

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Farm Storage Facility Loan Program
1-FSFL**

Amendment 30

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 11 B has been amended to inform County Offices that Kansas City will prepare and mail IRS-1098's for FSFL interest to contact borrowers.

Subparagraph 16 A has been amended to require that loan applicants make the minimum down payment to each supplier or contractor before loans are disbursed.

Subparagraph 43:

- C has been amended to provide the latest version of CCC-195
- E has been amended to clarify who shall complete spot checks
- F has been amended to revise procedure on State Office CCC-195 spot checks and announce that a query will soon be available for listing loans disbursed
- H has been amended to clarify who shall spot check CCC-195's.

Subparagraph 44:

- A and E have been amended to remove reference to the Farm Business Plan System
- F has been amended to provide the new form number for:
 - verifying debts and assets (FSA-2015)
 - authorizing FSA to request information and add that FSA-2004 **must** be signed by the applicant giving FSA the authority to verify debts and assets.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 46 A has been amended to clarify that FSFL Credit Reports shall not be obtained through the FLP Farm Business Plan.

Subparagraph 47 A has been amended to provide the new form number (FSA-2360) for reporting lien searches.

Subparagraph 49 D has been amended to clarify signatures required on CCC-10.

Subparagraph 58 D has been amended to ensure that producers initial and date crop insurance waiver statement, if applicable.

Subparagraph 101 B has been amended to remind County Offices not to issue approval letters until funding has been received.

Subparagraph 121 E has been amended to clarify the partial payment percentage amount on CCC-191.

Subparagraph 123 has been amended to clarify that extensions of the approval period must be received within 7 calendar days of notification by the County Office.

Subparagraph 136:

- A has been amended to update and clarify instructions for completing manually prepared CCC-186's
- B has been amended to provide an example of a completed CCC-186
- C has been amended to add instructions for completing CCC-186 Terms and Conditions
- D has been amended to add an example of CCC-186, page 2.

Subparagraph 137:

- A has been amended to add instructions for completing CCC-186-1
- B has been amended to add an example of a completed CCC-186-1.

Subparagraph 150:

- C has been amended to provide the correct subparagraph reference number
- E has been amended to revise the number of days COC may extend an installment.

Subparagraphs 150 H, 231 C and 232 A have been amended to include procedure for the accelerated release of security documents when the final payment is made by cash, certified check, or money order.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 276 B has been amended to clarify that only copies of the pertinent documents are to be sent to DAFP when requesting relief.

Subparagraph 317 B, step 5 has been amended to inform County Offices that the location where the loan collateral is located during the initial entry of CCC-185 data will be the collateral location that automatically transferred to CCC-186.

Subparagraph 319 C, step 4 has been amended to inform County Offices that the detailed description of the collateral that is entered during the loan approval and obligation request will be included on CCC-186.

Note: FSA-431-2 is obsolete and has been replaced by FSA-2037 and FSA-2038.

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11 Eligible Borrowers

A Basic Requirements

[7 CFR 1436.5] An eligible borrower is any person, as defined in Exhibit 2, who, as a landowner, landlord, operator, producer, leaseholder, tenant, or sharecropper:

- has a satisfactory credit history as determined by CCC
- has no delinquent Federal nontax debt as defined by DCIA of 1996 unless the delinquent debt is resolved before FSFL is disbursed
- is a producer of facility loan commodities as defined in Exhibit 2
- provides proof of multi peril crop insurance offered under the Federal Crop Insurance Program
- is in compliance with USDA provisions for highly erodible land and wetlands

* * *

- demonstrates the ability to repay the debt resulting from FSFLP
- demonstrates compliance with the National Environmental Policy Act at 40 CFR Parts 1500-1508
- demonstrates a need for increased storage capacity
- demonstrates compliance with any applicable local zoning, land use, and building codes for the applicable farm storage facility structures
- provides all peril insurance and, if required, flood insurance
- has not been convicted under Federal or State law of a controlled substance violation, according to 1-CM, Part 30.

Note: CCC-526 does not apply to FSFL's.

