotton producer or another subsequent agent to redeem a portion of the cotton pledged as collateral for a cotton loan. |   |  |                                |  |
| This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b>   |   |  |                                |  |
| <b>INSTRUCTIONS: All Parts must be completed by Agent.</b>   |   |  |                                |  |
| <b>PART A – LOAN AND AGENT DATA</b>  |   |  |                                |  |
| 1. AGENT'S NAME AND ADDRESS<br><br>[REDACTED]  | 2. SUBSEQUENT AGENT'S NAME AND ADDRESS<br><br>[REDACTED]  | 3. OFFICE HOLDING WAREHOUSE RECEIPTS<br><br>[REDACTED]                 |                                |  |
| 4. MATURITY DATE (MM-DD-YYYY)<br><br>[REDACTED]  | 5. LOAN NUMBER<br><br>[REDACTED]  | 6. NUMBER OF BALES<br><br>[REDACTED]                                   | 7. CROP YEAR<br><br>[REDACTED] |  |
| <b>PART B - DESIGNATION OF SUBSEQUENT AGENT FOR LOAN REDEMPTION</b>  |   |  |                                |  |
| <b>THE UNDERSIGNED AGENT ("AGENT")</b> hereby authorizes the subsequent agent identified Item 2 as the agent to act on behalf of the Producer or another subsequent agent as evidenced by endorsement on Page 2 of this form or the execution of a subsequent Form CCC-605-2, to redeem the cotton pledged as collateral for the loan identified in Part A which is listed on the attached Form CCC-605-1 or other list properly dated and signed by the Agency. The Agent agrees that no other Form CCC-605-2 has been or will be executed with respect to such cotton. A copy of the CCC-605 and any other CCC-605-2 that provide proof of the Agent's authority to designate a subsequent agent shall be attached.  |   |  |                                |  |
| Title to the cotton shall, without a sale thereof, immediately vest in CCC upon maturity of the loan. CCC shall have no obligation to pay for any market value which the cotton may have in excess of the amount of the loan. CCC may sell, transfer, and deliver the cotton or documents evidencing title thereto at such time, in such manner, and upon such terms and conditions as CCC may determine, without demand, advertisement, or notice of the time and place of sale. CCC does not guarantee that the cotton subject to this agreement will be permitted to be redeemed at a level lower than the original loan level if the producer has exceeded statutory Adjusted Gross Income amounts. In addition, CCC does not guarantee that the cotton subject to this agreement will not be redeemed by anyone other than the designated agent or the warehouse receipts representing the cotton are not released to anyone other than the designated agent.   |   |  |                                |  |
| 1A. SIGNATURE OF AGENT<br><br>[REDACTED]   | 1B. TITLE/RELATIONSHIP OF THE INDIVIDUAL SIGNING IN THE REPRESENTATIVE CAPACITY<br><br>[REDACTED] | 1C. DATE (MM-DD-YYYY)<br><br>[REDACTED]                                |                                |  |
| 2. REMARKS<br><br>[REDACTED]   |   |  |                                |  |
| <small>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity. In any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</small>   |   |  |                                |  |
| <small>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-6200 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8332. Additionally, program information may be made available in languages other than English.</small>  |   |  |                                |  |
| <small>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.usda.gov/complaint_form.html">http://www.usda.gov/complaint_form.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW Washington, D.C. 20250-4202; (2) fax: (202) 720-7442; or (3) email: <a href="mailto:OASCR.PDO@usda.gov">OASCR.PDO@usda.gov</a>.</small>  |   |  |                                |  |

## 179 Completing Designation of Agent Forms (Continued)

## F Example of CCC-605-2 (Continued)

| CCC-605-2 (11-13-17)   |   | Page 2 of 2   |   |
|--|---|---|---|
| <b>PART C - ENDORSEMENT</b>  |   |   |   |
| <p><i>The transfer or endorser must complete the relevant information for each transfer. Failure to complete the information renders this CCC-605-2 void.</i></p> <p>Endorsement transfers both functions specified in Part B, and the transferor agent's authority is extinguished.</p> |   |   |   |
| <b>BY ENDORSEMENT:</b>   |   |   |   |
| 1. <input type="text"/><br><br>(Name of agent)   | 2. <input type="text"/><br><br>(Name of agent)  | 3. <input type="text"/><br><br>(Name of agent)  | 4. <input type="text"/><br><br>(Name of agent)  |
| <p><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO <input type="text"/> <br/><br/>(Name of subsequent agent)</p>  |   | <p><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO <input type="text"/> <br/><br/>(Name of subsequent agent)</p> |   |
| <p>BY <input type="text"/> <br/><br/>(Signature of agent)</p>  |   | <p>BY <input type="text"/> <br/><br/>(Signature of agent)</p>   |   |
| <hr/>  |   |   |   |
| 5. <input type="text"/><br><br>(Name of agent)   | 6. <input type="text"/><br><br>(Name of agent)  | 7. <input type="text"/><br><br>(Name of agent)  | 8. <input type="text"/><br><br>(Name of agent)  |
| <p><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO <input type="text"/> <br/><br/>(Name of subsequent agent)</p>  |   | <p><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO <input type="text"/> <br/><br/>(Name of subsequent agent)</p> |   |
| <p>BY <input type="text"/> <br/><br/>(Signature of agent)</p>  |   | <p>BY <input type="text"/> <br/><br/>(Signature of agent)</p>   |   |
| <hr/>  |   |   |   |
| 9. <input type="text"/><br><br>(Name of agent)   | 10. <input type="text"/><br><br>(Name of agent) | 11. <input type="text"/><br><br>(Name of agent)   | 12. <input type="text"/><br><br>(Name of agent) |
| <p><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO <input type="text"/> <br/><br/>(Name of subsequent agent)</p>  |   | <p><i>does hereby transfer the functions specified in Part B:</i></p> <p>TO <input type="text"/> <br/><br/>(Name of subsequent agent)</p> |   |
| <p>BY <input type="text"/> <br/><br/>(Signature of agent)</p>  |   | <p>BY <input type="text"/> <br/><br/>(Signature of agent)</p>   |   |

**180 Using CCC-686-A****A Recording of Death**

When an FSA County Office learns that a producer is deceased, the producer's death is recorded in the agency automation systems. Currently, the ADP process does not return notification of deceased producers as eligibility criteria. CCC loan and LDP payments cannot be made to deceased producers. An eligible producer may be an heir of a deceased producer, whether succession of interest occurs before or after harvest.

**B Notification of Death**

Although the ADP process does not return eligibility determinations for deceased producers, the County Office automation software flags all deceased producers in a manner to ensure that the proper actions are taken to protect the interest of the agency in processing any future payments or claims for the deceased producer. This action will result in an ineligible determination for the deceased producer which will require the CMA's, DMA's and LSA's to confirm eligibility through the FSA County Office.

**C Confirmation of Eligibility**

The manner in which the deceased producer is recorded in the County Office software creates an ineligible determination to be returned to the CMA, DMA, or LSA through the ADP process as an offset flag. The CMA, DMA, or LSA is not aware that this flag indicates that the producer is deceased. The CMA, DMA, or LSA must submit a CCC-746 to the County Office for all eligibility determinations that fit this criteria.

ADP's will accept and complete CCC-686-A for heirs of a deceased producer according to paragraph 130.

**181 AWP and CCA Announcement Times****A Announcement Time**

AWP and CCA must normally be announced by the National Office at 4 p.m. e.t. each Thursday. They become effective for calculations as specified in subparagraph B.

If Thursday or Friday, or any number of subsequent days, is a nonwork day in Washington, DC, AWP and CCA must be announced the next workday at 8 a.m. e.t.

**B Effective Time Period**

The effective time period for each weekly AWP and CCA, calculated using the regulatory formula at, is unchanged by any announcement delays that may occur. Announced AWP's and CCA's do not remain effective past their normal expiration time if the subsequent AWP cannot be announced for any reason.

The effective time period of announced AWP's and CCA's is 12:01 a.m. e.t. Friday (a minute past midnight of the Thursday when normally announced) through midnight of the following Thursday whether the prices are announced:

- at the usual time of Thursday, 4 p.m. e.t.
- on a Friday at 8 a.m. e.t. because the immediately preceding Thursday was not a Federal workday in Washington, DC
- on any subsequent day following a Friday. In this case, the delayed-announced AWP and CCA must be retroactively applicable to what would have been their effective time period had they been announced at the usual Thursday time.

**181 AWP and CCA Announcement Times (Continued)****C Accepting Transaction Requests When AWP Not Announced**

Requests for loan repayments and LDP's may be accepted at all hours subject to the effective AWP and CCA. If there is an extended period during which the current AWP, CCA, and LDP rate are not announced for any reason, requests for loan repayments and LDP's must be accepted by LSA's. Such applications must be subject to AWP and CCA subsequently announced as effective for the date the application was received according to 7-CN, subparagraph 202 A.

**D Loan Repayments Received by Mail, Courier, or Wire Transfer**

If a loan repayment is received by mail, courier, or wire transfer of funds, use AWP and CCA in effect on the date the repayment is received in LSA.

**Note:** For repayments received on Thursdays, LSA's must process the repayment in ACRS by the Thursday evening deadline according to 21-CN for Thursday's AWP to be applicable to the repayment.

**181 AWP and CCA Announcement Times (Continued)****E Gin Direct LDP's**

The payment rate applicable to LDP's requested under gin-direct provisions is the rate effective under subparagraph B.

Every announced AWP and LDP rate is effective for a 7 day period commencing at 12:01 a.m. e.t. each Friday.

**F Accessing AWP and CCA**

The cotton AWP, LDP rate, and CCA are available at

<http://www.fsa.usda.gov/FSA/epasReports?area=home&subject=eCPA&topic=FTA-UC>

**182 Cotton Board Activities****A Introduction**

This paragraph outlines activities that LSA's perform for the Cotton Board.

**B R&P Fees**

LSA's must:

- calculate research and promotion (R&P) fees for:
  - loan advances according to paragraph 189
  - LDP's according to paragraph 219
- collect and pay R&P fees for upland cotton to the Cotton Board
- issue checks to the applicable taxing authority by the tenth of the month following the assessment.

**Note:** LSA's are responsible for over-collections and under-collections.

**C Providing Cotton Board Producers' Names and Addresses**

LSA's must provide the Cotton Board a list of the names and addresses of all producers who obtained loans and LDP's through them when requested by the Cotton Board. Mail the lists to the Cotton Board at the following address:

Cotton Board  
Department 522  
5050 Poplar Ave. Suite 1900  
Memphis, TN 38157.

**Note:** Lists must be in the format requested by the Cotton Board.

## 183 Beneficial Interest Requirements

### A Background

When requested by LSA, producers are required to provide either of the following, as applicable, before a loan or LDP is approved:

- a copy of all written options to purchase or sales contracts
- certification, according to paragraph 183 C that no written option to purchase or sales contract has been initiated.

**Note:** The producer must provide the terms and conditions of verbal options to purchase or sales contracts on the certification according to paragraph 183 C.

This paragraph provides LSA's the procedures to follow in determining whether, because of beneficial interest concerns, a producer is eligible for either a loan or LDP.

**Note:** 7-CN, paragraph 100 contains additional BI information.

### B Procedures

The following table provides the procedures LSA's must follow to determine whether a producer is eligible, based on beneficial interest status, for either a loan or LDP.

| Step | Action   |
|------|--|
| 1    | <p>Only when there is reason to believe the producer may have lost beneficial interest in a commodity, ask the producer for:</p> <ul style="list-style-type: none"> <li>• a copy of all written options to purchase or sales contracts</li> <li>• certification, according to paragraph 183 C: <ul style="list-style-type: none"> <li>• that no written option to purchase or sales contract has been initiated</li> <li>• the terms and conditions of verbal options to purchase or sales contracts.</li> </ul> </li> </ul> |

## 183 Beneficial Interest Requirements (Continued)

## B Procedures (Continued)

| Step | Action  |   |   |
|------|---|---|---|
| 2    | <b>IF producer provides LSA...</b>  | <b>AND the same contract or sales option has...</b>   | <b>THEN LSA must...</b>   |
|      | a written option to purchase or sales contract  | not been submitted by any producer before for this crop year or beneficial interest is questioned   | <ul style="list-style-type: none"> <li>submit copy to County Office where LSA is located</li> <li>request County Office to determine when beneficial interest passes according to 7-CN, paragraph 103</li> </ul> <p><b>Note:</b> County Offices must respond to LSA's within 10 workdays unless contract is referred to the State Office.</p> <ul style="list-style-type: none"> <li>go to step 3.</li> </ul> |
|      |   | been submitted before for this crop year or beneficial interest is not questioned   | go to step 3.   |
|      | certification that no written option to purchase or sales contract exists   |   | go to step 5.   |
| 3    | Using memorandum from County Office and, if necessary, by contacting producer, determine whether beneficial interest has already passed or will pass before loan or LDP can be processed. |   |   |
| 4    | <b>IF beneficial interest has...</b>  | <b>THEN...</b>  |   |
|      | not passed  | <ul style="list-style-type: none"> <li>attach the memorandum from the County Office to documents referencing when beneficial interest passes</li> <li>go to step 5.</li> </ul>  |   |
|      | passed or will pass before loan or LDP documents can be processed   | <ul style="list-style-type: none"> <li><b>stop</b> the process</li> <li>return documents to producer with attachment informing producer of denial, reason, and that the producer may appeal the denial to the County Office.</li> </ul> |   |
| 5    | Continue the loan or LDP process.   |   |   |

## 183 Beneficial Interest Requirements (Continued)

## C Certification of No Contract

The following is an example of an option to purchase and sales contract certification.

|   |                          |                              |             |
|---|--------------------------|------------------------------|-------------|
| <b><u>REPRODUCE LOCALLY</u></b>   |                          |                              |             |
| <b>OPTION TO PURCHASE AND SALES CONTRACT CERTIFICATION</b>  |                          |                              |             |
| <i>LDP Number</i> _____   | <i>Loan Number</i> _____ |                              |             |
| <p><i>The undersigned producer(s) ("Producer") has requested a loan or loan deficiency payment (LDP) from the Commodity Credit Corporation (CCC). With respect to the commodity which will be the subject of such loan or LDP, the Producer certifies that; (1) the Producer has had beneficial interest in the commodity and has not lost such interest before filing the LDP application or loan application; (2) the Producer did not enter into any written option to purchase or any written contract for sale, with respect to the commodity to sell, deliver, or market the commodity, before such loan or LDP was requested; (3) the Producer did not enter into a verbal option to purchase or verbal contract for sale, except as noted below; (4) no payment with regard to such commodity was received before such loan or LDP was requested. The Producer understands that this certification is subject to review by CCC to determine that no option to purchase, contract for sale, or payment was applicable to the commodity. If any option to purchase, contract for sale, or payment is later negotiated while the commodity is pledged for collateral for a loan, the producer agrees to notify the County FSA Office of such event and to provide a copy of such option or contract to the County FSA Office for review. Upon such notification, CCC shall review such option to purchase and contract for sale for a determination of the date beneficial interest would be considered to have been lost. By signing this certification, the Producer warrants and agrees that the making of any fraudulent representation may render the Producer subject to criminal prosecution under Federal law and will result in the refund by the producer of any amounts paid as the result of the fraudulent representation, plus interest.</i></p> |                          |                              |             |
| <p><i>Terms and Conditions of Verbal Contract:</i></p> <hr/> <hr/>  |                          |                              |             |
| <i>Signature of Producer</i>  | <i>Date</i>              | <i>Signature of Producer</i> | <i>Date</i> |

184    **Loan Disbursement Overview****A   How LSA's Make a Loan Disbursement**

The following table provides the steps LSA's must follow to make loan disbursements.

| Step         | Action  |  |              |                |          |           |              |   |
|--------------|---|--|--------------|----------------|----------|-----------|--------------|---|
| 1            | <p>Receive from producers:</p> <ul style="list-style-type: none"> <li>• CCC-10 according to paragraph 122</li> <li>• CCC-674 or SF-LLL according to paragraph 129</li> <li>• warehouse receipts or EWR numbers and EWR provider's name</li> <li>• beneficial interest information as provided in paragraph 183</li> <li>• information required for CCC-Cotton A, CCC-Cotton A-1, and CCC Cotton A-5</li> <li>• evidence of signature authority, if applicable</li> <li>• a power of attorney, if FSA-211 has been completed</li> <li>• lien waivers, if necessary.</li> </ul> |  |              |                |          |           |              |   |
| 2            | <p>Follow procedures in paragraph 183 to determine whether beneficial interest is held by the producer at time of loan.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"><b>IF...</b></td><td style="width: 85%;"><b>THEN...</b></td></tr> <tr> <td>held</td><td>continue.</td></tr> <tr> <td>not held</td><td>stop process and return receipts and classification data to producer.</td></tr> </table>  |  | <b>IF...</b> | <b>THEN...</b> | held     | continue. | not held     | stop process and return receipts and classification data to producer. |
| <b>IF...</b> | <b>THEN...</b>  |  |              |                |          |           |              |   |
| held         | continue.   |  |              |                |          |           |              |   |
| not held     | stop process and return receipts and classification data to producer.   |  |              |                |          |           |              |   |
| 3            | <p>Determine eligibility according to paragraph 126.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"><b>IF...</b></td><td style="width: 85%;"><b>THEN...</b></td></tr> <tr> <td>eligible</td><td>continue.</td></tr> <tr> <td>not eligible</td><td>stop process and return receipts and classification data to producer.</td></tr> </table>   |  | <b>IF...</b> | <b>THEN...</b> | eligible | continue. | not eligible | stop process and return receipts and classification data to producer. |
| <b>IF...</b> | <b>THEN...</b>  |  |              |                |          |           |              |   |
| eligible     | continue.   |  |              |                |          |           |              |   |
| not eligible | stop process and return receipts and classification data to producer.   |  |              |                |          |           |              |   |

184    **Loan Disbursement Overview (Continued)****A   How LSA's Make a Loan Disbursement (Continued)**

| Step | Action  |                 |
|------|---|-----------------|
| 4    | Conduct lien search.  |                 |
|      | <b>IF liens...</b>  | <b>THEN...</b>  |
|      | exist   | obtain CCC-679. |
|      | do not exist  | continue.       |
| 5    | Notify EWR provider to amend EWR to show CCC as holder.   |                 |
| 6    | Calculate loan and complete CCC-Cotton A, CCC-Cotton A-1, and CCC Cotton A-5.   |                 |
| 7    | Recheck all loan documents for accuracy.  |                 |
| 8    | Obtain signatures on CCC-Cotton A from producer or producer's agent on FSA-211, if applicable, and inform signee that he or she has either of the following options: <ul style="list-style-type: none"> <li>• sign and submit CCC-Cotton A within 15 calendar days by FAX or return mail</li> <li>• cancel the loan.</li> </ul> <b>Note:</b> If canceled, the producer may reapply. |                 |
| 9    | Submit loan transaction to ACRS, according to 21-CN, receive loan funds from CCC, and issue loan disbursement less net R&P fees and service charges to producer within 3 calendar days.   |                 |
| 10   | File and deliver executed loan documents as instructed in this handbook.  |                 |

**185 Before Processing the Loan****A Overview**

This paragraph establishes criteria required by LSA's before they process and issue a loan disbursement.

**B Producer and Farm Eligibility**

Determine eligibility according to 8-LP (Rev. 2) paragraph 200

**C Eligible Cotton**

Cotton must be eligible for loan through LSA's when it meets **all** eligibility requirements in 7-CN.

**Notes:** Cotton may not be repledged as collateral for CCC loan.

7-CN contains information regarding dates loans are available.

LSA's must call any loan immediately upon discovery that the cotton has become ineligible.

The producer may provide bale detail data by bringing to LSA cotton bale data prepared according to 7-CN.

**D Required Documentation**

Producers must provide LSA acceptable:

- warehouse receipts according to 7-CN, or EWR numbers and EWR provider's name
- beneficial interest information as provided in paragraph 183.

## 185 Before Processing the Loan (Continued)

## E Completing CCC Cotton A-5

CCC Cotton A-5 must be completed to serve as a source document for preparing cotton loans.

The following table provides instructions for completing CCC Cotton A-5. File the original copy in the LSA Office and give a copy to the producer.

| Item  | Instructions  |
|---|---|
| <b>Part A – Eligibility and Related Information</b> |   |
| 1-6   | Enter the information provided by the producer. <b>Complete all items.</b>  |
| 7   | <p>Enter the later of the following dates:</p> <ul style="list-style-type: none"> <li>• the date of receipt from the producer of any paper documents necessary to complete the loan, such as a lien waiver</li> </ul> <p><b>Note:</b> The date by which a lien search is conducted is not applicable to this item.</p> <ul style="list-style-type: none"> <li>• the date CCC was made holder of EWR's</li> <li>• if applicable, the date paper warehouse receipts were delivered to LSA.</li> </ul> |
| 8   | Enter the date signed by the producer or POA in Part B.   |
| 9   | Leave blank or use for file sequence number of the loan.  |
| <b>Part B – Certification</b>                       |   |
| 10A-C   | LSA representative and producer or POA must sign and date.  |
| 11-13   | Check the appropriate block based on information provided by the producer and County Office records. If necessary, contact the producer for up-to-date data.  |
| 14  | Enter the name and address of lienholder(s), if applicable.   |
| <b>Part C – CCC Approval (For CCC Use Only)</b>     |   |
| 15-16   | CCC representative must sign, date, approve or disapprove.  |

## 185 Before Processing the Loan (Continued)

## F Example of CCC Cotton A-5

The following is an example of CCC Cotton A-5.

|  |  |  |   |   |                            |
|--|--|--|---|---|----------------------------|
| <b>This form is available electronically.</b><br><b>CCC Cotton A-5 U.S. DEPARTMENT OF AGRICULTURE</b><br>Commodity Credit Corporation<br><b>STATEMENT OF ELIGIBILITY AND INFORMATION WORKSHEET</b>   |  |  |   | A. COUNTY OFFICE NAME AND ADDRESS<br>[REDACTED] | B. CROP YEAR<br>[REDACTED] |
| <small><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1427, the Commodity Credit Corporation Charter Act (7 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility to participate in and receive benefits under a CCC cotton loan program. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and non-government entities that may be authorized to receive the information under regulation and/or as described in applicable Routine Use Identifiers in the System of Records Notice for USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under a CCC cotton loan program.</small> |  |  |   |   |                            |
| <small>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></small>  |  |  |   |   |                            |
| <b>PART A – ELIGIBILITY AND RELATED INFORMATION</b>  |  |  |   |   |                            |
| 1A. Contact Producer's Name and Address<br>[REDACTED]  | 1B. Crop Share<br>[REDACTED] %   | 4. Farm Number(s) Where Cotton Was Produced<br>[REDACTED]<br>5. Gin Code<br>[REDACTED]                               |   |   |                            |
| 2A. Other Producer's Name and Address<br>[REDACTED]  | 2B. Crop Share<br>[REDACTED] %   | 6. No. of Warehouse Receipts<br>[REDACTED]<br>7. Date Last of Required Documents Received (MM-DD-YYYY)<br>[REDACTED] |   |   |                            |
| 3A. Other Producer's Name and Address<br>[REDACTED]  | 3B. Crop Share<br>[REDACTED] %   | 8. Date Application Received (MM-DD-YYYY)<br>[REDACTED]<br>9. File Name<br>[REDACTED]                                |   |   |                            |
| <b>PART B - CERTIFICATION</b><br><small>The undersigned producer(s) ("Producer") requests a Commodity Credit Corporation (CCC) loan on the cotton referenced in Items 4-6 and identified on a bales list separately provided. The Producer(s) certifies regarding the cotton to be pledged as collateral for this loan, that the producer: (1) has and will retain, beneficial interest in it until satisfaction of any loan obligation, (2) will provide CCC warehouse receipts for the cotton loan collateral, (3) shall not enter into any option to purchase agreement that requires the Producer to pledge the cotton to CCC as collateral for this loan, (4) had risk in the production of the cotton, and (5) has not been convicted of a controlled substance violation according to 1-CM.</small>   |  |  |   |   |                            |
| 10A. Contact Producer's Signature (By)<br>[REDACTED]   | 10B. Title/Relationship (of the individual signing in the Representative Capacity)<br>[REDACTED] |  |   | 10C. Date (MM-DD-YYYY)<br>[REDACTED]            |                            |
| ITEM<br>11. Did operator separate landlord's bales?<br>12. Is there a lien on the crop?<br>14. If the answer to Item 12 is "YES", enter the name and address of lienholder(s):<br>[REDACTED]   |  | ITEM<br>13. Is the loan quantity reasonable based on County committee Maximum established yield?<br>[REDACTED]       |   |   |                            |
| <b>PART C – CCC APPROVAL (FOR CCC USE ONLY)</b>  |  |  |   |   |                            |
| 15A. Signature of CCC Representative<br>[REDACTED]   | 15B. Title of CCC Representative<br>[REDACTED]   | 15C. Date (MM-DD-YYYY)<br>[REDACTED]   | 15D. Action<br><input checked="" type="checkbox"/> Approved<br><input type="checkbox"/> Disapproved |   |                            |
| 16. Remarks:<br>[REDACTED]   |  |  |   |   |                            |
| <small>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity. In any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</small>   |  |  |   |   |                            |
| <small>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</small>  |  |  |   |   |                            |
| <small>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.aoa.usda.gov/complaint_filing_cust.html">http://www.aoa.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</small>   |  |  |   |   |                            |

## 186 Using CCC-Cotton A

**A Purpose**

CCC-Cotton A is used by CCC to obtain producer information and legal authority to pledge cotton for loan.

**B Policy**

All bales pledged on CCC-Cotton A must be:

- stored in the same warehouse
- ginned at the same gin.

