

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**CMA, DMA, and LSA
Common Loan and LDP Procedures
1-CMA (Revision 1)**

Amendment 5

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 104 B has been amended to reflect changes to pool distribution requirements according to a final rule that amended 7 CFR Part 1425.

Subparagraph 185 D has been amended to add a note referencing State CMA Summary Reports.

Subparagraphs 202 A and D have been amended to reference new secure FTP software and its location.

Paragraph 204 has been amended to add instructions on installing and using secure FTP software.

Subparagraphs 216 D and 236 A have been amended to reference new secure FTP software.

Subparagraph 252 E has been amended to update fields in the output file. Fields 8, 51, and 52 are now fillers. Field 50 is now “Cropland Comparison” and field 65 is now “Bankruptcy”. The character length in fields 23 through 25 has been corrected.

Paragraph 275 has been withdrawn because field 8 is no longer applicable.

Paragraph 326 has been amended to change it to field 50, “Cropland Comparison Indicator”.

Paragraph 327 has been withdrawn because field 51 is no longer applicable.

Paragraph 328 has been withdrawn because field 52 is no longer applicable.

Paragraph 352 has been amended to change it to field 65, “Bankruptcy”.

Subparagraph 382 B has been added to clarify actions administrative County Offices should take or not take when contacted by CMA’s, DMA’s, or LSA’s about producer eligibility and payment limitation problems.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 555 B has been amended to provide a revised Section 1614 reporting schedule for CMA’s, DMA’s, and LSA’s.

Subparagraph 555 H has been amended to provide for a header record at the beginning of Section 1614 submission files.

Paragraph 556 has been added to provide Section 1614 file submission header record requirements.

Part 12 has been added to provide the following:

- DMA status application requirements
- MAL and LDP operating policies unique to DMA’s.

Exhibit 2 has been amended to add the definitions of “DMA service County Office” and “recording County Office”.

Exhibit 6 has been amended to display current CMA status, current address and contact data, and current approved crops.

Exhibit 17 has been added to provide an example of CCC-912-P.

B Obsolete Directive

Notice CMA-99 is obsolete.

Page Control Chart		
TC	Text	Exhibit
3-8 9 (add)	4-33, 4-34 5-31, 5-32 6-1 through 6-4 6-5 (add) 7-3 through 7-14 7-31, 7-32 7-59 through 7-62 7-95, 7-96 7-109 through 7-112 7-133, 7-134 7-201, 7-202 10-9, 10-10 10-13, 10-14 10-17, 10-18 (add) 12-1 through 12-52 (add)	1, pages 1-4 2, pages 1-4 6, pages 1-8 17, pages 1-6 (add) page 7 (add)

Table of Contents (Continued)

Page No.

Part 4 CMA General Operating Policies (Continued)

Section 3 Offsets and Assignments

117	General Policies for Offsets and Assignments	4-61
118	Offset Actions for CMA's.....	4-62
119	Offset Actions for State and County Offices	4-66
120-129	(Reserved)	

Section 4 Market Gain Allocations and Repayments

130	Overview	4-91
131	CMA Allocation of Market Gains to Members	4-91
132	Denied Benefit Policies	4-93
133	(Reserved)	
134	Denied Benefit Formulas	4-97
135	Determining Commodity Certificate Exchange Value	4-98
136-138	(Reserved)	
139	CMA Ineligible Benefit, Excess Benefit, and Denied Benefit Refunds	4-111
140	CMA Service County Office Refunds	4-113
141-150	(Reserved)	

Section 7 PLM Actions Applicable to CMA's, DMA's, and LSA's

151	Payment Limitation Policies	4-141
152	Timing of PLM Assignment	4-144
153	PLM's for Suspended CMA's and LSA's	4-145
154	PLM's for Terminated CMA's and LSA's	4-145
155	Obtaining PLM's Through CMA Process	4-146
156	(Reserved)	
157	Calculating and Monitoring "Person's" Benefits	4-151
158	Using CCC-732	4-153
159	CMA, DMA, and LSA CCC-732 Submissions	4-154
160	Control County Office PLM Actions	4-157
161-170	(Reserved)	

Table of Contents (Continued)

Page No.

Part 5 State and County Office Actions for CMA Process

Section 1 County Office Files

171	State and County Office Actions for Uploading Files	5-1
172-181	(Reserved)	

Section 2 CMA Process Reports

182	CMA Status and Summary Reports	5-21
183, 184	(Reserved)	
185	CMA Summary Report	5-31
186	CMA Summary Report Examples	5-33
187, 188	(Reserved)	
189	CMA Status Report	5-41
190	CMA Status Report for County Offices	5-41
191	CMA Status Report Examples	5-44
192	CMA Status Report for State Offices	5-45
193-201	(Reserved)	

Part 6 Data Transmission Requirements and Information Available From the Internet

202	Overview	6-1
203	General Requirements	6-3
204	General Information	6-3
205	Processing Time Sensitive Benefit Requests When Systems Are Not Fully Operational.....	6-5
206-214	(Reserved)	

Part 7 CMA Process

215	Overview of CMA Process	7-1
-----	-------------------------------	-----

Section 1 General Information

216	Schedule for Processing and Releasing Data	7-3
217-223	(Reserved)	
224	Description of County Office Files Used in CMA Process	7-15
225	Rules for Submission and Processing	7-18
226-235	(Reserved)	

Table of Contents (Continued)

Page No.

Part 7 CMA Process (Continued)

Section 2 Submission Files

236	Overview	7-31
237	Record Format of Input File	7-32
238	Completing Input File	7-33
239	Record Format of Control Record File	7-36
240	Preparing Files for Transmission to KCAO	7-37
241-250	(Reserved)	

Section 3 Output Files

251	Overview	7-55
252	Output File	7-57
253	Transmission Status Report	7-63
254	CMA, DMA, or LSA Summary Report	7-65
255	Producer Loan and Loan Volume Report	7-67
256	Producer Name and Address Report	7-69
257-266	(Reserved)	

Section 4 Data Fields

267	Introduction	7-91
268	Field [1], Record Status	7-93
269	Field [2], Crop Year	7-93
270	Field [3], State Code of CMA, DMA, or LSA	7-93
271	Field [4], County Code of CMA, DMA, or LSA	7-94
272	Field [5], Primary ID Number	7-94
273	Field [6], ID Type of Primary ID Number	7-94
274	Field [7], Entity Type of Primary ID Number	7-95
275	(Withdrawn--Amend. 5)	
276	Field [9], Administrative County Office State Code	7-95
277	Field [10], Administrative County Office County Code	7-96
278	Field [11], Control County Office State Code	7-96
279	Field [12], Control County Office County Code	7-96
280	Field [13], Component Member's ID Number	7-97
281	Field [14], Component Member's ID Type	7-97
282	Field [15], Component Member's Entity Type	7-97
283	Field [16], Component Member's Actual Share	7-98

Table of Contents (Continued)

Page No.

Part 7 CMA Process (Continued)

Section 4 Data Fields (Continued)

284	Field [17], PE	7-98
285	Field [18], PCF	7-99
286	Field [19], CPA	7-99
287	Field [20], PLM	7-100
288	(Reserved)	
289	Field [22], Other PLM	7-100
290-292	(Reserved)	
293	Field [26], FSN	7-100
294	Field [27], Crop Code	7-101
295	(Reserved)	
296	Field [29], Reported Acres	7-101
222	Field [30], Determined Acres	7-101
298, 299	(Reserved)	
300	Field [33], Crop Share	7-102
301, 302	(Reserved)	
303	Field [37], CPA's Control County Office	7-104
304	Field [38], Formatted Name	7-104
305-314	(Reserved)	

Section 5 Eligibility and Processing Flags

315	Correcting Flags	7-105
316-318	(Reserved)	
319	Field [43], Control County Office Entity Records Not Found	7-107
320	Field [44], Ineligible ID Type or Entity Type	7-107
321	Field [45], ID Number Does Not Match	7-108
322	Field [46], ID Number Not Active in Administrative County Office	7-108
323	Field [47], 6-CP Violator	7-109
324	Field [48], Controlled Substance Violator	7-109
325	Field [49], ID Number/Crop Not Found on Compliance	7-110
326	Field [50], Cropland Comparison Indicator.....	7-110
327	(Withdrawn--Amend. 4)	
328	(Withdrawn--Amend. 5)	
329	Field [53], ID Number Not on Any MA.EFM	7-111
330	Field [54], Adjusted Gross Income (AGI)	7-112
331	Field [55], No Reported or Determined Acres	7-112
332	Field [56], Control County Office Not Found on NAM	7-113
333	(Reserved)	

Table of Contents (Continued)

Page No.

Part 7 CMA Process (Continued)

Section 5 Eligibility and Processing Flags (Continued)

334	Field [58], FCI Fraud	7-113
335	Field [59], Not Actively Engaged	7-114
336	Field [60], Invalid AD-1026 Status	7-115
337	Field [61], Invalid Person Determination Status	7-116
338	Field [62], Control County Office Not Found on MA.EFM	7-117
339-349	(Reserved)	
350	Field [63], Joint Operation - Missing Member Records	7-133
351	Field [64], Joint Operation - Ineligible Members Dropped	7-133
352	Field [65], Bankruptcy	7-133
353	Field [66], Possible 6-CP Violator	7-135
354	Field [67], Offset Flag for Claims	7-136
355	Field [68], Assignments Flag	7-136
356	Field [69], Valid PCF of Less Than 1.0000	7-137
357	Field [70], PE Less Than 1.0000	7-137
358	Field [71], Possibly Not Actively Engaged	7-138
359	Field [72], Possible Invalid Person Determination Status	7-139
360	Field [73], No PLM Record Found	7-140
361	Field [74], PLM Amount Is Unlimited	7-140
362	Field [75], Control County Office Not Found	7-141
363	(Reserved)	
364	Field [77], PCF of 1.0000 Assigned	7-141
365	Field [78], Entity Type From PEM Does Not Equal NAM Record	7-142
366-370	(Reserved)	
371	Field [80], Last Change Date	7-142
372-381	(Reserved)	

Section 6 Resolving Farm Discrepancies and CMA Process Flags

382	Resolving CMA Process Problems	7-201
383	Resolving Farm Discrepancies Between CMA Process and CMA, DMA, and LSA Records	7-202
384	Options for Resolving Eligibility and Processing Flags	7-209
385	90-Day CMA Process Rule -- Policies Related to Eligibility Status Delays	7-210
386	Manual Eligibility Determinations for CMA's, DMA's, and LSA's	7-211
387	Resolving Problem Records After the Crop Year	7-216
388-399	(Reserved)	

Table of Contents (Continued)

Page No.

Parts 8 and 9 (Reserved)

400-549 (Reserved)

Part 10 Reports from CMA's, DMA's, and LSA's

550	General Information	10-1
551	Commodity Volume Reports	10-2
552	Volume Report Review Actions	10-5
553	Resolving Problems	10-6
554	Resolving Problems Arising From COC-Established Yields	10-7
555	Section 1614 Reports	10-9
556	Section 1614 Header Record Requirements	10-17
557-570	(Reserved)	

Part 11 (Reserved)

571-599 (Reserved)

Part 12 DMA General Operating Policies

Section 1 DMA Status Requirements

600	General Provisions.....	12-1
601	Applications for DMA Status.....	12-5
602	Financial Security Requirements.....	12-8
603	Terminating or Suspending the DMA Agreement	12-10
604	Annual Recertification for DMA Status	12-11
605-614	(Reserved)	

Section 2 General MAL and LDP Processing

615	DMA MAL and LDP Processing	12-31
616	Fees Charged to Producers by DMA.....	12-34
617	CCC Forms.....	12-35
618	Using FSA-211 and FSA-211A	12-36
619	Liens and Lien Waivers	12-40
620	Offsets, Assignments, and Deductions	12-45
621	MAL Repayment Processing	12-46
622	DMA Collection of Charges Due on Forfeited Loans.....	12-48
623	DMA Collection of Amounts Due From Loan and LDP Violations.....	12-51

Table of Contents (Continued)

Exhibits

1	Reports, Forms, Abbreviations, and Redelegations of Authority
2	Definitions of Terms Used in This Handbook
3	(Reserved)
4	CCC-736 (Addendum), Privacy Act, Public Burden, and Penalty Statement for CMA and LSA Loan and LDP Forms
5	(Reserved)
6	Approved CMA's, DMA's, and LSA's
7	FSA Crop Codes, Unit of Measure, and Contract Type
8, 9	(Reserved)
10	ID Type and Definitions
11	Entity Type and Definitions
12	Valid ID and Entity Type Combinations
13-16	(Reserved)
17	CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts

103 General Commodity and Pool Requirements for CMA's (Continued)**D Types of Loans and LDP's Available and Transferring Loan Eligibility**

[1425.17 (g)] Loans or LDP's are available to CMA's for farm-stored commodities when it is, pursuant to the applicable CMA's marketing agreement with a member, part of CMA's loan pool.