11 Eligible Borrowers (Continued)

B Determining Borrowing Entity

County Offices shall:

- determine the borrowing entity from County Office records, if available
- allow borrowers who are otherwise eligible to enter into joint loans with another eligible borrower if adequate security requirements can be met
- require loans to be joint when more than 1 borrower or entity has an interest in a facility
- not allow schemes to avoid the maximum loan limit

Note: Generally, the borrowing entity will be the producer:

- of facility loan commodities that require storage at the proposed storage location
- who meets all other requirements
- inform borrowers requesting joint loans, or borrowers who are partnerships or joint ventures, that all reminders and pertinent information on the loan will be sent only to the contact producer
- inform borrowers on joint loans, * * * that the contact borrower will receive IRS-1098 for the entire amount.

Example: Three brothers obtained a joint loan. One brother will be the contact borrower and receive IRS-1098 for the entire loan.

***--Note:** Kansas City will prepare and mail IRS-1098's for FSFL interest.--*

15 Loan Amount and Loan Approvals (Continued)**I Approval Expiration**

Loan approvals expire 4 months after the approval date, unless extended in writing for up to an additional 4 months by STC.

Note: See paragraph 123 for further details.

J STC Concurrence

STC or its representative shall:

- concur before disbursement with the first 3 applications filed and approved each FY at an administrative County Office regardless of the amounts requested

Note: Additional reviews, including those following loan disbursement, may be conducted if determined necessary by STC.

- document concurrence in the loan folder on CCC-185, item 18 and CCC-195, items 22 and 23

Note: In CCC-195, item 23 indicate that this spot check was required under subparagraph 15 J.

- initiate corrective action where necessary.

16 Downpayment**A Minimum Downpayment**

[7 CFR 1436.10] A minimum downpayment shall be:

- the difference between the net cost of the storage facility and the amount of the loan determined by paragraph 15

•*--made by the loan applicant to each supplier or contractor before the loan is disbursed.--*

B Allowances

The downpayment must be in cash. The cash may be the result of a loan. County Offices shall ensure that downpayments obtained from loans are accounted for when determining the borrower's capability of repaying a loan.

16 Downpayment (Continued)

C Exclusions

The downpayment shall not include any of the following:

- discount
- rebate
- credit
- deferred payment
- post-dated check
- promissory note to the supplier or contractor
- trade-in value.

17 Disbursement

A Inspection and Approval

[7 CFR 1436.11] CCC shall disburse the loan when the farm storage facility has been:

- delivered
- constructed
- assembled
- installed
- inspected and approved by a COC representative
- determined to be free of liens other than CCC's by a final lien search.

B Evidence of Total Cost

Disbursement will be made only if the borrower provides satisfactory evidence of the following:

- total cost of the facility
- payment of all debts on the facility in excess of the amount of the loan
- required downpayment.

C Joint Disbursement

Disbursements shall be made jointly to the borrower and the contractor or supplier.

Exception: Disbursement may be made to the borrower if the County Office determines the borrower has paid the contractor or supplier all amounts that are due and owing with respect to the facility.

43 Processing an Application (Continued)

B Using CCC-195

CCC-195 was developed to assist State and County Offices to avoid the types of errors that have been found by COR reviews. See subparagraph C for an example of CCC-195. CCC-195 is required to be completed for all FSFL's. It is **not** the intent of CCC-195 to supercede or replace procedure. County Offices should use CCC-195 as a reminder of the most frequently "erred" determinations when preparing FSFL applications.

State Offices shall:

- *--only as necessary to incorporate individual State laws, modify CCC-195 for State use by using the blank lines provided on CCC-195 or by further editing the document in Microsoft Word

Note: The current version of CCC-195 is available on FFAS Employee Forms Online Web Site.

- e-mail State CCC-195's that differ from the national CCC-195 to **deann.allen@wdc.usda.gov** for National Office approval
- issue only National Office approved CCC-195 to County Offices.--*

County Offices shall:

- prepare CCC-195 received from the State Office for each FSFL that was not disbursed as of the date of receipt of CCC-195
- maintain CCC-195 in each FSFL folder
- check, initial, and date the appropriate box for each item as it is performed
- check, initial, and date the appropriate box for items that are not applicable
- ensure that all required signatures are on CCC-195, item 20 at loan disbursement.