**C Completing CCC-Cotton A**

The following table provides the instructions for completing LSA computer-generated CCC-Cotton A.

| <b>Step</b> | <b>Instructions</b>   |
|-------------|---|
| (1)         | ENTER “X” if more space is needed: <ul style="list-style-type: none"> <li>• to enter producer information according to step (9)</li> <li>• for producer signatures according to step (12).</li> </ul> |
| (2)         | Enter name and address of producer applying for loan benefits.  |
| (3)         | Enter warehouse code. <p><b>Note:</b> All bales pledged for 1 loan must have the same warehouse code.</p>   |
| (4)         | Enter State and county codes and farm number where produced.  |
| (5 a)       | Enter the loan number assigned by LSA.  |
| (5 b)       | Enter the applicable crop year.   |
| (5 c)       | Enter the commodity code as follows: <ul style="list-style-type: none"> <li>• “UP” for upland cotton</li> <li>• “ELS” for ELS cotton.</li> </ul>  |
| (5 d)       | Enter the gin code number for upland cotton loans. Leave blank for ELS. <p><b>Note:</b> All cotton pledged for 1 loan must be ginned at the same gin.</p>   |
| (5 e)       | Leave blank.  |

## 186 Using CCC-Cotton A (Continued)

## C Completing CCC-Cotton A (Continued)

| Step                    | Instructions   |
|-------------------------|--|
| (5 f)                   | Enter the number of bales, which is the same as the number of warehouse receipts.  |
| (5 g)                   | Enter the loan quantity, which is the total net pounds from the warehouse receipts.  |
| (6 a)                   | Enter the gross loan amount according to paragraph 189.<br><br><b>Computation:</b> This the cumulative total of all bales' loan rates, adjusted for premiums and discounts, times the net weight.  |
| (6 b)                   | Enter the gross loan amount used to figure research and promotion fees on upland cotton loans. Leave blank for ELS.<br><br><b>Note:</b> If charges for providing new bale ties is applicable, see 7-CN, paragraph 171.   |
| (7 a) and (8 a)         | Enter the gross loan amount.   |
| (7 b), (7 c), and (8 b) | Leave blank.   |
| (8 c)                   | Enter the LSA service fee according to paragraph 189.  |
| (8 d)                   | Enter R&P fee according to paragraph 189. Leave blank for ELS.   |
| (9)                     | Enter name of each person or firm to receive any of the loans proceeds, including those listed on CCC Cotton A-5.<br><br><b>Note:</b> When additional space is needed to list payees, ENTER "X" in the continuation code block (step (1)) and prepare CCC-Cotton A Continuation.   |
| (10)                    | Enter producer ID.   |
| (11)                    | Enter producer's share of loan.  |
| (12)                    | Obtain applicant's DCIA certification.   |
| (13)                    | Each producer who pledged production for the loan or persons authorized to sign for producers must sign.<br><br><b>Important:</b> Give each producer, or authorized agent, a copy of CCC-601 (paragraph 188) and instruct them to read both CCC-601 and CCC-Cotton A before signing.<br><br><b>Note:</b> Obtain spouse's signature if required by State law. |
| (14)                    | Enter date each producer or authorized agent signed in step (12).  |
| (15)                    | Enter signature of authorized LSA official and date of signature.<br><br><b>Note:</b> This date must be the same as or before the disbursement date.   |
| (16)                    | Enter LSA's name, address, and phone number.   |

## 186 Using CCC-Cotton A (Continued)

## D Example of CCC-Cotton A

The following is an example of CCC-Cotton A.

| READ THE ENTIRE INSTRUMENT BEFORE SIGNING  |   |  |
|--|---|--|
| CCC-Cotton A<br>(11-17-15)   | U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation                              |  |
| <b>COTTON PRODUCER'S NOTE AND SECURITY AGREEMENT</b>   |   |  |
| <p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1427, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility to participate in and receive benefits under the cotton loan program through documentation of producer acknowledgement of, and agreement to, the terms and conditions of the note and security agreement. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under the cotton loan program.</p> <p><i>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</i></p>  |   |  |
| Name & Mailing Address of Contact Producer   |   | Warehouse Code   |
| St. & Co. Codes & Farm No. Where Produced  |   |  |
| Loan No.:  | Signed Documents Received:  | Loan Amount: \$  |
| Crop Year:   | Documents Date:   | Clerk Fee: \$  |
| Commodity:   | Disbursement Date:  | Service Fee: \$  |
| Gin Code:  | Maturity Date:  | Research and Promotion: \$                               |
| Prep Code:   | Interest Rate:  | % TOTAL DISBURSEMENT AMOUNT \$                           |
| No. Bales:   | Gross Loan Amount: \$   |  |
| Loan Quantity:   |   |  |
| A. PRODUCER  |   | B. PRODUCER SHARE  |
| <p><b>C. LOAN DISBURSEMENT PERCENTAGE:</b></p> <p>The terms and conditions of the Note and Security Agreement are set forth in this Form CCC-Cotton A ("Note") and Form CCC-601, "Commodity Credit Corporation Note and Security Agreement Terms and Conditions," and any appendix thereto. By signing this Form CCC-Cotton A, each producer agrees to all terms and conditions specified in these forms and acknowledges receipt of Form CCC-601 and any appendix thereto. By signing this form, the producer agrees that: (1) the interest rate applicable to the loan will be determined in accordance with 7 CFR Part 1405 and will be the rate of interest charged by the U.S. Treasury, plus 1 percent, for funds borrowed by CCC on the date the loan proceeds are disbursed to each producer; and (2) the maturity date of the loan will be the last day of the 9th calendar month following the month in which such loan proceeds are disbursed. CCC may at any time accelerate the maturity date of this loan upon demand of payment. The loan disbursement date, actual interest rate, and maturity date for the loan may be obtained at the County FSA Office listed below. In the event that the producer authorizes and designates an agent on form CCC-605 to redeem all or a portion of the collateral for this loan, the producer authorizes CCC to: 1) release to the provider of electronic warehouse receipts the loan number, State and County Code, electronic redemption status, date of documents received, and date of disbursement of this loan; and 2) to accept and act upon the information contained on the CCC-605 received by telefacsimile, mail, or other means.</p> <p>The producer hereby sells, assigns, and mortgages, to CCC as collateral for the payment of this Note plus charges and interest, all of the commodity described in this Note and attached Form CCC-Cotton A-1, Schedule of Pledged Cotton, and Form CCC-Cotton A Continuation, if any, together with all authorized replacements, substitutions, additions, and accessions thereto, which is stored in this warehouse specified in this Note.</p> <p>For all bales of the loan specified in this Note that are represented by an electronic warehouse receipt (EWR), the undersigned producer hereby: 1) acknowledges having exclusive authority to authorize and designate an entity to transfer ownership of EWR's to the Commodity Credit Corporation (CCC); 2) authorizes the individual or entity that transfers ownership of EWR's to CCC for loan, in accordance with requirements of the EWR provider; 3) establishes at the direction of the producer an Electronic Agent Designation (EAD) for the loan cotton as identified on CCC-605, Designation of Agent, and (b) identify the loan cotton eligible for electronic redemption; 3) agrees that the designated agent, or any subsequent agent, identified by form CCC-605 or by the agent field of the EWR is authorized to repay the CCC loan obligation of the cotton; 4) requests and authorizes CCC to accept repayment from, and release loan collateral of this note to, the individual or entity identified in the agent field of the EWR for the bales; 5) agrees to hold CCC harmless for any errors that may result from reliance on the information supplied by the producer, producer's agent, or subsequent agent through the EWR or otherwise; and, 6) acknowledges that this loan may be removed from the EAD redemption process by specific request to the FSA County Office that processed the loan (see question below).</p> |   |  |
| Are you or any co-applicant delinquent on any Federal non tax debt? (If YES, attach details to this form)  |   | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| Do you agree that any agent you authorize to redeem this loan may use the automated EAD redemption process   |   | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| Signature (By)   | Title/Relationship of the Individual Signing in a Representative Capacity Date (MM-DD-YYYY) |  |
| APPROVED FOR CCC BY  | DATE (MM-DD-YYYY)   | Name and Address of County FSA Office                    |
| Second Party Review By   | DATE (MM-DD-YYYY)   | Telephone No.  |
| <p><small>The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, gender identity, disability, religion, or where applicable, political beliefs, sexual orientation, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.) Persons with disabilities, who wish to file a program complaint, write to the address below or if you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a>. USDA is an equal opportunity provider and employer.</small></p>   |   |  |

**186 Using CCC-Cotton A (Continued)**

**E Distributing CCC-Cotton A**

Distribute CCC-Cotton A as follows:

- file original in a locked, fireproof file
- deliver 1 copy to applicable producer.

## 187 Using CCC-Cotton A Continuation

**A Purpose**

CCC-Cotton A Continuation is used if on CCC-Cotton A if there are more:

- than 3 producer's signatures required
- payees than space provided.

**B Completing CCC-Cotton A Continuation**

The following table provides instructions for completing CCC-Cotton A Continuation.

| Item | Instructions  |                      |
|------|---|----------------------|
| 1    | Enter LSA's CCC code number.  |                      |
| 2    | Enter loan number assigned by LSA.  |                      |
| 3    | Enter applicable crop year.   |                      |
| 4    | <b>IF...</b>  | <b>THEN ENTER...</b> |
|      | upland cotton   | "UP".                |
|      | ELS cotton  | "ELS".               |
| A    | Enter name of each person or firm to receive any of the loan proceeds.  |                      |
| B    | Enter producer's ID.  |                      |
| C    | Enter share of the cotton.  |                      |
| 5    | Obtain signature of each producer that pledged production for the loan or person authorized to sign for the producer.   |                      |
|      | <p><b>Notes:</b> Each signature must be dated.</p> <p>Obtain spouse's signature if required by State law.</p> <p>Give each producer, or authorized agent, a copy of CCC-601, and instruct them to read CCC-601, CCC-Cotton A, and CCC-Cotton A Continuation before signing.</p> |                      |

## 187 Using CCC-Cotton A Continuation (Continued)

## C Example of a Completed CCC-Cotton A Continuation

The following is an example of a completed CCC-Cotton A Continuation.

| READ THE ENTIRE INSTRUMENT BEFORE SIGNING (See CCC-601 for the Privacy Act Statement)   |                                |  |                             |
|---|--------------------------------|--|-----------------------------|
| CCC-Cotton A<br>Continuation<br>(05-23-13)  |                                | U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation | 1. ST. & CO. CODE<br>13-113 |
| CCC-COTTON A CONTINUATION SHEET   |                                | 2. LOAN NO.  | 4. COMMODITY<br>UP          |
| A.<br>PRODUCER  | B.<br>ID NUMBER<br>402-66-7699 | C.<br>PRODUCER SHARE<br>.1333                                  |                             |
| Jane Doe  |                                |  |                             |
| 5. NAMES AND SIGNATURES OF ADDITIONAL PRODUCERS AGREEING TO THIS LOAN AS SPECIFIED ON CCC-COTTON A.   |                                |  |                             |
| Any signatures below agree to all terms and conditions specified in Form CCC-Cotton A and any other Form CCC-Cotton A Continuation with the same loan number stated in Section 2 of the CCC-Cotton A Continuation.  |                                |  |                             |
| Signature   | Date                           |  |                             |
| /s/ Jane Doe  | 11-23-20XX                     |  |                             |
| The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.) Persons with disabilities, who wish to file a program complaint, write to the address below or if you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). |                                |  |                             |
| If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> , or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email to <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a> . USDA is an equal opportunity provider and employer.  |                                |  |                             |

187 **Using CCC-Cotton A Continuation (Continued)****D Distributing CCC-Cotton Continuation**

Distribute CCC-Cotton A Continuation as follows:

- file original in a locked, fireproof file
- deliver 1 copy to applicable producer.

## A Example of CCC-601

The following is an example of CCC-601.

|   |  |   |
|---|--|---|
| <p>This form is available electronically.<br/><b>CCC-601</b><br/>(09-05-19)</p>   | <p><i>See Page 7 for Privacy Act and Paperwork Reduction Act Statements.</i></p> | <p><b>U.S. DEPARTMENT OF AGRICULTURE</b><br/>Commodity Credit Corporation</p> |
| <p><b>COMMODITY CREDIT CORPORATION</b><br/><b>NOTE AND SECURITY AGREEMENT TERMS AND CONDITIONS</b></p>  |  |   |
| <p><b>NOTE:</b> Marketing Assistance Loans and Commodity Loans may be reduced by a specified percentage due to a sequester order required by Congress and issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011. Should a reduction be required, the total loan amount shall be reduced by the required sequestration reduction.</p>   |  |   |
| <p><b>1. GENERAL.</b></p>   |  |   |
| <p><b>(a) Definitions.</b> The following definitions shall apply to this form, CCC-601, and any appendix thereto.</p>   |  |   |
| <p><b>"Amount Due"</b> means that amount of the loan due CCC on the maturity date which is (A) the sum of: (1) the total loan amount; (2) any applicable charges; as determined by CCC and applicable interest as provided in the definitions found in this agreement, or (B) at CCC's discretion, an amount that is less than the sum of the amount of the loan principal plus charges and applicable interest.</p>  |  |   |
| <p><b>"CCC"</b> means the Commodity Credit Corporation.</p>   |  |   |
| <p><b>"Classification"</b> means the measurement results provided by the Agricultural Marketing Service of color grade, leaf, staple length, uniformity, extraneous matter and micronaire, and for upland cotton, strength.</p>   |  |   |
| <p><b>"Collateral"</b> means the kind, class, type, and quantity of the commodity which has been pledged by the producer as collateral for the satisfaction of the loan as identified in the Note. The collateral consists of (A) with respect to farm-stored loans, the entire quantity of the commodity which is stored as identified in the Note and any authorized replacement of such quantity; or (B) with respect to warehouse-stored loans, the commodity represented by the warehouse receipts identified in the Note and any required supporting documents.</p>   |  |   |
| <p><b>"Interest"</b> means for a CCC commodity loan disbursed by a U.S. Treasury issued check or by EFT, an amount calculated when repaid on a daily basis from the date of disbursement to, but not including, the second day before the date of repayment (7 CFR Part 1405).</p>  |  |   |
| <p><b>"Loan Service Fee"</b> means the service fee deducted at loan disbursement and is calculated as follows: (A) for wheat, feed grains, oilseeds, lentils, dry peas, chick peas, wool, mohair, peanuts, rice, and seed cotton, the smaller of <math>\frac{1}{2}</math> of 1 percent (.005) times the gross loan amount or \$45 per loan plus \$3 for each storage structure, warehouse receipt, rick or module, as applicable, over 1; (B) for ginned cotton, the smaller of <math>\frac{1}{2}</math> of 1 percent (.005) times the gross loan amount or \$7.50 per loan plus 90 cents for each bale; (C) for sugar, \$60 per loan; and (D) for distress loans, \$45 per loan.</p>   |  |   |
| <p><b>"Note"</b> means any CCC Note and Security Agreement which by reference incorporates this form.</p>   |  |   |
| <p><b>"Reduced Loan Amount"</b> means the total loan principal amount after any sequestration reduction.</p>  |  |   |
| <p><b>"Regulations"</b> means the regulations in Title 7 of the Code of Federal Regulations which are applicable to the crop of the commodity described in the Note.</p>  |  |   |
| <p><b>"Schedules of Premiums and Discounts"</b> means the premiums and discounts established by CCC which are applicable to the grade or classification of the commodity as determined from the grading factors reflected on a: (A) warehouse receipt; (B) Federal Grain Inspection Service official grading certificate; (C) Agricultural Marketing Service Classification; or (D) Core test report from a CCC-approved testing facility. These premiums and discounts shall be used in the settlement of a nonrecourse loan if the producer does not repay the loan as required by the program regulations. Copies of the schedules of premiums and discounts are available in State or county Farm Service Agency offices.</p> |  |   |
| <p><b>"Sequestration Reduction Rate"</b> means the reduction rate required by the Budget Control Act of 2011, and applicable to specified programs to reduce government spending.</p>   |  |   |
| <p><b>"Total Disbursement Amount"</b> means the disbursement amount after the sequestration reduction, service fees, applicable commodity assessment, and other fees are subtracted. This amount includes any offsets paid to others on the producer's behalf by CCC.</p>   |  |   |

## 188 CCC-601 (Continued)

## A Example of CCC-601 (Continued)

CCC-601 (09-05-19)

Page 2 of 7

**"Total Loan Amount"** means the amount so identified in the Note, and is the applicable statutory loan rate for the specified commodity at the storage location identified, including those premiums and discounts applicable at loan making, times the loan quantity.

All other words and phrases shall have the meanings assigned to them in the regulations found at 7 CFR Parts 718, 1400, 1403, 1405, 1421, 1425, 1427, 1434 and 1435.

- (b) **Joint and Several Liability.** Each producer signing the Note is jointly and severally liable for payment of the amount due. If a producer has granted another person the authority to act on behalf of the producer with respect to any, or all, of the provisions of this note, if the actions of such other person result in loss or damage to CCC, the producer and such person shall be jointly and severally liable for payment to reimburse CCC for each losses or damages.
- (c) **Notification.** Several of the terms and conditions of the Note require the producer to notify CCC of actions to be taken by the producer. Any such notification must be made by notifying a representative of CCC at the Farm Service Agency county office that prepared the Note. All notices which CCC must provide to the producer will be mailed to the producer at the address maintained by that office. The producer will be deemed to have received such notice upon deposit, as first class or priority mail, in the U.S. Mail.
- (d) **Applicable Sections.** Except as may otherwise be stated herein: (i) Sections 1 through 3, 5 through 7 and 11 are applicable to all loans; (ii) Section 4 is only applicable to nonrecourse loans; (iii) Section 8 is only applicable to farm-stored nonrecourse loans; (iv) Section 9 is only applicable to warehouse-stored nonrecourse loans; (v) Section 10 is only applicable to recourse loans.
- (e) **Applicable Regulations.** The Note evidences a CCC loan made in accordance with Title 7 of the Code of Federal Regulations. Applicable parts of Title 7 of the Code of Federal Regulations are incorporated by reference as a part of the Note.

2. **EQUAL OPPORTUNITY.** Participation in CCC Programs is open to all eligible applicants without regard to race, color, religion, national origin, age, sex, marital status, or disability.
3. **LOAN MATURITY.** The Note will mature at the earlier of the maturity date stated in the Note or any earlier date determined by CCC. If CCC makes demand for payment before the stated maturity date, the producer will be notified in writing of the accelerated maturity date.
4. **LIQUIDATION OF NONREOURSE LOANS.** On or before the loan maturity date, the producer may repay the loan by paying the amount due. If the producer repays the loan at a rate less than the sum of the loan principal plus charges and interest, the producer must provide to CCC evidence of production of the commodity which had been pledged as collateral for the loan. In lieu of repayment of the amount due, the producer may, in accordance with Sections 8 and 9, deliver the collateral to CCC. In the case of farm-stored loans, the producer shall bear all expenses including receiving charges of the delivery of the collateral to the delivery point stated in the delivery instructions issued by CCC. The producer will pay to CCC any costs incurred by CCC if the producer fails to deliver the collateral in accordance with such instructions. All wool and mohair nonrecourse marketing assistance loans not repaid by the loan maturity date must be liquidated through local sales at the farm storage location within a 60-calendar day period at no storage expense to CCC. Any charges incurred by CCC as a result of the local sale will be paid by the producer.
5. **WAIVER OF PRESENTMENT.** The producer waives presentment for payment, demand, protest, notice of protest, and notice of non-payment of the Note.
6. **PRODUCER'S RESPONSIBILITY.**
  - (a) **General.** The producer must be in compliance with all applicable program requirements and must have beneficial interest in the commodity pledged as collateral for the loan.
  - (b) **Liens.** The producer must pledge commodities that are eligible for loan and that are free and clear of all liens including Federal and State tax liens, security interests, and other encumbrances. No additional liens or encumbrances shall be placed on the loan collateral after the loan is approved.
  - (c) **Movement of Collateral.** The producer will not move any collateral from the location stated in the Note without prior approval of CCC and then only in accordance with instructions issued by CCC or provisions of CCC-699C, Cotton Transfer Agreement. If such movement is not completed as instructed by CCC or the collateral is disposed of, either CCC may at its discretion accelerate the loan maturity date, assess liquidated damages as specified in Section 6(g), and take other administrative actions, as determined appropriate by CCC, including denial of future loans.

## A Example of CCC-601 (Continued)

CCC-601 (09-05-19)

Page 3 of 7

- (d) **Access to Collateral.** The producer will allow CCC to enter the premises and inspect the collateral. In the case of high moisture collateral stored in oxygen-limiting structures, the producer must open the facility when requested by CCC to permit inspection of the collateral. If safe access to the collateral is not provided or if the inspection cap on the facility is not opened to permit visual inspection of the collateral, the loan maturity date may be accelerated.
- (e) **Certification.** The producer must provide an accurate certification of the quantity of the commodity to be pledged as collateral for a loan. If CCC determines that the producer has filed an incorrect certification of such eligible quantity, CCC may at its discretion accelerate the loan maturity date, assess liquidated damages, as specified in Section 6(g), and take other administrative actions, as determined by CCC, including denial of future loans.
- (f) **Loss or Damaged Loan Collateral.** The producer is responsible for any loss in quantity or quality of the commodity pledged as collateral for a farm-stored or warehouse-stored loan. CCC shall not assume any loss in quantity or quality of the loan collateral regardless of where stored.
- (g) **Liquidated Damages.** If CCC determines that the producer has violated provisions of Section 6(c), 6(e), or 7(a), liquidated damages may be assessed on the quantity of the commodity which is involved in the violation. For each violation, CCC will review the actions of the producer to determine if the producer acted in good faith to comply with such provisions.
  - (i) For producers determined to have violated provisions of Section 6(c) and if CCC determines that the producer acted in good faith, liquidated damages may be assessed by multiplying the quantity involved in the violation by 10 percent of the loan rate. The producer shall pay such liquidated damage penalties plus the lesser of (1) the principal amount of the loan and charges plus interest, (2) CCC determined value on the date the violation occurred plus 15 percent of the applicable loan rate with respect to the quantity involved in the violation within 30 days of notification by CCC, or CCC will call the loan involved in the violation and require full payment at principal and charges plus interest. For honey, the producer shall pay the principal amount of the loan and charges plus interest.
  - (ii) For producers determined to have violated provisions of Section 6(e) or 7(a), and if CCC determines the producer acted in good faith, liquidated damages maybe assessed by multiplying the quantity involved in the violation by 10 percent of the loan rate. The producer shall pay such liquidated damages plus the principal amount of the loan and charges plus interest with respect to the quantity involved in the violation, within 30 days of notification by CCC, or CCC will call the loan involved in the violation.
  - (iii) If CCC determines that the producer did not act in good faith with regard to the violation, or for cases other than the first or second offense, CCC will call the loan involved in the violation and may assess liquidated damages computed by multiplying the quantity involved in the violation by 10 percent of the loan rate. The producer shall pay such liquidated damages plus the principal amount of the loan and charges plus interest.
- (h) **Delinquent Federal Nontax Debt.** If it is discovered that a producer incorrectly certified to the DCIA question, the producer will be notified that the loan must be repaid at principal and interest immediately.
 

If a producer receives a loan and it is later discovered that the producer has a delinquent Federal nontax debt, the producer will be notified that the delinquent Federal nontax debt must be resolved before the final loan availability date for the applicable commodity. If the delinquent Federal nontax debt is not resolved before the final loan availability date, the producer must repay the loan at principal plus interest.
- (i) **Certification for Contracts, Grants, Loans and Cooperative Agreements.** If it is discovered that a producer did not comply with lobbying disclosure requirements (31 U.S.C. 1352), applicants for and recipients of :1) A Federal loan exceeding \$150,000; or 2) A Federal contract, grant, or cooperative agreement payment exceeding \$100,000 must file, with the disbursing office a SF-LLL if they have or will use monies received for lobbying purposes. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- (j) **Miscellaneous Charges.** Miscellaneous charges, such as but not limited to storage and receiving are the sole responsibility of the producer requesting the MAL or commodity loan.

## A Example of CCC-601 (Continued)

CCC-601 (09-05-19)

Page 4 of 7

## 7. LIABILITY OF PRODUCER.

- (a) **Fraud or Conversion.** If the producer has made a fraudulent representation in obtaining the loan or has engaged in or aided in the conversion of the collateral, the producer will be liable for the amount of the loan, for any additional amounts paid to the producer, and for all costs which CCC would not have incurred had it not been for the fraudulent representation or conversion, plus interest on such amounts. In addition, CCC may assess liquidated damages, as specified in Section 6(g), and take other administrative actions, as determined by CCC, including denial of future farm-stored loans.
- (b) **Poisonous Substances and Contamination.** The producer will be liable for any damage resulting from tendering to CCC any commodity, whether or not accepted by CCC, containing mercurial compounds, toxin producing molds or other substances poisonous to humans or animals.
- (c) **Over-disbursement or Under-collection.** If the amount disbursed under the Note exceeds the amount authorized by the applicable regulations or a repayment made by the producer is insufficient to repay the amount due, the producer will be liable for repayment of such amounts and charges, if any, plus interest.
- (d) **Claims.** If the producer fails to settle the loan within 30 calendar days from the maturity date of the loan, or such other date as CCC may agree to, a claim for the amount due will be established in accordance with applicable statutes and regulations.
- (e) **Ineligible Commodities.** If at any time CCC determines that the commodity pledged as collateral is ineligible to be pledged as collateral for the loan, the producer shall be liable for the amount of the loan or if the producer repaid the loan at a rate less than the sum of the loan principal plus charges and interest for the ineligible quantity, the producer must repay to CCC the difference between such sum and the repayment amount, plus interest on such amounts. If the producer has received credit from CCC for storage, such amount must also be repaid. Ineligible commodities may not be delivered to CCC in satisfaction of the amount due, except as may be determined by CCC. If CCC allows the producer to deliver the commodity to CCC in satisfaction of the amount due, the value of the commodity shall be determined as specified by either Section 8(b) or 9(c).

## 8. FARM-STORED NONREOURSE LOANS.

- (a) **General.** This section is applicable to a loan made with respect to collateral stored in CCC-approved storage under the control of the producer and not in a public warehouse.
- (b) **Settlement.** (i) If the producer elects to deliver the collateral to CCC in satisfaction of the amount due in accordance with Section 4, CCC will not accept delivery of any quantity of commodity in excess of 110 percent of the eligible outstanding loan quantity, at time of settlement, as determined by CCC. If a quantity in excess of the eligible quantity is included on the warehouse receipt tendered to CCC for such delivery, the producer shall provide for the correction of such warehouse receipt and other applicable documents. If the producer does not take action to correct such warehouse receipt, CCC shall provide for such corrected documents and any charges incurred by CCC shall be for the account of the producer. The collateral shall be delivered in bulk form except as determined by CCC. If the loan collateral is delivered to CCC in satisfaction of the amount due, in accordance with Section 4, the value of the collateral for purposes of settlement will be determined using the applicable schedules of premiums and discounts on the basis of the quality of the collateral for the quantity which is delivered to CCC. (ii) Settlement of corn is collateral will be made on a shelled corn basis. (iii) If the value of the collateral at settlement is less than the amount due because of any loss in quantity or quality of the collateral, the producer will pay to CCC the amount of such deficiency and charges, plus interest on such deficiency from the date of disbursement. (iv) If the value of the collateral at or subsequent to the time of settlement is greater than the amount due, CCC will retain such excess and will not pay such amount to any party. (v) If at any time prior to the maturity date of the loan the collateral can no longer be properly stored due to deterioration or for any other reason, the producer may authorize CCC to sell such collateral on behalf of the producer. (vi) Title to the collateral will vest in CCC only after delivery of the collateral to CCC in accordance with Section 4.

## 9. WAREHOUSE-STORED NONREOURSE LOANS.

- (a) **General.** This section is applicable to a loan that has been made with respect to eligible commodities pledged as loan collateral which is stored in a warehouse approved by CCC.
- (b) **Rights of CCC.** At any time prior to the date CCC takes title to the collateral or the date the producer redeems such collateral, in order to protect its interest, CCC may move the collateral from one storage location to another storage location, take actions to protect or determine the quality of the collateral, or accelerate the maturity date of such loan. Any charges incurred by CCC as the result of such actions will be paid by the party redeeming such collateral.