[1425.17 (h)] 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.

[1425.17 (i)] Loan eligibility for commingled commodities stored on a farm or in a warehouse may be transferred to an approved warehouse.

Example: CMA with 100,000 bushels of eligible wheat stored on members' farms may transfer that eligibility to 100,000 bushels of wheat it has in an approved warehouse delivered by nonmembers. The warehouse commodity must be of equal or better quality than the farm-stored commodity.

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

[1425.17] 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 shall be made according to generally accepted accounting principles
- CMA shall 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 shall 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 shall 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.--*

185 CMA Summary Report**A Purpose**

The CMA Summary Report provides State and County Offices a summary of results from the:

- current week's CMA Process
- previous week's CMA Process.

B Print Out

State and County Office Summary Reports automatically print in the applicable office when the Summary Report is received.

State Offices may print Summary Reports for:

- the entire State
- individual County Offices
- every County Office.

C County Office Use

County Offices shall use the county's CMA Summary Report to:

- quickly identify problems in county files that require County Office verification and possible correction

Example: A County Office receives a Summary Report indicating that 25 percent of producers processed in the county have a "Y" in AGI (field [54]). The County Office is also aware that 100 percent of producers in the county have certified for AGI compliance. The County Office should verify that certifications have been recorded and that files have transmitted successfully.

- verify when it's applicable to print the status report.

185 CMA Summary Report (Continued)**D State Office Use**

State Offices may use the CMA Summary Report to compare CMA Process results between County Offices and determine which, if any, County Offices are not updating files correctly or in a timely manner.

Example: County Office A report indicates that 25 percent of producers processed from the county have “Y” in the 6-CP flag (field [47]). Other County Offices in the State only have 4 percent or less with the same flag. The State Office should contact County Office A to verify that the County Office is recording 6-CP violations correctly.

***--Note:** State Offices will no longer receive or be able to access the State CMA Summary Report. However, KC-ADC will maintain an archived log of this report. The information contained in this report is inaccurate, and will therefore be discontinued. State Offices will have the option to access the County Office report if information is needed.--*

E KC-ADC Action

KC-ADC shall electronically transmit reports to State and County Offices with each release of the CMA data.

Part 6 Data Transmission Requirements and Information Available From the Internet

202 Overview

A Using Internet

*--CMA's, DMA's, and LSA's shall use the Internet and secure FTP client software to:

- transmit CMA Process input files to KCAO
- receive CMA Process output files from KCAO.--*

CMA's, DMA's, and LSA's may use PSD's Internet website to:

- obtain FSA program information
- access applicable FSA handbook amendments and notices
- communicate questions and concerns about loan and LDP activities.

B FSA National Help Desk

CMA's, DMA's, and LSA's shall contact the FSA National Help Desk to request:

- approval and instructions about how to gain a CMA user ID and password
- assistance to verify that their system is compatible with FSA systems
- assistance with any Internet problem.

C Telephone Numbers

Following are web room telephone numbers.

Telephone Number	Purpose	Voice or Data
816-823-1531	Help Desk	Voice
800-255-2434 ENTER "1" and then ENTER "6"	Help Desk toll free	Voice

D USDA Internet Addresses

Following are USDA Internet addresses about the CMA Process, and the loan and LDP programs.

*--

Location	Purpose	Internet Address
secure FTP host	Where to transmit and to receive CMA Process files	http://www.glub.com/products/secureftp/download.shtml IP Address is 165.221.200.44 Each CMA is assigned a folder
FSA home page	FSA program information	http://www.fsa.usda.gov
PSD web site	Price Support program information	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing
CMA web page	CMA, DMA, and LSA Information	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=agri&topic=ads

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202 Overview (Continued)

E Other Internet Addresses

Following are other agricultural-related Internet addresses that may be of interest to CMA's, DMA's, LSA's, and State and County Offices.

Location	Purpose	Internet Address
Adobe Software	Download free Adobe Acrobat Reader software to view FSA notices	http://www.adobe.com
Fed World	Access recent U.S. Government reports, publications, forms, and court cases	http://www.fedworld.gov
PkWare software	Location of shareware, PKZip version 2.04g, used to compress CMA files submitted to KC-ADC	http://www.pkware.com
U.S.C	Access to laws in force as of January 16, 1996	http://www.law.cornell.edu/uscode
U.S. Business Advisor	One-stop electronic link to Government for businesses	http://www.business.gov
Thomas U.S. Congress on the Internet	Obtain legislative information on bills, laws, floor activities, committee information, etc.	http://thomas.loc.gov
U.S. Government Printing Office	Access to Government Information Products, 1998 President's Budget, Federal Government links, etc.	http://www.gpo.gov
Virtual Government	Access to other Federal Government links	http://www.govexec.com

F Communications Software

CMA's, DMA's, and LSA's may use their choice of software and modems provided the software and modems are compatible with FSA systems.

203 General Requirements

A General Media Requirements

The following general requirements apply to CMA, DMA, and LSA submissions:

- media shall be in ASCII format with carriage return line feeds terminating each record
- all transmission files shall be compressed using PKZIP by PKWare or similar software
- all zone fields must contain numeric data.

204 General Information

A Software Compatible With FSA

FSA supports access to the Internet World Wide Web for Windows operating systems. CMA's, DMA's, and LSA's shall:

- access the Internet using their own Internet service provider
- browse the Web with up-to-date versions of Microsoft Internet Explorer or Netscape
- *--transmit and receive files using up-to-date secure FTP client software.

B Secure FTP Client Software

Beginning with calendar year 2006, CMA's, DMA's, and LSA's began sending and receiving files through an up-to-date, secure encrypted FTP address, which will allow for a secure connection and encrypt any data that is transferred. Secure FTP has the same elements of all standard FTP clients, but is enhanced with Secure Socket Layer encryption. Secure FTP is **free** for noncommercial use and the client is supported on Windows, Mac OS X, and any Unix platform where a Java 2 runtime environment (version 1.4+) is present.

C Installing and Using the Software

Before beginning the installation process, ensure that all applications except Internet Access are closed on the computer. Also, if possible, turn off the anti-virus software so it does not slow down the process. The following instructions are for a one-time installation by CMA's, DMA's, and LSA's.

Step	Action
1	Obtain a user ID and password from PSD.
2	Access the free downloadable secure FTP site at http://www.glub.com/products/secureftp/download.shtml .
3	Follow prompts to successfully install "Secure FTP (v2.5.9)".
Note: It is recommended that the software be installed under C:\Program Files.	

--*

204 General Information (Continued)

*--C Installing and Using the Software (Continued)

Step	Action
4	After installation is complete, select “Bookmarks” from the menu bar to create a connection.
5	<p>Choose “Add Bookmark” and complete the following information:</p> <ul style="list-style-type: none"> • “Profile” will be what the user chooses to name the connection • “Host Name” is always “165.221.200.44” • “User Name” will always begin with tds\ <p>Note: Enter the new user ID and password received from PSD.</p> <ul style="list-style-type: none"> • click on the “Options” tab <p>Note: Do not save or cancel.</p> <ul style="list-style-type: none"> • under the “Options” tab, change “Security Mode” to “Implicit SSL” by using the drop-down list • choose “Save”. <p>Note: This will close the window.</p>
6	<p>Click on “Bookmarks” from the menu, and click on the specified “Profile Name” that was created earlier from the drop-down list.</p> <p>Note: The software will be launched.</p>
7	Choose “ Grant Always ” in the next pop-up box to close the window and connect to the secure FTP.
8	<p>The next screen displayed shows that the user is connected to the secure FTP.</p> <p>Note: Users will see a folder with the title “Howdy.txt”.</p>
9	Users may upload and download the files by the “drag and drop” method or simply right click on the files and choose “ upload ” or “ download ”.

--*

205 Processing Time Sensitive Benefit Requests When Systems Are Not Fully Operational**A Background**

Certain grain CMA's have been authorized to modify their computer systems to automatically submit application forms, such as CCC-633 EZ, to service County Offices through an interface to USDA's e-forms submission system. FSA recognizes that there will be times when applicable systems are not fully operational, which can adversely affect benefit requests such as LDP's that are time and rate sensitive.

Note: Further information about e-forms submission is available at <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

B CMA Actions

When it is discovered that applicable requests were submitted before a deadline, but not accepted and time-stamped by USDA until after the deadline, authorized CMA's may:

- e-mail a request to PSD at chris.kyer@wdc.usda.gov to use the rate in effect at the time of submission
- include within the request all applicable details, such as the following:
 - reason for the request
 - nature of the transmission failure
 - type and amount of the transaction
 - log of transmission system submission times.

C PSD Action

PSD shall:

- seek and consider input from sources, such as the USDA St. Louis domain name service hosting facility, State Offices, and applicable County Offices
- authorize the use of rates based on submission times if it is discovered that CMA's actually submitted requests before a deadline and failure to meet the deadline was USDA's fault
- reject requests if the review indicates that failure to meet the applicable deadlines was the fault of CMA, DMA, or LSA systems
- notify applicable offices by e-mail.

206-214 (Reserved)

Section 1 General Information**216 Schedule for Processing and Releasing Data****A CMA, DMA, and LSA File Submission Schedule**

CMA's, DMA's, and LSA's may submit a new input file each week. The deadline is ***--Wednesday by 6 p.m. c.t. for KCAO to process the input file that week.--***

Note: All CMA's, DMA's, and LSA's are encouraged to make an initial submission each crop year to the first CMA Process.

B County Office File Submission Schedule

--County Office files received in KCAO by Wednesday of the week of processing are used-- in the process for that week.

C CMA Process Schedule

The CMA Process runs on Thursdays after the subsidiary file process.

D Release of Data

The output file is available for download after 2 p.m. c.t. each Tuesday to CMA's, DMA's, ***--and LSA's in their applicable folder at the secure FTP address.--***

Exception: If the file availability is delayed past Friday, an e-mail message stating expected date of availability will be issued.

E Files Received After Deadline

All files arriving after the deadline will be held and processed during the next week's CMA Process.

F Federal Holidays

When Wednesday is a Federal holiday, the submission deadline is 6 p.m. c.t. the next workday.

217-223 (Reserved)

Section 2 Submission Files

236 Overview

A Introduction

The 5 basic stages for CMA's, DMA's, and LSA's in transmitting CMA Process input files *--to the secure FTP host are listed in this table.--*

Stage	Process
1	Obtain appropriate producer data to create input file.
2	Create the CMA Process input file.
3	Create the control record file.
4	Zip the files created in stages 2 and 3 into KCXXXBBS. ───.
5	*--Submit KCXXXBBS. ─── to the secure FTP host by Wednesday--* 6:00 p.m. c.t.

B Creating Submission Files

Some CMA's use CMA for Windows to:

- create input file
- create the control record file
- build transmission file.

Note: CMA for Windows is no longer supported by FSA.

CMA's that do not use CMA for Windows may create the input file:

- with any ASCII text editor provided carriage return line feeds terminate each record
- with a record length of always 43 characters.

237 Record Format of Input File

A Purpose

The input file provides KC-ADC with the information necessary to successfully process eligibility and payment limitation information for a producer.

B Input File Name

The name of the input file is “CMAXXYYY.MB1” where “XXYYY” is the State and county code of CMA, DMA, or LSA.

C Record Format

Input files shall be in the format shown in this table.