Note: For those FSFL's not disbursed at the time the most current revision of CCC-195 is posted, attach a copy of the most current CCC-195 to the partially completed CCC-195. Obtain signatures on CCC-195, item 20 at loan disbursement.

43 Processing an Application (Continued)

C Example of CCC-195

Following is an example of CCC-195.

*--

CCC-195 (02-27-08)		USDA CCC		1. Name of Applicant			
FARM STORAGE FACILITY LOAN (FSFL) PROCESSING CHECKLIST		2. Date of Application (MM-DD-YYYY)		3. Loan No.			
		4. State Office Name		5. County Office Name			
6. Office Staff Actions:		Applicable References (1-FSFL)	YES	NO	Initials	Date	
A. Discuss key program provisions with applicant including provision that application must be approved before construction.		<i>Subparagraph 42A</i>					
B. Complete all items on front side of manual CCC-185 (Loan Application and Approval for Farm Storage and Drying Equipment Loan Program) or prepare CCC-185 in APSS. Applicant must initial Item 12B, if applicable, and answer DCIA question in Item 13.		<i>Subparagraph 42E</i>					
C. Collect application fee of \$45.00. Deposit immediately through accounting.		<i>Subparagraphs 19A and 291</i>					
D. Obtain copy of contracts, cost breakdown, or estimates for all proposed work.		<i>Subparagraphs 10C and 42E</i>					
E. Obtain copy of site plans, if available.		<i>Subparagraph 10C</i>					
F. Obtain copy of any building permits or zoning variances, if applicable.		<i>Subparagraphs 11A and 59A</i>					
G. Obtain proof of crop insurance or if sales period is over, ensure waiver statement for current year is in remarks of CCC-185.		<i>Subparagraphs 11A and 58A</i>					
H. Obtain actual expenses from most recent year available.		<i>Subparagraph 44D</i>					
I. Obtain financial statement that is less than 90 days old on FSA-2037, FSA-2038 or similar form.		<i>Paragraph 44</i>					
J. Obtain verification of debts and assets, if applicable, using FSA-2015 (Verification of Debts and Assets).		<i>Subparagraph 44F</i>					
K. Obtain legal description of parcel(s) of land to be offered as security, such as described on a tax bill.		<i>Paragraph 14</i>					
L. Obtain legal description of parcel facility will be placed on (if different than land offered for security).							
M. Remind applicant that all peril insurance, listing CCC as loss payee, and possibly, flood insurance, on the structure and equipment will be required.		<i>Subparagraphs 58F and 58G</i>					
N. Remind applicant that if real estate is required to secure the loan, title insurance or a title opinion will be required. This may result in attorney fees that must be paid by the applicant for title clearance and loan closing.		<i>Subparagraph 115B</i>					
O. Remind applicant that:		<i>Subparagraph 10D</i>					
<ul style="list-style-type: none"> delivery, site preparation and construction cannot begin until after the loan is approved. 		<i>Paragraph 17</i>					
<ul style="list-style-type: none"> loans cannot be disbursed until construction is complete, final net cost is determined, and the facility is inspected. 							
P. Discuss filing and recording fees and who pays each fee.		<i>Subparagraph 14</i>					
Q. Obtain CCC-10 (Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to file a Financing Statement and Related Documents) if a current one is not on file.		<i>Paragraph 49</i>					
R. FSA-211 or acceptable documentation on file in county office for any individual signing in a representative capacity.		<i>1-CM, Part 25</i>					

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43 Processing an Application (Continued)

C Example of CCC-195 (Continued)