## A Example of CCC-601 (Continued)

CCC-601 (09-05-19)

Page 5 of 7

**(c) Settlement.** (i) If the producer elects to forfeit the collateral in satisfaction of the amount due in accordance with Section 4, the value of the collateral for purposes of settlement will be determined using the applicable schedules of premiums and discounts on the basis of the weight, grade, and other quality factors stated on the warehouse receipt or supporting documents. (ii) If the value of the collateral at or subsequent to the time of settlement is less than the amount due, the producer will pay to CCC the sum of the amount of such deficiency plus charges, and interest which has accrued on such deficiency from the date of disbursement. (iii) If the value of the collateral at settlement is greater than the amount due, CCC will retain such excess and will not pay such amount to any party. (iv) Title to the collateral will vest in CCC on the day following the loan maturity date. (v) CCC may elect to calculate such settlement values based on the net weight, good condition, and classification as reflected on the warehouse receipt delivered to CCC, whether such receipt is the receipt issued by the original storing warehouse and presented for calculating the loan amount or a receipt issued by a subsequent warehouse due to the transfer of such commodity while pledged as collateral for a CCC loan.

**(d) Cotton EWR's.** For all bales on the cotton loan specified in the Note that are represented by an electronic warehouse receipt (EWR), the producer hereby: 1) acknowledges having exclusive authority to authorize and designate an entity to transfer ownership of EWR's to CCC; 2) authorizes the individual or entity that transfers ownership of EWR's to CCC for loan, in accordance with requirements of the EWR provider, to (a) establish at the direction of the producer an Electronic Agent Designation (EAD) for the loan cotton as identified on CCC-605, Designation of Agent, and (b) identify the loan cotton eligible for electronic redemption; 3) agrees that the designate agent, or any subsequent agent, identified by form CCC-605 or by the agent field of the EWR is authorized to repay the CCC loan obligation of the cotton; 4) requests and authorizes CCC to accept repayment from, and release loan collateral of the note to the individual or entity identified in the agent field of the EWR for the bales; 5) agrees to hold CCC harmless for any errors that may result from reliance on the information supplied by the producer, producer's agent, or subsequent agent through the EWR or otherwise; and 6) acknowledges that the loan may be removed from the EAD redemption process by specific request to the FSA County Office that processed the loan (see question on CCC-Cotton A-S).

**(e) Cotton Loan Redemptions and Settlement.** (i) The amount by which an upland cotton loan repayment value may be reduced for the value of storage charges during the period of the loan shall be zero for any period the cotton is stored outside and shall otherwise be calculated based on the maximum payment rate determined for the warehouse and announced by CCC. Cotton shall be considered by CCC to be stored outside if it is stored outside any time during the period of the loan exceeding the 15-day period that starts with the first day the warehouse is notified the cotton is pledged as collateral for a CCC loan. (ii) If the producer elects to forfeit either upland cotton or ELS cotton loan collateral to CCC in satisfaction of the amount due in accordance with Section 1(a), the producer shall pay to CCC: (at rates that are specified in the storage agreement between the warehouse where the cotton is stored and CCC) (1) all warehouse storage charges associated with the forfeited cotton that accrued before the cotton was pledged as collateral for the loan; (2) any accrued warehouse receiving charges associated with the forfeited cotton, including, if applicable, charges for new bale ties, unpaid warehouse compression, or other charges as may be levied by the storing warehouse; and (3) Warehouse storage charges for periods of outside storage or charges that exceed the maximum storage credit rates for the loan period paid by CCC to the warehouse.

**(f) Transfer of CCC Upland or ELS Cotton or Peanut Loan Collateral.** Collateral for an upland or ELS cotton or peanut marketing assistance loan may be transferred from a CCC-approved warehouse to another CCC-approved warehouse if CCC holds as security for the loan a warehouse receipt with respect to such commodity and the following terms and conditions of this subsection are met. (i) The producer may grant authorization to transfer loan collateral only to the agent designated and authorized by the producer to redeem all or a portion of the loan collateral. Any authorization to transfer loan collateral granted by the producer may be transferred by such agent of the producer to a subsequent agent as provided by the terms of applicable CCC forms. A producer is not obligated by CCC to grant authorization to transfer loan collateral as a condition of designating and authorizing any agent to redeem from loan all or a portion of the loan commodity. (ii) CCC will calculate any loan redemption for transferred cotton based on the credits, and charges with respect to the shipping warehouse under the transfer authorization. If a producer delivers transferred cotton to CCC in satisfaction of a loan obligation, CCC will settle such collateral delivery based on the charges effective at the receiving warehouse plus any unpaid charges at the shipping warehouse. (iii) As a condition for CCC to approve the transfer of cotton loan collateral, the requestor of a transfer, whether such requestor is the producer, or the producer's agent, must agree to pay all charges that may result from such transfer or intended transfer and be responsible for all losses of quantity or quality that result from the transfer. Despite any such agreement, the producer is responsible for any charges associated with the transfer of CCC cotton loan collateral including those that are not paid by any agent, or subsequent agent, the producer authorized to request such a transfer and who agreed to pay such charges. All such unpaid charges are for the account of the producer and shall not be charged to the outstanding balance of the loan obligation. CCC will not assume any liability for any charge associated with the transfer of any cotton loan collateral. (iv) The producer is responsible to CCC for all losses of quantity or quality associated with the transfer of CCC cotton loan collateral including unpaid losses on transfers made at the request of an agent of the producer even if the agent had agreed to pay such charges. CCC does not assume any loss in quantity or quality resulting from transfer of the loan collateral. (v) If at any time prior to the maturity date of the loan the collateral can no longer be properly stored due to deterioration or for any other reason, the producer may authorize CCC to sell such collateral on behalf of the producer. (vi) Title to the collateral will vest in CCC only after delivery of the collateral to CCC in accordance with Section 4.

## A Example of CCC-601 (Continued)

CCC-601 (09-05-19)

Page 6 of 7

## 10. RE COURSE LOANS.

- (a) **General.** CCC may make recourse loans available to eligible producers of high moisture corn, high moisture grain sorghum, seed cotton, and other commodities, as determined by CCC. If such loans are available, the producer is liable for the entire amount due and may not deliver the collateral to CCC in satisfaction of the amount due, except as may be determined by CCC.
- (b) **Availability of Nonrecourse Loans.** In limited circumstances, CCC may allow the producer to pledge as collateral for a nonrecourse loan the commodity which has been previously pledged as collateral for a recourse loan. The maturity date for such loans shall be as determined by CCC. If this option is made available by CCC, the producer must immediately repay the entire amount due under the recourse loan.
- (c) **High Moisture.** Producers of corn and grain sorghum who normally harvest all or a portion of their crop in a high moisture condition may obtain recourse loans from CCC. High moisture means moisture content in excess of: (i) for corn, 15.5 percent; and (ii) for grain sorghum, 14.0 percent. Producers of such high moisture commodities who deliver such commodities to a feedlot, feed mill, or commercial or on farm high moisture storage that does not meet CCC's requirements for approved storage may acquire, in the same county, a like quantity of such commodity to replace the applicable quantity of high moisture feed grains to obtain a loan. Such producers must: (i) complete the applicable CCC forms; and (ii) provide to CCC: (A) certified scale tickets which adequately describe the commodity, the weight of the commodity and the moisture content of the commodity; or (B) if such scale tickets are not available, measurements of the high moisture feed grain made while the commodity was in the field or in storage. Such loans will be made on a quantity of feed grains of the same crop acquired by the producer equivalent to a quantity not to exceed the quantity determined by multiplying: (i) the acreage of the feed grain in a high moisture condition harvested on the producer's farm; by (ii) the lower of the farm program yield or the actual yield on a field, as determined by the Secretary, that is similar to the field from which such high moisture feed grains were obtained.
- (d) **Seed Cotton.** The producer may, prior to the maturity date, with the written approval of CCC move seed cotton from the location where stored to a gin in order to gin such cotton and sell the cottonseed obtained therefrom. (i) If prior to the maturity date the amount due has not been paid, the producer will pay to CCC an amount equal to the proceeds obtained from the sale of the cottonseed and the lint cotton or, if a loan or loan deficiency payment is made by CCC with respect to the lint cotton, CCC will deduct the amount due from any such proceeds which are disbursed. (ii) If prior to the maturity date the amount due has not been paid or the collateral has not been ginned, the producer must, as instructed by CCC, move the collateral to a gin at the producer's expense. If the producer fails to move the collateral as instructed by CCC, CCC may enter the premises and remove, gin, and sell the collateral. Any proceeds from the sale of the collateral will be retained by CCC and applied to the amount due. (iii) If the amount due has not been paid and warehouse receipts have been issued with respect to lint cotton obtained from the collateral, the producer will deliver the receipts to CCC or allow CCC to obtain from any person such receipts. CCC may sell such cotton, if the amount due has not been paid by the maturity date.
- (e) **Discretionary Loans.** Commodities which are pledged as collateral for a non-recourse loan as provided in Sections 8 and 9 but which are determined to be ineligible to be pledged as collateral for such a loan due to the quality of the commodity or other factors affecting value of the commodity, or the storage of the commodity is unapproved storage, may, at CCC's sole discretion, be pledged as collateral for a recourse loan.
- (f) **Settlement.** (i) If CCC allows the producer to deliver to CCC in satisfaction of the amount due the quantity of the collateral which is described in the Note, the value of the collateral for purposes of settlement will be equal to the proceeds received from the sale or barter of the commodity. Title to the collateral will vest in CCC only after delivery of the collateral to CCC in accordance with Section 4. (ii) If the value of the collateral at settlement is less than the amount due, the producer will pay to CCC the amount of such deficiency plus charges, and applicable interest with respect to such deficiency from the date of disbursement. (iii) If the proceeds received from the sale or barter of the commodity are greater than the sum of the amount due plus any costs incurred by CCC in conducting the sale of the commodity, the amount of such excess will be paid to the producer or, if applicable, to any secured creditor of the producer.

## 188 CCC-601 (Continued)

## A Example of CCC-601 (Continued)

CCC-601 (09-05-19)

Page 7 of 7

## 11. ADMINISTRATIVE AND JUDICIAL REVIEW.

The producer may obtain an administrative hearing in accordance with 7 CFR Part 780 with respect to a dispute arising between CCC and the producer concerning the Note, and must exhaust such administrative remedy prior to initiating a judicial action in a court of competent jurisdiction.

## 12. DISCLOSURE TO PRODUCERS.

CCC, in its capacity as lien holder of collateral pledged commodities, may share non private information with potential buyers of these commodities. This information may include, but not be limited to, loan quantity and principal.

**NOTE:** *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Agricultural Act of 2014 (7 U.S.C. 9031 et seq.), the Agriculture Improvement Act of 2018 (Pub. L. 115-334), 7 CFR Part 1421, 7 CFR Part 1427, and 7 CFR Part 1436. The information will be used to determine eligibility to participate in and receive benefits under a CCC loan program through documentation of producer acknowledgement of, and agreement to, the terms and conditions of the CCC note and security agreement. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in Routine Uses identified in the USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under a CCC loan program.*

**Paperwork Reduction Act (PRA) Statement:** *The information collection is exempted from PRA as specified in 7 U.S.C. 9091(c)(2)(B). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.*

*In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.*

*Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.*

*To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: USDA, Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider, employer, and lender.*

## 189 Using CCC-Cotton A-1

**A Purpose**

CCC-Cotton A-1 accompanies CCC-Cotton A and lists bale data for the cotton pledged as collateral for the loan.

**B Completing CCC-Cotton A-1**

The following table provides instructions for completing CCC-Cotton A-1.

| Step or Column  | Instructions                                     |   |
|---|--|---|
| 1   | Enter LSA's CCC code number.                     |   |
| 2   | Enter applicable crop year and do the following. |   |
| <b>IF...</b>  |  | <b>THEN ENTER...</b>  |
| upland cotton   |  | "UP".   |
| ELS cotton  |  | "ELS".  |
| 3   | Enter loan number assigned by LSA.               |   |
| 4   | Enter date checks are issued.                    |   |
| 5   | Enter name of contact producer.                  |   |
| 6   | Enter warehouse code from the warehouse receipt. |   |
| <b>Note:</b> Cotton stored at different warehouses must be processed as separate loans. |  |   |
| 7   | <b>IF...</b>                                     | <b>THEN...</b>  |
|   | upland cotton                                    | enter gin code from the warehouse receipt.  |
|   | ELS cotton                                       | <b>Note:</b> Cotton ginned at different gins must be processed as separate loans.<br>leave blank. |

## 189 Using CCC-Cotton A-1 (Continued)

## B Completing CCC-Cotton A-1 (Continued)

| Step or Column | Instructions   |
|----------------|--|
| 8              | <p>Enter the applicable code listed below:</p> <p>“F” - Flat Uncompressed Bales<br/>     “GH” - Gin High Density Bales<br/>     “GS” - Gin Standard Density Bales<br/>     “GU” - Gin Universal Density Bales<br/>     “M” - Modified Flat Bales<br/>     “SD” - Standard Density Bales<br/>     “SS” - Standard Density Short Bales<br/>     “SU” - Universal Density Short Bales<br/>     “WU” - Warehouse Universal Density Bales</p> <p><b>Note:</b> If compression has been paid, enter an “X” following the applicable compression code.</p> |
| 9              | Enter the date warehouse receipts are received by LSA.   |
| 10             | Enter reconcentration order number provided by WCMD.   |
| 11             | Enter tare weight from the warehouse receipt.  |
| 12             | Enter receiving charges listed on the warehouse receipt, unless receipt is stamped showing charges having been prepaid or waived.  |

## 189 Using CCC-Cotton A-1 (Continued)

## B Completing CCC-Cotton A-1 (Continued)

| Step or Column | Instructions  |
|----------------|---|
| A              | Enter warehouse receipt and gin tag numbers in numerical order.                       |
| B              | Enter storage start date from the applicable warehouse receipt.                       |
| C              | Enter storage deduction, if applicable, according to 7-CN, paragraph 170              |
| D              | Enter grade, staple, and mike from applicable classing data.                          |
| E              | Enter strength and uniformity from applicable classing data.                          |
| F              | Enter leaf and extraneous matter from applicable classing data.                       |
| G              | Enter net weight from the applicable warehouse receipt.                               |
| H              | Enter loan rate adjusted for premiums and discounts according to 7-CN, paragraph 168. |

## 189 Using CCC-Cotton A-1 (Continued)

## C Example of a Completed CCC-Cotton A-1.

The following is an example of a completed CCC-Cotton A-1.

## 189 Using CCC-Cotton A-1 (Continued)

**D Distributing CCC-Cotton A-1**

Distribute CCC-Cotton A-1 as follows:

- file original in a locked, fireproof file
- deliver 1 copy to applicable producer.

**E Loan Advance Distribution Calculations**

The following table provides procedures LSA's must follow to calculate loan distribution amounts.

| Factor               | Calculation Instruction                         | Example  |
|----------------------|---|--|
| Gross Loan Principal | Follow instructions in 21-CN, Part 4.           |  |
| R&P Fees             | Multiply the loan's:                            |  |
|                      | • gross loan principal                          | \$10,250.00  |
|                      | • times 0.005.                                  | $\begin{array}{r} \times .005 \\ \hline 51.25 \end{array}$                               |
|                      | Round to 2 decimal places.<br>Add \$1 per bale. | $\begin{array}{r} 51.25 \\ + 50.00 \quad (50 \times \$1) \\ \hline \$101.25 \end{array}$ |
| LSA Fee              | Multiply the loan's:                            |  |
|                      | • number of bales                               | $\begin{array}{r} 50 \\ \times \$0.90 \\ \hline \end{array}$                             |
|                      | • times \$0.90.                                 | 45.00  |
|                      |   | $\begin{array}{r} 7.50 \\ \hline \end{array}$  |
|                      | Add \$7.50 per loan.                            | \$52.50  |
| Amount to Producer   | Subtract:                                       |  |
|                      | • net loan amount                               | \$10,250.00  |
|                      | • minus:  |  |
|                      | • the total of R&P fees                         | $\begin{array}{r} -101.25 \\ \hline \end{array}$   |
|                      | • LSA service fees.                             | $\begin{array}{r} - 52.50 \\ \hline \$10,096.25 \end{array}$                             |

**190 Seed Cotton Loans****A Availability of Loans**

Eligible producers of seed cotton may obtain a recourse seed cotton loan at LSA's.

Recourse seed cotton loans are available from the beginning of harvest through March 31 of the calendar year after the calendar year in which the cotton was planted. See 7-CN, Part 5 for seed cotton loan provisions.

**B Applying Proceeds From LSA Loan or LDP**

A producer who obtained a seed cotton loan from a County Office may apply to this loan obligation any proceeds disbursed by LSA from a loan or LDP on the same or other commodity.

Any proceeds obtained from LSA, whether from a loan or LDP, must be jointly payable to the producer and to CCC if these proceeds are from a loan or LDP for the same cotton that is collateral for the seed cotton loan.

**191 Repayment and Forfeiture Overview****A Purpose**

This part provides LSA's instructions for processing the following:

- repayments using cash
- repayments using commodity certificates
- forfeitures
- reconcentrations.

**Notes:** See 7-CN for basic program provisions.

See 21-CN for instructions about processing instructions for loan documents.

192    **Loan Repayments Using Cash****A    Background**

Producers, or if applicable, the designated agent on CCC-605, may notify LSA at any time during the loan period that they want to repay the loan.

**B    LSA Loan Repayment Procedures**

The following table provides the steps for LSA's when a producer or, if applicable, designated agent on CCC-605 chooses to repay a loan.

| Step | Action  |
|------|---|
| 1    | Receive notification from producer or, if applicable, designated agent on CCC-605 of intent to repay the loan.  |
| 2    | Compute the repayment amount on a bale-by-bale basis, including any denied benefits applicable to the repayment according to 21-CN.   |
| 3    | Prepare: <ul style="list-style-type: none"> <li>• list of bale repayments</li> <li>• updated statement of producer's loan balance.</li> </ul>   |
| 4    | Update records to indicate bales repaid and those remaining under loan.   |
| 5    | Inform producer or, if applicable, designated agent on CCC-605 of amount due CCC.   |
| 6    | Accept payment from producer or, if applicable, designated agent on CCC-605 made payable to LSA.  |
| 7    | Prepare CCB documents according to 21-CN.   |
| 8    | Go to CCB, by next business day after the payment delivery to LSA, to: <ul style="list-style-type: none"> <li>• deposit payment in LSA's account</li> <li>• deliver loan documents</li> <li>• make payment from LSA's account to CCC identify redeemers.</li> </ul> |
| 9    | Release EWR's to producer or, if applicable, designated agent on CCC-605.   |

**192    Loan Repayments Using Cash (Continued)****C    Creating and Distributing Repayment Documents**

New LSA's must:

- create a repayment document similar to CCC-500
- submit the document to PSD as part of a test package.

Distribute repayment documents as follows:

- file originals
- deliver 1 copy to applicable producer and, if applicable, designated agent on CCC-605.

**193    Maturity Date Notification Letter and Forfeiture Policy****A    Maturity Date Notification**

At least 45 calendar days but not more than 60 calendar days before loan maturity, LSA must send to each producer of an upland cotton or ELS cotton loan, the letter in subparagraph E.

**B    Producer Charges**

If upland cotton or ELS cotton loan collateral is forfeited to CCC in satisfaction of the loan, the producer will be billed and must pay to CCC at rates that are specified in the storage agreement between the warehouse and CCC:

- warehouse storage charges that accrued before the date all documents required from the producer for the loan were provided to LSA
- any difference between the CSA loan storage rate and the storage credit cap during the loan period
- unpaid warehouse receiving charges including any charges for new ties
- unpaid warehouse compression changes based on the tariff rate.

**193 Maturity Date Notification Letter and Forfeiture Policy (Continued)****C Processing Forfeitures**

Process loan forfeitures through ACRS according to 21-CN.

**D Charges Due on Forfeited Loans**

LSA will be notified by COPS of the applicable charges to be collected from the producer according to paragraph 194.

## 193 Maturity Date Notification Letter and Forfeiture Policy (Continued)

## E Notice of Maturity Letter

Use the following letter to notify each contact producer of loan maturity.

Dear Producer:

This is to notify you that your **(crop year)** **(upland or ELS)** cotton loan, No. **(loan number)** will mature on **(maturity date)**.

Under the terms and conditions of the loan, the following options are available:

- Repay the loan on or before the maturity date
- Forfeit the loan collateral to CCC on the maturity date.

Extensions of the term of the loan were not authorized by the 2008 Farm Bill.

If you choose to forfeit the loan collateral to CCC, you must pay CCC at rates that are specified in the storage agreement between the warehouse and CCC, all:

- Warehouse storage charges that accrued before the date all documents required from you for the loan were provided to this office
- Unpaid warehouse receiving charges including any charges for new ties
- Any storage paid by CCC exceeding the storage credit cap
- Any other unpaid charges that reduce the value of the cotton delivered to CCC including unpaid compression charges.

Please notify this office of your intention to either repay with cash or forfeit. If you do not take action by loan maturity, your loan collateral will be forfeited to CCC automatically.

If you designated a buyer as agent using CCC-605 and that agent or any subsequent agent does not redeem this loan by maturity, you are responsible for the above charges.

Sincerely,

LSA Official

## 194 Collecting Charges Due on Forfeited Loans

**A Determining Charges Due**

When loans are forfeited, and after warehouse charges are paid by WCMD, WCMD will determine the total of the following amounts that will be billed to the producer:

- warehouse storage charges that accrued **before** the date all documents required from the producer for the loan were provided to the County Office
- unpaid warehouse receiving charges including any charges for new ties
- unpaid warehouse compression charges
- any difference between the warehouse CSA loan rate and the storage credit rate during the loan period from date documents received to maturity.

Any charges billed to the producer will be based on the tariffs effective at the warehouse where forfeited. Thus, charges related to loan bales that were transferred and then forfeited are based on charges at the receiving warehouse.

**B Definition of Date Documents Provided**

The date documents provided (enter on CCC Cotton A-5, item 8) is the **later** of the following dates:

- the date of receipt from the producer of any paper documents necessary to complete the loan, such as a lien waiver

**Note:** The date by which a lien search conducted is not applicable to this item.

- the date CCC was made holder of EWR's
- if applicable, the date paper warehouse receipts were delivered to LSA.

**C Statement of Charges Due**

LSA will automatically receive notification of the Statement of Charges due for each loan forfeited through COPS.

**D Collecting Charges Due From Producer**

After receiving the Statement of Charges Due CCC from COPS, LSA must:

- determine whether the statement of charges is for the correct producer and loan
- if statement of charges is **incorrect**, contact PSD to request a correct statement of charges

## 194 Collecting Charges Due on Forfeited Loans (Continued)

## D Collecting Charges Due From Producer (Continued)

- if statement of charges is **correct**:
  - send producer a notification letter for charges due according to subparagraph E
  - file a copy of the statement of charges in the producer's loan folder.

If invoice is **paid within 30 calendar days** of the notification letter, LSA's must do either of the following:

- send in an automated CCC-719 "S" transaction trailer record with another bale detail record

**Note:** See 21-CN, paragraph 216.

E-mail FPAC Business Center, ISD [COPS.Support@usda.gov](mailto:COPS.Support@usda.gov) the following information for each invoice:

- charges to be repaid as indicated on the COPS Producer Collection Invoice
- number of bales forfeited
- Producer Collection Invoice number
- authorization code
- date of wire transfer.

If invoice remains **unpaid 30 calendar days after** the date of the notification letter, transfer the required information to the administrative State or County Office as follows:

- LSA notification letter
- documentation of any collection activity
- producer collection invoice.

## 194 Collecting Charges Due on Forfeited Loans (Continued)

## D Collecting Charges Due from Producer (Continued)

The following table provides the steps to Transfer a Producer Collection Invoice payment in COPS.

| Step | Action  | Results   |
|------|---|---|
| 1    | On the COPS Home Page, under "Invoicing", CLICK "Invoice Review".   | The Invoice Review Screen will display.   |
| 2    | On the Invoice Review Screen, select "(PC)- Producer Collection Invoice" from the Invoice Type drop-down menu. Select "(A)- Awaiting Payment" from the Invoice Status drop-down menu. CLICK "Continue". | The Invoice List Screen will display.   |
| 3    | Click the applicable invoice number hyperlink.  | The Invoice Summary Screen will display.  |
| 4    | On the Invoice Summary Screen, CLICK "Payment".   | The Invoice Payment Screen will display.  |
| 5    | On the Invoice Payment Screen, review the invoice details, enter the receivable number in the required fields and CLICK "Continue".   | The Invoice Payment Confirmation Screen will display. User can view or download text file of invoice. |
| 6    | On the Invoice Payment Confirmation Screen, click "Submit".   | Invoice will update with receivable information.  |

**Note:** Any funds collected by LSA **after** the debt has been referred must be forwarded to the administrative County Office to be recorded as a debt collection. Do **not** remit funds according to 21-CN, paragraph 433.

## 194 Collecting Charges Due on Forfeited Loans (Continued)

## E Notification Letter for Debt Collection

The following is an example of the initial notification letter for charges due.

Dear Producer:

It has been determined that you owe CCC \$ \_\_\_\_\_. The amount due is a result of the forfeiture of your cotton loan number \_\_\_\_\_.

You were notified of this loan's maturity date and of the options available to you. By having decided to forfeit the loan collateral in satisfaction of the loan, you agreed to pay to CCC at rates that are specified in the storage agreement between the warehouse and CCC, all:

- warehouse storage charges that accrued **before** the date all documents required from you for the loan were provided to LSA
- unpaid warehouse receiving charges including any charges for new ties
- unpaid warehouse compression charges
- any difference between the warehouse CSA loan rate and the storage credit rate during the loan period from date documents received to maturity.

You may contact this office to review records related to the determination of this debt or to receive an explanation of the debt. You may obtain a copy of the records subject to copying change.

You have 30 calendar days from the date of this letter to seek an informal review and request reconsideration of the determination of the debt. In requesting the reconsideration, provide a written explanation of the basis of your disagreement with the determination and provide documentation to support your position.

You may pay your debt by check payable to (**insert LSA name**) and mail the check to this office at the above address. Please contact this office at \_\_\_\_\_ if you have any questions. We will work with you to resolve this matter.

If this debt is not resolved, CCC reserves the right to use all additional actions available to recover the debt. The debt may be collected by internal administrative offset from any CCC or FSA payment that may be due to you. Additional actions that may be taken to recover the debt include the assessment of late payment interest, administrative costs, and penalties; administrative wage garnishment; reporting the debt to credit bureaus; referring the debt to private collection agencies and debt collection centers; collecting the debt by offset of qualified disbursements and refunds, including federal tax refunds; referring the debt to litigation (if collection administratively is unsuccessful); and reporting the debt to the Internal Revenue Service if the debt, or any portion of the debt, is discharged. Once your debt is more than 180 days delinquent, we are required to refer the debt to the Department of Treasury for collection.

Our records do not reflect that you have filed for bankruptcy protection under Title II of the United States Code. If you have filed bankruptcy, please notify us so that we may update our records and proceed to resolve this debt in accordance with bankruptcy procedures.