Field No.	Contents	Begin	Length	Data Type
1	Record status	1	1	Char
2	CMA, DMA, or LSA State code	2	2	Char
3	CMA, DMA, or LSA county code	4	3	Char
4	Crop code	7	4	Char
5	State code of administrative County Office	11	2	Char
6	County code of administrative County Office	13	3	Char
7	Producer’s ID number	16	9	Char
8	Crop year	25	2	Char
9	FSN, which is for “D” records only	27	7	Char
10	Filler	34	10	

252 Output File (Continued)

E Output File Format

This table provides the format of the output file. The “PAR” column indicates the paragraph containing instructions for the particular field.

* * *

Field No.	Contents	PAR	Begin	Length	Decimal Positions	Data Type	Codes				
							1	2	3	4	5
	Data Fields Follow:										
1	Record status	268	1	1	0	Char	A	A			
2	Crop year	269	2	2	0	Char	A	A		A	A
3	State code of CMA, DMA, or LSA	270	4	2	0	Char	A	A		A	A
4	County code of CMA, DMA, or LSA	271	6	3	0	Char	A	A		A	A
5	Primary ID number	272	9	9	0	Char	A	A		M	M
6	ID type of primary ID number	273	18	1	0	Char	A	A		M	M
7	Entity type of primary ID number	274	19	2	0	Char	A	A		M	M
8	*--Filler--*		21	1							
9	Administrative County Office State code	276	22	2	0	Char	A				
10	Administrative County Office county code	277	24	3	0	Char	A				
11	Control County Office State code	278	27	2	0	Char	A	A			
12	Control County Office county code	279	29	3	0	Char	A	A			
13	Component member ID number	280	32	9	0	Char		A		M	A
14	Component member ID type	281	41	1	0	Char		A		M	A
15	Component member entity type	282	42	2	0	Zone		A		M	A
16	Component member actual share	283	44	5	4	Zone		A			A
17	PE	284	49	5	4	Zone	A	A			

252 Output File (Continued)

E Output File Format (Continued)

Field No.	Contents	PAR	Begin	Length	Decimal Positions	Data Type	Codes				
							1	2	3	4	5
18	PCF	285	54	5	4	Zone	A	A			
19	CPA	286	59	9	0	Char	A	A			
20	PLM	287	68	7	0	Zone	A	A			
21	Filler		75	1							
22	PLM (other)	289	76	7	0	Zone	A	A			
23-25	Filler		*--83	7--*							
26	FSN	293	90	7	0	Char	A			F	
27	Crop code	294	97	4	0	Char	A			F	
28	Filler		101	7							
29	Reported acres	296	108	7	1	Zone	A				
30	Determined acres	297	115	7	1	Zone	A				
31	Filler		122	7							
32	Filler		129	5							
33	Crop share	300	134	5	4	Zone	A				
34,35	Filler		139	18							
36	Filler for KC-ADC use		157	5							
37	CPA control County Office	303	162	5		Char	A	A			
38	Formatted name	304	167	33		Char	A	A		A	A
39	Filler		200	1							

252 Output File (Continued)

E Output File Format (Continued)

Field No.	Contents	PAR	Begin	Length	Decimal Positions	Data Type	Codes				
							1	2	3	4	5
	Eligibility Fields Follow:										
40	Filler		201	1							
41	Filler		202	1							
42	Filler		203	1							
43	Control County Office entity records not found	319	204	1		Char	A	A		C	C
44	Ineligible ID type or entity type	320	205	1		Char	A			B	B
45	ID number does not match	321	206	1		Char	A				
46	ID number not active in Administrative County Office	322	207	1		Char	A			F	
47	6-CP violator	323	208	1		Char	A	A		C	C
48	Controlled substance violator	324	209	1		Char	A	A		C	C
49	ID Number/Crop not found on compliance	325	210	1		Char	A			F	
50	*--Cropland Comparison	326	211	1		Char	A	A		C	C
51	Filler		212	1							
52	Filler--*		213	1							
53	ID number not on any MA.EFM	329	214	1		Char	A			F	
54	Adjusted Gross Income	330	215	1		Char	A			M	
55	No reported or determined acres	331	216	1		Char	A			F	
56	Control County Office not found on NAM	332	217	1		Char	A	A		C	C
57	Filler		218	1							
58	FCI Fraud	334	219	1		Char	A			C	
59	Not actively engaged	335	220	1		Char	A			C	C
60	Invalid AD-1026 Status	336	221	1		Char	A			C	C
61	Invalid Person Determination Status	337	222	1		Char	A			C	C
62	Control County Office not found on MA.EFM	338	223	1		Char	A			C	

252 Output File (Continued)

E Output File Format (Continued)

Field No.	Contents	PAR	Begin	Length	Decimal Positions	Data Type	Codes				
							1	2	3	4	5
	Processing Fields Follow:										
63	Joint operation - Missing Member Records	350	224	1		Char	A	A		C	
64	Joint operation - Ineligible members Dropped	351	225	1		Char	A	A			C
65	*--Bankruptcy	352	226	1		Char	A	A		F--*	
66	Possible 6-CP violator	353	227	1		Char	A	A		C	C
67	Offset for Claims	354	228	1		Char	A	A		C	C
68	Assignments Flag	355	229	1		Char	A	A		C	C
69	Valid PCF of less than 1.000	356	230	1		Char	A	A		C	C
70	PE less than 1.0000	357	231	1		Char	A	A		C	C
71	Possibly Not Actively Engaged Status	358	232	1		Char	A	A		C	C
72	Possible Invalid Person Determination Status	359	233	1		Char	A	A		C	C
73	No PLM record found	360	234	1		Char	A	A			
74	PLM amount is unlimited	361	235	1		Char	A	A			
75	Control County Office Not Found	362	236	1		Char	A	A			
76	Filler		237	1							
77	PCF of 1.0000 Assigned	364	238	1		Char	A	A			
78	Entity Type from PEM does not match NAM record	365	239	1		Char		A			C
79	Filler		240	1							
80	Last change date	371	241	8		Char	A	A			

274 Field [7], Entity Type of Primary ID Number

A Content and Source

This table provides content and source for field [7].

Content	The entity type for field [5]. See Exhibit 11 for valid entity types and Exhibit 12 for valid ID and entity type combinations.
Source	Control County Office NAM for field [5], ID number submitted by CMA, DMA, or LSA in the input file.

275 (Withdrawn--Amend. 5)

276 Field [9], Administrative County Office State Code

A Content and Source

This table provides content and source for field [9].

Content	Administrative County Office State Code.
Source	CMA, DMA, or LSA input file.

277 Field [10], Administrative County Office County Code

A Content and Source

This table provides content and source for field [10].

Content	Administrative County Office county code.
Source	CMA, DMA, or LSA input file.

278 Field [11], Control County Office State Code

A Content and Source

This table provides content and source for field [11].

Content	IF Field [13] is...	THEN this is the control County Office for the ID number in...
	blank	field [5].
	not blank	field [13].
Source	Control County Office MA.M?M.	

279 Field [12], Control County Office County Code

A Content and Source

This table provides content and source for field [12].

Content	IF Field [13] is...	THEN this is the control County Office for the ID number in...
	blank	field [5].
	not blank	field [13].
Source	Control County Office MA.M?M.	

323 Field [47], 6-CP Violator

A Content and Source

This table provides content and source for field [47].

Content	Flag indicating that producer ID number was recorded as a 6-CP violator in a County Office. Note: 6-CP violators have violated HELC/WC regulations.
Source	All County Office MA.EFM's.

324 Field [48], Controlled Substance Violator

A Content and Source

This table provides content and source for field [48].

Content	Flag indicating that producer ID number was recorded as a controlled substance violator in a County Office for the current crop year or 1 or more of the 4 prior crop years.
Source	All County Office MA.EFM's.

325 Field [49], ID Number/Crop Not Found on Compliance

A Content and Source

This table provides content and source for field [49].

Content	Flag indicating either of the following in the administrative County Office: <ul style="list-style-type: none"> • ID number was not found for requested crop on any farm • no crop shares were reported for ID.
Source	The following administrative County Office files: <ul style="list-style-type: none"> • ME.S?M • ME.P?M.

B Possible Problem

If a producer who files an acreage report dies, divorces, or otherwise changes ID number, manual eligibility verification late in the crop year may be required. See paragraph 386 for manual eligibility instructions.

Note: When wool/mohair CMA’s submit crop code “2016” for wool or “2015” for mohair to the CMA process, field [49] will ignore the codes and return a “N” in this field.

***--326 Field [50], Cropland Comparison Indicator**

A Content and Source

This table provides content and source for field [50].

Content	<p>According to the Farm Security and Rural Investment Act of 2002, all cropland on a farm must be reported to FSA. This flag indicates that cropland acres reported for a farm are not equal to the farm cropland acres.</p> <p>Producers are ineligible for MAL or LDP for a farm for which the cropland report indicator in file ME.A?M is set to “N”. This negative condition will be reported in field [50] as “Y”.</p> <p>Note: Farms that have zero cropland will have the cropland comparison indicator set in file ME.A?M set to “Y”.</p>
Source	Administrative County Office ME.A?M.

--*

***--326 Field [50], Cropland Comparison Indicator (Continued)**

B Wool Mohair CMA Actions

Producers requesting MAL’s or LDP’s for mohair, unshorn pelts, or wool are not required to file an acreage report before MAL or LDP is approved. Therefore, until the end of the crop reporting period, the cropland indicator flag reported to CMA may be a negative flag. In this case, wool and mohair CMA’s shall take either of the following actions:

- not request MAL or LDP for the producer until the flag is positive
- follow the 90-calendar-day policy in subparagraph 385 B.

C County Office Action

For CMA’s, DMA’s, and LSA’s reporting problems with this field, Administrative County Offices shall:

- verify whether the applicable producer is properly associated with a farm according to 2-PL
- verify whether the applicable producer has reported all cropland for the applicable farm according to 2-CP
- make appropriate changes as necessary
- upload applicable files.--*

327 (Withdrawn--Amend. 4)

328 (Withdrawn--Amend. 5)

329 Field [53], ID Number Not on Any MA.EFM

A Content and Source

This table provides content and source for field [53].

Content	Flag indicating that primary ID number was not found on any MA.EFM.
Source	All County Office MA.EFM’s.

330 Field [54], Adjusted Gross Income (AGI)

A Content and Source

This table provides content and source for field [54].

Content	Flag indicating that a producer or entity shall not be eligible for market loan gains and LDP's if: <ul style="list-style-type: none"> • the average AGI of the individual or entity exceeds \$2.5 million • less than 75 percent of the average AGI is derived from farming, ranching, or forestry operations.
Source	Administrative County Office MA.EFM.

Note: Although the AGI flag may be set to “Y” because of AGI compliance, this will not trigger an “I” flag in field [1]. This is because the producer remains eligible for a loan that could be redeemed at principal plus interest or redeemed with a commodity certificate exchange.

331 Field [55], No Reported or Determined Acres

A Content and Source

This table provides content and source for field [55].

Content	Flag indicating that no reported or determined acres were found in the requested administrative County Office ME.S?M.
Source	Administrative County Office ME.S?M.

350 Field [63], Joint Operation - Missing Member Records

A Content and Source

This table provides content and source for field [63].

Content	Flag indicating that joint operation submitted was found in control County Office files with total actual shares for component members equaling other than 100 percent.
Source	Control County Office’s MA.P?M.

351 Field [64], Joint Operation - Ineligible Members Dropped

A Content and Source

This table provides content and source for field [64].

Content	<p>Flag indicating that joint operation was found in control County Office files with invalid component members in the joint operation.</p> <p>Note: Invalid component members are producers with:</p> <ul style="list-style-type: none"> • ID type “F” • ID type “T” with any entity type other than entity type 15 • any ID type with entity type 99.
Source	Control County Office MA.P?M.

***--352 Field [65], Bankruptcy**

A Content and Source

This table provides content and source for field [65].

Content	Flag indicating that customer has a bankruptcy on file.
Source	Control County Office MG.PFM.