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CCC-195 (02-27-08)		Page 2 of 5			
7. Office Staff Actions:	Applicable References (1-FSFL)	YES	NO	Initials	Date
Office Staff Verifications of Eligibility and Application Processing:					
A. Prepare a 6-position or similar folder for each CCC-185.	Subparagraph 42F				
B. For applications lacking required information, notify applicant in writing.	Subparagraph 42C				
C. CCC-502's reviewed to determine number of entities and loan limit per entity.	Subparagraphs 11B and 11C				
8. Eligibility:					
A. Verify DCIA compliance by checking applicant certification on CCC-185 and CCC or FSA Claims records.	Subparagraph 46C				
B. Verify HEL and WC compliance with copy of the most current AD-1026 (Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification) and AD-1026A (Supplemental to AD-1026 (Continuation)).	Subparagraph 11A				
C. Verify compliance with any zoning ordinances or building permits.					
D. Verify proof of crop insurance.	Subparagraphs 11A and 58A				
E. Review applicable flood maps and prepare FEMA-81-93. Notify applicant if flood insurance will be required.	Subparagraphs 11A, and 58G				
F. Verify compliance with controlled substance provisions by checking the controlled substance field in the producer's eligibility record.	Subparagraph 11A and 2-PL, Paragraph 50 1-CM, Part 30				
G. Verify the completion of CCC-770 Eligibility Checklist for this producer(s) or entity. Need not be for current year if no changes were applicable.					
9. Lien Searches and Filing UCC's:					
A. Complete lien search for all UCC's and any judgements. Conduct real estate lien search to determine need for severance agreements. (Document on Form FSA-2360.)	Paragraphs 47 and 48				
B. File UCC financing statement on collateral as soon as description is available.	Paragraph 47				
C. Obtain lien waivers on CCC-190 (Farm Storage Facility Loan Program Lien Waiver), if applicable.					
10. Environmental and Historic Reviews:					
A. Notify State Historic Preservation Officer according to guidelines in applicable EQ directives. Notify Fish and Wildlife Service of proposed action, if applicable.	Subparagraph 72L				
B. Visit the site before site preparation and complete FSA-850 (Environmental Evaluation Checklist).	Paragraphs 71 and 75				
C. Complete FSA-851 (Environmental Risk Survey Form) for loans secured by real estate.	Subparagraph 75D				
D. Conduct further reviews as required, such as Class II Environmental Assessments.	Paragraph 75				
11. Determine Loan Amount, Storage Need and Equipment Eligibility:					
A. Determine maximum loan amount. Verify aggregate outstanding balance does not exceed \$100,000 for each borrower signing CCC-186 (Promissory Note and Security Agreement).	Paragraph 15				
B. Review CCC-185 and verify storage need.	Subparagraph 11C				
C. Verify eligibility of proposed structure and equipment.	Paragraph 12				

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43 Processing an Application (Continued)

C Example of CCC-195 (Continued)

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CCC-195 (02-27-08)		Page 3 of 5			
12. Office Staff Actions:	Applicable References (1-FSFL)	YES	NO	Initials	Date
Creditworthiness:					
A. If applicant is a business entity, order applicable credit report.	Paragraph 46				
B. If applicant is an individual, order applicable credit report.					
C. Determine credit worthiness by reviewing credit reports.					
13. Ability to Repay: Individual with FLP Loan approval authority shall:					
A. Review a balance sheet cash flow plan for the current year showing that a 15% down payment is available.	Subparagraph 44D				
B. Review a balance sheet and cash flow plan showing that there are funds available to pay the first installment amount.	Subparagraph 44E				
C. Prepare recommendation for COC, indicating whether applicant is creditworthy and has ability to make down payment and pay future installments.	Subparagraph 101E				
14. Collateral Security:					
A. Determine need for severance agreements and/or subordinations.	Paragraphs 118 and 119				
B. Prepare a recommendation to COC for collateral security requirements and present prior to approval.	Paragraphs 14 and Subparagraph 101A				
C. Determine if applicant has other outstanding FSFL's. If the total outstanding loan balance with this loan exceeds \$50,000, additional security is required.	Subparagraph 14C				
15. County Committee Determinations to be Documented in Executive Meeting Minutes:					
A. Date of Executive Meeting Minutes (date: _____)	Subparagraph 101B				
B. Applicant meets all eligibility requirements, including creditworthiness and ability to repay.	Paragraphs 44 and 46 and Subparagraph 101A				
C. Proposed facility or renovation is eligible and needed.	Subparagraph 101A				
D. Yields and acreage used to calculate storage need are reasonable.					
E. Environmental conditions of the site do not place CCC at risk.					
F. Type of collateral security required. Enter on CCC-185, item 17.	Subparagraphs 101A and 102A				
G. Approved or denied by signature on reverse of CCC-185. If denied, enter zero in item 14A.	Subparagraph 102B				
H. Enter conditions of approval, such as all peril insurance or flood insurance, in CCC-185 remarks section.	Subparagraph 101A and Paragraph 102				
I. If the application is one of first 3 received each FY or because of STC policy, refer application to STC.	Subparagraphs 15J, and 101C				