Sincerely,

LSA Official

\_\_\_\_\_ LSA Office

## 195    Loan Reconcentration

**A   Background**

CCC may, from time to time, decide to relocate loan collateral. WCMD must notify LSA's of cotton intended for reconcentration and specific instructions LSA's must follow in processing reconcentrations. LSA's must then notify producers of their options of repaying the loan or allowing the reconcentration.

**B   How LSA's Process Reconcentrations**

LSA's must process reconcentrations according to the following table.

| IF the producer chooses to... | THEN...   |
|-------------------------------|---|
| allow the reconcentration     | <ul style="list-style-type: none"> <li>• follow instructions in the WCMD notification letter about the reconcentration</li> <li>• deliver a shipping and receiving list to CCB to do either of the following: <ul style="list-style-type: none"> <li>• obtain applicable warehouse receipts</li> <li>• instruct CCB to notify EWR provider to amend EWR to show original warehouse as holder</li> </ul> </li> </ul> <p><b>Note:</b> EDS must prepare and provide shipping and receiving lists for LSA's.</p> <ul style="list-style-type: none"> <li>• send released individual card warehouse receipts to original warehouse</li> <li>• after receiving replacement individual card warehouse receipts from new warehouse: <ul style="list-style-type: none"> <li>• submit receipts to CCB</li> <li>• provide EWR receipt number to CCB that shows CCC as holder</li> </ul> </li> <li>• pay any related charges to the reconcentration and obtain reimbursement from CCC according to 21-CN</li> <li>• file copies of all documents.</li> </ul> |
| repay the loan                | follow instructions in 21-CN, Part 4.   |

**196-210 (Reserved)**



**Section 5 LSA LDP Servicing Policy****211 Before Processing LDP****A Eligibility**

The eligibility requirement for the producer and cotton must be determined according to paragraph 126 before processing LDP's.

**B Divided or Undivided Shares**

If the bales are divided among producers, give each producer on the farm an opportunity to choose whether to obtain a loan or LDP.

**Note:** These instructions regarding divided or undivided bales also apply when a producer requests lock-in of the AWP rate to be used for the LDP calculation. In such cases, modules or any other unit of unginned cotton must be divided if a joint LDP is not being requested.

**C No Deferred Payments**

LDP's cannot be deferred or delayed at any time. All payments must be made as soon as possible after the date of request.

**D Determining Date Documents Received**

When a gin provides LSA's preprocessed bale data by e-mail, for purposes of determining the "date documents received" for processing the LDP application, the date of receipt of the data is:

- the date the electronic data were received
- **not** the date the producer signed and dated a paper copy of the bale data.

## 212 LDP Overview

## A Making LDP's

The following table provides the steps for LSA's to make LDP's.

| Step         | Action   |  |              |                |          |           |              |   |
|--------------|--|--|--------------|----------------|----------|-----------|--------------|---|
| 1            | <p>Receive from producers:</p> <ul style="list-style-type: none"> <li>• production evidence required according to 7-CN, Part 5</li> <li>• beneficial interest information as provided in paragraph 183</li> <li>• information required for CCC-633 EZ</li> <li>• a power of attorney, if FSA-211 has been completed.</li> </ul>  |  |              |                |          |           |              |   |
| 2            | <p>Follow procedures in paragraph 183 to determine whether BI is held by the producer at time of LDP.</p> <table border="1"> <tr> <td><b>IF...</b></td><td><b>THEN...</b></td></tr> <tr> <td>held</td><td>continue.</td></tr> <tr> <td>not held</td><td>stop process and return receipts and classification data to producer, unless CCC-633 EZ, page 1 was filed before BI was lost.</td></tr> </table> |  | <b>IF...</b> | <b>THEN...</b> | held     | continue. | not held     | stop process and return receipts and classification data to producer, unless CCC-633 EZ, page 1 was filed before BI was lost. |
| <b>IF...</b> | <b>THEN...</b>   |  |              |                |          |           |              |   |
| held         | continue.  |  |              |                |          |           |              |   |
| not held     | stop process and return receipts and classification data to producer, unless CCC-633 EZ, page 1 was filed before BI was lost.  |  |              |                |          |           |              |   |
| 3            | <p>Determine eligibility according to 7-CN.</p> <table border="1"> <tr> <td><b>IF...</b></td><td><b>THEN...</b></td></tr> <tr> <td>eligible</td><td>continue.</td></tr> <tr> <td>not eligible</td><td>stop process and return receipts and classification data to producer.</td></tr> </table>   |  | <b>IF...</b> | <b>THEN...</b> | eligible | continue. | not eligible | stop process and return receipts and classification data to producer.   |
| <b>IF...</b> | <b>THEN...</b>   |  |              |                |          |           |              |   |
| eligible     | continue.  |  |              |                |          |           |              |   |
| not eligible | stop process and return receipts and classification data to producer.  |  |              |                |          |           |              |   |
| 4            | Instruct producer to notify EWR provider to amend EWR to show cotton will be used to obtain LDP from LSA.  |  |              |                |          |           |              |   |
| 5            | Calculate LDP and complete CCC-633 EZ.   |  |              |                |          |           |              |   |
| 6            | Recheck all LDP documents for accuracy.  |  |              |                |          |           |              |   |
| 7            | <p>Obtain signatures on CCC-633 EZ from producer or, if applicable, producer's agent on FSA-211, and inform signee that he or she has either of the following options:</p> <ul style="list-style-type: none"> <li>• sign and submit CCC-633 EZ within 15 calendar days</li> <li>• cancel LDP. <u>If canceled, the producer may reapply.</u></li> </ul>   |  |              |                |          |           |              |   |
| 8            | <p>Submit applicable LDP transaction to ACRS according to 21-CN, and receive LDP funds from CCC.</p> <p>Issue LDP to producer within 3 calendar days.</p> <p><b>Note:</b> This is the Advance/LDP Date (Field 31) in ACRS.</p>   |  |              |                |          |           |              |   |
| 9            | File and deliver executed LDP documents as instructed in this handbook.  |  |              |                |          |           |              |   |

**213 Establishing LDP Eligibility Before BI Is Lost****A Eligibility When BI Lost**

Effective for 2005 and subsequent crop upland cotton, a producer may apply for LDP benefits after BI is lost if the producer has submitted CCC-633 EZ, page 1 before BI was lost on the cotton.

CCC-633 EZ, page 1 is:

- only a statement of intentions
- **not** an LDP request for an identified quantity.

Producers who submit CCC-633, page 1 before BI is lost:

- may request LDP on production identified on CCC-633 EZ after BI has been lost; see options in subparagraph 218
- may request a marketing assistance loan on the covered quantity as long as BI is retained at the time of the loan request
- are not irrevocably committed to request either a loan or LDP for cotton identified on CCC-633 EZ.

This new policy does **not** guarantee or provide LDP eligibility in all circumstances where BI was lost. Cotton will lose eligibility for LDP unless CCC-633 EZ, page 1 is submitted before BI is lost.

**B Using CCC-633 EZ to Establish LDP Eligibility**

CCC-633 EZ, page 1 must be submitted **before** BI was lost on a quantity for the cotton to be assured eligibility for LDP.

## 213 Establishing LDP Eligibility Before BI Is Lost (Continued)

## B Using CCC-633 EZ to Establish LDP Eligibility (Continued)

The following is an example of CCC-633 EZ, page 1 that is a statement of intentions to receive LDP on all eligible production.

| This form is available electronically.   |  | Page of   |   |  |                       |  |
|--|--|---|---|--|-----------------------|--|
| CCC-633 EZ<br>(05-21-19)   | U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation           | 1. Name and Address of Producer (Include ZIP Code) (Please Print) |   |  |                       |  |
| <b>LOAN DEFICIENCY PAYMENT (LDP) AGREEMENT AND REQUEST</b>   |  | 2. Telephone or Cell Number<br>(Include Area Code)                |   |  |                       |  |
| All eligible producers entering into this agreement MUST meet marketing assistance loan eligibility and have beneficial interest in the quantities covered by this agreement for the applicable crop year when signing this form. A producer is considered to have beneficial interest in the specified quantities if the producer has ALL of the following:   |  | 3. Crop Year  |   |  |                       |  |
| • Title to the commodity<br>• Control of the commodity   |  | 4. State(s) and County(s)   |   |  |                       |  |
| File this form BEFORE loss of beneficial interest (title and control) to indicate your intentions to receive Loan Deficiency Payment (LDP) benefits for this crop year for all counties and all eligible harvested, sheared, or slaughtered commodities for the individual, joint operation, or entity identified in Item 1. The CCC-633 EZ - LDP Request (Page 2), Cotton LDP Request (Page 3), or Request for Wool, Mohair, or Unshorn Pelt LDP (Page 4) must be completed BEFORE the final loan/LDP availability date to receive LDP benefits.  |  |   |   |  |                       |  |
| <b>PART A TERMS AND CONDITIONS</b>   |  |   |   |  |                       |  |
| <ul style="list-style-type: none"> <li>• The LDP rate will be based on the earlier of: a) the date beneficial interest is lost as applicable to specific commodity provisions; or b) the LDP request date as submitted on the CCC-633 EZ (Page 2) Part E, or CCC-633 EZ (Page 4) for wool, mohair, and unshorn pelts. For cotton LDP's requested on CCC-633 EZ Cotton (Page 3), the LDP rate will be based on the information provided on Page 3.</li> <li>• Quantities covered by this agreement were produced by the producer and not purchased or acquired directly or indirectly from any other source or committed under a marketing agreement to a Cooperative Marketing Association (CMA).</li> <li>• As a condition of receiving an LDP, a producer (or members of a CMA) must first resolve delinquent federal non-tax debt(s). The debt(s) must be resolved before the final loan/LDP availability date.</li> <li>• CCC may request copies of contracts and supplemental documentation to determine eligible quantity and when beneficial interest was lost.</li> <li>• Marketing Assistance Loan (MAL) is disbursed for a quantity covered by this agreement. If the MAL is repaid at a price less than principal and interest, this agreement becomes null and void for that specific quantity.</li> <li>• All producers must sign the applicable CCC-633 EZ Part C, to obtain LDP benefits.</li> </ul>  |  |   |   |  |                       |  |
| <b>PART B METHODS OF PAYMENT REQUEST (Request must be submitted by final loan/LDP availability date)</b>   |  |   |   |  |                       |  |
| <ul style="list-style-type: none"> <li>• For quantities represented by verifiable production evidence under this agreement, submission of evidence in combination with Part E, Part N, or Part O of this form as applicable shall be considered a request for payment. Evidence must include sufficient data to determine producer and commodity eligibility and LDP rate.</li> <li>• For quantities for which verifiable evidence is unavailable (i.e. certified quantities, fed quantities, quantities used for seed, silage, etc.), the request for payment shall be initiated by recording a certification of quantity on Part E, Part N, or Part O of this form as applicable. Additional information may be requested by CCC to determine producer and commodity eligibility and LDP rate.</li> <li>• Submission of an eLDP shall be a request for payment. The CCC-633 EZ Part E is not required for that specific quantity.</li> <li>• For Cotton Producers Only: Producer agrees: a) any request for a module lock-in or post-ginning LDP is irrevocable and cannot be cancelled or revised unless the LDP is denied due to AGI; b) any request for a gin-directed LDP is irrevocable on or after the date of ginning; c) entry of information on Page 3 of the application constitutes an irrevocable application for the Adjusted World Price (AWP) to be locked in on the date an accurately completed application is submitted for an LDP based on gin-provided documentation identifying the bales produced from the module/storage unit for which the AWP lock-in applies.</li> </ul> |  |   |   |  |                       |  |
| <b>PART C PRODUCER SIGNATURE AND CERTIFICATION (For additional signatures, complete CCC 633 EZ Continuation, Part C)</b>   |  |   |   |  |                       |  |
| <p>I/we certify all information entered on this form is true and correct. By certifying to the terms and conditions in Part A, the producer(s) hereby enters into this agreement with CCC for all eligible commodities. The producer(s) agrees: 1) not to file claim or false claim or to claim any amount in excess of the LDP amount due to payment limitation; 2) to file a claim for the LDP amount due to payment limitation; 3) to file a commodity loan on the quantity requested for LDP unless a quantity is desired LDP due to payment limitation; 4) not to refund any LDP amount in order to obtain a commodity loan; 5) this agreement and subsequent payment request is subject to CCC determinations of producer and commodity eligibility subject to 7 CFR, Parts 1421, 1425, 1427 and 1434; 6) CCC shall require refund of LDP plus interest, from the date of payment if producer(s) and/or commodity is later determined ineligible by CCC; 7) CCC shall assess administrative penalties and/or liquidated damages in accordance with 7 CFR, Parts 1421, 1425, 1427 or 1434, as applicable, if producer(s) misrepresented the eligible quantity and/or commodity covered by this agreement; 8) the maximum eligible quantity and yield determinations must equal the quantity and yield determinations for disaster or crop insurance indemnity payments, when and if applicable; and 9) to submit the applicable CCC-633 EZ, Page 2, Page 3, Page 4 or an eLDP online request before obtaining LDP amounts.</p>  |  |   |   |  |                       |  |
| 5A. Producer's Signature (BY)  | 5B. Title/Relationship (Individual Signing in a representative capacity) | 5C. Date (MM-DD-YYYY)   | 6A. Producer's Signature (BY)                           | 6B. Title/Relationship (Individual Signing in a representative capacity) | 6C. Date (MM-DD-YYYY) |  |
| <b>PART D CCC AGREEMENT (FOR CCC USE ONLY)</b>   |  |   |   |  |                       |  |
| 7. Signature of CCC Representative   | 9. Date (MM-DD-YYYY)   | 10. Additional Information  | 11. Name and Address of County FSA Office or LSA or DMA |  |                       |  |
| 8. Title of CCC Representative   |  |   |   |  |                       |  |
| NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, 7 CFR Part 1425, 7 CFR Part 1427, 7 CFR Part 1434, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) as amended by the American Taxpayer Relief Act of 2012, and the Agriculture Improvement Act of 2018 (Pub. L. 115-123). The information will be used to determine eligibility for loan deficiency payment program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FFO-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for loan deficiency payment program benefits.  |  |   |   |  |                       |  |
| Paperwork Reduction Act (PRA) Statement: The information collection is exempted from PRA as specified in 7 U.S.C. 909(f)(2)(B). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.   |  |   |   |  |                       |  |
| In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.  |  |   |   |  |                       |  |
| Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2000 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.   |  |   |   |  |                       |  |
| To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.usda.gov/complaint_form.pdf">http://www.usda.gov/complaint_form.pdf</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (860) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a> . USDA is an equal opportunity provider, employer, and lender.   |  |   |   |  |                       |  |
| Page 1   |  |   |   |  |                       |  |

## 213 Establishing LDP Eligibility Before BI Is Lost (Continued)

## B Using CCC-633 EZ to Establish LDP Eligibility (Continued)

|  |   |   |   |                                |   |  |   |                                      |                             | Page  | of |               |  |   |  |
|--|---|---|---|--------------------------------|---|--|---|--------------------------------------|-----------------------------|---|----|---------------|--|---|--|
| <b>CCC-633 EZ (05-21-19)</b><br><b>PART E REQUEST FOR LDP</b><br>12. Contact Name and Address of Producer (Include Zip Code) (Please Print)  |   |   |   |                                |   |  |   |                                      |                             | 13. Telephone or Cell Number (Include Area Code) (Optional) |    | 14. Crop Year |  | 16. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 34. |  |
|  |   |   |   |                                |   |  |   |                                      |                             | 15. State and County where Farm Records are Maintained      |    |               |  | <input type="checkbox"/> YES <input type="checkbox"/> NO  |  |
| A completed CCC-633 EZ, Page 1 must be on file before beneficial interest (title and control) is lost in the requested quantity for this to be considered a valid request for payment. This request for payment, with acceptable production evidence (if applicable), must be submitted to the County FSA office that administers the farm records for the requested commodity and quantity.   |   |   |   |                                |   |  |   |                                      |                             |   |    |               |  |   |  |
| Complete Items 18 through 22 and sign/date below. Indicate in Item 20 if this is a certified LDP, request for measurement service, or indicate production evidence is attached, as applicable. When beneficial interest has been lost, indicate date of sale, fed, used for seed, etc, as applicable, in Item 22. If additional entries are needed, provide data on an additional CCC-633 EZ, Page 2.  |   |   |   |                                |   |  |   |                                      |                             |   |    |               |  |   |  |
| 17. LDP No. (CCC Use Only)   | 18. Commodity Class, Variety, Type  | *19 Net Quantity Requested and Unit of Measure (bu, tons, cwt, lbs, etc.) | 20. Source of Quantity (Check one of the following) |                                |   | 21. Stored or Delivery Location, if applicable (State, County, Warehouse, or Bin Site) | 22. Effective Date of LDP Rate (MM/DD/YYYY)                 |                                      | 23. LDP Rate (CCC Use Only) |   |    |               |  |   |  |
|  |   |   | A. Certified  | B. Measurement Service         | C. Production Evidence  |  | A. Date of LDP Request or Date Beneficial Interest Was Lost | B. Check to Request Date of Delivery |                             |   |    |               |  |   |  |
|  |   |   | <input type="checkbox"/>                            | <input type="checkbox"/>       | <input type="checkbox"/>  |  |   |                                      | <input type="checkbox"/>    |   |    |               |  |   |  |
|  |   |   | <input type="checkbox"/>                            | <input type="checkbox"/>       | <input type="checkbox"/>  |  |   |                                      | <input type="checkbox"/>    |   |    |               |  |   |  |
|  |   |   | <input type="checkbox"/>                            | <input type="checkbox"/>       | <input type="checkbox"/>  |  |   |                                      | <input type="checkbox"/>    |   |    |               |  |   |  |
|  |   |   | <input type="checkbox"/>                            | <input type="checkbox"/>       | <input type="checkbox"/>  |  |   |                                      | <input type="checkbox"/>    |   |    |               |  |   |  |
| * If measurement service is requested, I agree to pay the required fee(s) and agree this request is irrevocable. The quantity determined by measurement service will be the maximum quantity eligible at the time of this request. Producer must enter in Item 19, a specific quantity or "ALL" for this LDP application to be valid.  |   |   |   |                                |   |  |   |                                      |                             |   |    |               |  |   |  |
| <b>PART F PRODUCER CERTIFICATION (For additional signatures, complete CCC 633 EZ Continuation, Part F)</b><br>I certify all information entered on this form is true and correct. By completing Part E and signing and dating this form, I hereby make a request for payment from the Commodity Credit Corporation (CCC) for the commodity described above under the terms and conditions as provided on the CCC-633 EZ, Loan Deficiency Payment (LDP) Agreement and Request. I also understand that a CCC-633 EZ, Page 1 MUST be on file at the FSA County Office for this LDP request to be considered complete. |   |   |   |                                |   |  |   |                                      |                             |   |    |               |  |   |  |
| 24A. Producer's Signature (By)   | 24B. Title/Relationship (Individual Signing in a Representative Capacity) | 25. Share %   | 26. Date (MM-DD-YYYY)                               | 27A. Producer's Signature (By) | 27B. Title/Relationship (Individual Signing in a Representative Capacity) | 28. Share %  | 29. Date (MM-DD-YYYY)                                       |                                      |                             |   |    |               |  |   |  |
| <b>PART G CCC APPROVAL (FOR CCC USE ONLY)</b><br>30. Signature of CCC Representative      31. Title of CCC Representative      32. Date (MM-DD-YYYY)      33. Action:      34. Additional Information/Second Party Review  |   |   |   |                                |   |  |   |                                      |                             |   |    |               |  |   |  |
| 30. Signature of CCC Representative      31. Title of CCC Representative      32. Date (MM-DD-YYYY)      33. Action:      34. Additional Information/Second Party Review<br><input type="checkbox"/> APPROVED<br><input type="checkbox"/> DISAPPROVED  |   |   |   |                                |   |  |   |                                      |                             |   |    |               |  |   |  |

Page 2

## 213 Establishing LDP Eligibility Before BI Is Lost (Continued)

## B Using CCC-633 EZ to Establish LDP Eligibility (Continued)

| CCC-633 EZ (05-21-19)  |   |   |   |  |   | Page _____ of _____  |                       |
|--|---|---|---|--|---|--|-----------------------|
| <b>PART H REQUEST FOR COTTON LDP</b>   |   |   |   |  |   |  |                       |
| 35. Contact Name and Address of Producer (Include Zip Code) (Please Print)   |   |   | 36. Telephone or Cell Number (Include Area Code) (Optional) | 37. Farm Number  | 38. Crop Year   | 39. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 58.  |                       |
|  |   |   |   |  |   | <input type="checkbox"/> YES <input type="checkbox"/> NO   |                       |
| <b>40. Producer Initials to verify LDP type and bale quantity</b>  |   | <b>Type of LDP Requested</b>            | <b>Must be Requested</b>                                    | <b>Must have Beneficial Interest at Time of LDP Application?</b> | <b>The LDP Rate will be the rate in effect on the:</b>                    | <b>41. Quantity: (Use Part K for file sequence number(s))</b>  |                       |
|  |   | Irrevocable Module Lock-In              | After Harvest, Before Ginning                               | YES  | Date an Accurately Completed Request is Submitted ►                       | Identified by gin as being produced from the module(s) listed in Part I and identified by bale list or file sequence number(s).  |                       |
|  |   | Gin-Direct                              | Before Date of Ginning                                      | YES  | Date of Ginning ►   | GIN DIRECT ONLY: For each farm number producer enters number of bales or "ALL" to be identified by bale list or file sequence number.<br>A. FARM NO. B. NO. BALES A. FARM NO. B. NO. BALES |                       |
|  |   | Irrevocable Post-Ginning                | After Ginning   | YES  | Later of: 1) date of request or 2) date bale list submitted ►             | C. Producer enters bale quantity (to be verified by bale list or file sequence number):  |                       |
|  |   | Lost Beneficial Interest                | After Ginning   | NO   | Date Beneficial Interest Lost ►   | D. Producer enters bale quantity (to be verified by bale list or file sequence number):  |                       |
| <b>PART I MODULE IDENTIFICATION OF SEED COTTON (Completed for Module Lock In LDP Request)</b>  |   |   |   |  |   |  |                       |
| 42. Gin Code:  |   |   | 43. Module Location at Farm or Gin:                         |  |   |  |                       |
| 44. Gin's Module/Trailer Number:   |   |   |   |  |   |  |                       |
| <b>PART J PRODUCER CERTIFICATION (For additional signatures, complete CCC 633 EZ Continuation, Part J)</b><br><i>I certify all information entered on this form is true and correct.</i> |   |   |   |  |   |  |                       |
| 46A. Producer's Signature (By)   | 46b. Title/Relationship (Individual Signing in a Representative Capacity) | 46c. Share %                            | 47. Date (MM-DD-YYYY)                                       | 48A. Producer's Signature (By)                                   | 48B. Title/Relationship (Individual Signing in a Representative Capacity) | 49. Share %  | 50. Date (MM-DD-YYYY) |
| <b>PART K INFORMATION FOR LDP REQUEST (Complete Upon Receipt of Bale Data Files) (FOR CCC USE ONLY)</b>  |   |   |   |  |   |  |                       |
| 51. LDP Number   | 52. File Sequence Number(s)   | 53. Date File(s) Received (MM-DD-YYYY)  | 54. Bale Count  |  |   |  |                       |
| <b>PART L CCC APPROVAL (FOR CCC USE ONLY)</b>  |   |   |   |  |   |  |                       |
| 55A. Signature of CCC Representative   | 55B. Title of CCC Representative  | 56. Date Request Submitted (MM-DD-YYYY) | 57. Name and Address of FSA County Office or LSA            | 58. Additional Information/Second Party Review                   |   |  |                       |
| 59. Action:<br><input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED  | 60. Date of Signature by CCC Representative (MM-DD-YYYY)                  | 61. AWP on Applicable Date              |   |  |   |  |                       |