--*

Section 6 Resolving Farm Discrepancies and CMA Process Flags

382 Resolving CMA Process Problems

A CMA, DMA, and LSA Authorizations

CMA's, DMA's, and LSA's are authorized to contact:

- County Offices directly to resolve **individual** eligibility and PLM problems

Notes: CMA's, DMA's, and LSA's have the option of referring problems to the producer to resolve.

If County Offices fail to respond to CMA, DMA, and LSA inquiries, CMA's, DMA's, and LSA's are authorized to contact State Offices for assistance.

- State Offices to resolve multiple eligibility and PLM problems according to paragraphs 386 and 387.

CMA's, DMA's, and LSA's shall not send any lists or inquiries to State and County Offices other than those specified in this handbook.

Note: See paragraph 383 for FSN discrepancies.

*-B Administrative County Office Actions

When contacted by CMA's, DMA's, or LSA's, recording and payment limit control County Offices shall do the following in a timely manner:

- assist CMA's, DMA's, and LSA's in resolving producer eligibility and payment limit problems
- not require consent forms signed by CMA members or DMA or LSA producers
- not require filing of FOIA requests from CMA's, DMA's, or LSA's
- not charge CMA's, DMA's, or LSA's for providing assistance or data
- provide by FAX, or other secure means, documentation of the following:
 - producer eligibility data, such as web-based eligibility system subsidiary printouts
 - joint operation member or entity member data
 - any data CMA, DMA, or LSA needs to make producer eligibility and payment limit determinations, including current FSN's and current year crop acreage data.--*

383 Resolving Farm Discrepancies Between CMA Process and CMA, DMA, and LSA Records

A Background

CMA's, DMA's, and LSA's have encountered problems in obtaining the correct administrative County Office and FSN information from producers. The problems are caused by the time differential between when the producer reports the administrative County Office and applicable FSN to CMA, DMA, or LSA and when the producer completes FSA-578 in the administrative County Office. This paragraph provides procedures to address this problem.

B CMA, DMA, and LSA Action

CMA's, DMA's, and LSA's shall resolve farm record discrepancies according to this table.

Step	Action	
1	Compare each week's CMA Process output file FSN records to CMA's or LSA's eligible delivery records in the CMA's or LSA's database.	
2	IF for FSN in the CMA, DMA, or LSA database, an FSN record is...	THEN...
	found in the CMA Process output file	no further action is required.
	not found in the CMA Process output file	continue.
3	Contact the producer to verify producer's ID number, FSN, and administrative County Office in the CMA, DMA, or LSA database.	
	IF producer verifies data is...	THEN...
	correct not correct	continue. <ul style="list-style-type: none"> • correct database as instructed by producer • resubmit to CMA Process • go to step 1.
4	Compare CMA Process output file FSN records to CMA's or LSA's eligible delivery records in the CMA, DMA, or LSA database on the following dates: <ul style="list-style-type: none"> • October 1 • January 1 • March 1 • May 1. 	

555 Section 1614 Reports

A Background

Section 1614 of the Farm Security and Rural Investment Act of 2002 requires that USDA establish procedures to track benefits provided, directly or indirectly, to individuals and entities under titles I and II.

FSA has developed an internal process to capture program payment and benefit data applicable to each program participant, including those amounts attributed to members of joint operations and entities. However, member data for benefits provided to CMA's, LSA's, and DMA's is not available from KCFO's data warehouse, which will be the source for benefits earned by producers through FSA County Offices. Therefore, CMA, DMA's, and LSA's must provide the applicable member data according to this paragraph.

*-B Applicable Years and Reporting Schedules

Reports will be compiled by CMA's, DMA's, and LSA's applicable to the 2002 through 2007 crop years.

CMA's, DMA's, and LSA's shall submit a Section 1614 report, whether initial or final, to CCC for the crop year by the earlier of:

- October 15 of the crop year following the ending loan availability date for the crop year
- the date when the crop year data are deemed final.

Note: CMA's, DMA's, and LSA's shall not resume submission of 2005 crop year data until notified to do so by PSD.

CMA's, DMA's, and LSA's that did not submit final reports or discovered that submitted reports were not actually final because of additional crop year activity (following the October 15 filing) adjustments or corrections, shall submit a **total replacement file** to CCC by the earlier of:

- the date the data are corrected and finalized
- April 30 of the calendar year following the initial October 15 filing deadline.

Example: The loan availability date for 2006 crop year cotton ends on May 31, 2007. Cotton CMA's and LSA's shall send a Section 1614 report by no later than October 15, 2007. If necessary, a final replacement file shall be submitted by April 30, 2008.--*

*--555 Section 1614 Reports (Continued)

C Types of Benefits to Report

The following benefits are to be reported:

- gross marketing assistance loan proceeds
- marketing gains from cash repayment of farm-stored loans at the market repayment rate
- marketing gains from cash repayment of warehouse-stored loans at the posted county price for grains, national posted price for peanuts, or for cotton and rice at AWP
- commodity certificate exchange gains

Note: For each loan redeemed with a commodity certificate, this will be the CMA member's or DMA or LSA producer's **share** of a dollar amount equal to the loan principal amount minus the certificate exchange value.

- additional amounts due producers from farm-stored loan settlements
- storage credit or storage forgiveness amounts, if applicable, for cotton and peanuts
- LDP's.

Notes: For transactions involving producers in a **marketing pool**, the intention is to capture the producer's actual earnings of loan or LDP proceeds and gains based upon the producer's quantity and quality of the commodity delivered to the pool. This may mean that CMA cannot report the actual producer earnings until after the final settlement date.

Furthermore, the transaction date to be reported should be the date that the proceeds were paid to the producer's account.

D Producer Payment Level to Report:

CMA's, DMA's and LSA's shall report data only for the individual, entity, or joint operation **receiving** the benefit. Further FSA processing will attribute payment data to the member level for joint operations or entities.--*

555 Section 1614 Reports (Continued)

G Report Example

Following is an example of the properly formatted 62 character length fixed width file:

Note: COLUMN NUMBERS ILLUSTRATED FOR REFERENCE PURPOSES ONLY:
 123456789012345678901234567890123456789012345678901234567890123456789012
 1380402PNUTLN 1000002526205S000000000000065251101200345003
 1380402PNUTWLN 1001253520275S000000000000319680401200313019
 1380402PNUTSTGREDCT1005943423638E000000000000934560401200313277

H Further Instructions

CMA’s, DMA’s and LSA’s shall:

- prepare a fixed 62-character length file with a “.txt” file extension
- *--insert a header record according to subparagraph J--*
- use a naming convention of “xyyyR1614-nnn.txt” where:
 - “xx” is the CMA, DMA, or LSA State code
 - “yyy” is the CMA, DMA, or LSA code
 - “nnn” is a sequential number assigned to each report.
- submit the file to the **same** FTP server and folder in Kansas City used for CMA eligibility process file submissions according to subparagraph 202 D
- contact Chris Kyer at **chris.kyer@wdc.usda.gov** if there is no activity to report.

*--555 Section 1614 Reports (Continued)

I Report Program Codes

CMA's, DMA's, and LSA's shall use the following alpha program, and accounting program codes for each applicable transaction.

Program Name	Alpha Program Code	Accounting Program Code	Description	Transaction Type
Nonrecourse Marketing Assistance Loans	XXBRLYN XXCANLN XXCORNLN XXCRAMLN XXELSLN XXFLXLN XXSORGLN XXMUSLN MOHRLN XXOATSLN XXPNUTLN XXRAPLN XXRICELN XXSAFLN XXSOYALN XXSFNLN XXUPCNLN XXWHTLN XXWOOLLN Note: XX is the 2-digit crop year.	1000	Barley MAL Canola MAL Corn MAL Crambe MAL ELS Cotton MAL Flax MAL Sorghum MAL Mustard Seed MAL Mohair MAL Oats MAL Peanut MAL Rapeseed MAL Rice MAL Safflower MAL Soybean MAL Sunflower MAL Upland Cotton MAL Wheat MAL Wool MAL	Loan
Nonrecourse Marketing Assistance Loans	XXCOMMFLN Notes: XX is the 2-digit crop year. COMM is crop code as shown above.	1000	Marketing gain on a farm stored loan	Gain

--*

--556 Section 1614 Header Record Requirements*A Required Data Elements**

Required data elements for each header record appearing in the transmission file as the first record are as follows:

- Record Identifier: the character “A” signifying a header record
- CMA/DMA/LSA State code: 2-digit State code
- CMA/DMA/LSA code: 3-digit CMA/DMA/LSA code
- Date of the Transmission: insert the date the file is submitted to KCAO in “MMDDYYYY” format

Note: Include all 8 characters, such as “02242006”.

- the earliest date applicable to the transaction dates in “MMDDYYYY” format

Note: Include all 8 characters, such as “02242006”.

- the last date applicable to the transaction dates in “MMDDYYYY” format

Note: Include all 8 characters, such as “02242006”.

- Resubmission Indicator. If a previous transmission failed because of format errors, incorrect data in the file, or any other problems that require the file to be sent again, indicate with an “R”. Otherwise, make no entry. This will ensure that the previous file gets ignored.--*

***--556 Section 1614 Header Record Requirements (Continued)**

B Field Descriptions

This table provides the field descriptions.

Field No.	Contents	Maximum Field Size	Data Type/Format
1	Record Identifier	1	Text "A" (no quotes)
2	State Code of CMA, DMA, or LSA	2	Number
3	County Code of CMA, DMA, or LSA	3	Number
4	Transmission Date	8	Number, no separators in "MMDDYYYY" format
5	Earliest Transaction Date	8	Number, no separators in "MMDDYYYY" format
6	Last Transaction Date	8	Number, no separators in "MMDDYYYY" format
7	Resubmission Indicator	1	Text "R" or blank (no quotes)

--*

557-570 (Reserved)

Part 11 (Reserved)

571-599 (Reserved)

--Part 12 DMA General Operating Policies*Section 1 DMA Status Requirements****600 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 2002 through 2007 crop. Peanut producers may obtain peanut MAL's and LDP's from any of the following:

- DMA's
- CMA'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
- Part 4 for producer eligibility and PLM amount instructions
- 8-LP for general MAL and LDP provisions.

C DMA Responsibilities

DMA's shall 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--*

--600 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 shall:

- perform these services according to the procedures outlined in the applicable peanut program regulations and notices published in the FR, 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
- become familiar with the peanut program as set forth in the applicable regulations, notices published in the FR, FSA peanut handbooks, forms, and other instructions issued about the peanut MAL and LDP program
- attend DMA, peanut MAL, and LDP program training offered by CCC at DMA's expense
- provide sufficient personnel, computer hardware, computer communications systems, and software, as determined necessary by CCC, to administer the peanut MAL and LDP program.--*

--600 General Provisions (Continued)*E Prohibited DMA Activity**

DMA's 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 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, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status, 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.--*

--600 General Provisions (Continued)*F CCC Authority and Responsibilities**

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

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

FMD shall:

- hold security that DMA's provide to CCC
- 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 shall:

- 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.--*

--601 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 shall submit the following documents and information to PSD:

- 2 properly executed CCC-912-P's (Exhibit 17)

Note: Obtain CCC-912-P at <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

- 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
- 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--*

***--601 Applications for DMA Status (Continued)**

A Application Process (Continued)

- additional financial security, if applicable, according to paragraph 602
- 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.--*

***--601 Applications for DMA Status (Continued)**

B DMA Approval and Activation Process Summary

DMA's shall obtain approval and become activated according to this table.

Step	Action
1	<p>Potential DMA's shall complete and FedEx application documents to the Director, PSD at the following address.</p> <p style="padding-left: 40px;">USDA-FSA-PSD 1400 Independence Ave SW Room 4095 Washington DC 20250.</p>
2	<p>PSD shall:</p> <ul style="list-style-type: none"> • review application documents • obtain additional information to support the application, if necessary • grant entity approval or disapproval to act as DMA.
3	<p>DMA's shall:</p> <ul style="list-style-type: none"> • if not already submitted to PSD, provide PSD the following: <ul style="list-style-type: none"> • list of all employees authorized to sign CCC documents for DMA • sample signatures of everyone authorized to sign CCC documents • test files and other documents as required by PSD to demonstrate hardware and software accuracy • copies of DMA computer-generated CCC forms, if any • contact the Kansas City Help Desk at 800-255-2434 (Web Support) to obtain a user ID and password to submit and receive eligibility process files, if not already established for CMA purposes • establish a bank account enabled to receive direct deposit of funds from CCC • if DMA drawdown accounts are authorized by FMD, contact FMD to establish an amount for the account.
4	<p>PSD shall:</p> <ul style="list-style-type: none"> • coordinate the establishment of DMA system files on the DMA service County Office computer system • provide DMA training to DMA's and to the DMA service County Office, if time permits.