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43 Processing an Application (Continued)

C Example of CCC-195 (Continued)

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CCC-195 (02-27-08)		Page 4 of 5			
16. Office Staff Actions:	Applicable References (1-FSFL)	YES	NO	Initials	Date
Approval Processing by Office Staff:					
A. Record approval and funding through APSS.	Paragraph 331				
B. When notified of funding, issue approval letter. Enter date approval letter is issued, on CCC-185, Item 14D. Distribute CCC-185, according to subparagraph 102C.	Subparagraphs 102A and 116A, Paragraphs 319 and 332				
C. Monitor approval expiration date. Obtain and act on requests for extension of approval, if applicable.	Paragraph 123				
D. If applicable, issue disapproval letter.	Subparagraph 116B				
E. File UCC financing statement on collateral if not already filed.	Paragraph 47				
F. Request Severance Agreements on CCC-297 (Severance Agreement), or Subordination Agreements on CCC-194 (Farm Storage Facility Loan Subordination Agreement (Lien on Real Property) or other form provided, if necessary.	Paragraphs 118 and 119				
G. For loans to be secured by real estate, provide borrower with letter to select title company and legal services	Subparagraph 117A				
H. For loans where borrower selects an attorney for title clearance, obtain completed CCC-296 (Farm Storage Facility Loan Program Certification of Attorney) from attorney.	Subparagraph 117B				
I. For loans where borrower selects an attorney for title clearance, obtain completed CCC-299 (Title Opinion - Farm Storage Facility Loan Program) from attorney.	Subparagraph 117C				
J. Obtain evidence of final net cost and compute final loan amount. be sure:	Subparagraphs 16A and 17B, Paragraph 121				
• 15% minimum down payment amount has been paid to each supplier					
• evidence of cost is date stamped by County Office					
• seller has signed evidence of cost					
• copy of original documents are retained in the loan folder					
K. Obtain release of liability on CCC-191 (FSFL Program Release of Liability) from all contractors submitting bills.	Subparagraph 121E				
L. Obtain proof of all peril insurance (CCC as loss payee), crop insurance, and current real estate tax.	Subparagraphs 58F and 115A				
M. Inspect the complete facility and document results on CCC-295A (Farm Storage Facility Loan Program Final Inspection of Facility Before Loan Disbursement).	Paragraph 122				
N. For loans not secured by real estate, confirm a loan closing date with applicant.	Subparagraph 115A				
17. Prepare for Closing:					
A. For loans secured by real estate, send transmittal of title information.	Subparagraphs 117C and 117 D				
B. Review Title Opinion and update security requirements, if needed.					
C. Adjust funding obligation (if needed).	Paragraphs 333 and 334				
D. Verify UCC's, severance agreements, and subordinations have been filed and recorded.	Paragraphs 118 and 119				
E. If applicable, obtain equipment lien waivers, on CCC-190, before loan is disbursed.	Paragraph 47				

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43 Processing an Application (Continued)

C Example of CCC-195 (Continued)