Page 3

## 213 Establishing LDP Eligibility Before BI Is Lost (Continued)

## B Using CCC-633 EZ to Establish LDP Eligibility (Continued)

| CCC-633 EZ (06-21-19)   |   |                          |   |  |   |   |   |   |  | Page                        | of |
|---|---|--------------------------|---|--|---|---|---|---|--|-----------------------------|----|
| <b>PART M REQUEST FOR WOOL, MOHAIR, OR UNSHORN PELT LDP</b>   |   |                          |   |  |   |   |   |   |  |                             |    |
| 62. Contact Name and Address of Producer (Include Zip Code) (Please Print)  |   |                          |   | 63. Telephone or Cell Number (Include Area Code)       |   |   | 64. Crop Year   | 65. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 93. |  |                             |    |
|   |   |                          |   |  |   |   |   | <input type="checkbox"/> YES  | <input type="checkbox"/> NO  |                             |    |
|   |   |                          |   | 66. State and County where Farm Records are Maintained |   |   |   |   |  |                             |    |
| <p>A completed CCC-633 EZ (Page 1) must be on file for the crop year identified in Item 64 before beneficial interest (title and control) is lost in the requested quantity for this to be considered a valid request for payment. This request for payment, with acceptable production evidence (if applicable), must be submitted to the County FSA office that administers the farm records for the requested commodity and quantity.</p> <p>Complete Items 68 through 73 for wool and mohair or Items 76 through 81 for unshorn lamb pelts and sign/date below. Indicate the source of quantity in Items 71 or 79 if this is a certified LDP, indicate for wool or mohair only if the quantity is in excess of the certified quantity, or indicate if production evidence is attached, as applicable. When beneficial interest has been lost, indicate date of sale, delivery, slaughter, etc., as applicable, as the effective date of LDP rate in Items 74 or 82. If additional entries are needed, provide data on an additional CCC-633 EZ, Page 4.</p> |   |                          |   |  |   |   |   |   |  |                             |    |
| <b>PART N COMPLETED FOR WOOL OR MOHAIR</b>  |   |                          |   |  |   |   |   |   |  |                             |    |
| 67. LDP No. (CCC Use Only)  | 68. Commodity   | 69. Type                 | 70. Net Quantity (lbs.)   | 71. Source of Quantity (Check one of the following)    |   |   | 72. Stored Location (State, County, Warehouse, Farm Storage Location) | 73. Effective Date of LDP Rate (Date of Request or Date Beneficial Interest was Lost) (MM-DD-YYYY)    |  | 74. LDP Rate (CCC Use Only) |    |
|   |   |                          |   | A. Certified   | B. Production Evidence  | C. Qty. in Excess of Certified Qty.   |   |   |  |                             |    |
|   | Mohair  | <input type="checkbox"/> |   | <input type="checkbox"/>                               | <input type="checkbox"/>  | <input type="checkbox"/>  |   |   |  |                             |    |
|   | Wool  | <input type="checkbox"/> | Graded <input type="checkbox"/> Ungraded <input type="checkbox"/>         | <input type="checkbox"/>                               | <input type="checkbox"/>  | <input type="checkbox"/>  |   |   |  |                             |    |
|   | Mohair  | <input type="checkbox"/> |   | <input type="checkbox"/>                               | <input type="checkbox"/>  | <input type="checkbox"/>  |   |   |  |                             |    |
|   | Wool  | <input type="checkbox"/> | Graded <input type="checkbox"/> Ungraded <input type="checkbox"/>         | <input type="checkbox"/>                               | <input type="checkbox"/>  | <input type="checkbox"/>  |   |   |  |                             |    |
|   | Mohair  | <input type="checkbox"/> |   | <input type="checkbox"/>                               | <input type="checkbox"/>  | <input type="checkbox"/>  |   |   |  |                             |    |
|   | Wool  | <input type="checkbox"/> | Graded <input type="checkbox"/> Ungraded <input type="checkbox"/>         | <input type="checkbox"/>                               | <input type="checkbox"/>  | <input type="checkbox"/>  |   |   |  |                             |    |
| <b>PART O COMPLETED FOR UNSHORN LAMB PELTS</b>  |   |                          |   |  |   |   |   |   |  |                             |    |
| 75. LDP No. (CCC Use Only)  | 76. Number of Unshorn Lamb Pelts Requested                                | 77. Use                  |   |  |   | 78. Stored Location (If applicable) (State, County, Warehouse, Farm Storage Location) | 79. Source of Quantity (Check one of the following)                   | 80. Current Herd/Flock Size   | 81. Effective Date of LDP Rate (Date of Request or Date Beneficial Interest was Lost) (MM-DD-YYYY) | 82. LDP Rate (CCC Use Only) |    |
|   |   | A. Immediate Slaughter   | B. Slaughter for Personal Use   | C. Preserved and Stored                                | D. Sold as Feeders to Lamb Buyer  |   | A. Certified  | B. Production Evidence  |  |                             |    |
|   |   | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/>                               | <input type="checkbox"/>  |   | <input type="checkbox"/>  | <input type="checkbox"/>  |  |                             |    |
|   |   | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/>                               | <input type="checkbox"/>  |   | <input type="checkbox"/>  | <input type="checkbox"/>  |  |                             |    |
|   |   | <input type="checkbox"/> | <input type="checkbox"/>  | <input type="checkbox"/>                               | <input type="checkbox"/>  |   | <input type="checkbox"/>  | <input type="checkbox"/>  |  |                             |    |
| <b>PART P 633 EZ Continuation, Part P</b>   |   |                          |   |  |   |   |   |   |  |                             |    |
| <p>I certify all information entered on this form is true and correct and that the commodity was owned/raised for at least 30 days before the date of shearing or slaughter for unshorn lamb. By completing Part N for wool and mohair or Part O for unshorn lamb pelts and signing and dating this form, I hereby make a request for a payment from Commodity Credit Corporation (CCC) for the commodity described above under the terms and conditions as provided on the CCC-633 EZ, Loan Deficiency Payment (LDP) Agreement and Request. I also understand that a CCC-633 EZ, Page 1 MUST be on file at the FSA County Office for this LDP request to be considered complete.</p>   |   |                          |   |  |   |   |   |   |  |                             |    |
| 83A. Producer's Signature (By)  | 83B. Title/Relationship (Individual Signing In a Representative Capacity) | 84. Share %              | 85. Date (MM-DD-YYYY)   | 86A. Producer's Signature (By)                         | 86B. Title/Relationship (Individual Signing In a Representative Capacity) | 87. Share %   | 88. Date (MM-DD-YYYY)   |   |  |                             |    |
| <b>PART Q CCC APPROVAL (FOR CCC USE ONLY)</b>   |   |                          |   |  |   |   |   |   |  |                             |    |
| 89A. Signature of CCC Representative  | 89B. Title of CCC Representative  | 90. Date (MM-DD-YYYY)    | 91. Action:   | 92. Is the quantity for this LDP reasonable?           |   | 93. Additional Information/Second Party Review  |   |   |  |                             |    |
|   |   |                          | <input type="checkbox"/> APPROVED<br><input type="checkbox"/> DISAPPROVED | <input type="checkbox"/> YES                           | <input type="checkbox"/> NO   |   |   |   |  |                             |    |

Page 4

## 213 Establishing LDP Eligibility Before BI Is Lost (Continued)

## B Using CCC-633 EZ to Establish LDP Eligibility (Continued)

|   |   |  |                               |  |   |             | Page _____ of _____   |
|---|---|--|-------------------------------|--|---|-------------|-----------------------|
| CCC-633 EZ Continuation<br>(05-21-19)   |   | U.S. DEPARTMENT OF AGRICULTURE<br>Commodity Credit Corporation |                               |  |   |             |                       |
| CONTINUATION SHEET FOR LOAN DEFICIENCY (LDP) PAYMENT AGREEMENT AND REQUEST<br>(Use with CCC-633 EZ Pages 1, 2, 3, or 4) |   |  |                               |  |   |             |                       |
| Attach to Form CCC-633 EZ, Page No: _____   |   |  |                               |  |   |             |                       |
| Enter a Check by the Appropriate Part to Indicate which Section this Form Applies.                                      |   |  |                               |  |   |             |                       |
| <input type="checkbox"/> <b>PART C PRODUCER CERTIFICATION (CCC 633 EZ Page 1) (Continuation)</b>                        |   |  |                               |  |   |             |                       |
| 5A. Producer's Signature (By)   | 5B. Title/Relationship (Individual Signing in a representative capacity)  | 5C. Date (MM-DD-YYYY)  | 5A. Producer's Signature (By) | 5B. Title/Relationship (Individual Signing in a representative capacity) | 5C. Date (MM-DD-YYYY)   |             |                       |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |
| <input type="checkbox"/> <b>PART F 633 EZ Page 2) (Continuation for LDP Request)</b>                                    |   |  |                               |  |   |             |                       |
| 24A. Producer's Signature (By)  | 24B. Title/Relationship (Individual Signing in a representative capacity) | 25. Share %  | 26. Date (MM-DD-YYYY)         | 24A. Producer's Signature (By)   | 24B. Title/Relationship (Individual Signing in a representative capacity) | 25. Share % | 26. Date (MM-DD-YYYY) |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |
| <input type="checkbox"/> <b>PART J PRODUCER CERTIFICATION (CCC 633 EZ Page 3) (Continuation for Cotton LDP Request)</b> |   |  |                               |  |   |             |                       |
| 45A. Producer's Signature (By)  | 45B. Title/Relationship (Individual Signing in a representative capacity) | 46. Share %  | 47. Date (MM-DD-YYYY)         | 45A. Producer's Signature (By)   | 45B. Title/Relationship (Individual Signing in a representative capacity) | 46. Share % | 47. Date (MM-DD-YYYY) |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |
| <input type="checkbox"/> <b>PART P Page 4) (Continuation for Wool, Mohair, or Unshorn Pelt LDP Request)</b>             |   |  |                               |  |   |             |                       |
| 83A. Producer's Signature (By)  | 83B. Title/Relationship (Individual Signing in a representative capacity) | 84. Share %  | 85. Date (MM-DD-YYYY)         | 83A. Producer's Signature (By)   | 83B. Title/Relationship (Individual Signing in a representative capacity) | 84. Share % | 85. Date (MM-DD-YYYY) |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |
|   |   |  |                               |  |   |             |                       |

Page 5

## 213 Establishing LDP Eligibility Before BI Is Lost (Continued)

## C LSA Employee Instructions for CCC-633 EZ, Page 1

Producers must complete Items 1 through 4, Parts A, B, C, and E, as indicated.

| Item  | Instructions   |
|---|--|
| 1   | Enter name and address of the producer. This should be the name of the individual, joint operation, or entity for which benefits may be requested.   |
| 2   | Enter telephone number of the applicant.   |
| 3   | Enter last four digits of the producer's ID number.  |
| 4   | Enter crop year for the commodity covered by the LDP agreement.  |
| 5   | Enter all States, if necessary, and counties where the producer in item 1 has an interest for the designated crop year.<br><br>This form covers interests in <b>all</b> eligible LDP commodities of the producer for the crop year entered in item 4.                        |
| <b>Part A - Terms and Conditions</b>  |  |
| All producers requesting LDP must review and understand the terms and conditions of this agreement.   |  |
| <b>Part B - Methods of Payment Request</b>  |  |
| All producers requesting LDP must review and understand the methods a payment request may be initiated under this agreement.  |  |
| Terms related to cotton LDP requests explained in the fourth paragraph of this part.  |  |
| <p><b>Note:</b> A request for payment is made for cotton using CCC-633 EZ, page 3 that must be received in LSA before the final loan availability date for the applicable commodity.</p> <p>If this form is approved for electronic transmission and the producer has established credentials with USDA to submit forms electronically, the producer's transmission is certification that he/she has read and understands the Methods of Payment.</p> |  |
| <b>Part C - Producer Signature and Certification</b>  |  |
| 6 and 7   | After reading the certification statement, the producer signs in item 6 and enters date of signature in item 7. Use CCC-633 EZ, page 4 if additional signature space is needed. The signatures indicate the producer has reviewed and agrees to the conditions listed above. |
| <b>Part D - Approval/Disapproval</b>  |  |
| 8 - 10  | An authorized CCC representative must approve or disapprove CCC-633 EZ by completing blocks 8 through 10.  |
| 11  | Enter any additional information pertinent to the approval or disapproval of this agreement.   |
| 12  | Enter name and address of the approving LSA.   |

**214 Electronic Applications Not Received****A Handling Unreceived Electronic Applications**

If a producer inquires about an electronic transmission of an LDP application and the application is subsequently not received, LSA's will:

- require producers to submit documentation to show the electronic transmission was attempted such as aFAX transmission report or some type of documentation to verify that the transmission was attempted and the application was electronically submitted
- accept producer's completed LDP application
- document the date that the LDP application was electronically transmitted and the reason the electronic transmission was not received
- approve, with concurrence, the LDP application
- use the LDP rate in effect on the date printed on the transmission report documentation of the original LDP application
- not accept or approve producer's LDP application if the actual date of the electronic transmission cannot be verified by the producer.

## 215 LDP Options Relative to Harvest and Ginning

## A LDP Request Options

Cotton LDP's may be disbursed, in all cases, only on eligible, ginned cotton upon presentation of production evidence in the form of a warehouse receipt or bale list.

Applications for LDP's are submitted using CCC-633 EZ for any of the following options.

| Type                        | LDP Rate in Effect   | BI Status                               |
|-----------------------------|--|---|
|                             | LDP for cotton in which producer has BI at the time of the LDP application is: |   |
| Irrevocable module lock-in. | Date of application.   | producer has BI at time of application. |
| Gin-direct.                 | Date of ginning.   |   |
| Irrevocable post-ginning.   | Date of application.   |   |
| Lost BI before application. | Date BI was lost.  | BI lost.                                |

- **Irrevocable module lock-in.** For harvested cotton in modules, before ginning, a producer may submit CCC-633 EZ, page 3 to request lock-in of AWP rate to be used for LDP calculation. AWP/LDP rate is that which is **effective on the date an accurately completed request is submitted**. The cotton is identified by a gin-supplied trailer or module number. After the cotton is ginned, the producer provides bale information that corresponds to the cotton identified by the trailer or module number. These requests for lock-in of AWP and LDP cannot be revised or canceled. See subparagraph 217 E.
- **Gin-direct.** A producer may request gin-direct LDP's using CCC-633 EZ, page 3. LDP rate provided is the rate payment rate effective on the date the cotton is ginned. These requests are allowed to be revised or terminated under certain circumstances. See paragraph 216.
- **Irrevocable post-ginning.** On cotton that has been ginned, a producer may request LDP using CCC 633 EZ, page 3 supported by a bale list. LDP rate provided is the rate effective on the date that an accurately completed application is submitted. These LDP requests, once submitted, cannot be revised or canceled. See paragraph 217.
- **Lost BI.** If BI has been lost before the LDP is requested, and the producer had filed CCC-633 EZ, page 1 before the date BI was lost, then the producer may request LDP using CCC-633 EZ, page 3. For these LDP's, the only payment rate provided is the rate applicable on the date that BI was lost. The producer must provide acceptable documentation of the date BI was lost on the applicable quantity.

**216 Gin-Direct LDP's****A Applicability**

Producers who want to receive LDP's based on the date ginned may file CCC-633 EZ, page 3:

- on or before the date of ginning
- for 1 or more farm's expected production
- for all or a portion of the expected production.

**B Time of Executing Gin-Direct LDP Request**

CCC-633 EZ, page 3 **must** be submitted on or before the date of ginning.

**Notes:** Applications may be entered into after ginning begins; however, any cotton ginned before the date of the application is not covered.

See subparagraph J for preparing CCC-633 EZ, page 3.

## 216 Gin-Direct LDP's (Continued)

**C Quantity Included on Application**

The entire quantity included on the application is eligible for the LDP rate, including a zero rate that is in effect **on** the date of ginning.

**Note:** If the LDP rate on the date of ginning is 0, the producer will not receive LDP and will not be eligible for a loan on that quantity shown on the application.

**Example:** Producer files CCC-633 EZ, page 3 for all the production of cotton from all farms. The producer produced 500 bales of cotton on all farms. Of the 500 bales, 50 bales were ginned on a date when LDP was equal to 0. These 50 bales are not eligible for LDP or loan.

**D Specifying Delivery Locations**

Producers who want gin-direct LDP provisions to be applicable for production delivered to a specific location or buyer may designate that quantity on the application.

**Note:** Because the cotton LDP rate is based on the date of ginning, cotton producers may designate only the cotton delivered directly from the gin to a specific location or buyer. The date of ginning will continue to be used to determine the LDP rate for the designated quantity.

**Example:** If the producer wants all production from Farm 57 that will be delivered to Bob River Mills, Inc. to be the only production from Farm 57 covered by the gin-direct application, the producer should enter the following onto the application in CCC-633 EZ, page 3, item 22.

| Farm Number | Production Units             |
|-------------|------------------------------|
| 57          | All to Bob River Mills, Inc. |
| 40          | All                          |
| 37          | 300 Bales                    |

**Notes:** All production from Farm 57 not delivered to Bob River Mills, Inc. is eligible for a loan or LDP if all eligibility requirements are met.

All the production from Farm 40 would be covered by the gin-direct LDP request.

300 bales from Farm 37 would be covered.

**216 Gin-Direct LDP's (Continued)****E Signatures Required for Approval**

If more than 1 producer shares in a bale of cotton, each producer who has a share in the bale must sign LDP request before it can be approved.

**Note:** Only the share of the production applicable to the producers who sign the request will be considered covered.

**F Revising Gin-Direct Applications**

Gin-direct LDP applications may only be revised before ginning. If a producer wants to revise a gin-direct application, require the producer to:

- line through the applicable quantity to be revised
- enter the revised quantity and initial and date the entry.

**Note:** All producers who signed the application must initial and date all revisions for the farms of which they share in the production.

**Example:** If a producer signed the application for all the cotton on Farm 40, the producer could gin 300 bales and before ginning any more, revise the application to cover only the 300 bales, leaving the bales remaining to be ginned eligible for a loan or LDP in the normal manner.

**216 Gin-Direct LDP's (Continued)****G Terminating Gin-Direct LDP Request**

Gin-direct LDP applications may only be terminated if the producer has not ginned any of the cotton covered by the application.

**Example:** If a producer signed an application for all the cotton on Farm 40 and 300 bales had been ginned as of the current date, the producer would not be allowed to terminate the agreement for the 300 bales ginned, but COC may permit the producer to revise the application so cotton not yet ginned would not be covered by the application.

**Note:** Cotton for which LDP is requested, but for which LDP is not provided because of AGI, may be pledged for loan if otherwise eligible and BI has been maintained. This loan cannot be repaid at a reduced rate.

**H Production Evidence**

To receive LDP on requested production, the producer must provide acceptable production evidence on or before May 31 after the calendar year in which the crop is planted. Production evidence must show the date each bale is ginned.

**Note:** Producers are not required to provide evidence for all production covered by the application before LDP may be made. Multiple LDP's may be made under the terms of any gin-direct LDP application.

**I Processing LDP**

Once production evidence is provided, process the LDP request.

**Notes:** Use AWP and CCA in effect on the date cotton was ginned.

Use the date the application was approved as the LDP Approval Date.

More than one LDP may be required when a different AWP and CCA are applicable for the production listed on any gin-direct LDP application.

## 216 Gin-Direct LDP's (Continued)

## J Completing CCC-633 EZ, Page 3 for Gin-Direct LDP

Effective for 2006 and subsequent crop upland cotton, producers **must** request gin-direct LDP's using CCC-633 EZ, page 3.

For gin-direct LDP requests, complete CCC-633 EZ, page 3 according to the following table.

| Item   | Instruction   |
|--|---|
| <b>Part-H Request for Cotton LDP</b>   |   |
| 35   | Enter the producer's name and address.  |
| 36   | Enter the producer's telephone/cell number.   |
| 37   | Enter the farm number(s) where cotton was produced.   |
| 38   | Enter the crop year of the commodity for which the LDP is requested.  |
| 39   | Producer answers question by checking (✓) either the "Yes" or "No" box.<br><br><b>Note:</b> If the producer answers "Yes", then the producer uses the remarks section of the continuation page to explain the amount owed, the Federal agency owed, and terms of any repayment agreement.   |
| 40   | Producer enters initials in box to the left of "Gin-Direct" in row 2.   |
| 41A and 41B  | Producer may request LDP's for 1 or more farms. For each individual farm an LDP is requested for some or all production, the producer <b>must</b> enter the farm number and, in box B adjacent to the farm number, <b>must</b> enter either "All" to indicate that LDP is requested for all bales, or <b>must</b> enter the exact number of bales from the farm to which the LDP request applies. |
| <b>Part I – Module Identification of Seed Cotton (Completed for Module Lock-in DPD Request)</b>      |   |
| 40-42  | This part is <b>not</b> applicable to gin-direct LDP requests.  |
| <b>Part J – Producer Certification (Complete as Applicable)</b>                                      |   |
| 45-50  | Each producer with a share in the production on the application submitted <b>must</b> enter: <ul style="list-style-type: none"> <li>• their signature and title in items 45A and 45B, and in 48A and 48B</li> <li>• their percent share of the quantity in items 46 and 49</li> <li>• the date of signature in items 47 and 50.</li> </ul>  |
| <b>Part K – Information for LDP Request (Complete Upon Receipt of Bale Files) (For CCC Use Only)</b> |   |
| 51-54  | Item 51: Enter LDP number.<br><br>Item 52: Enter file sequence number of all applicable bale files provided as production evidence.<br><br>Item 53: Enter date the bale list or data file was received.<br><br>Item 54: Enter number of bales represented by each bale list or data file.   |

## 216 Gin-Direct LDP's (Continued)

## J Completing CCC-633 EZ, Page 3 for Gin-Direct LDP (Continued)

| Item  | Instruction  |
|---|--|
| <b>Part L - CCC Approval (For CCC Use Only)</b> |  |
| 55-61   | <p>Item 55A: CCC representative enters signature. Second-party review will be recorded by entering reviewer's initials and date of review in the margin of CCC-633 EZ, page 3.</p> <p>Item 55B: Enter title of CCC representative.</p> <p>Item 56: See subparagraph B to establish the date a completed application was submitted.</p> <p><b>Note:</b> Applications for gin-direct <b>must</b> be received on or before the date of ginning, and no later than <b>May 31</b>.</p> <p>Item 57: Enter the name/address of the FSA County Office or LSA.</p> <p>Item 58: Second party review, and may be used to amend gin-direct LDP's or to explain "Yes" answer to item 37.</p> <p>Item 59: Check (✓) box indicating approval or disapproval.</p> <p>Item 60: Enter date of signature by CCC representative (MM-DD-YYYY).</p> <p>Item 61: Enter applicable AWP effective on the date of ginning. Entry of date is <b>not</b> required.</p> |

## 216 Gin-Direct LDP's (Continued)

## K Example CCC-633 EZ, Page 3

Following is an example of CCC-633 EZ, page 3 that may be used for requesting upland cotton LDP's of any type.

|   |  |                            |                               |   |   | Page   | of |
|---|--|----------------------------|-------------------------------|---|---|--|----|
| <b>CCC-633 EZ (05-21-10)</b><br><b>PART H REQUEST FOR COTTON LDP</b><br>35. Contact Name and Address of Producer (Include Zip Code) (Please Print) 36. Telephone or Cell Number (Include Area Code) (Optional) 37. Farm Number 38. Crop Year 39. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 58.  |  |                            |                               |   |   | <input type="checkbox"/> YES <input type="checkbox"/> NO   |    |
| <b>40.</b><br>Producer Initials to verify LDP type and bale quantity  |  | Type of LDP Requested      | Must be Requested             | Must have Beneficial Interest at Time of LDP Application? | The LDP Rate will be the rate in effect on the:               | <b>41.</b><br>Quantity: (Use Part K for file sequence number(s))   |    |
|   |  | Irrevocable Module Lock-In | After Harvest, Before Ginning | YES   | Date an Accurately Completed Request is Submitted ►           | Identified by gin as being produced from the module(s) listed in Part I and identified by bale list or file sequence number(s).  |    |
|   |  | Gin-Direct                 | Before Date of Ginning        | YES   | Date of Ginning ►   | <b>GIN DIRECT ONLY:</b> For each farm number producer enters number of bales or "ALL" to be identified by bale list or file sequence number.<br>A. FARM NO.      B. NO. BALES      A. FARM NO.      B. NO. BALES |    |
|   |  | Irrevocable Post-Ginning   | After Ginning                 | YES   | Later of: 1) date of request or 2) date bale list submitted ► | <b>C.</b> Producer enters bale quantity (to be verified by bale list or file sequence number);   |    |
|   |  | Lost Beneficial Interest   | After Ginning                 | NO  | Date Beneficial Interest Lost ►                               | <b>D.</b> Producer enters bale quantity (to be verified by bale list or file sequence number);   |    |
| <b>PART I MODULE IDENTIFICATION OF SEED COTTON (Completed for Module Lock In LDP Request)</b><br>42. Gin Code: 43. Module Location at Farm or Gin:<br>44. Gin's Module/Trailer Number:  |  |                            |                               |   |   |  |    |
| <b>PART J PRODUCER CERTIFICATION (For additional signatures, complete CCC 633 EZ Continuation, Part J)</b><br><i>I certify all information entered on this form is true and correct.</i><br>45A. Producer's Signature (By) 45B. Title/Relationship (Individual Signer) 46. Share % in a Representative Capacity 47. Date (MM-DD-YYYY) 48A. Producer's Signature (By) 48B. Title/Relationship (Individual Signer) 49. Share % in a Representative Capacity 50. Date (MM-DD-YYYY) |  |                            |                               |   |   |  |    |
| <b>PART K INFORMATION FOR LDP REQUEST (Complete Upon Receipt of Bale Data Files) (FOR CCC USE ONLY)</b><br>51. LDP Number 52. File Sequence Number(s) 53. Date File(s) Received (MM-DD-YYYY) 54. Bale Count   |  |                            |                               |   |   |  |    |
| <b>PART L CCC APPROVAL (FOR CCC USE ONLY)</b><br>55A. Signature of CCC Representative 55B. Title of CCC Representative 56. Date Request Submitted (MM-DD-YYYY) 57. Name and Address of FSA County Office or LSA 58. Additional Information/Second Party Review<br>59. Action:<br><input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED 60. Date of Signature by CCC Representative (MM-DD-YYYY) 61. AWP on Applicable Date                                     |  |                            |                               |   |   |  |    |

Page 3

## 217 Module Lock-In and Post-Ginning LDP's

**A Request for Payment**

Requests for module lock-in or post-ginning LDP's are submitted on CCC-633 EZ, page 3. These LDP requests must be made:

- by all producers having an interest in the cotton
- before BI in the cotton is lost
- on or before the final loan availability date.

One payment may be made for more than 1 farm, or multiple payments may be made for 1 farm. By submitting any LDP request, producers certify that production:

- is eligible for loan
- has not been previously used for loan or LDP
- will not be used for a subsequent loan or LDP.

Requests for module lock-in or post-ginning LDP's, once submitted, cannot be canceled or revised. See further policy in subparagraph D.

**B Approval**

The LDP application must be approved by CCC on the day that either application form, signed and dated by all applicable producers, and the accompanying production evidence are **both** provided. If the application and production evidence are provided on separate days, the approval date is the later date.

When an application is to request AWP lock-in for modules, the LDP application is not approved for payment until the corresponding bales are identified. Interest is not payable for the period between AWP lock-in and submission of bale information.

**Exception:** CCC may approve an application for a module lock-in or post-ginning LDP before classing data is presented if:

- classing data is not yet available

**Note:** Producer is required to submit classing data as soon as it is available from AMS.

- acceptable gin tag or warehouse receipts are submitted
- all producers sharing in the cotton have signed the application.

**Note:** If BI is questioned, follow subparagraph 212 A.

## 217 Module Lock-In and Post-Ginning LDP's (Continued)

**C Returning Warehouse Receipts**

If acceptable warehouse receipts are presented as production evidence and the producer requests that the receipts be returned the same day, the LSA must only return warehouse receipts on the same day if all requirements are met, except providing classing data, and all of the following occur:

- the application is approved
- either:
  - a list of the warehouse receipts showing the same information as the receipts are presented with the warehouse receipts

**Note:** LSA must verify that the information on the list matches the negotiable warehouse receipts.

- photocopies of the warehouse receipts can be obtained.

**Note:** If the photocopies are not made by the LSA, LSA must verify that the photocopies represent the negotiable warehouse receipts presented.

217    **Module Lock-In and Post-Ginning LDP's (Continued)****D    Policy for Module Lock-In LDP**

Use CCC-633 EZ, page 3 to process LDP applications when the following 3 conditions are met:

- producers request to “lock-in” AWP
- producer’s eligible cotton has been harvested
- the cotton has not been ginned.

Such requests lock-in the LDP payment rate for payments that will be disbursed after the cotton is ginned and bale information is provided. Procedures in subparagraph A apply. Lock-in requests will expire if bale information is not provided before the final date of availability (May 31). See 7-CN, paragraph 162.

**Notes:** Requests for LDP's based on a locked-in rate, once submitted, may not be canceled or revised by the producer. However, cotton for which the lock-in is provided, but LDP is not provided because AGI is eligible to be pledged for loan. **Any initial AWP lock-in on CCC-633 EZ, page 3 does not apply to these loans.**

If the modules or trailers:

- are divided among producers, give each producer on the farm an opportunity to choose to obtain a LDP
- are **not** divided, a joint LDP must be requested.

Interest is not payable for the period between the AWP lock-in and the presentation of production evidence (the list of bales corresponding to the module for which lock-in is provided).