--*

***--602 Financial Security Requirements**

A Amount of Financial Security Required

DMA's shall 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 604.

The financial security shall 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.--*

--602 Financial Security Requirements (Continued)*B Additional Types of Financial Security**

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

- certified or cashier's check payable to CCC
- an irrevocable commercial letter of credit in a form acceptable to CCC and meeting the following minimal requirements:
 - 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 and is therefore in default under said agreement.”
 - the term of the letter of credit shall be for at least 1 year
- 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.--*

--602 Financial Security Requirements (Continued)*C Liability**

DMA's:

- 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 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 shall:
 - 1st, be made to CCC from the financial security provided by DMA
 - 2nd, be made by DMA if the amount of the loss exceeds the amount of the financial security.

603 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 shall immediately cease executing MAL or LDP documents.--*

--604 Annual Recertification for DMA Status*A Recertification Requirements**

DMA's shall, 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 shall 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
 - a 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.--*

605-614 (Reserved)

***--Section 2 General MAL and LDP Processing**

615 DMA MAL and LDP Processing

A Processing MAL and LDP Requests

DMA's shall process MAL and LDP requests according to this table.

Step	Action
1	<p>Peanut producers:</p> <ul style="list-style-type: none"> • may request MAL or LDP at DMA <p>Note: For LDP's, producers should file CCC-633 EZ, page 1 before loss of beneficial interest.</p> <ul style="list-style-type: none"> • shall provide beneficial interest information • may provide FSA-211 for DMA to sign documents on their behalf <p>Note: FSA-211 is not approved for a FAXed signature.</p> <ul style="list-style-type: none"> • shall provide jurisdictional data on CCC-10 for lien search purposes only <p>Note: See 8-LP for CCC-10 instructions.</p> <ul style="list-style-type: none"> • shall deliver to DMA either of the following: <ul style="list-style-type: none"> • individual paper warehouse receipts in the producer's name • EWR numbers, warehouse code, and provider's name.
2	<p>DMA's shall follow procedures to determine whether the producer and commodity are eligible, 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"> • held by the producer at time of MAL or LDP, the process shall continue • lost by the producer before requesting MAL or LDP, the process shall stop.
3	<p>DMA's shall verify producer eligibility according to this handbook. If the producer is:</p> <ul style="list-style-type: none"> • eligible, the process shall continue • ineligible, DMA shall return the documents submitted by the producer in step 1 and stop the MAL or LDP process. <p>DMA's shall:</p> <ul style="list-style-type: none"> • determine whether PLM is available for LDP and market gain purposes • enter into FSA-211 with the producer, according to paragraph 618, if requested by the producer.

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*--615 DMA MAL and LDP Processing (Continued)

A Processing MAL and LDP Requests (Continued)

Step	Action	
4	IF the request is...	THEN DMA shall...
	MAL	<ul style="list-style-type: none"> • complete lien search at DMA’s expense and obtain lien waivers • if EWR’s are applicable, instruct current holder to notify the EWR provider to amend EWR to show DMA as the holder • complete CCC-678 and other MAL forms • have producer or power of attorney sign MAL document • give or mail CCC-601 and CCC-678 to each producer • instruct the EWR provider to make CCC holder of EWR • disburse funds to the producer from DMA’s CCC authorized drawdown account or wait for funds from the service County Office. <p>Note: The “date documents received” date for the DMA-prepared MAL shall be the date of disbursement.</p>
	LDP	<ul style="list-style-type: none"> • complete CCC-633 EZ, page 2 • if EWR’s are applicable, instruct current holder to notify the EWR provider to amend EWR to show peanuts were used to obtain LDP • have producer or power of attorney sign LDP documents • disburse funds to the producer from DMA’s CCC authorized drawdown account or wait for funds from the service County Office. <p>Note: The LDP rate applicable to the CCC-633 EZ request is the rate in effect on the date DMA receives the request.</p>
5	<p>Within 3 workdays of disbursement, DMA shall:</p> <ul style="list-style-type: none"> • group MAL’s with same: <ul style="list-style-type: none"> • disbursement date • peanut type • warehouse code • State where peanuts were inspected 	

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*--615 DMA MAL and LDP Processing (Continued)

A Processing MAL and LDP Requests (Continued)

Step	Action
5 (Cntd)	<ul style="list-style-type: none"> • group LDP's with same: <ul style="list-style-type: none"> • LDP rate • approval date • peanut type • submit each group to the service County Office by either of the following methods: <ul style="list-style-type: none"> • manually with individual paper warehouse receipts or EWR numbers, and the EWR provider's name representing bundled MAL's or LDP's • create pre-processed files.
6	<p>The DMA service County Office shall:</p> <ul style="list-style-type: none"> • process each DMA-prepared MAL or LDP group for the volume of peanuts on multiple receipts as a: <ul style="list-style-type: none"> • regular automated MAL or LDP if processed on the same day as the day the DMA-prepared MAL or LDP was disbursed • manual MAL or LDP with a 90000 series number if processing takes place after the date the DMA-prepared MAL or LDP was disbursed <p>Note: APSS has been modified to allow manual loans to DMA's to be disbursed through checkwriting or EFT.</p> <ul style="list-style-type: none"> • waive the service fee to DMA • not deduct national and State commodity assessment amounts • hold MAL paper warehouse receipts or verify that CCC is holder of EWR's as of date of disbursement • if CCC was not the holder on or before the date the DMA-prepared MAL was disbursed: <ul style="list-style-type: none"> • reject the applicable receipts and do not disburse MAL funds to DMA • instruct DMA to correct the applicable DMA-prepared MAL's, and resubmit to the service County Office • disburse MAL or LDP funds to DMA as instructed by FMD • provide MAL or LDP documents to DMA.

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***--615 DMA MAL and LDP Processing (Continued)**

A Processing MAL and LDP Requests (Continued)

Step	Action
7	DMA shall send the producer a maturity notice letter according to 8-LP.
8	DMA's shall process MAL repayments and forfeitures as authorized by the producer, designated agent on CCC-605P, or power of attorney.
9	DMA's shall maintain MAL or LDP documents according to 25-AS.
10	DMA's shall repay MAL at the DMA service County Office 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 shall release paper receipts or EWR's.

616 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 shall 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.--*

--617 CCC Forms*A Policy**

DMA's as authorized agents of CCC shall use either of the following:

- current CCC forms or forms approved by CCC to document program services
- either of the following options:
 - forms and instructions obtained from CCC by accessing the web site located at www.sc.egov.usda.gov
 - computer-generated forms as described in subparagraph B.

B Requests to Computer-Generated Forms

DMA's shall:

- 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.--*

--618 Using FSA-211 and FSA-211A*A Policy**

For the purpose of signing MAL and LDP documents, producers may delegate power of attorney to another person or to DMA on FSA-211. If a continuation sheet is needed for additional signatures, FSA-211A is used. DMA's shall:

- review 1-CM for general policies about FSA-211's and FSA-211A

Note: For the purposes of this part, use of the term FSA-211 includes FSA-211A.

- verify that FSA-211 is notarized or witnessed

Note: A notary public seal on FSA-211 is **not** required when FSA-211 is signed by an individual in the presence of an FSA employee.

- contact the County Office identified in the revocation sentence on FSA-211 to verify that FSA-211 has not been revoked before processing any applicable MAL advance or LDP
- **not** accept any power of attorney forms other than FSA-211
- **not** accept FSA-211 for joint operations or entities unless acceptable evidence of signature authority is obtained according to 1-CM, Part 25, Section 3

Persons who have been granted power of attorney by a producer shall deliver FSA-211 to DMA.

According to 1-CM, a separate FSA-211 shall be completed for each grantor and each attorney-in-fact. DMA shall **not** process FSA-211 providing more than 1 grantor or more than 1 attorney-in-fact.

Example: A peanut processor presents FSA-211 to DMA with MAL and LDP authority from a producer and requests DMA to act on the producer's behalf to sign MAL or LDP documents for the producer. In this case, DMA **cannot** enter into FSA-211 with the peanut processor. Either the peanut processor must sign MAL or LDP documents for the producer or DMA must enter into a separate FSA-211 with the producer to act on the producer's behalf.--*

*--618 Using FSA-211 and FSA-211A (Continued)

A Policy (Continued)

FSA-211 used to delegate DMA with a producer's power of attorney shall include an attachment with the following statement.

“(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 peanuts 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 judgment of (the producer) in permitting (the DMA) to act as agent for both (the producer) and the Commodity Credit Corporation.”

B FSA-211 Used With CCC-605P

Producers:

- may designate:
 - DMA or a peanut buyer to be an agent on FSA-211, to act on their behalf to execute CCC-605P if FSA-211 **specifically** grants the authority to execute CCC-605P
 - peanut agents on FSA-211 to redeem MAL's without CCC-605P if authority is granted for all MAL and LDP transactions
- must completely understand that designating an agent to execute CCC-605P 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.

DMA's shall:

- accept CCC-605P if FSA-211 specifically grants authority to designate another agent on CCC-605P
- accept MAL repayments from an agent if FSA-211 grants agent authority to conduct all MAL and LDP transactions.--*

*--618 Using FSA-211 and FSA-211A (Continued)

C Completing FSA-211

Complete FSA-211's to delegate power of attorney to DMA's according to this table.

Item	Instructions
1 through 4	Enter DMA's name, address, county, and State.
5	Enter the producer's name.
Section A	Check box for both of the following: <ul style="list-style-type: none"> • item 8 • item 11 and ENTER "Peanuts".
Section B	Check the box for item 6. If FSA-211 will be used to execute CCC-605P, check the box for item 7 and ENTER "CCC-605P".
6 A through C	Individual producers shall sign and enter the date and Social Security number.
7 A through D	Corporations shall sign and enter the title, date, and ID number.
8 A through C	The FSA employee witnessing shall sign and enter the date and position title.
9 A through C	Notary public shall sign and enter the seal and State and county of commission. <p>Note: Notarization is required when FSA-211 is not signed by an individual in the presence of an FSA employee.</p>
10 A through E	Enter place signed, State, and date executed.

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*--618 Using FSA-211 and FSA-211A (Continued)

D Example of FSA-211

This is an example of a properly completed FSA-211.