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CCC-195 (02-27-08)		Page 5 of 5			
18. Office Staff Actions:	Applicable References (1-FSFL)	YES	NO	Initials	Date
Closing Loans Not Secured by Real Estate:					
A. Prepare CCC-186 Promissory Note and Security Agreement.	Subparagraph 115A and Paragraph 346				
B. Obtain borrower signatures. Obtain signature of CCC representative with authority to sign.	Subparagraph 2F Paragraph 136				
C. Disburse loan funds. If suppliers have not been paid, issue joint check. Unless payment by EFT, follow note in subparagraph 347B to issue check.	Paragraph 347 Subparagraph 17C				
D. FSA-211 or acceptable documentation on file in county office for any Individual signing in a representative capacity.	1-CM, Part 25				
19. Closing Loans Secured by Real Estate:					
A. Issue closing notification to borrower.	Subparagraph 117E				
B. Prepare CCC-186 Promissory Note and Security Agreement.	Subparagraph 115B and Paragraph 346				
C. Prepare checks. See note in subparagraph 347B to issue check.	Subparagraphs 122D, 17C and Paragraph 347				
D. Prepare Real Estate Mortgage for FSFL Program on CCC-193 or FSFL Deed of Trust on CCC-193D.	Paragraph 119				
E. Issue closing instruction letter with applicable documents and CCC checks to closing agent.	Subparagraph 117F				
F. Receive loan closing statement from closing agent.					
G. FSA-211 or acceptable documentation on file in county office for any Individual signing in a representative capacity.	1-CM, Part 25				
Certification:					
20A. Signature of Preparer(s)		20B. Date (MM-DD-YYYY)			
21A. I concur/do not concur the above items have been verified and updated.		<input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur			
21B. CED Signature (Required for all Loans.)		21C. Date (MM-DD-YYYY)			
22A. I concur/do not concur the above items have been verified and updated.		<input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur			
22B. DD Signature for Spotcheck		22C. Date (MM-DD-YYYY)			
23. Remarks					
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43 Processing an Application (Continued)

D Instructions for CCC-195

Complete CCC-195 according to the following.

Item	Instructions
1	Enter the name of applicant. If a joint loan, a separate CCC-195 is required for each applicant.
2	Enter the date CCC-185 is signed.
3	Enter the APSS-assigned loan number which is FY and loan number.
4	Enter the State where facility equipment will be located.
5	Enter the county where facility loan will be processed.
6A through 19G	*--For each item listed, check (✓) either “Yes” or “No”. Employee--* completing the action shall initial and date. If item is not applicable to this loan, ENTER “N/A” in “NO” column. Employee determining that action is not applicable, shall also initial and date.
20A	Any County Office employee who initials in items 6 through 19 shall sign as the preparer. By signing as the preparer, this does not insinuate that an employee checked items 6 through 19, only that this employee completed an item that was initialed by that employee.
20B	The County Office employee who signs item 20A shall enter the current date.
21A	CED or designated representative shall indicate whether or not they concur with how items 6 through 19 are completed. CED or designated representative shall review this CCC-195 for all FSFL’s.
21B	CED or designated representative who completed item 21A shall sign.
21C	CED or designated representative who signed item 21B shall enter the current date. Note: If CED was 1 of the preparers who completed items 20A and B, CED shall not complete this section. DD shall complete items 22A through C for all of these loans. In this instance only , items 21A through C are to be left blank.--*
22A	When applicable, DD shall indicate whether or not they concur with how items 6 through 19 are completed. See paragraphs F and G for DD spot check procedure.
22B	DD who completed item 22A shall sign.
22C	DD who signed in item 22B shall enter the current date.
Remarks	Enter remarks, if applicable.

43 Processing an Application (Continued)

E CED CCC-195 Spot Checks

CED shall:

- *--review and check (✓) “Concur” or “Do Not Concur” with the completion of **all** CCC-195’s by his signature and date, in items 21A through C

Note: If CED was 1 of the preparers who signed and dated items 20A and B, CED shall **not** complete items 21A through C. DD or STC designee shall complete items 22A through C for all of these loans.

- report to COC and the STC representative any CCC-195’s when “Do Not Concur” has been checked.

F State Office Spot Check Selection

STC designee shall, in each County Office, each FY:

- select, at a minimum, the following for spot check:
 - five CCC-195’s, if 10 or less CCC-195’s have been completed
 - seven CCC-195’s, if 11 through 1,000 CCC-195’s have been completed
- use the FSFL spot check register query, listing all FSFL’s disbursed during the FY, in selecting loans

Note: This query will soon be available for County Offices to run and instructions will be issued.

- spot check CCC-195 on FSFL’s disbursed for all FSA employees including STC’s and COC’s.--*

43 Processing an Application (Continued)**G STC or Designee Spot Checks**

STC or designee shall:

- spot check determinations selected by the State Office
- complete CCC-195, items 22A, B, and C, checking the “Concur” or “Do Not Concur” box for the selected determination, signing and dating
- submit the results of the spot checks to SED.