## 217 Module Lock-In and Post-Ginning LDP's (Continued)

## E Using CCC-633 EZ for Module lock-in and Post Ginning LDP

For module lock-in and post-ginning LDP requests, complete CCC-633 EZ, page 3 according to the following table.

| Item  | Instruction  |
|---|--|
| <b>Part H - Request for Cotton LDP</b>  |  |
| 35  | Enter the producer's name and address.   |
| 36  | Enter the producer's telephone/cell number.  |
| 37  | Enter the farm number (s) where cotton was produced.   |
| 38  | Enter the crop year of the commodity for which the LDP is requested.   |
| 39  | Producer answers question by checking (✓) either the "Yes" or "No" box.<br><br><b>Note:</b> If the producer answers "Yes", then the producer uses the "Remarks" section of the continuation page to explain the amount owed, the Federal agency owed, and terms of any repayment agreement.  |
| 40  | Producer enters initials in box to the left of either "Irrevocable Module Lock-in" or "Irrevocable Post-Ginning".  |
| 41  | This item does <b>not</b> apply to either module lock-in or post-ginning LDP requests.   |
| <b>Part I – Module Identification of Seed Cotton<br/>(Completed for Module Lock-in DPD Request)</b> |  |
| 42-44   | <p>If the request is for a module lock-in LDP, the applicant completes Part I as follows.</p> <p>Item 42: Enter the gin code of the gin that supplied the module numbers and that will gin the cotton.</p> <p>Item 43: Enter the module location at the farm or gin so the module can be located if selected for spot-check.</p> <p>Item 44: Enter all gin-assigned numbers that are affixed to the storage unit to identify it with this LDP request. If additional space is needed, attach a separate list that has been initialed and dated by the producer.</p> <p><b>Note:</b> This part is <b>not</b> applicable to post-ginning LDP requests.</p> |
| <b>Part J – Producer Certification (Complete as Applicable)</b>                                     |  |
| 45-50   | <p>Each producer with a share in the production on the application submitted <b>must</b> enter:</p> <ul style="list-style-type: none"> <li>• their signature and title in items 45A and 45B, and in 48A and 48B</li> <li>• their percent share of the quantity in items 46 and 49</li> <li>• the date of signature in items 47 and 50.</li> </ul>  |

## 217 Module Lock-In and Post-Ginning LDP's (Continued)

## E Using CCC-633 EZ for Module lock-in and Post Ginning LDP (Continued)

| Item   | Instruction   |
|--|---|
| <b>Part K – Information for LDP Request (Complete Upon Receipt of Bale Files)<br/>(For CCC Use Only)</b> |   |
| 51-54  | <p>Item 51: Enter the LDP number.</p> <p>Item 52: Enter the file sequence number of all applicable bale files provided as production evidence.</p> <p>Item 53: Enter the date the bale list or data file was received.</p> <p>Item 54: Enter the number of bales represented by each bale list or data file.</p>  |
| <b>Part L – CCC Approval (For CCC Use Only)</b>  |   |
| 55-61  | <p>Item 55A: CCC representative enters signature.</p> <p>Item 55B: Enter title of CCC representative.</p> <p>Item 56: See subparagraph 302 B to establish the date a completed application was submitted.</p> <p><b>Note:</b> All LDP requests <b>must</b> be received before <b>May 31</b>.</p> <p>Item 57: Enter the name/address of the FSA County Office or LSA.</p> <p>Item 58: Second party review, and may be used to amend gin-direct LDP's or to explain "Yes" answer to item 37.</p> <p>Item 59: Check (✓) box indicating approval or disapproval.</p> <p>Item 60: Enter date of signature by CCC representative (MM-DD-YYYY).</p> <p>Item 61: Enter the applicable AWP on the date the request was submitted, for both the module lock-in and post-ginning LDP requests. Entry of the date is <b>not</b> required.</p> |

## F Example CCC-633 EZ, Page 3

An example of CCC-633 EZ, page 3 is provided in subparagraph 216 K.

## 217 Module Lock-In and Post-Ginning LDP's (Continued)

**G Distributing CCC-633 EZ**

Distribute the approved CCC-633 EZ as follows:

- file original in LDP folder
- provide 1 copy to each signing producer.

**H Conducting Module Spot checks Using CCC-Cotton AA-2**

LSA must:

- arrange for spot checks:
  - on no less than 2.5 percent of the requests for a lock-in of the AWP and LDP rates on upland seed cotton

**Note:** The 2.5 percent is based on the number of requests and not the number of modules or storage units.

- each month based on the lock-in requests received that month
- record the spot check results using CCC-Cotton AA-2 according to the following table

| Item  | Instructions   |
|-------|--|
| 1     | Enter LSA name.  |
| 2     | Enter State and county codes.  |
| 3     | Enter crop year.   |
| 4     | Enter farm number from CCC-633 EZ, page 3.   |
| 5     | Enter gin-assigned number of the storage module or trailer selected for spot check.  |
| 6     | Enter date of AWP lock-in from the corresponding CCC-633 EZ, page 3.   |
| 7     | Enter condition of the observed storage unit by entering either of the following: <ul style="list-style-type: none"> <li>• a checkmark (✓) confirming the unginned cotton location at either farm or gin</li> <li>• the date of ginning of the module or trailer of cotton.</li> </ul> |
| 8 A-C | Signature and title of person performing the spot check and date.  |

- retain CCC Cotton AA-2 indefinitely.

## 217 Module Lock-In and Post-Ginning LDP's (Continued)

## I CCC-Cotton AA-2

The following provides an example of a completed CCC-Cotton AA-2.

## 218 Lost BI LDP's

**A Policy**

Effective for 2005 and subsequent-crop upland cotton, BI policy allows producers to apply for LDP benefits after BI is lost if the producer submitted CCC-633 EZ, page 1 **before** BI was lost on the cotton.

**Note: This policy does not guarantee or provide LDP eligibility in all circumstances where BI was lost.** CCC-633 EZ, page 1 must be submitted **before** BI was lost on a quantity.

LDP's requested for cotton for which BI has been lost must be:

- submitted only on CCC-633 EZ, page 3
- calculated based on the rate effective on the date BI was lost
- supported by acceptable:
  - production evidence as used for other LDP applications, including:
    - bale gin code/gin tag
    - bale weight
  - evidence of the date BI was lost.

**B Instructions for Lost BI LDP Applications**

Producers submit applications for LDP's for cotton on which BI has been lost using **only** of CCC-633 EZ, page 3.

Complete CCC-633 EZ, page 3 for a lost BI LDP according to the following table.

| Item                                   | Instruction   |
|--|---|
| <b>Part H - Request for Cotton LDP</b> |   |
| 35                                     | Enter the producer's name and address.  |
| 36                                     | Enter the producer's telephone/cell number.   |
| 37                                     | Enter the farm number(s) where cotton was produced.   |
| 38                                     | Enter the crop year of the commodity for which the LDP is requested.  |
| 39                                     | Producer answers question by entering a check (✓) in either the "Yes" or "No" box.<br><br><b>Note:</b> If the producer answers "Yes", then the producer uses item 58 to explain the amount owed, the Federal agency owed, and terms of any repayment agreement. |
| 40                                     | Producer enters initials in box to the left of "Lost Beneficial Interest".  |
| 41D                                    | Producer to enter bale quantity.  |

## 218 Lost BI LDP's (Continued)

## B Instructions of Lost BI LDP Applications (Continued)

| Item   | Instruction  |
|--|--|
| <b>Part I – Module Identification of Seed Cotton<br/>(Completed for Module Lock-in DPD Request)</b>      |  |
| 42-44  | This part is not applicable to lost BI LDP requests.   |
| <b>Part J – Producer Certification (Complete as Applicable)</b>  |  |
| 45-47  | Each producer with a share in the production on the application submitted must enter: <ul style="list-style-type: none"> <li>• their signature and title in items 45A and 45B, and in 48A and 48B</li> <li>• their percent share of the quantity in items 46 and 49</li> <li>• the date of signature in items 47 and 50.</li> </ul>  |
| <b>Part K – Information for LDP Request (Complete Upon Receipt of Bale Files)<br/>(For CCC Use Only)</b> |  |
| 51-54  | Item 51: Enter LDP number.<br>Item 52: Enter file sequence number of all applicable bale files provided as production evidence.<br>Item 53: Enter date the bale list or data file was received.<br>Item 54: Enter number of bales represented by each bale list or data file.  |
| <b>Part L – CCC Approval (For CCC Use Only)</b>  |  |
| 55-61  | Item 55A: CCC representative enters signature.<br>Item 55B: Enter title of CCC representative.<br>Item 56: Check (✓) box indicating approval or disapproval.<br>Item 57: Enter date of signature by CCC representative (MM-DD-YYYY).<br>Item 58: See subparagraph 303 B to establish the date a completed application was submitted.<br><p style="text-align: center;"><b>Note:</b> Completed LDP requests and supporting documentation <b>must</b> be received before <b>May 31</b>.</p> Item 59: Enter the applicable AWP for the date BI was lost, as documented by sales invoices or other acceptable evidence.<br>Item 60: Enter the name/address of the FSA County Office or LSA.<br>Item 61: Second party review and may be used to amend gin-direct LDP's or to explain "Yes" answer to item 37. |

## C Example CCC-633 EZ, Page 3

An example of CCC-633 EZ, page 3 is provided in subparagraph 216 K.

## 219 Fees and Calculations

### A Background

For LDP's, Cotton Board regulations provide a supplemental assessment of 0.5 of 1 percent (0.005) of the current value of upland cotton must be collected and transmitted to the Cotton Board.

### B Calculation Procedure

LDP R&P fees are calculated by multiplying the total LDP amount times 0.5 of 1 percent (0.005), and deducting it from the total LDP amount before reductions for percent of cropland factor and permitted entity.

### C LDP Producer Distribution Calculations

LSA's must follow procedures in the following table to calculate LDP producer distribution amounts.

| Factor             | Calculation Instruction  | Example  |
|--------------------|--|--|
| Gross LDP          | Follow instructions in 21-CN, Part 4.  |  |
| R&P Fees           | <p>Multiply:</p> <ul style="list-style-type: none"> <li>gross LDP</li> <li>times 0.005.</li> </ul> <p>Round to 2 decimal places.</p>   | $  \begin{array}{r}  \$1,250.00 \\  \times .005 \\  \hline  6.2500 \\  \$6.25  \end{array}  $            |
| Denied Gains       | Follow instructions in 21-CN, Part 4. Total for all bales covered by LDP.  | 52.50  |
| LSA Fee            | <p>Add:</p> <ul style="list-style-type: none"> <li>\$1 for the first 6 bales</li> <li>plus 10 cents for each bale over 6 (44 at \$0.10).</li> </ul>  | $  \begin{array}{r}  \$1.00 \\  \times 4.40 \\  \hline  \$5.40  \end{array}  $                           |
| Amount to Producer | <p>Subtract:</p> <ul style="list-style-type: none"> <li>LDP amount</li> <li>minus:</li> <ul style="list-style-type: none"> <li>total of R&amp;P fees</li> <li>total of denied benefits</li> <li>LSA service fees.</li> </ul> </ul> | $  \begin{array}{r}  \$1,250.00 \\  - 6.25 \\  - 52.50 \\  - 5.40 \\  \hline  \$1,185.85  \end{array}  $ |

## 220-230 (Reserved)

## Section 6 Market Gain Allocations

### 231 Overview

#### A Introduction

This section provides information, policies, and formulas for market gain allocations and repayments through Alternative Delivery Partners (CMA's, DMA's, and LSA's).

Alternative Delivery Partners (ADP) must:

- monitor market gains received from CCC for their members
- **not** obtain market gains for a member who does **not** meet AGI provisions or above Payment Limitation

**Note:** Payment Limitation is no longer applicable to LDP or Market Gain as of the Agriculture Improvement Act of 2018.

### 232 ADP Allocation of Market Gains to Members

#### A How to Allocate Market Gains

ADP's must allocate market gains to members according to the following table.

| IF commodity is... | THEN allocate market gains to...   |
|--------------------|--|
| commingled         | <p>members based on:</p> <ul style="list-style-type: none"> <li>• their share of market gains the pool has obtained</li> <li>• the member's volume in the pool quantity that received market gains.</li> </ul> |
| identity preserved | member who delivered the commodity.  |

Market gain period is the time period from, and including the date market gain was received to, but not including, the reimbursement date. It is used in determining repayment amounts due CCC for ineligible market gains, denied market gains, or excess market gains.

## 232 ADP Allocation of Market Gains to Members (Continued)

**B When to Allocate Market Gains**

ADP's must allocate market gains to members according to this table.

| IF commodity is... | THEN allocate market gains...  |
|--------------------|--|
| commingled         | <ul style="list-style-type: none"> <li>at either of the following times:           <ul style="list-style-type: none"> <li>when market gains are earned</li> <li>at the end of the pool period</li> </ul> </li> <li>by basing the market gain:           <ul style="list-style-type: none"> <li>on percentage the member's share of market gains are of the entire pool</li> <li>on the member's volume in the pool quantity that received market gains.</li> </ul> </li> </ul> |
| identity preserved | when market gains are earned.  |

The date market gains are received for:

- LDP's is the date of LDP
- loans is the loan's repayment date.

## 233 Denied or Reduced Benefit Policies

**A ADP Policies**

ADP's must:

- decline denied benefits at the time of loan repayment or LDP for producers who are ineligible for market gains or LDP's because of AGI or Payment Limitation
- reimburse CCC for benefits received that included production from producers who are ineligible for market gains or LDP's because of AGI or Payment Limitation
- pay interest on the denied benefit at the loan interest rate on the date the benefit was received for the benefit period when the denied benefit is repaid after the date the benefit was received.

**234 Ineligible Benefit, Excess Benefit, and Duplicate Benefit Refunds****A Ineligible Benefits Policies**

After following policies in subparagraph 141 C, ADP's must reimburse CCC for all ineligible benefits received for a producer by:

- paying interest on the ineligible benefit at the loan interest rate from the date the benefit was received for the benefit period
- repaying ineligible volumes under loan immediately at principal plus interest
- repaying ineligible LDP benefits received.

**B Excess and Duplicate Benefit Policy**

ADP's must reimburse CCC for all excess and duplicate benefits received for a producer by:

- paying interest on the excess or duplicate benefit at the loan interest rate from the date the benefit was received for the benefit period
- repaying subsequent volumes under loan without benefits
- repaying excess and duplicate benefits immediately at principal plus interest.

## 234 Ineligible Benefit, Excess Benefit, and Duplicate Benefit Refunds (Continued)

## C Which Benefit Is the Correct Benefit

The following table provides instructions for duplicate benefits between CMA's and County Offices, DMA's, or LSA's.

| IF the quantity for which the duplicate benefit has been obtained... | THEN the correct benefit is determined by the date of whichever of the following occurs first...   |
|--|--|
| can be tied to a marketing agreement or annual addendum              | <ul style="list-style-type: none"> <li>marketing agreement or annual addendum contained the quantity</li> <li>the County Office, DMA, or LSA disbursed benefit.</li> </ul> |
| cannot be tied to a marketing agreement or annual addendum           | <ul style="list-style-type: none"> <li>first CMA advance payment made to the producer</li> <li>the County Office, DMA, or LSA disbursed benefit.</li> </ul>                |

**Note:** For duplicates between County Offices, DMA's, or LSA's, the correct benefit is the date of the first disbursed benefit.

## D Actions

When problems are discovered by ADP's or CCC involving ineligible benefits or excess and denied benefits, ADP's must take the following action.

## 234 Ineligible Benefit, Excess Benefit, and Duplicate Benefit Refunds (Continued)

## D Actions (Continued)

| Step | Action   |   |
|------|--|---|
| 1    | <p>Report ineligible benefit, excess benefit, and denied benefit volumes and associated loan and LDP transactions to the service County Office. In a memorandum, provide the following, as applicable:</p> <ul style="list-style-type: none"> <li>• ineligible quantity</li> <li>• amount of excess benefit paid</li> <li>• amount of denied benefit not reduced</li> <li>• producer name and identification number</li> <li>• loan or LDP number</li> <li>• disbursement date</li> <li>• warehouse receipt number</li> <li>• specific reasons why ineligible benefit, excess benefit, or denied benefit transactions occurred</li> <li>• request for waiver of interest or liquidated damages.</li> </ul> <p><b>Note:</b> Liquidated damages can only be waived by PSD.</p> |   |
| 2    | <b>IF...</b>   | <b>THEN...</b>  |
|      | applicable loans are unpaid or unredeemed  | repay the ineligible volume, excess benefit, or denied benefit under loan with principal plus interest. |
|      | applicable loans were paid or redeemed at the marketing repayment rate   | See paragraph 235.  |
|      | reporting ineligible LDP volume or other ineligible LDP transactions   |   |

## 235 Service County Office Refunds

**A Informing PSD**

For all cases involving ineligible volume, excess benefit, or denied benefit problems, service County Offices must inform PSD according to the following table.

| IF...  | THEN...  |
|--|--|
| ADP requests waiver of interest or liquidated damages                    | wait for refund instructions from PSD.                             |
| ADP is <b>not</b> requesting a waiver                                    | proceed with processing the refund according to subparagraph 235B. |
| the administrative County Office or service County Office needs guidance | obtain instructions from PDD through the State Office.             |

**B Processing Refunds**

Service County Offices must process ineligible volume, excess benefit, or denied benefit refunds from ADP's according to the following table.

| IF ADP or administrative County Office reports...  | THEN service County Offices...  |
|--|---|
| ineligible, excess benefit, or denied benefit volume for a loan that is unpaid or unredeemed   | <b>demand and process</b> repayment of principal plus interest for the ineligible volume for the applicable loan.   |
| <ul style="list-style-type: none"> <li>excess benefit was paid because AGI or Payment Limitation was exceeded by the producer for a loan that has been repaid at market price or for LDP that has been paid</li> <li>denied benefits that were <b>not</b> reduced at the time the loan was repaid at market price</li> </ul> <p><b>Note:</b> Payment Limitation is no longer applicable to LDP or Market Gain as of the Agriculture Improvement Act of 2018.</p> | <ul style="list-style-type: none"> <li><b>calculate:</b> <ul style="list-style-type: none"> <li>the amount of excess benefit because AGI or Payment Limitation was exceeded, or</li> <li>denied benefit according to paragraph 233</li> </ul> </li> <li><b>calculate</b> interest on the excess or denied benefit at the loan interest rate on the date the benefit was received for the benefit period</li> <li><b>demand</b> repayment of excess and denied benefits, plus interest</li> <li><b>create</b> a receivable in NRRS according to 64-FI <ul style="list-style-type: none"> <li>program code for denied market gain is "XXCOMMSET", where "XX" is the applicable two-digit crop year and "COMM" is the applicable four-digit commodity code.</li> </ul> </li> </ul> |

## 235 Service County Office Refunds (Continued)

## B Processing Refunds (Continued)

| IF ADP or administrative County Office reports...                 | THEN service County Offices...  |
|---|---|
| ineligible volume for a loan that has been repaid at market price | contact National Office for instructions to process the refund transaction in CLPS. |

## 235 CMA Service County Office Refunds (Continued)

## B Processing Refunds (Continued)

| IF ADP or administrative County Office reports...                          | THEN service County Offices...   |
|--|--|
| ineligible volume for LDP that has been disbursed                          | <ul style="list-style-type: none"> <li>cancel the LDP containing excess or denied benefit volume according to 19-PS</li> <li>complete a new LDP request for eligible volume, if applicable</li> <li>following an overnight payment process: <ul style="list-style-type: none"> <li>transfer associated pending overpayment for the ineligible volume to NRRS</li> <li>reset Payment Processing on the new LDP request payment in NPS, if applicable, PRIOR to certifying and signing payment</li> </ul> </li> </ul> <p><b>Note:</b> The payment for new LDP request on eligible volume will offset against outstanding receivable.</p> <ul style="list-style-type: none"> <li>demand repayment for the remaining receivable amount according to this handbook</li> <li>apply repayment received towards receivable in NRRS.</li> </ul> |
| excess benefit or denied benefit volume for an LDP that has been disbursed | request further instructions from PDD  |

## 236-246 (Reserved)

## Section 7 Offsets and Assignments

### 247 General Policies for CMA Offsets and Assignments

#### A CMA Offset Policy

The following offset on outstanding debts policies apply to CMA's:

- offsets, when applicable, must be collected for producers who obtain loans or LDP's through County Offices, CMA's, and LSA's from loan and LDP funds
- offsets collected by CMA's are limited to pool:
  - deliveries to CMA **after** CMA receives notification that offset exists
  - distributions made to producers after a loan or LDP is obtained from CCC

**Note:** See subparagraph 248 B for examples.

- CMA's have the following options:
  - exclude from all loan and LDP activity quantities with applicable offsets
  - pay applicable offset for production included in loan and LDP activity
- CMA's must process **all** quantities with applicable offsets as identity preserved commodities.

#### B CMA Assignment Policy

Even though CMA's receive an assignment flag from the ADP Process, CMA's cannot process payments against assignments on file at County Offices. This is because CMA's do **not** have access to FSA's automated assignment system.

**247 General Policies for CMA Offsets and Assignments (Continued)****C Payment Date**

The date of payment for offsets must be the date CMA contacts the County Office to obtain payment information.

**D Notifications**

CMA's will receive notification that offsets are applicable:

- normally, through the ADP Process System
- in rare instances, through notifications from the State Office.

**E State Office Notifications**

State Offices are authorized to notify CMA's of large individual dollar amount offsets.

**248 Offset Actions for CMA's****A CMA Policies**

The following policies, in addition to those listed in paragraph 247, also apply to offsets through CMA's:

- no action is needed when the applicable producer does **not** obtain either loan or LDP funds through CMA
- when a lien has been filed for a producer with an offset, the lienholder has the right to refuse to grant a waiver.

**Note:** If the lienholder:

- grants the waiver, proceed with processing the loan or LDP
- does **not** grant the waiver, the producer is **not** eligible for loans or LDP's.

## 248 Offset Actions for CMA's (Continued)

**B CMA Examples**

The following table provides examples of how CMA's are to handle offsets. In all cases, the ADP Process notifies CMA that Mr. Smith has an outstanding debt before CMA applies for loan proceeds and the control County Office verifies the amount owed is \$300.

| <b>Example 1</b> | <b>Step</b>   | <b>Action</b>  |
|------------------|---|--|
|                  | 1   | CMA issues a \$500 pool distribution to Mr. Smith on October 1.  |
|                  | 2   | CMA obtains a loan of \$450 for the same quantity of commodity applicable to the advance on October 3.   |
|                  | 3   | CMA allocates a second pool advance of \$200 to Mr. Smith on March 1 and a final pool distribution of \$150 on September 30 on the applicable commodity. |
|                  | <b>Result:</b> CMA must remit all of Mr. Smith's March distribution and \$100 of his September distribution to the control County Office to satisfy his offset. CMA must issue a \$50 balance distribution to Mr. Smith in September. |  |
| <b>Example 2</b> | <b>Step</b>   | <b>Action</b>  |
|                  | 1   | CMA issues a \$200 pool distribution to Mr. Smith on October 1.  |
|                  | 2   | CMA obtains a loan of \$150 for the same quantity of commodity applicable to the advance on October 3.   |
|                  | 3   | CMA makes no further pool distributions to Mr. Smith for the applicable quantity.  |
|                  | <b>Result:</b> CMA collects none of the offset due since all pool distributions were made before CMA obtained funds for Mr. Smith.  |  |
| <b>Example 3</b> | <b>Step</b>   | <b>Action</b>  |
|                  | 1   | CMA obtains a loan for \$450 for Mr. Smith's commodity on October 3.   |
|                  | 2   | CMA allocates a \$450 pool distribution on October 4 to Mr. Smith for the same quantity applicable to the loan.  |
|                  | <b>Result:</b> CMA must collect the \$300 offset due since the initial pool distribution was greater than the offset outstanding, and the allocation was made after funds were obtained from CCC.                                     |  |

## 248 Offset Actions for CMA's (Continued)

## C CMA Action

The following table provides procedures CMA's must follow when offsets are applicable for a producer involved in a loan or LDP.

| Step | Action  |  |
|------|---|--|
| 1    | When a joint operation record is received from the ADP Process with "Y" in field [67] for a component member, notify the joint operation's control County Office's State Office that the record has been received. In the notification, identify the applicable joint operation, component members, and control County Offices.<br><br><b>Notes:</b> The State Office has 30 calendar days to notify the applicable CMA when a payment to CCC is <b>not applicable</b> . See step 6 for additional instructions.<br><br>When the loan or LDP proceed is for a component member of a joint operation, the proceed amount is determined by multiplying the applicable component member's actual share (field [16] from the ADP Process) times the joint operation's proceed amount. |  |
| 2    | Contact the control County Office to determine the offset amount and applicable administrative County Offices no more than 3 workdays before obtaining loan or LDP proceeds.<br><br><b>Note:</b> If the control County Office does <b>not</b> receive payment within 8 workdays of this contact, it will reject the payment. When this happens, CMA's must contact the control County Office again to determine the exact amount due on the day the producer obtained loan or LDP proceeds.   |  |
| 3    | <b>IF CMA is...</b>   | <b>THEN...</b>   |
|      | handling commodities, other than cotton   | prepare separate loan or LDP requests for each applicable offset, identifying the applicable: <ul style="list-style-type: none"> <li>• producer's name and ID number</li> <li>• administrative County Office.</li> </ul>                                 |
|      | a cotton CMA  | notify the control County Office of the date loan or LDP proceeds will be, or were, obtained for the producer within 2 workdays of the date of the proceed.<br><br><b>Note:</b> This notification may be made at the time the inquiry in step 2 is made. |

## 249 CMA Offset Actions for State and County Offices

## A Control County Office Action

The following table provides the steps Control County Offices must follow for taking CMA offsets.

| Step | Action  |  |
|------|---|--|
| 1    | <b>IF contacted by...</b>   | <b>THEN record the date...</b>   |
|      | CMA handling commodities other than cotton  | of contact.  |
|      | cotton CMA  | loan or LDP will be, or was, obtained for the producer.<br><br><b>Note:</b> Contact must be within 2 workdays of the date of loan or LDP or CMA or LSA must recontact the County Office for the update amount. |
| 2    | Determine County Offices where the producer has offsets and each applicable amount.   |  |
| 3    | <b>IF...</b>  | <b>THEN...</b>   |
|      | no outstanding debt exists  | provide CMA or LSA written verification that outstanding debt no longer applies.   |
| 4    | Calculate offset amount, plus interest, through date in step 1 for each county.   |  |
| 5    | Inform the applicable CMA within 2 workdays of CMA contact of the following: <ul style="list-style-type: none"> <li>• offset amount, plus interest, for each offset and applicable County Office</li> <li>• County Office order of repayments by ascending State and County Office number order</li> <li>• how to handle cases involved in bankruptcies based on Regional Attorney instructions.</li> </ul> <b>Note:</b> For multiple types of debts within a single county, County Offices must follow the normal priority of payment procedures in 58-FI. |  |

## 249 CMA Offset Actions for State and County Offices (Continued)

## A Control County Office Action (Continued)

| Step | Action   |   |
|------|--|---|
| 6    | <b>IF offset payment is...</b>   | <b>THEN...</b>  |
|      | not received from CMA handling commodities other than cotton within 5 workdays of date in step 1 | <ul style="list-style-type: none"> <li>call and notify CMA that no payment was received</li> </ul>                          |
|      | not received from cotton CMA within 8 workdays of date in step 1                                 | <ul style="list-style-type: none"> <li>provide CMA with an updated payment amount based on the loan or LDP date.</li> </ul> |
|      | received from CMA within the appropriate time period   | forward payment to the administrative County Office.  |

## B CMA Service County Action

CMA service County Offices must, within 5 workdays of processing a loan or LDP with an applicable offset for claim, notify the applicable administrative County Office that a loan or LDP was processed for the applicable producer and amount of loan or LDP processed.