This form is available electronically. Form Approved - OMB No. 0560-0190

FSA-211 U. S. DEPARTMENT OF AGRICULTURE
 (07-26-05) Farm Service Agency - Commodity Credit Corporation - Federal Crop Insurance Corporation

POWER OF ATTORNEY

THE UNDERSIGNED does hereby appoint (1) Acme DMA, of (2) 2 Main St.
 (3) Franklin County, State of (4) Georgia, the attorney-in-fact to act for
 (5) Frank S. Smith in connection with Farm Service Agency and Commodity Credit Corporation
 program number(s) checked below. Checking any of the FSA or CCC programs does not have any impact as to the FCIC transactions
 checked below:

A. FSA and CCC PROGRAMS <i>(Check applicable program numbers)</i>		B. TRANSACTIONS for FSA and CCC PROGRAMS <i>(Check applicable program numbers)</i>	
<input type="checkbox"/> 1. All current programs.	<input type="checkbox"/> 6. Noninsured Crop Disaster Assistance Program.	<input type="checkbox"/> 1. All actions.	<input type="checkbox"/> 5. Making reports.
<input type="checkbox"/> 2. All current and all future programs.	<input type="checkbox"/> 7. Tobacco programs.	<input type="checkbox"/> 2. Signing applications, agreements, and contracts.	<input checked="" type="checkbox"/> 6. Conducting all marketing assistance loan and LDP transactions.
<input type="checkbox"/> 3. Direct and Counter-Cyclical Program except 2002 peanuts covered by Item A4.	<input checked="" type="checkbox"/> 8. Marketing Assistance Loans and Loan Deficiency Payments.	<input type="checkbox"/> 3. Election of bases and yields except peanut designation covered by Item B4.	<input checked="" type="checkbox"/> 7. Other (Specify)
<input type="checkbox"/> 4. 2002 Direct and Counter-Cyclical Peanut Program.	<input type="checkbox"/> 9. Conservation programs.	<input type="checkbox"/> 4. Designation of peanut historical base and yield to a farm.	CCC-605P
<input type="checkbox"/> 5. Peanut Quota Buy-Out Program.	<input checked="" type="checkbox"/> 10. Milk Income Loss Contract Program.		
	<input checked="" type="checkbox"/> 11. Other (Specify) <u>Peanuts</u>		

This form may also be used to grant authority to an attorney-in-fact to act on the grantor's behalf with respect to certain FCIC programs and crops. Checking any of the FCIC transactions does not have any impact as to the FSA or CCC transactions checked above:

C. FCIC CROPS <i>(Enter "All" or specify each crop and year)</i>	D. TRANSACTION NUMBERS USED BY FCIC <i>(Check applicable numbers)</i>
1. _____	<input type="checkbox"/> 1. All actions.
2. _____	<input type="checkbox"/> 2. Making application for insurance.
3. _____	<input type="checkbox"/> 3. Reporting crop acreage and notice of damage reports.
4. _____	<input type="checkbox"/> 4. Making claim for indemnity.
	<input type="checkbox"/> 5. Making contract changes.
	<input type="checkbox"/> 6. Other (Specify)

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; (2) death of the undersigned grantor; or (3) incompetence or incapacitation 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 FSA Service Center.

AUTHORIZED SIGNATURES:			
6A. Signature(s) of Grantor(s) (Individual) <u>/s/ Frank S. Smith</u>	B. Date (MM-DD-YYYY) <u>08-15-03</u>	C. Social Security Number <u>11-00-0000</u>	D. For Grantors Signature Continuation, check here if FSA-211A is attached. <input type="checkbox"/>
7A. Signature of Grantor (Partnership, Corporation, Trust, etc.)	B. Title	C. Date (MM-DD-YYYY)	D. Identification No. of Entity
8A. Witness Signature (FSA Employee Only) <u>/s/ Dan Rivers</u>	B. Date (MM-DD-YYYY) <u>08-15-03</u>	C. Official Position <u>Program Technician</u>	
9. Notary Public (this form shall be acknowledged by a Notary Public unless witnessed by a FSA employee or a corporate seal of grantor is affixed). Signature (a) _____ State of (b) _____ County of (c) _____			
10. This power of attorney was served to (a) <u>Franklin</u> County FSA Office, (b) State of <u>Georgia</u> and became effective this (c) <u>15</u> day of (d) <u>August</u> , (e) <u>2003</u> .			

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is The Food Security and Rural Investment Act of 2002 (Pub. L. 107-171) and 7 CFR Part 718. The information will be used to legally document your opinion to appointing an attorney-in-fact, identify the person and authorities granted to the appointee. Furnishing the requested information is voluntary; however, failure to furnish the requested information will result in the individual or entity not being able to act as your attorney-in-fact. This information may be provided to other agencies, IRS, Department of Justice or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 651, 1001, 15 USC 714m, and 31 USC 3729, may be applicable to the information provided.

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 0560-0190. The time required to complete this information collection is estimated to average 15 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.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

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***--618 Using FSA-211 and FSA-211A (Continued)**

E Distributing FSA-211

DMA's preparing FSA-211 shall distribute FSA-211 as follows:

- original to DMA
- 1st copy to producer granting power of attorney.

619 Liens and Lien Waivers

A Lien Search Policy

DMA's shall:

- 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 uniform commercial code jurisdiction according to data on CCC-10 filed by the producer
 - at DMA's expense
- document the results of the lien search on FSA 440-13 or a similar form
- file the results in the applicable MAL folder.--*

--619 Liens and Lien Waivers (Continued)*B Obtaining CCC-679**

DMA's shall:

- if liens exist, obtain lienholder signatures on CCC-679 to release a particular lien on peanuts pledged for MAL
- obtain CCC-679 for each lienholder
- **not** disburse MAL if an offset is applicable, unless the lienholder agrees to the offset by checking CCC-679, item 8, line 1 or 3
- require CCC-679's for all MAL requests received from FSA FLP borrowers
- **not** obtain lien waivers for liens that are **not** recorded unless actual notice of the existing lien is provided to DMA by the lienholder in person or in writing.

Note: Examples of unrecorded liens include landlord liens, sheller's possessory liens, and harvesters' liens.--*

*--619 Liens and Lien Waivers (Continued)

C Completing CCC-679

DMA's shall complete:

- CCC-679 according to this table
- CCC-679, item 8(3), if applicable, according to subparagraph D.

Item	Instructions
1	Enter the producer's name and address.
2	Enter the crop year.
3	ENTER "Peanuts".
4	Enter the farm number or numbers, as applicable. If liens are waived on all farms, ENTER "All".
5	Enter the State and county codes for DMA.
6	If the waiver releases: <ul style="list-style-type: none"> • all of the commodity covered by CCC-679, ENTER "All" • just a quantity of the commodity being pledged for MAL, enter applicable quantity, and farm number.
7	Enter the State and county where the peanuts were produced.
8	Lienholder shall check the applicable box. Note: See subparagraph D for additional instructions.
9	Enter estimated net disbursement amount, if applicable.
10	Enter the lienholder's or authorized agent's name and address.
11 A and B	Lienholder shall sign and date.

--*

*--619 Liens and Lien Waivers (Continued)

D Completing CCC-679, Item 8(3)

DMA's shall complete CCC-679, item 8(3) according to this table.

IF...	AND...	THEN...
an administrative offset does not 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"> • United States of America, acting through USDA or FSA • USDA • USDA, formerly FmHA • FSA 	<ul style="list-style-type: none"> • enter the offset amount as of the date CCC-679 is prepared on CCC-679, item 8(3)(a) • calculate the estimated net disbursement amount in item 9 as follows: <ul style="list-style-type: none"> • multiply national loan rate for the applicable type of peanuts times the quantity for MAL • deduct assessments, fees, and administrative offsets, as applicable • enter in item 9 the "estimated net disbursement amount" before CCC-679 is given to an FSA FLP representative.
a statement of charges, according to 8-LP, paragraph 450, signed by the producer, accompanies the warehouse receipt		do either of the following: <ul style="list-style-type: none"> • in item 8(3)(a), add the total dollar amount of the charges to any other offset amounts • modify the statement in item 8(3)(c) to add language that states whose charges are being offset without specifying the type or amount of the charges.

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*--619 Liens and Lien Waivers (Continued)

E Example of CCC-679

This is an example of a properly completed CCC-679.

This form is available electronically.		Form Approved - OMB No. 0560-0087		
CCC-679 (06-20-03)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		
LIEN WAIVER				
1. NAME AND ADDRESS OF PRODUCER <i>(Include Zip Code)</i> : Joe Producer 100 East Road Dothan, GA 12311	2. CROP YR. 2006	3. COMMODITY Peanuts	4. FARM NO. ALL	5. ST. & CO. CODE 13-101
6. QUANTITY COVERED ALL		7. STATE AND COUNTY WHERE PRODUCED Calhoun, GA		
<p>N The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is the Federal Agriculture Improvement and Reform Act of 1996 and the Commodity Credit Corporation Charter Act, as amended and regulations at 7 CFR Parts 1421, 1427, and 1435. The information will be used to determine to whom program benefits will be paid. Furnishing the requested information is voluntary; however, failure to furnish the correct and complete information will result in a determination of ineligibility for program benefits. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.</p> <p>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 0560-0087. The time required to complete this information collection is estimated to average 6 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.</p>				
8. 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 (lienholder must check one of the following):				
(1) <input type="checkbox"/> To the producer. (2) <input type="checkbox"/> Jointly to the producer and the undersigned lienholder. (3) <input checked="" type="checkbox"/> Jointly to the producer and the undersigned lienholder, less \$ (a) _____ administrative offset as of (b) _____ and charges due (c) <u>Golden Peanut as authorized by USDA/FSA/DAFP and producer.</u> (DATE)				
9. If administrative offsets are deducted from the loan proceeds enter estimated net disbursement amount: \$ _____ .				
10. NAME AND ADDRESS OF LIENHOLDER OR AUTHORIZED AGENT Key Bank 1001 East Main Street Dothan, GA 12122				
11A. SIGNATURE				11B. DATE (MM-DD-YYYY)
The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable sex, marital status, familial status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.				

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***--619 Liens and Lien Waivers (Continued)**

F Distributing CCC-679

DMA's shall distribute CCC-679 as follows:

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

620 Offsets, Assignments, and Deductions

A Reference for Offsets and Assignments

For CCC offsets and assignments, DMA's shall follow the policy applicable to LSA's in 22-CN, Part 6.

B National Peanut Board and State Assessment Deductions

Deductions as applicable from MAL proceeds for the National Peanut Board and authorized State assessments shall be paid directly by DMA's. DMA service County Offices shall not make any such deductions from loans disbursed to DMA's.

C Deductions for DAFP-Authorized Charges

For DAFP-authorized deductions from MAL gross loan amounts, DMA's shall follow policy in 8-LP. DMA's shall:

- for loans secured with EWR's or paper receipts, accept the DAFP-authorized charges relating to cleaning, drying, seed, and custom harvesting agreed to by producers on a written statement of charges signed by the producer and submitted to DMA
- **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 619.--*

--621 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 or as a commodity certificate repayment transaction according to 8-LP. Furthermore, DMA's shall:

- for lock-in of repayment rates:
 - accept and administer requests from producers on CCC-697 according to 8-LP, paragraph 952
 - 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
- do **not** provide the service County Office with copies of CCC-697--*

--621 MAL Repayment Processing (Continued)*A Repayment Types and General Processing (Continued)**

- for commodity certificate exchanges:
 - accept requests from producers on CCC-694-2 according to 8-LP, Part 9, Section 8
 - maintain a copy of the applicable CCC-694-2 in the producer's loan folder
 - do **not** provide the service County Office with copies of CCC-694-2
 - collect the correct amount of funds from the producer or agent for the repayment transaction
 - immediately purchase commodity certificates at the service County Office and repay the underlying loan to DMA at the service County Office
- 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.--*

--622 DMA Collection of Charges Due on Forfeited Loans*A Determining Charges Due**

When loans are forfeited and after warehouse charges are paid by KCCO, DMA's shall:

- determine whether a DMA producer shall be billed for storage from the date the peanuts were put into storage to the day before the "date documents received" date
- calculate amounts due by producers. Do **not** include handling charges.

Note: DMA's may also use receivable data created by DMA service County Offices to arrive at amounts owed by DMA producers.

B Collecting Charges Due From Producer

After computing charges due to be paid by DMA producers, DMA's shall:

- send applicable producers a notification letter for charges due according to subparagraph E, and file a copy in the producer's loan folder
- if the amount due remains unpaid 30 calendar days after the date of the notification letter, 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.--*

--622 DMA Collection of Charges Due on Forfeited Loans (Continued)*C DMA Service County Office Action**

DMA service County Offices shall:

- assist DMA's with calculations of amounts owed by individual DMA producers because of forfeited loans by providing a copy of APSS Screen PFA12000 showing the amount of storage due on each warehouse receipt when processing a peanut loan forfeiture
- accept DMA payments as a result of DMA collections towards receivables created until DMA producer debts are transferred to administrative County Offices
- 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.

D DMA Producer Administrative County Office Action

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

- begin collection actions according to 58-FI and 67-FI
- send another notification letter even though DMA has already sent one to the producer
- create claims using:
 - program code "XXPNUTSTGCRS", replacing "XX" with the applicable crop year
 - reason code "10424".--*

*--622 DMA Collection of Charges Due on Forfeited Loans (Continued)

E Notification Letter for Debt Collection

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 peanut 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, and all warehouse storage charges that accrued **before** the date all documents required from you for the loan were provided to the DMA.

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 charges.