## C Administrative County Office Action

The following table provides the steps Administrative County Offices must follow for CMA offsets.

| Step | Action   |                |
|------|--|----------------|
| 1    | <b>IF offset...</b>  | <b>THEN...</b> |
|      | payment is received from CMA   | go to step 2.  |
|      | refund is requested by CMA   | go to step 6.  |
| 2    | Contact National Office for instructions to deposit the payment.   |                |
| 3    | Update producer's records to reflect the offset payment received.  |                |
| 4    | Send CMA confirmation payment was received within 5 workdays of receiving the payment.   |                |
| 5    | Update the producer's NAM's offset flag to indicate that no offset is owed when all offset amounts have been paid.   |                |
| 6    | Issue a refund according to 1-FI within 3 workdays.<br><br><b>Note:</b> Refund requests, based on State Office notification for component members, must include a copy of the State Office's notification that a payment was <b>not applicable</b> . |                |

**249 CMA Offset Actions for State and County Offices (Continued)****D State Office Action**

The following table provides the steps State Offices must follow for CMA offsets.

**Note:** If the State Office is aware that payment has been made before notification in step 1 is received, the State Office must notify applicable CMA's that offsets are **not** applicable.

| Step | Action  |  |
|------|---|--|
| 1    | Upon notification from CMA that they have received a joint operation record from the ADP Process for a component member, verify within 20 calendar days whether payments for the component member may be collected through the joint operation, according to 58-FI. |  |
| 2    | <b>IF offsets may...</b>  | <b>THEN...</b>   |
|      | be collected  | no further action is required.   |
|      | <b>not</b> be collected   | immediately provide CMA a written notification that payments may <b>not</b> be collected for the component member through the joint operation. |

**250 DMA Offsets, Assignments, and Deductions****A Reference for Offsets and Assignments**

For CCC offsets and assignments, DMA's must follow the policy applicable to LSA's in Paragraph 253.

**B National Peanut Board and State Assessment Deductions**

Deductions as applicable from MAL proceeds for the National Peanut Board and authorized State assessments must be paid directly by DMA's. DMA service County Offices must **not** make any such deductions from loans disbursed to DMA's.

**250 DMA Offsets, Assignments, and Deductions (Continued)****C Deductions for DAFP-Authorized Charges**

For DAFP-authorized deductions from MAL gross loan amounts, DMA's must follow policy in 2-LP Peanuts. DMA's must:

- for loans secured with EWR's or paper receipts, accept the DAFP-authorized charges relating to cleaning, drying, custom harvesting, and seed accounts agreed to by producers on a written statement of charges signed by the producer and submitted to DMA
- for loans where EWR or paper receipt indicates storage has been paid or provided for, as applicable, deduct storage and/or in-handling charges from gross MAL proceeds as directed by each producer on a written statement of unpaid charges signed by the producer
- **not** accept charges showing on EWR instead of a written statement signed by the producer
- obtain lienholder's approval of these deductions on CCC-679 according to paragraph 123.

**251 General Policies for LSA Offsets and Assignments****A LSA Assignment Policies**

The following offsets and assignment policies apply to LSA's.

- Offsets, when applicable, must be collected for producers who obtain loans or LDP's through LSA's from loan and LDP funds.
- Assignments, when applicable, must be collected for producers who obtain LDP's through LSA's from LDP funds.
- Producers through LSA's have the following options:
  - not obtain any loan and LDP on quantities with applicable offset or assignment
  - pay applicable offset or assignment on production included in loan and LDP activity.
- LSA's must follow control County Office guidance in bankruptcy cases.

**251 General Policies for LSA Offsets and Assignments (Continued)****B Payment Date**

The date of payment for offsets and assignments must be the date LSA contacts the County Office to obtain payment information.

**Note:** See subparagraph D for LSA payment priority order.

**C Notifications**

LSA's will receive notification that offsets and assignments are applicable:

- normally, through the CMA Process according to paragraph 247
- in rare instances, through notifications from the State Office.

**D LSA Payment Priority Order**

When LSA producer has both offsets and assignments applicable, LSA's must collect offsets first, and then assignments.

**E State Office Notifications**

State Offices are authorized to notify LSA's of large individual dollar amount offsets and assignments.

**252 Offset Actions for LSA's****A LSA Policies**

The following policies in addition to those listed in paragraph 251 also apply to offsets through LSA's:

- no action is needed when the applicable producer does not obtain either loan or LDP funds through LSA
- when a lien has been filed for a producer with an offset, the lienholder has the right to refuse to grant a waiver. If the lienholder grants the waiver, proceed with processing the loan or LDP. If the lienholder does **not** grant the waiver, the producer is not eligible for loans or LDP's.

## 252 Offset Actions for LSA's (Continued)

**B LSA Action**

The following table provides the steps LSA's must follow when offsets are applicable for a producer involved in a loan or LDP.

| Step | Action  |
|------|---|
| 1    | <p>When a joint operation record is received from the CMA process with "Y" in Field 67 for a component member, notify the joint operation's control County Office's State Office that record has been received. In notification, identify applicable joint operation, component members, and control County Offices.</p> <p><b>Notes:</b> The State Office has 30 calendar days to notify the applicable LSA when a payment to CCC is <b>not applicable</b>. See step 6 for additional instructions.</p> <p>When the loan or LDP proceed is for a component member of a joint operation, the proceed amount is determined by multiplying the applicable component member's actual share (Field 16 from the CMA Process) times the joint operation's proceed amount.</p> |
| 2    | <p>Contact control County Office to determine offset amount and applicable administrative County Offices no more than 3 workdays before obtaining loan or LDP proceeds.</p> <p><b>Note:</b> If control County Office does not receive payment within 8 workdays of this contact, it will reject the payment. When this happens, LSA's must contact the control County Office again to determine the exact amount due on the day producer obtained loan or LDP proceeds.</p>   |
| 3    | <p>LSA must notify the control County Office of the date loan or LDP proceeds will be, or were, obtained for the producer within 2 workdays of the date of the proceed.</p> <p><b>Note:</b> This notification may be made at the time the inquiry in step 2 is made.</p>  |

## 252 Offset Actions for LSA's (Continued)

## B LSA Action (Continued)

| Step | Action   |  |
|------|--|--|
| 4    | <b>IF offset is...</b>   | <b>THEN issue a payment to...</b>  |
|      | less than loan or LDP proceeds due producer  | <ul style="list-style-type: none"> <li>CCC for producer to control County Office for offset according to step 5</li> <li>producer for balance of proceeds due producer.</li> </ul> |
|      | equal to or greater than loan or LDP proceeds due producer   | CCC for producer to control County Office for loan or LDP proceed amount according to step 5.  |
| 5    | <ul style="list-style-type: none"> <li>Issue payments to CCC.</li> <li>Attach a memorandum stating that the payment is an “Offset payment of \$____ for <b>(producer’s name, ID number, and administrative County Office)</b>”.</li> <li>Submit payment to control County Office.</li> </ul>   |  |
| 6    | When notified by State Office that payment to CCC is <b>not applicable for a joint operation</b> after payment was made: <ul style="list-style-type: none"> <li>request refund from administrative County Office           <p><b>Note:</b> A copy of State Office’s notification <b>must</b> be included with the refund request.</p> </li> <li>issue payment to producer within 3 workdays of receiving payment from administrative County Office.</li> </ul> |  |

## 253 LSA Offset Actions for State and County Offices

**A Control County Office Actions**

The following table provides the steps Control County Offices must follow for LSA offsets.

| Step | Action  |   |
|------|---|---|
| 1    | <b>IF contacted by...</b>   | <b>THEN record date...</b>  |
|      | cotton LSA  | loan or LDP will be, or was, obtained for producer.<br><br><b>Note:</b> Contact must be within 2 workdays of the date of loan or LDP or LSA must recontact County Office for update amount. |
| 2    | Determine County Offices where producer has offsets and each applicable amount.   |   |
| 3    | <b>IF...</b>  | <b>THEN...</b>  |
|      | no offset exists  | provide LSA written verification that offset no longer applies.   |
|      | any offset exists   | continue.   |
| 4    | Calculate offset amount, plus interest, through date in step 1 for each county.   |   |
| 5    | Inform the applicable LSA, within 2 workdays of LSA contact, of: <ul style="list-style-type: none"> <li>offset amount, plus interest, for each offset and applicable County Office</li> <li>County Office order of repayments by ascending State and County Office number order</li> <li>how to handle cases involved in bankruptcies based on Regional Attorney instructions.</li> </ul> <b>Note:</b> For multiple types of debts within a single county, County Offices must follow the normal priority of payment procedures in 58-FI. |   |
| 6    | <b>IF offset payment is...</b>  | <b>THEN...</b>  |
|      | not received from LSA within 8 workdays of date in step 1   | <ul style="list-style-type: none"> <li>call and notify LSA that no payment was received</li> <li>provide LSA with an updated payment amount based on loan or LDP date.</li> </ul>           |
|      | received from LSA within the appropriate time period  | forward payment to administrative County Office.  |

## 253 LSA Offset Actions for State and County Offices (Continued)

**B Administrative County Office Action**

The following table provides the steps Administrative County Offices must follow for LSA offsets.

| Step | Action  |                |
|------|---|----------------|
| 1    | <b>IF offset...</b>   | <b>THEN...</b> |
|      | payment is received from LSA  | go to step 2.  |
|      | refund is requested by LSA  | go to step 6.  |
| 2    | Contact National Office for instructions to deposit payment.  |                |
| 3    | Update producer's records to reflect offset payment received.   |                |
| 4    | Send LSA confirmation payment was received within 5 workdays of receiving payment.  |                |
| 5    | Update producer's NAM's offset flag to indicate that no offset is owed when all offset amounts have been paid.  |                |
| 6    | Issue a refund according to 1-FI within 3 workdays.<br><br><b>Note:</b> Refund requests based on State Office notification for component members, must include a copy of the State Office's notification that a payment was <b>not applicable</b> . |                |

**C State Office Action**

The following table provides the steps State Offices must follow for LSA offsets.

**Note:** If State Office is aware that payment has been made before notification in step 1 is received, State Office must notify applicable LSA's that offsets are not applicable.

| Step | Action   |  |
|------|--|--|
| 1    | Upon notification from LSA that they have received a joint operation record from CMA process with a "Y" in Field 67 for a component member, verify within 20 calendar days whether payments for the component member may be collected through the joint operation, according to 58-FI. |  |
| 2    | <b>IF offsets may...</b>   | <b>THEN...</b>   |
|      | be collected   | no further action is required.   |
|      | <b>not</b> be collected  | immediately provide LSA a written notification that payments may <b>not</b> be collected for the component member through the joint operation. |

## 254 LSA Assignments

**A Occurrence**

Assignments apply when a producer voluntarily requests that CCC issue LDP funds to another entity. Assignments **only** apply to producers obtaining LDP's.

**B LSA Action**

The following table provides the steps LSA's must follow for producers with assignments who obtain LDP's.

| Step | Action   |  |
|------|--|--|
| 1    | Contact applicable administrative County Office or access the FSA financial services web site, if authorized, no more than 3 workdays before disbursing LDP proceeds to the producer to determine amount of assignment and the assignee.   |  |
| 2    | <b>IF assignment amount is...</b>  | <b>THEN issue a payment to...</b>  |
|      | less than LDP amount due producer  | <ul style="list-style-type: none"> <li>assignee for the assignment amount</li> <li>producer for balance of LDP proceeds due the producer.</li> </ul> |
|      |  | assignee.  |
| 3    | Immediately submit a memo by mail or e-mail to the administrative County Office stating, "Assignment payment of \$ _____ for ( <b>producer's name, address, and ID number</b> ) and crop year _____," has been made. If the assignment is farm number specific, add the FSN. Also include the assignee's name, address, and ID number. |  |

**255 CMA, DMA, or LSA Producer Bankruptcies**

**A CMA, DMA, or LSA Actions**

When informed of producers who have filed for bankruptcy, CMA's, DMA's, or LSA's:

- with sufficient legal resources may process MAL's and LDP's for these producers:
  - at their own risk
  - as directed by the applicable bankruptcy court
- without sufficient legal resources may refer these producers to the applicable County Office for MAL and LDP processing as directed by OGC.

**256-265 (Reserved)**



**266 Overview****A Introduction**

PSD will analyze each CMA, DMA, or LSA on an annual basis to determine sampling quantities of the CMA's, DMA's, or LSA's to be reviewed.

**B Objective for Reviews**

The objective of conducting reviews is to assess the adequacy of controls designed to ensure the eligibility of CMA, DMA, or LSA members for CCC MAL's and LDP's. This includes an assessment of the controls used to:

- prevent the duplication of benefits and benefits provided to ineligible members
- review the overall operation of CMA, DMA or LSA to determine whether the prescribed requirements outlined by CCC are being followed and administered as agreed.

**C Determining CMA's DMA's or LSA's to Review**

At the end of the crop year after previous review or review determination, PSD will review the following:

- MAL and LDP volume of preceding crop years

**D Completing Administrative Reviews**

PSD will:

- submit notice of review to each CMA, DMA, or LSA that will be reviewed
- determine a manner of conducting the administrative review
- submit a summary of findings or correction actions, if applicable to the reviewed CMA
- complete reviews between June and December of the calendar year following the end of the loan availability date for a crop year.

**267 CMA, DMA, or LSA Administrative Review Plans****A Introduction**

PSD will issue a field review plan to the applicable CMA, DMA, or LSA at the time a notice of review is delivered, detailing the policy and procedures to follow during the administrative field review.

**B Field Review Plan Content**

Each field review plan issued to CMA's, DMA's, and LSA's will contain the following:

- introduction and background
- field review objectives
- field review scope
- field review approach.

Field review plans will identify and give explanation, as well as timelines, for the following phases of review:

- familiarization phase
- identification phase
- field visit phase
- analysis phase
- corrective action phase.

**268 Corrective Action Phase****A Objective**

The objective of the corrective action phase is to notify the ADP of the problems that need to be corrected.

**B Corrective Action Steps**

PSD will initiate and complete the following steps with the applicable ADP:

- prepare a report to the ADP of the findings and problems that require corrective action. Include recommendations as to how the problem should be corrected
- discuss the report with the ADP

**268    Corrective Action Phase (Continued)**

**B    Corrective Action Steps**

- require the ADP to submit a corrective action plan to PSD

**Note:** The plan should include both short term and long-term corrections.

- issue instructions to collect any applicable overpayments
- follow-up with the ADP to ensure corrective action plan compliance
- consider suspension or termination of ADP if warranted
- contact OIG through the Director, PSD, if any willful misrepresentation, scheme, or device, or fraudulent record keeping, or other activity is suspected.

**269    Seed Cotton Spot Checks**

**A    Crop Year Spot Checks**

Each crop year during loan making season National Office will request loan folders for the first three seed cotton loans completed and may select additional loan folders at random. The loans will be spot check for compliance with seed cotton policy and procedures in 7-CN.

**270-279    (Reserved)**



**Part 8 Reports from CMA's, DMA's, and LSA's****280 General Information****A Background**

Control systems to detect ineligible, duplicate, or excess benefits are necessary because:

- commodities used to obtain loans or LDP's by CMA's or by DMA or LSA producers must be produced:
  - by an eligible producer
  - on an eligible FSN
- according to a 2001 GAO report entitled, "Farm Programs: Changes to the Marketing Assistance Loan Program Have Had Little Impact on Payments", USDA's oversight of payments to cooperatives is inadequate.

**B Types of Controls**

The controls used by FSA to avoid ineligible, duplicate, or excess benefits are as follows:

- ADP Process provides producer eligibility data monitored by CMA's, DMA's, and LSA's
- monitors CMA's, DMA's, and LSA's market gain reports
- COPS provides duplicate benefit reports on cotton monitored by Exhibit 2
- reviews of CMA's, DMA's, and LSA's, conducted by PSD.

**281 Resolving Problems****A Administrative County Office Actions**

Administrative County Offices must:

- resolve possible yield problems according to paragraph 282
- for duplicate benefit problems, contact the CMA or DMA service County Office to determine:
  - which benefit is the correct benefit according to subparagraph 234 B
  - whether the County Office, CMA, or DMA is responsible for a refund

**281 Resolving Problems (Continued)****A Administrative County Office Actions (Continued)**

- collect refunds from producers if the County Office-provided benefit is the duplicate
- for CMA ineligible or excess benefit problems, work with service County Offices according to paragraph 234
- for DMA-issued ineligible volumes, notify DMA
- **not** issue a notification letter to CMA or DMA according to 8-LP, paragraph 401
- contact the State Office for assistance.

**B CMA and DMA Service County Office Actions**

CMA and DMA service County Offices must:

- for duplicate benefits, assist administrative County Offices in determining which benefit was requested first
- **not** use the number of violations as a determining factor when assessing administrative actions according to 8-LP, paragraph 401
- demand and collect refunds from CMA's or DMA's according to paragraph 135.

**C CMA and DMA Actions**

DMA's and all CMA's, except cotton, must:

- submit production evidence requested by administrative County Offices according to paragraph 268
- request waivers of liquidated damages from PSD through the service County Office
- pay refunds at the direction of a demand letter from the CMA or DMA service County Office.

**Note:** DMA's must collect excess benefits from applicable DMA producers and work with their service County Office to correct underlying loans and LDP's.

**282 Resolving Problems Arising From COC-Established Yields****A Background**

8-LP provides that:

- if the quantity pledged as collateral for loan or requested for LDP is greater than **110** percent of the COC maximum established quantity (COC-established yield times the reported acreage), do **not** approve the loan or LDP
- if the producer is **not** satisfied with the maximum quantity determined by COC, give the producer appeal rights to COC
- during the appeal process, COC may approve loan and LDP quantities exceeding the COC maximum established quantity if:
  - the producer provides actual production evidence for the crop year and other documentation to support the yield, such as fertilizer
  - COC determines the quantity reasonable for the crop year based on the producer's farming practices, production evidence, and other documentation provided
- COC must **not** delegate authority to approve quantities exceeding 10 percent of the COC-established yield.

**B CMA's Are Producers**

For loan and LDP purposes, CMA's are considered to be the producer because CMA obtains the loan or LDP. Therefore, CMA's and their members must be subject to the same controls as producers receiving benefits from a County Office.

**C Administrative County Office Action**

CMA's and DMA's submit loan and LDP volume reports to administrative County Offices for review. In those cases, County Offices must:

- review reports by the deadline established by the State Office
- resolve problems with CMA as directed by the State Office

## 282 Resolving Problems Arising From COC-Established Yields (Continued)

**C Administrative County Office Action (Continued)**

- when cases involve quantities that exceed COC-established yields, require CMA to provide satisfactory production evidence according to 8-LP for the CMA member quantity that is questioned
- **not** issue a notification letter to CMA or DMA according to 8-LP, paragraph 401
- notify the applicable service County Office of the ineligible quantity, loan or LDP number, and warehouse receipt number, if applicable.

**D CMA and DMA Action**

CMA's and DMA's submitting loan and LDP quantity data to administrative County Offices for review must:

- provide acceptable production evidence, according to 8-LP, paragraph 335, when requested for quantities that exceed COC-established yields
- in the case of grain and rice loan and LDP overpayments, pay refunds at the direction of a demand letter from the service County Office.

**E Service County Office Actions**

When notified of ineligible loan and LDP quantities, CMA and DMA service County Offices must process refunds according to paragraph 235.

**Note:** When assessing administrative actions according to 8-LP, paragraph 401, CMA or DMA service County Offices must **not** use the number of CMA violations as a determining factor.

**Reports, Forms, Abbreviations, and Redelegations of Authority****Reports**

None.

**Forms**

This table lists all forms referenced in this handbook.

| Number           | Title   | Display Reference | Reference                          |
|------------------|---|-------------------|------------------------------------|
| AD-1026          | Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification  |                   | 126                                |
| AD-1026-Appendix | Appendix to Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification  |                   | 125                                |
| CCC-10           | Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents | 122               | 155, 175, 184                      |
| CCC-257          | Schedule of Deposit   |                   | 235                                |
| CCC-500          | Marketing Assistance Loan Repayment Receipt   |                   | 192                                |
| CCC-601          | Commodity Credit Corporation Note and Security Agreement Terms and Conditions   | 188               | 129, 155, 173, 175, 186, 187       |
| CCC-605          | Designation of Agent - Cotton   | 179               | Text                               |
| CCC-605-1        | Designation of Agent - Cotton (Continuation Sheet to Form CCC-605)  | 179               | 174, 175, 176, 178                 |
| CCC-605-2        | Designation of Subsequent Agent - Cotton  | 179               | 175, 176, 177, 178                 |
| CCC-605P         | Designation of Agent – Peanuts  |                   | 155                                |
| CCC-633 EZ       | Loan Deficiency Payment (LDP) Agreement and Request   | 213, 216          | 121, 155, 212, 215, 216, 217, 218, |
| CCC-674          | Certification for Contracts, Grants, Loans, and Cooperative Agreements  | 129               | 155, 184                           |
| CCC-677          | Farm Storage Note and Security Agreement  |                   | 129                                |

## Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

## Forms (Continued)

| Number             | Title   | Display Reference | Reference                 |
|--------------------|---|-------------------|---------------------------|
| CCC-678            | Warehouse Storage Note and Security Agreement   |                   | 129, 155                  |
| CCC-679            | Lien Waiver   | 123               | 141, 174, 175, 184, 250   |
| CCC-686-A          | Application for Loan or Loan Deficiency Payment by Heirs (CMA, DMA, LSA) (On a Commodity Produced by a Person Who Has Died) | 131               | 130, 180                  |
| CCC-697            | Request to Lock in a Market Loan Repayment Rate   |                   | 159                       |
| CCC-719            | ACRS Transaction Report (Report Control No. FM-596R)  |                   | 4, 87, 124, 173, 174, 194 |
| CCC-736 (Addendum) | Privacy Act, Public Burden, and Penalty Statement for CMA and LSA Loan and Loan Deficiency Payment (LDP) Forms              | 124               |                           |
| CCC-746            | CMA, DMA, or LSA Request for Manual Producer Eligibility Determination  | 125               | 130, 180                  |
| CCC-770 Cotton MAL | Cotton and Seed Cotton MAL Checklist  |                   | 174                       |
| CCC-770 DMA        | DMA Peanut MAL or LDP Processing Checklist  | 156               |                           |
| CCC-770 LSA        | LSA Cotton Loan and LDP Checklist   | Ex. 5             | 174                       |
| CCC-846            | Application for Approval of Cooperative Marketing Association for Loan and Loan Deficiency Payments (LDP)                   | 55                | Text                      |
| CCC-846-1          | Loan and Loan Deficiency Payment (LDP) Recertification for Approved Cooperative Marketing Associations (CMA's)              | 57                | 22, 53, 56                |
| CCC-846-1A         | Recertification of Status for Approved Loan Servicing Agents (LSA's) or Designated Marketing Associations (DMA's)           | 88                | 76119                     |
| CCC-912            | Agreement of Authorized Loan Servicing Agent  | 87                | 85, 86, Ex. 2             |

**Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)****Forms (Continued)**

| Number                    | Title   | Display Reference | Reference                           |
|---------------------------|---|-------------------|-------------------------------------|
| CCC-912-P                 | Agreement for Designated Marketing Association Terms and Conditions for Peanuts | 73                | 72, 74                              |
| CCC-Cotton A              | Cotton Producer's Note and Security Agreement                                   | 186               | 173, 174, 175, 184, 186, 187, Ex. 2 |
| CCC-Cotton A Continuation | CCC-Cotton A Continuation Sheet   | 187               | 174, 175, 186                       |
| CCC-Cotton A-1            | Schedule of Pledged Cotton  | 189               | 173, 174, 175, 184                  |
| CCC-Cotton AA-1           | Schedule of LDP for Upland Cotton   |                   | 173, 174, 175                       |
| CCC Cotton AA-2           | Spotcheck of Upland Cotton Subject to AWP Lock-in                               | 217               | 217                                 |
| CCC Cotton A-5            | Statement of Eligibility and Information Worksheet                              | 185               | 175,                                |
| CCC-Cotton G              | Cotton Cooperative Loan Agreement   |                   | 54, 234                             |
| FSA-211                   | Power of Attorney   | 120               | Text                                |
| FSA-211A                  | Power of Attorney Signature Continuation Sheet                                  | 120               |                                     |
| FSA-578                   | Report of Acreage   |                   | 126, 130                            |
| SF-LLL                    | Disclosure of Lobbying Activities   | 129               | 155, 184                            |
| SF-LLL-A                  | Disclosure of Lobbying Activities Continuation Sheet                            | 129               |                                     |

**Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)****Abbreviations**

This table lists all abbreviations used in this handbook.

| Approved Abbreviation | Term   | Reference                          |
|-----------------------|--|------------------------------------|
| ACRS                  | Automated Cotton Reporting System              | Text                               |
| ADP                   | alternate delivery partner                     | Text, Ex. 2                        |
| AGI                   | adjusted gross oncome                          | Text, Ex. 2                        |
| AWP                   | adjusted world price                           | 181, Part 6                        |
| BI                    | beneficial interest                            | Text                               |
| BIA                   | Bureau of Indian Affairs                       | 128, Ex. 12                        |
| CAIVRS                | Credit Alert Interactive Voice Response System | 126                                |
| CCA                   | coarse count adjustment                        | 181, 216                           |
| CCB                   | Cotton Commercial Bank                         | Text, Ex. 2                        |
| CCC                   | Commodity Credit Corporation                   | Text, Ex. 2                        |
| CCR                   | centralized cotton redemption                  | 179                                |
| CED                   | County Executive Director                      | 4, 125                             |
| CFR                   | Code of Federal Regulations                    | TextEx. 2                          |
| CLG                   | Commodity Loan Group                           | 194                                |
| CLPS                  | Commodity Loan Processing System               | 235                                |
| CMA                   | Cooperative Marketing Association              | Text, Ex. 2, 4, 5                  |
| COC                   | County Committee                               | 216, 282                           |
| COPS                  | Cotton Online Processing System                | 2, 192, 194, 280                   |
| CSA                   | Cotton Storage Agreement                       | 193, 194                           |
| DAFP                  | Deputy Administrator, Farm Programs, FSA       | 3, 72, 250                         |
| DCIA                  | Debt Collection Improvement Act of 1996        | 125, 126, 127, 186                 |
| DMA                   | Designated Marketing Association               | Text, Ex. 2, 4                     |
| ELS                   | extra long staple                              | 1, 186, 187, 189, 192, 193, Ex. 14 |
| e.t.                  | eastern time                                   | 181                                |
| EWR                   | electronic warehouse receipt                   | Text, Ex. 2                        |
| FAX                   | facsimile                                      | Text, Ex. 4                        |
| FCIC                  | Federal Crop Insurance Corporation             | 126                                |
| FMD                   | Financial Management Division                  | Text                               |
| FmHA                  | Farmers Home Administration                    | 123                                |

**Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)****Abbreviations (Continued)**

| <b>Approved Abbreviation</b> | <b>Term</b>                              | <b>Reference</b>        |
|------------------------------|--|-------------------------|
| FSA                          | Farm Service Agency                      | Text, Ex. 4, 14         |
| FSN                          | farm serial number                       | 120, 125, 254, 280,     |
| FY                           | fiscal year                              | 55-57, 76, 88, Ex. 2    |
| ISD                          | Information Solutions Division           | 1-4                     |
| ID                           | identification                           | Text, Ex. 12            |
| LDP                          | loan deficiency payment                  | Text and Exhibits       |
| LSA                          | Loan Servicing Agent                     | Text, Ex. 2, 4, 5       |
| MAL                          | marketing assistance loan                | Text, Ex. 2             |
| MLG                          | market loan gain                         | 126, 128                |
| NAM                          | name and address record                  | 249, 253,               |
| NRRS                         | National Receipts and Receivables System | 2, 160                  |
| OGC                          | Office of the General Counsel            | 122                     |
| PDD                          | Program Delivery Division                | 2, 3, 102               |
| PLM                          | payment limitation amount                | 128, 231, 233, 235      |
| POA                          | power of attorney                        | 185, 217                |
| PSD                          | Price Support Division                   | Text                    |
| R&P                          | research and promotion                   | 182, 184, 186, 189, 219 |
| SSN                          | Social Security number                   | 216, 217, 218           |
| TIN                          | tax identification number                | 55, 125                 |
| UCC                          | Uniform Commercial Code                  | 121, 122, 123,          |
| USDA                         | United States Department of Agriculture  | Text                    |
| WCMD                         | Warehouse Commodity Management Division  | 3. 4, 189, 194, 195     |

**Redelegations of Authority**

None



**Definitions of Terms Used in This Handbook****Active Member**

An active member is a member who has used the services offered by CMA in 1 of the 3 preceding CMA FY's or a shorter period as may be provided in CMA's articles of incorporation or bylaws.