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 DMA 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,

DMA Official
 _____ DMA Office

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*--623 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 shall follow policy for violations according to 8-LP, Part 6. When violations are discovered or DMA's are notified by administrative County Offices of violations according to paragraphs 552 through 554, DMA's shall:

- send the producer a notification letter according to 8-LP, subparagraph 602 B
- 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 shall 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 shall:

- 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.--*

***--623 DMA Collection of Amounts Due From Loan and LDP Violations (Continued)**

B DMA Service County Office Action

DMA service County Offices shall:

- 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 and 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 paragraph.

C DMA Producer Administrative County Office Action

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

- begin collection actions according to 58-FI and 67-FI
- send another notification letter even though DMA has already sent one to the producer.--*

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 (HELIC) and Wetland Conservation (WC) Certification		106, 252, 336,
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents		615, 619
CCC-184	CCC Check		2
CCC-257	Schedule of Deposit		140
CCC-478	Production Flexibility Contract		
CCC-502	Farm Operating Plan for Payment Eligibility Review for _____		106
CCC-526	Payment Eligibility Average Adjusted Gross Income Certification		106
CCC-601	Commodity Credit Corporation Note and Security Agreement Terms and Conditions		615
CCC-605P	Designation of Agent – Peanuts		615, 618
CCC-633 EZ	Loan Deficiency Payment (LDP) Agreement and Request		205, 615
CCC-678	Warehouse Storage Note and Security Agreement		615
CCC-679	Lien Waiver	92, 619	103, 620
CCC-694-1	CCC-Determined Value and Commodity Certificate Worksheet		135
CCC-694-2	Acknowledgment of Commodity Certificate Purchase		621
CCC-697	Request to Lock in a Market Loan Repayment Rate		621
CCC-719	ACRS Transaction Report (Report Control No. FM-596R)		89
CCC-732	CMA or LSA Producer Payment Limitation Request	159, 160	Text
CCC-736 (Addendum)	Privacy Act, Public Burden, and Penalty Statement for CMA and LSA Loan and Loan Deficiency Payment (LDP) Forms	Ex. 4	89

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-846	Application for Approval of Cooperative Marketing Association for Loan and Loan Deficiency Payments (LDP)	55	38, 53, 54, 73
CCC-846-1	Loan and Loan Deficiency Payment (LDP) Recertification for Approved Cooperative Marketing Associations (CMA's)	57	22, 53, 54, 56
CCC-846-1A	Recertification of Status for Approved Loan Servicing Agents or Designated Marketing Associations		604
CCC-912	Agreement of Authorized Loan Servicing Agent		2, 602
CCC-912-P	Agreement for Designated Marketing Association Terms and Conditions for Peanuts	Ex. 17	601
CCC Cotton A-5	Statement of Eligibility and Information Worksheet		106
CCC-Cotton G	Cotton Cooperative Loan Agreement		2, 54, 139
CCC-Cotton G-4	Cotton Reconciliation Agreement		54
FSA-211	Power of Attorney	618	600, 615
FSA-211A	Power of Attorney Signature Continuation Sheet		618
FSA 440-13	Report of Lien Search		619
FSA-578	Report of Acreage		224, 238, 300, 383

Abbreviations

This table lists all abbreviations used in this handbook.

Approved Abbreviation	Term	Reference
AB	Automation Branch, PSD	73, 76, 190, 251, 315
ACRS	Automated Cotton Reporting System	2, 3, 73, 383
AGI	Adjusted Gross Income	106, 132, 134, 330
APSS	Automated Price Support System	140, 615, 622
BIA	Bureau of Indian Affairs	151, Ex. 10, 11, 12
CAIVRS	Credit Alert Interactive Voice Response System	106
CCB	Cotton Commercial Bank	16, 53, 92
CCC	Commodity Credit Corporation	Text, Ex. 2
CED	County Executive Director	3

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Abbreviations (Continued)

Approved Abbreviation	Term	Reference
CFR	Code of Federal Regulations	21, 23, 25, 54, 600, Ex. 2
Char	character	237, 239, 252, 255, 256, 551
CMA	approved Cooperative Marketing Association	Text, Ex. 2, 6
COC	County Committee	552, 554
COPS	Cotton Online Processing System	550
CPA	combined producer account number	157, 252, 267, 286, 303, Ex. 2
DAFP	Deputy Administrator, Farm Programs, FSA	3, 600, 620, Ex. 20
DCIA	Debt Collection Improvement Act	106, 107, 354
DMA	Peanut Designated Marketing Association	Text, Ex. 2
EFT	electronic funds transfer	615
ELS	extra long staple	Ex. 7
EWR	electronic warehouse receipt	600, 615, 620, 621
FAX	facsimile	Text, Ex. 6
FCI	Federal Crop Insurance	224, 252, 334
FLP	Farm Loan Programs	619
FMD	Financial Management Division, FSA	3, 53, 600, 601, 615
FmHA	Farmers Home Administration	619
FOIA	Freedom of Information Act	382, 551
FR	Federal Register	600
FSA	Farm Service Agency, USDA	Text, Ex. 6, 7
FSN	farm serial number	Text, Ex. 2
FY	fiscal year	55, 56, 57, 106, 604, Ex. 2
FTP	File Transmission Protocol	Text
HELIC	highly erodible land conservation	106, 323
ID	identification	Text, Ex. 2, 10, 11, 12
IRS	Internal Revenue Service	272
KC-ADC	Kansas City Application Development Center	Text, Ex. 2
KCAO	Kansas City Administrative Office	202, 216, 556
KCCO	Kansas City Commodity Office	3, 622
LDP	loan deficiency payment	Text, Ex. 2, 4, 7, 12
LSA	authorized cotton Loan Servicing Agent	Text, Ex. 2, 6
MAL	marketing assistance loan	Text, Ex. 2

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Abbreviations (Continued)

Approved Abbreviation	Term	Reference
MA.CTM	county table maintenance file	171, 224
MA.EFM	eligibility file	Text
MA.L?M	year specific payment limitation file	Text
MA.M?M	multicounty file	Text
MA.NAM	name and address file	171, 224, 322, 332
MA.P?M	200? permitted entity file	Text
ME.A?M	cropland comparison file	326
ME.P?M	compliance share file	171, 224, 300, 325
ME.S?M	FSA-578 compliance summary file	Text
MG.PFM	production flexibility contract file	171, 352
NAM	name and address record	Text
PCF	percent of cropland factor	Text, Ex. 2
PE	permitted entity share	Text, Ex. 2
PEM	permitted entity record	Text
PLM	“PA/PS” payment limitation amount	Text, Ex. 2
PSD	Price Support Division	Text
SSL	secure socket layer	204
STC	State Committee	3
USDA	United States Department of Agriculture	202, 550, 555, 601, 619
WC	wetland conservation	106, 323

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 one of the three 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.

Authorized Commodity

An authorized commodity is a commodity that CMA is approved to use to obtain loans or LDP's. Commodities that may be approved by CMA are those approved for MAL's and LDP's according to 7 CFR Part 1421.

CMA

CMA is a cooperative approved by CCC to participate in loan and LDP programs for any authorized commodity.

CMA Process

The CMA Process is an automated system to provide CMA's, DMA's, and LSA's eligibility and payment limitation information related to CCC's loan and LDP program. CMA's, DMA's, and LSA's make electronic submissions containing the ID numbers of their producers and the FSN's administrative County Office. CMA Process processes these ID numbers using County Office file data uploaded from County Offices. Output files resulting from the process are returned to applicable CMA's, DMA's, and LSA's. State and County Offices also get reports of eligibility and processing conditions found during the process.

CMA Service County Office

A CMA service County Office processes loan and LDP activities for other than cotton CMA's for the CMA it is assigned.

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.

Definitions of Terms Used in This Handbook (Continued)

Component Members

Component members are members of joint operations. This distinguishes the member of CMA who may be a joint operation, from the payment limitation entity that is a member of a joint operation. In the CMA Process, component members cannot be joint operations. When a joint operation has other joint operations as members, the CMA Process identifies all applicable component members and their respective actual shares in the joint operation.

Control County Office

A control County Office is the County Office where the “person’s” PLM is controlled and PLM records are maintained.

CPA

CPA is the KC-ADC account number assigned to producers who are combined with at least 1 other producer for payment limitation purposes. All market gains earned by producers with the account number cannot exceed the maximum PLM.

Cooperative

A cooperative is a business owned and controlled by the producers who use its services and operated under generally accepted cooperative principles.

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 PE and/or PCF 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.--*

Definitions of Terms Used in This Handbook (Continued)***--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.--*

Excess Market Gains

Excess market gains are market gains a "person" is not entitled to because they exceed the "person's" PLM.

Flag

A flag is a "Y" in 1 of the eligibility or processing fields in the CMA Process.

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:

- a general partnership (entity type 02)
- a 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 market gains are limited based on the producer's PLM.

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, CMA Process input file records must reflect the new administrative County Office.

"Person"

A "person" for PLM purposes 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 ID Number

Primary ID number is an ID number for a producer submitted by CMA or LSA.

***--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

This 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.

State Offices shall use the mailing address, FAX number, or e-mail address for each CMA, DMA, and LSA to send them FSA handbook amendments and notices. 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 shall 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.

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Adams Land Company Ms. Sandra J. Kennett P O Box 49 Leachville AR 72438-0049	05-704 (LSA)	870-539-6314 870-539-2362 sandra@adamsland.com	Cotton	NA
AGMARK, LLC Mr. Jeff Bechard P O Box 444 Beloit KS 67420-0444	20-873	785-738-9641 785-738-5150 jbechard@agmarkllc.com	*--Terminated--*	Mitchell KS 20-123
--American Peanut Marketing Association, LLC Mr. James L. Webb 7843 Hwy 37 Leary GA 39862	13-808 (DMA)	229-792-3767 229-792-6134 jlw1963@bellsouth.net	Peanuts	Calhoun GA 13-037--

Approved CMA's, DMA's, and LSA's (Continued)

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Aurora Cooperative Elevator Company Ms. Julie Miller-Hodges P O Box 209 605 12 th St Aurora NE 68818-0209	31-848	402-694-2106 402-694-2060 jmiller@auroracoop.com	Corn Sorghum Soybeans Wheat	Hamilton NE 31-081
Autauga Quality Cotton Association Mr. Jeff Thompson, Exec. Vice-President 208 Medical Center Ct Prattville AL 36066-7288	01-801	334-365-3369 334-365-9261 jthompson@aqca.net	Cotton	NA
Beltwide Cotton Cooperative Mr. Mike Patranella P O Box 20100 4444 Park Blvd Montgomery AL 36120-0100	47-801	806-762-0671 334-271-4238 mpatranella@weilbros.com	Cotton	NA
Blackwell Cooperative Elevator Association Mr. John Becker, Controller 410 N Main St Blackwell OK 74631-2233	40-806	580-363-1461 580-969-0515 blkwcoop@grcnet.net	*--Terminated 8/16/06--*	Kay OK 40-071
CALCOT, LTD Mr. Dan Lucas P O Box 259 1900 E Brundage Ln Bakersfield CA 93302-0259	06-804	661-327-5961 661-861-9870 staff@calcot.com	Cotton	NA
Carolinas Cotton Growers Cooperative Mr. Mike Quinn 101 Sigma Dr Garner NC 27529-8543	37-801	919-773-2120 919-773-4495 mquinn@carolinascotton.com	Cotton	N/A
CHS Inc. Mr. Gene Tarnowski P O Box 64089 St Paul MN 55164-4089	27-801	800-548-9727 651-355-6496 gene.tarnowski@chsinc.com	Barley Canola Corn Crambe Flaxseed Oats Soybeans Sunflowers Wheat	Dakota MN 27-037

Approved CMA's, DMA's, and LSA's (Continued)