**Administrative County Office**

An administrative County Office is the County Office where the producer's records are maintained. It may also be called "noncontrol" County Office or "other" County Office.

**Alternate Delivery Partners (ADPs)**

An alternate delivery partner (ADP) is an approved CMA, DMA, or LSA authorized to process and service MAL and LDP requests.

**Authorized Commodity**

An authorized commodity is a commodity that ADP's are approved to use to obtain loans or LDP's. Commodities that may be approved by ADP's are those approved for MAL's and LDP's according to 7 CFR Part 1421.

**Authorized Loan Servicing Agent (LSA)**

Authorized LSA is an entity approved by CCC to act as its agent in providing service to producers for CCC-Cotton A loans under the CCC Cotton Loan Program according to CCC-912.

**CMA**

CMA is a cooperative approved by CCC to participate in loan and LDP programs for any authorized commodity.

**CMA Service County Office**

A CMA service County Office is a designated county office which processes loan and LDP activities for CMA's other than cotton.

**Definitions of Terms Used in This Handbook (Continued)****Commingled Commodities**

Commingled commodities are commodities, other than cotton, where the identity of the producer is lost once the commodity is delivered to CMA and mixed with production from other producers.

**Component Members**

Component members are members of joint operations. When a joint operation has other joint operations as members, the ADP Process identifies all applicable component members and their respective actual shares in the joint operation.

**Cooperative**

A cooperative is a business owned and controlled by the producers who use its services and operated under generally accepted cooperative principles.

**Cotton Board**

Cotton Board is the board authorized under the Cotton Research and Promotion Act to collect the research and promotion fee assessed on upland cotton.

**Cotton Commercial Bank (CCB)**

CCB is a bank under contract to CCC that serves as CCC's agent for handling and servicing CCC cotton loans, redemptions, and other transactions.

**Date Documents Provided**

The date documents provided (enter on CCC Cotton A-5, item 8) is the **later** of the following dates:

- the date of receipt from the producer of any paper documents necessary to complete the loan, such as a lien waiver

**Note:** The date by which a lien search conducted is not applicable to this item.

- the date CCC was made holder of EWR's
- if applicable, the date paper warehouse receipts were delivered to LSA.

**Definitions of Terms Used in This Handbook (Continued)****Date Market Gains Are Received**

The date market gains are received for:

- LDP's is the date of LDP
- loans is the loan's repayment date.

**Denied Market Gains**

Denied market gains are market gains a producer or "person" is not entitled to because the producer or "person" has AGI share of less than 1.0000.

**Designated Marketing Association (DMA)**

DMA is an entity or a subsidiary thereof that performs marketing functions for a marketing association of peanut producers, does not take title to the commodity, and is authorized by CCC to provide and to service CCC peanut MAL's and LDP's for individual producers who have beneficial interest in peanuts. Furthermore, DMA is not controlled either directly or indirectly, by a person or entity that acquires peanuts for processing or crushing through a business involved in buying and selling peanuts or peanut products.

**DMA Service County Office**

A DMA service County Office is a County Office designated by CCC to accept, process, and disburse peanut MAL's and LDP's to DMA.

**Electronic Warehouse Receipt (EWR) Provider**

EWR provider is an entity that has entered into an "Farm Service Agency Provider Agreement to Electronically File and Maintain Warehouse Receipts".

**Financial Services**

Financial Services is a web-based application created to provide customers and Service Center employees the ability to enter information for assignments, joint payments, direct deposits, and customer profile related information.

**Flag**

A flag is a "Y" in 1 of the eligibility or processing fields in the ADP Process.

**Definitions of Terms Used in This Handbook (Continued)****Gin Direct**

Gin direct is cotton under a contract that specifies that the control of the cotton is transferred immediately to the buyer or mill after the cotton is removed from the gin box. Producers who have these contracts and do not receive an advance payment are eligible for LDP's according to 7-CN, Part 5.

**Identity Preserved Commodities**

Identity preserved commodities are commodities, such as cotton, where the individual producer's identity is maintained while the commodity is under loan.

**Joint Operation**

A joint operation is either of the following:

- general partnership (entity type 02)
- joint venture (entity type 03).

**Loan Pool**

A loan pool is any CMA pool containing commodities used by CMA to obtain either loans or LDP's.

**Market Gain**

Market gain is the sum of the loan rate, minus the repayment rate on loans repaid with less than the loan rate, plus, for LDP's, the county loan rate minus the CCC determined value times the quantity of commodity. These gains are limited based on AGI and payment limitation.

**Definitions of Terms Used in This Handbook (Continued)****Market Gain Period**

Market gain period is the time period from, and including the date market gain was received to, but not including, the reimbursement date. It is used in determining repayment amounts due CCC for ineligible market gains, denied market gains, and/or excess market gains.

**Member**

A member is a producer who:

- has fully paid for membership stock or earned equity credits in CMA
- has executed a uniform marketing agreement with CMA
- is a member of CMA
- is entitled to all CMA membership rights.

**Transfer Out**

Transfer out is the action taken by an administrative County Office, at the producers' request, to transfer farm records to another County Office for administration. After the "transfer out" is completed, ADP Process input file records must reflect the new administrative County Office.

**"Person"**

A "person" is:

- an individual, or an individual participating as a member of a joint operation or similar operation
- a corporation, joint stock company, association, limited stock company, limited partnership, irrevocable trust, revocable trust together with the grantor of the trust, estate, or charitable organization, including any entity participating in the farming operation as a partner in a general partnership, a participant in a joint venture, a grantor of a revocable trust, or a participant in a similar entity
- a State, political subdivision, or agency thereof.

**Primary Owners**

Primary owners are those entities owning more than 10 percent of LSA.

**Definitions of Terms Used in This Handbook (Continued)****Program Services**

Program services are those services ADP's are authorized to provide for CCC to producers under CCC-912 with CCC.

**Recording County Office**

A recording County Office is the only County Office that records eligibility data for producers designated as multi-county producers.

## Approved CMA's, DMA's, and LSA's

The following table provides an alphabetical list of approved CMA's, DMA's, and LSA's and information about each CMA, DMA, and LSA. Only approved CMA's, DMA's, and LSA's are authorized to contact control County Offices to resolve producer eligibility problems.

National Office will send each CMA, DMA, and LSA FSA handbook amendments and notices by e-mail. Users can distinguish CMA's from LSA's by their code. CMA's and DMA's are assigned a county code in the "800" series, and LSA's are assigned a county code in the "700" series.

CMA's must obtain loans and LDP's for only the crops for which they are approved. CMA suspensions are indicated in the "Approved Crops" column.

Wheat, feed grains, and rice CMA's obtain loans and LDP's through a service County Office. Cotton CMA's and LSA's are **not** assigned a service County Office

| <b>Address</b>   | <b>FIPS Code</b>       | <b>Phone/FAX</b>             | <b>Approved Crops</b> | <b>Service County/Code</b> |
|--|------------------------|------------------------------|-----------------------|----------------------------|
| Adams Land Company<br>PO Box 49<br>Leachville, AR 72438-0049                             | 05-704<br><b>(LSA)</b> | 972-239-4283<br>870-539-6314 | Cotton                | NA                         |
| Adams Land Company<br>1805 East Third Street<br>Leachville, AR 72438                     | 05-807<br><b>(DMA)</b> | 870-539-6314                 | Peanuts               | Craighead AR<br>05-031     |
| American Peanut Marketing Association,<br>LLC<br>210 Court Sq<br>Blakely, GA 39823-2247  | 13-808<br><b>(DMA)</b> | 229-724-7322<br>229-724-7385 | Peanuts               | Calhoun GA<br>13-037       |
| Autauga Quality Cotton Association<br>208 Medical Center Ct<br>Prattville, AL 36066-7288 | 01-801                 | 334-365-3369<br>334-365-9261 | Cotton                | NA                         |
| Calcot, Ltd<br>1900 E Brundage Ln<br>PO Box 259<br>Bakersfield, CA 93302-0259            | 06-804                 | 661-395-6816<br>661-861-9870 | Cotton                | NA                         |
| Carolinas Cotton Growers Cooperative<br>101 Sigma Dr<br>Garner, NC 27529-8543            | 37-801                 | 919-773-2120<br>919-773-4495 | Cotton                | NA                         |

**Approved CMA's, DMA's, and LSA's (Continued)**

| <b>Address</b>  | <b>FIPS Code</b>        | <b>Phone/FAX</b>                         | <b>Approved Crops</b> | <b>Service County/Code</b> |
|---|-------------------------|--|-----------------------|----------------------------|
| Concordia Allied Producers<br>111B North Main Street<br>Sylvester, GA 31791                         | 13-806<br><b>(DMA)</b>  | 229-299-5060<br>229-567-9664             | Peanuts               | Worth GA<br>13-321         |
| Concordia LLC<br>111B North Main Street<br>Sylvester, GA 31791                                      | 13-805<br><b>(CMA)</b>  | 229-299-5060<br>229-567-9664             | Peanuts               | Worth GA<br>13-321         |
| Cotton Resources, Inc.<br>PO Box 897<br>Seminole TX 79360   | 48-709<br><b>(LSA)</b>  | 432-758-9491<br>432-758-3342             | Cotton                | NA                         |
| Cotton Solutions Cooperative<br>7101 Goodlett Farms Pkwy<br>Cordova, TN 38016                       | 47-805<br><b>(CMA)</b>  | 901-937-4500                             | Cotton                | NA                         |
| Fambro Warehouse Company<br>c/o Dunavant & Company<br>PO Box 26627<br>Fresno, CA 93729-6627         | 06-703<br><b>(LSA)</b>  | 559-448-1880<br>559-448-1846             | Cotton                | NA                         |
| Farmers' Rice Cooperative<br>1760 Creekside Oaks Dr<br>Suite 200<br>Sacramento, CA 95833-2929       | 06-801<br><b>(CMA)</b>  | 916-923-5100<br>916-925-4970             | Rice                  | Sacramento<br>CA<br>06-067 |
| Harvest LSA Inc.<br>2221 Lakeside Blvd Suite 1050<br>Richardson ,TX 75082                           | 48-710<br><b>(LSA)</b>  | 214-965-0070<br>214-965-0028             | Cotton                | NA                         |
| Liberty Agricultural Cooperative Assn.<br>115 Peanut Drive<br>Edenton, NC 27832                     | 48-834<br><b>(CMA)</b>  | 469-607-5325                             | Cotton                | NA                         |
| Peanut Marketing Loan Services, LLC<br>1405 Glenwood Dr<br>PO Box 71<br>Stephenville, TX 76401-0001 | 48-832I<br><b>(DMA)</b> | 254-592-2762                             | Peanuts               | Eastland TX<br>48-133      |
| Plains Cotton Cooperative Association<br>3301 E 50th St<br>PO Box 2827<br>Lubbock, TX 79408-2827    | 48-803<br><b>(CMA)</b>  | 806-763-8011<br>806-762-7444<br>806-762- | Cotton                | NA                         |
| ProCot Cooperative<br>7255 Goodlett Farms Pkwy<br>Cordova, TN 38016                                 | 47-804<br><b>(CMA)</b>  | 901-383-5026                             | Cotton                | NA                         |

**Approved CMA's, DMA's, and LSA's (Continued)**

| <b>Address</b>   | <b>FIPS Code</b> | <b>Phone/FAX</b>             | <b>Approved Crops</b>                       | <b>Service County/Code</b>  |
|--|------------------|------------------------------|---|-----------------------------|
| Producers Rice Mill, Inc.<br>518 E Harrison St<br>PO Box 1248<br>Stuttgart, AR 72160-1248          | 05-803<br>(CMA)  | 870-674-2453<br>870-673-8131 | Rice  | Arkansas AR<br>05-001       |
| Riceland Foods, Inc.<br>2210 S Park Ave<br>Box 9272<br>Stuttgart, AR 72160-9272                    | 05-802<br>(CMA)  | 870-673-5222<br>870-673-5667 | Rice<br>Soybeans<br>Wheat                   | Arkansas AR<br>05-001       |
| Southern Producers Alliance, Inc.<br>44 Military Road<br>Marion, AR 72364                          | 05-806<br>(CMA)  | 870-739-2050                 | Corn<br>Cotton<br>Rice<br>Soybeans<br>Wheat | Crittenden AR<br>05-035     |
| Staplcotn<br>214 W Market St<br>PO Box 547<br>Greenwood, MS 38935-0547                             | 28-801<br>(CMA)  | 662-455-8847<br>662-453-8701 | Cotton                                      | NA                          |
| Telmark LSA<br>3301 E 50th St<br>PO Box 2917<br>Lubbock, TX 79404-2917                             | 48-701<br>(LSA)  | 806-763-8011<br>806-762-7333 | Cotton                                      | NA                          |
| United Agricultural Cooperative, Inc.<br>911 S Wharton St<br>PO Box 826<br>El Campo, TX 77347-0826 | 48-809<br>(CMA)  | 979-543-6284<br>979-543-9004 | Corn<br>Grain Sorghum<br>Soybeans<br>Wheat  | Wharton TX<br>48-481        |
| USA-LSA<br>208 Medical Center Court<br>Prattville, AL 36066  | 01-702<br>(LSA)  | 334-365-3369<br>334-365-9261 | Cotton                                      | NA                          |
| V-C Peanut DMA LLC<br>1001 Campbell Ave<br>PO Box 59<br>Franklin, VA 23851-0059                    | 51-802<br>(DMA)  | 757-562-4103<br>757-562-0744 | Peanuts                                     | Southampton<br>VA<br>51-175 |



## **Valid ID and Entity Type Combinations**

The following table provides valid combinations of ID and entity types.

**Note:** Only producers with these combinations of ID type and entity type are eligible for loans and LDP's.

| <b>Entity Code</b> | <b>Description</b>                               | <b>Valid ID Types</b> |
|--------------------|--|-----------------------|
| 01                 | Unknown/Not Applicable/Individual (default)      | S and I               |
| 02                 | General Partnership                              | E                     |
| 03                 | Joint Venture                                    | E                     |
| 04                 | Corporation                                      | E                     |
| 05                 | Limited Partnership                              | E                     |
| 06                 | Estate   | E                     |
| 07                 | Trust – Revocable                                | S and E               |
| 08                 | Federally Owned                                  | F                     |
| 09                 | State and Local Government                       | E                     |
| 10                 | Churches, Charities, and Nonprofit Organizations | E                     |
| 13                 | Public Schools                                   | E                     |
| 14                 | Bureau of Indian Affairs                         | E                     |
| 15                 | Indian Represented by BIA                        | T                     |
| 17                 | Trust – Irrevocable                              | E                     |
| 18                 | Individual Operating as a Small Business         | E                     |
| 20                 | Indian Tribal Venture                            | E                     |
| 22/S               | Limited Liability Company                        | S                     |
| 22/E               | Limited Liability Company                        | E                     |
| 99                 | General Entity Membership                        |                       |



**FSA Crop Codes, Unit of Measure, and Contract Type**

This table provides contract type, unit of measure, and FSA 4-digit commodity code for each of the commodities in the loan and LDP program.

| <b>Crop</b>                       | <b>Unit of Measure</b> | <b>FSA Crop Code</b> |
|-----------------------------------|------------------------|----------------------|
| Barley                            | Bushel                 | 0091                 |
| Canola                            | Hundredweight          | 0711                 |
| Corn                              | Bushel                 | 0041                 |
| Crambe                            | Hundredweight          | 0714                 |
| Dry Peas                          | Hundredweight          | 0067                 |
| ELS Cotton                        | Pound                  | 0022                 |
| Flaxseed                          | Hundredweight          | 0031                 |
| Lentils                           | Hundredweight          | 0401                 |
| Mustard Seed                      | Hundredweight          | 0130                 |
| Mohair                            | Pound                  | 2015                 |
| Oats                              | Bushel                 | 0016                 |
| Peanuts                           | Tons                   | 0075                 |
| Rapeseed                          | Hundredweight          | 0129                 |
| Rice                              | Hundredweight          | 0018                 |
| Safflower Seed                    | Hundredweight          | 0079                 |
| Small Chick Peas                  | Hundredweight          | 0067                 |
| Sorghum                           | Hundredweight          | 0051                 |
| Soybeans                          | Bushel                 | 0081                 |
| Sunflower Seed Oil and Other-Type | Hundredweight          | 0078                 |
| Upland Cotton                     | Pound                  | 0021                 |
| Wheat                             | Bushel                 | 0011                 |
| Wool                              | Pound                  | 2016                 |



**Example of CCC-770 LSA**

The following is an example of CCC-770 LSA.

| <p>This form is available electronically.</p> <p><b>CCC-770 LSA</b>    U.S. DEPARTMENT OF AGRICULTURE<br/>(05-23-13)    Commodity Credit Corporation</p> <p><b>LSA COTTON LOAN<br/>AND<br/>LDP CHECKLIST</b></p> |   |  |                         |
|--|---|--|-------------------------|
| <p>1. Applicant's Name<br/>[REDACTED]</p> <p>3. State Office Name<br/>[REDACTED]</p> <p>5. Loan/LDP Number<br/>[REDACTED]</p>  |   | <p>2. Date of Application (MM-DD-YYYY)<br/>[REDACTED]</p> <p>4. LSA Name<br/>[REDACTED]</p> <p>6. Crop Year<br/>[REDACTED]</p> |                         |
| 6. Pre MAL or LDP DMA Actions  | Handbook or Other Applicable References         | Date Completed   | Check if Not Applicable |
| A. Discuss key program provisions with applicant.  | 7-CN, CN Notices                                | [REDACTED]   | [REDACTED]              |
| B. Obtain name, address and ID number used to conduct business with FSA. Obtain farm data such as FSN and crop shares.   | 1-CMA, paragraph 225                            | [REDACTED]   | [REDACTED]              |
| C. Obtain FSA-211 if requested. If producer is an entity or joint operation, obtain documents authorizing representative to sign.  | 22-CN, paragraph 20<br>1-CM, Part 25, Section 3 | [REDACTED]   | [REDACTED]              |
| D. Obtain CCC-10 if a current one is not on file.  | 22-CN, paragraph 23.5                           | [REDACTED]   | [REDACTED]              |
| E. Before each loan is disbursed, conduct lien search. Document results.   | 22-CN, paragraph 23                             | [REDACTED]   | [REDACTED]              |
| F. If there are lienholders on the crop, obtain lien holder instructions on CCC-679.   | 22-CN, paragraph 23                             | [REDACTED]   | [REDACTED]              |
| G. When available, obtain EWR data including EWR provider name. Instruct holder to request that LSA be made holder.  | 22-CN, paragraph 36                             | [REDACTED]   | [REDACTED]              |
| H. Determine whether producer has beneficial interest in commodity.  | 22-CN, paragraph 28                             | [REDACTED]   | [REDACTED]              |
| I. Submit producer ID number to ADP process.   | 1-CMA, paragraph 236                            | [REDACTED]   | [REDACTED]              |
| J. Receive producer eligibility data from ADP process and if necessary resolve eligibility problems.   | 1-CMA, Part 7                                   | [REDACTED]   | [REDACTED]              |
| K. Determine whether sufficient AGI is available for LDP's or MLG's.   | 1-CMA, Section 7                                | [REDACTED]   | [REDACTED]              |
| L. Fill out CCC Cotton A-5.  | 22-CN, paragraph 37                             | [REDACTED]   | [REDACTED]              |
| M. Producer or POA should file CCC-633 EZ Page 1 in case an LDP is requested.  | 22-CN, paragraph 71                             | [REDACTED]   | [REDACTED]              |
| <b>7. MAL Processing</b>   |   |  |                         |
| A. Prepare a folder for each MAL. Retain indefinitely in locked and fireproof file.  | 22-CN, paragraph 18                             | [REDACTED]   | [REDACTED]              |
| B. For applications lacking required information, notify applicant and obtain necessary information.   | 1-CMA, paragraph 37                             | [REDACTED]   | [REDACTED]              |
| C. If DAFFP authorized deductions to MAL are applicable according to a producer signed statement of charges, obtain lien holder instructions on CCC-679.   | 22-CN, subparagraph 23E                         | [REDACTED]   | [REDACTED]              |
| D. Verify DCIA compliance by checking applicant certification on CCC-Cotton A 5 or a separate certification and take further action if producer is not in compliance.  | 1-CMA, paragraph 107                            | [REDACTED]   | [REDACTED]              |
| E. Instruct EWR provider to make CCC holder of EWR.  | 22-CN, paragraph 36                             | [REDACTED]   | [REDACTED]              |
| F. Producer or POA signs CCC-Cotton A using the proper format.   | 22-CN, paragraphs 36 and 38                     | [REDACTED]   | [REDACTED]              |
| G. Complete CCC-Cotton A.  | 22-CN, paragraph 38                             | [REDACTED]   | [REDACTED]              |
| H. Submit transaction to ACRS. Receive funds and disburse to producer within 3 calendar days.  | 21-CN   | [REDACTED]   | [REDACTED]              |
| I. Obtain and retain CCC-674 or SF-LLL for MAL's exceeding \$150,000.  | 22-CN, paragraph 29                             | [REDACTED]   | [REDACTED]              |
| J. Provide producer with copies of CCC-Cotton A and CCC-601.   | 22-CN, paragraphs 15, 38, 39                    | [REDACTED]   | [REDACTED]              |
| K. Distribute RRP amounts to National Cotton Board by 10 <sup>th</sup> of month.   | 22-CN, paragraph 19                             | [REDACTED]   | [REDACTED]              |
| L. If necessary use CCC Cotton A Continuation sheet.   | 22-CN, paragraph 39                             | [REDACTED]   | [REDACTED]              |
| M. Prepare and distribute CCC Cotton A-1.  | 22-CN, paragraph 40                             | [REDACTED]   | [REDACTED]              |

Example of CCC-770 LSA (Continued)

| CCC-770 LSA (05-23-13)  |   |  |                          | Page 2 of 2 |
|---|---|--|--------------------------|-------------|
| 8. MAL Servicing Actions  | Handbook or Other Applicable References | Date Completed                                     | Check if Not Applicable  |             |
| A. Collect repayment using repayment type requested by producer or their agent on CCC-605 (P+I, or MLG).                          | 22-CN, paragraphs 50, 51, 52            | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| B. Provide producer or agent with repayment statement.  | 22-CN, paragraph 51                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| C. COPS releases receipts to LSA, LSA releases receipts to producers or agent.  | 1-CMA, paragraph 615                    | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| D. Send Notices of MAL Maturity 45 days before maturity date.   | 1-CMA, paragraph 615                    | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| E. Collect excess storage paid as a result of forfeitures.  | 22-CN, paragraph 54                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| F. Process offsets.   | 22-CN, paragraphs 92, 93                | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| G. Process producer violations as applicable.   | 7-CN                                    | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| H. Resolve ACRS errors within 15 days of notification.  | 21-CN, subparagraph 2F                  | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| 9. LDP Processing   |   |  |                          |             |
| A. Complete CCC-633 EZ, page 3.   | 22-CN, paragraph 72                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| B. If EWR's are applicable, instruct current holder to notify the EWR provider to amend EWR to show cotton is used to obtain LDP. | 22-CN, paragraph 72                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| C. Have producer or power of attorney sign LDP documents.   | 22-CN, paragraph 72                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| D. Obtain and retain CCC-674 or SF-LLL for LDP's exceeding \$100,000.   | 22-CN, paragraph 29                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| E. Submit transaction to ACRS. Receive funds and disburse to producer within 3 calendar days.                                     | 22-CN, paragraph 72                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| F. Disburse funds to the producer.  | 22-CN, paragraph 725                    | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| 10. Requests for Lock-In of AWP and Lost BI   |   |  |                          |             |
| A. Accept and approve requests for module lock-in on CCC-633 EZ page 3.   | 22-CN, paragraph 75                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| B. Conduct spot checks using CCC Cotton AA-2.   | 22-CN, subparagraph 75H                 | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| C. Accept requests for lost BI LDP for which CCC-633 EZ Page 1 was submitted before BI was lost.                                  | 22-CN, paragraph 76                     | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| 11. LDP Servicing Actions   |   |  |                          |             |
| Process applicable offsets and assignments.   | 22-CN, paragraphs 92 and 93             | <input type="checkbox"/>                           | <input type="checkbox"/> |             |
| 12. Remarks:  | <input type="checkbox"/>                |  |                          |             |
| 13. Certification:<br><i>I (we) the undersigned, certify the above items have been verified or updated accordingly.</i>           |   |  |                          |             |
| 14A. Signature of Preparer  | 14B. Title<br><input type="checkbox"/>  | 14C. Date (MM-DD-YYYY)<br><input type="checkbox"/> |                          |             |
| 14A. Signature of Preparer  | 14B. Title<br><input type="checkbox"/>  | 14C. Date (MM-DD-YYYY)<br><input type="checkbox"/> |                          |             |
| 14A. Signature of Second Party Reviewer   | 14B. Title<br><input type="checkbox"/>  | 14C. Date (MM-DD-YYYY)<br><input type="checkbox"/> |                          |             |

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