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Cooperative Marketing Alliance/DBA CoMark Mr. Charlie Lowrance IV 80 Monroe Ave Ste L5 Memphis TN 38103-2493	05-805	901-543-9494 901-543-9498 clowrance@comark.org	Cotton	NA
Concordia LLC Mr. Ron Coley P O Box 232 1361 US Hwy 41 N Ashburn GA 31714-0232	13-805	229-567-9661 229-567-9664 concordiallc@bellsouth.net	Peanuts	Worth GA 13-321
Concordia Allied Producers Ms. Evalynn Holland P O Box 232 1361 US Hwy 41 N Ashburn GA 31714-0232	13-806 (DMA)	229-567-9661 229-567-9664 concordiallc@bellsouth.net	Peanuts	Worth GA 13-321
Cotton Cooperative Association Mr. Jerry D. Harris 1520 Texas Ave Lubbock TX 79401-5139	48-828	806-747-7836 806-747-1991 allenbergcotton@door.net	Cotton	NA
Cotton Resources, Inc. Ms. Linda Russell P O Box 897 Seminole TX 79360	48-709 (LSA)	432-758-9491 432-758-3342 lrussell@crosswind.net	Cotton	NA
Desert Wheat Growers Cooperative Mr. Bruce Hiscox 37860 W Smith Enke Rd Maricopa AZ 85239-3010	04-804	520-381-2217 520-568-2556 michaelcole@cox.net	*--Terminated 4/26/06--*	Pinal AZ 04-021

Approved CMA's, DMA's, and LSA's (Continued)

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Dimmitt Agri Industries, Inc. Ms. Pam Odom P O Box 728 510 E Bedford St Dimmitt TX 79027-0728	48-806	806-647-2141 806-647-5765 pamodom@agrifarmind.com	*--Terminated--*	Castro TX 48-069
Dumas Cooperative Mr. Gene Legg P O Box 831 600 Twichell St Dumas TX 79029-0831	48-815	806-935-6440 806-935-6464 dquirk@amaonline.com	Corn Sorghum Soybeans Wheat	Moore TX 48-341
Edmonson Wheat Growers, Inc. Mr. Royce Duckett P O Box 32, Hwy 194 Edmonson TX 79032-0032	48-812	806-864-3327 806-864-3325 ewg@amaonline.com	Terminated	Hale TX 48-189
Fambro Warehouse Company Mr. Leigh Pell c/o Dunavant & Company P O Box 26600 Fresno CA 93729-6600	06-703 (LSA)	559-447-1800 559-448-1846 leighp@dunca-cotton.com	Cotton	NA
Farmers Elevator Company Mr. Sam Schmidt P O Box 526 434 First St Chappell NE 69129-0526	31-806	308 874 2245 308 874 2405 farmco@megavision.com	Terminated	Deuel NE 31-049
Farmers Cooperative of El Campo Mr. Jimmy N. Roppolo P O Box 826 911 S Wharton St El Campo TX 77347-0826	48-809	979-543-6284 979-543-9004 vbg@wcnet.net	*--Suspended 10/18/05--*	Wharton TX 48-481

Approved CMA's, DMA's, and LSA's (Continued)

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Farmers' Rice Cooperative Mr. Joseph Magliola P O Box 15223 2525 Natomas Park Dr Sacramento CA 95851-0223	06-801	916-923-5100 916-925-4970 magliola@farmersrice.com	Rice	Sacramento CA 06-067
GFA Peanut Association Mr. James E. Godwin P O Box 488 5201 Hwy 19 S Camilla GA 31730-0488	13-804	229-336-5241 229-336-9503 gfapeanut@camillaga.net	Peanuts	Mitchell GA 13-205
Growers Marketing Cooperative Inc. *--Mr. Daniel Bluntzer 1150 East Main Street Suite 290--* Robstown TX 78380	48-831	361-387-2600 361-387-2603 danielb@frontier-risk.com	Sorghum	Nueces TX 48-355
Heartland Cooperative Mr. Lyle Weitzel P O Box 1008 265 N Showboat Blvd Hastings NE 68901-0088	31-893	402-463-5148 402-463-7263 lhweitzel@alltel.net	Corn Sorghum Soybeans Wheat	Adams NE 31-001
Links LSA Inc. Ellen Ford 4045 Stockdale Highway Bakesfield CA 93309	06-704	661-396-0230 661-396-0236 eford@bak.rr.com	Cotton	N/A

Approved CMA's, DMA's, and LSA's (Continued)

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Midland Co-Op Mr. Dale Rohrer, General Manager P O Box 98 Hwy 6 & 34 Funk NE 68940-0098	31-894	308-263-2441 308-263-2444 drohrer@midlandcoop.com	*--Suspended--*	Phelps NE 31-137
National Quality Cotton Association *--Mr. Jeff Thompson 208 Medical Center Ct Prattville AL 36066	47-802	334-365-3369 334-365-9261 jthompson@aqca.net--*	Cotton	NA
Olton Grain Cooperative, Inc. Mr. Mike Malone P O Drawer M 910 W 1st St, Hwy 70 Olton TX 79064	48-814	806-285-2638 806-285-3166 mmmalone@oltongrain.coop	Corn Sorghum Soybeans Wheat	Lamb TX 48-279
Pawnee County Cooperative Association Mr. Hugh Mounday P O Box 50 103 E 3rd Larned KS 67550-0050	20-884	620-285-2161 620-285 6310 hugh@pawneecoop.com	Corn Sorghum Soybeans Wheat	Pawnee KS 20-145
Peanut Growers Cooperative Marketing Association Mr. Thomas R. Cotton, Jr. P O Box 59 1001 Campbell Ave Franklin VA 23851-0059	51-801	757-562-4103 757-562-0744 dcotton25@cs.com	Peanuts	Southampton VA 51-175
Peanut Loan Processing Center Mr. Dan Hunter P O Box 338 304 SE Lubbock St Gorman TX 76454-0338	48-830 (DMA)	254-734-2222 254-734-2288 hunterswpga@hotmail.com	Peanuts	Eastland TX 48-133
Plains Cotton Cooperative Association Mr. Jim Taylor P O Box 2827 3301 E 50th St Lubbock TX 79408-2827	48-803	806-763-8011 806-762-7444 806-762-7333 jim.taylor@pcca.com	Cotton	NA

Approved CMA's, DMA's, and LSA's (Continued)

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Producers' Marketing Cooperative Mr. Ronald E. Pope P O Box 255 202 NW Railroad Mertzon TX 76941-0255	48-826	325-835-7173 325-835-7174 pmcicoop@wcc.net	Mohair Wool	Tom Green TX 48-451
Producers Rice Mill, Inc. Mr. Kent Lockwood P O Box 1248 518 E Harrison St Stuttgart AR 72160-1248	05-803	870-672-4453 870-673-8131 klockwood@producersrice.com	Rice	Arkansas AR 05-001
Quality Cotton Cooperative Ms. Debra Lyle P O Box 1027 125A W Water St Plymouth NC 27962-1027	37-803	252-793-3460 252-793-3466 debra@qualitycotton.net	Cotton	NA
Riceland Foods, Inc. Mr. Terry Richardson Box 9272 2210 S Park Ave Stuttgart AR 72160-0097	05-802	870-673-5222 870-673-5667 trichardson@riceland.com	Rice Soybeans Wheat	Arkansas AR 05-001
*--Richardson LSA, Inc. Mr. Bill Wickham, VP Finance and Treasurer 2280 Campbell Creek Blvd Ste 350 Richardson TX 75082	48-707	972-301-3258 bwickham@reinhardt.com	Cotton	NA
Signia Cotton Cooperative Mr. Keith Jenkin 4045 Stockdale Hwy Bakersfield CA 93309-2021	47-803	661-396-0230 661-396-0237 kjenkin@houchincotton.com	Cotton	NA--*
Southwestern Irrigated Cotton Growers Association Mr. Jack Langenegger P O Box 1709 3500 Doniphan Dr El Paso TX 79949-1709	48-805	915-581-5441 915-581-4138 swigcotton@aol.com	Cotton	NA
Southwestern Peanut Grower's Association Mr. Dan Hunter P O Box 338 304 SE Lubbock St Gorman TX 76454-0338	48-829	254-734-2222 254-734-2288 hunterswpga@hotmail.com	Peanuts	Eastland TX 48-133
Staplcotn Mr. Kenneth Downs P O Box 547 214 W Market St Greenwood MS 38935-0547	28-801	662-453-6231 662-453-6274 kenny.downs@staplcotn.com	Cotton	NA

Approved CMA's, DMA's, and LSA's (Continued)

Address/Contact	FIPS Code	Phone/FAX/E-Mail	Approved Crops	Service County/ Code
Sunmark Services, LLC Ms. Amber Campbell 3141 Hood St Ste 200 Dallas TX 75219	48-708 (LSA)	214-520-1717 214-520-1859 acampbell@ecomtrading.com	Cotton	NA
Sunray Cooperative Mr. Bret Brown P O Box 430 101 Main St Sunray TX 79086-0430	48-808	806-948-4121 806-948-5606 bretb@sunraycoop.com	*--Corn Grain Sorghum Soybeans Wheat--*	Moore TX 48-341
Team Marketing Alliance, LLC Mr. Ted Schultz 307 W Cole St Moundridge KS 67107	20-875	620-345-3560 620-345-3569 tschultz@tmagrain.com	Corn Sorghum Soybeans Wheat	McPherson KS 20-113
Telmark LSA Mr. Greg Bell P O Box 2917 3301 E 50th St Lubbock TX 79404-2917	48-701 (LSA)	806-763-8011 806-762-7333 gov.programs@pcca.com	Cotton	NA
Topflight Grain Cooperative Mr. Denney Hill 400 E Bodman St Bement IL 61813-1202	17-802	217-678-2261 217-678-8113 dhill@topflightgrain.com	Corn Soybeans	Piatt IL 17-147
V-C Peanut DMA LLC Mr. Thomas R. Cotton, Jr. P O Box 59 1001 Campbell Ave Franklin VA 23851-0059	51-802 (DMA)	757-562-4103 757-562-0744 dcotton25@cs.com	Peanuts	Southampton VA 51-175
U.S. Cotton Growers Association Mr. Craig Muller 3141 Hood St Ste 200 Dallas TX 75219-5000	48-827	214-252-5329 214-250-1859 cmuller@ecomtrading.com	Cotton	NA

CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts

This is an example of CCC-912-P.

<p>CCC-912-P (08-19-03)</p>	<p>U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation</p>	
<p>AGREEMENT FOR DESIGNATED MARKETING ASSOCIATION TERMS AND CONDITIONS FOR PEANUTS</p>		
<p><small>NOTE: The authority for collecting the following information is Pub. L. 107-171. 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.</small></p> <p><small>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is Pub. L. 107-171. The information will be used to evaluate if the applicant is eligible for DMA status. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in disapproval of DMA status. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided. RETURN COMPLETED FORMS TO THE DIRECTOR, PRICE SUPPORT DIVISION, USDA, FSA, STOP 0512, WASHINGTON, D.C. 20250.</small></p>		
<p>1. Date of Agreement: <i>(Day, Month, Year)</i></p>	<p>2. Name of Designated Marketing Association</p>	
<p>3. Street Address</p>	<p>4. City, State, Zip Code</p>	
<p>5. Phone Number (Area Code):</p>	<p>6. State and DMA Code: <i>(Assigned by FSA)</i></p>	
<p>7. Purpose:</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 2002 through 2007 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>8. Definitions:</p> <p>A. Designated Marketing Association 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>		

CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts
(Continued)

CCC-912-P (08-19-03)

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;

CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts
(Continued)

CCC-912-P (08-19-03)

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 payment limitation data to the DMA that the DMA will use to determine whether the producer is an eligible producer or if the producer will exceed allotted payment 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:

CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts
(Continued)

CCC-912-P (08-19-03)

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.

CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts
(Continued)

CCC-912-P (08-19-03)

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:
- A. executing MAL documents to obtain peanut MAL's, or LDP's
 - B. repaying such peanut MAL's on behalf of the producer; or
 - C. marketing the producer's peanuts.
18. **Financial Security:**
- A. 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.
 - B. 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. **Field 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.

CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts
(Continued)

CCC-912-P (08-19-03)

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.

CCC-912-P, Agreement for Designated Marketing Association Terms and Conditions for Peanuts
(Continued)

CCC-912-P (08-19-03)

Page 7 of 7

- 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.
- 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: _____ B. By _____ C. Date: _____
(Signature) (Signature of Responsible Party)

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