***--Note:** STC or designee shall still follow subparagraph 15 J and spot check the first 3 applications filed and approved each FY at the administrative County Office before disbursement. CCC-195, items 22A through C are to be completed for these 3 loans and are to be included in the number of CCC-195’s spot checked.

H National Report

SED’s shall report the following by county to PSD as of September 30 of each FY:

- the number of CCC-195’s spot checked by CED, DD, or STC designee
- the number of CCC-195’s spot checked by STC, or designee
- the number of “Do Not Concur” signed by CED, DD, or STC designee
- the number of “Do Not Concur” signed by STC or designee.--*

Reports are due to PSD by October 31, of the new FY.

44 Financial Planning

A Obtaining Balance Sheets and Cash Flow Statements

--County Offices shall use FSA-2037 and FSA-2038 or similar forms, prepared by either the borrower or a financial institution within the last 90 calendar days to determine:--

- that the applicant has the financial ability to make the downpayment
- that the applicant has the financial ability to timely repay the loan
- whether COC should approve or disapprove the loan
- the level of collateral security needed.

B Acceptable Balance Sheets and Cash Flow Statements

County Offices shall use 1 of the following to make the determinations in subparagraph A:

- FSA-2037 and FSA-2038 available at the FSA eForms web site at <http://forms.sc.egov.usda.gov/eforms/mainervlet>
- a balance sheet and cash flow statement approved for use in the State
- a balance sheet and cash flow statement that provides all the information necessary to make the determinations in subparagraph A.

Note: Existing plans used for FLP may be used, but **must** be revised to plan for FSFLP debt. FLP staff **must** be consulted before any revisions to existing plans take place.

C Situation Where a Cash Flow Statement Is Not Necessary

Employees performing financial analysis may waive analysis of cash flow and accept only a balance sheet meeting the requirements of subparagraphs A and B from FSFL applicants when all of the following conditions apply:

- the loan amount will be \$10,000 or less
- review of the balance sheet indicates that the applicant has:
 - enough funds for the required FSFL downpayment
 - sufficient probable cash flow to pay the required FSFL installments.

44 Financial Planning (Continued)**D Planning for Downpayment**

County Offices shall prepare or obtain a plan for the applicant's current FY:

- using actual expenses, if available
- showing enough cash available to make the required downpayment.

***--E Planning for Future Installments**

County Offices shall:

- prepare a projected plan for the applicant's FY in which the first loan installment is due showing the:
 - total cost of the storage facility
 - approximate amount of the loan
 - projected installment amount for the loan
- determine if the applicant has a feasible plan.--*

F Obtaining Verification of Debts and Assets

County Offices shall:

- verify debts and assets only when debt and asset information provided by the applicant is determined to be incorrect
- *--if applicable, prepare FSA-2015 for each applicant creditor according to the instructions on FSA-2015.
- before requesting information on FSA-2015 from applicant's creditors, have the applicant sign FSA-2004 to give FSA the authority to verify their debts and assets.

Note: FSA-2004 shall be filed in the loan folder.--*

G Financial Analysis

The financial analysis of an FSFL applicant shall be performed by either an FLP or County Office employee with loan approval authority. A recommendation for approval or disapproval, based on the applicant's credit history and financial information, shall be provided to COC.

45 (Reserved)

46 Credit History and Federal Delinquent Debt Reports**A Obtaining Credit Reports**

State or County Offices shall:

- *--request credit reports from credit reporting agencies paid for with CCC funds--*

* * *

- obtain a current report of the applicant's credit history
- not collect the cost of the report from the applicant
- pay for reports with CCC-184 using program code XXFSFLRF where "XX" is the last 2 digits of FY.

Note: The FLP Farm Business Plans shall not be used to obtain FSFL credit reports.

B Analyzing Credit History Reports

County Offices shall:

- analyze credit reports to detect:
 - patterns of late payments or nonpayments
 - bankruptcy and foreclosures
 - heavy use of short-term or high-interest loans or credit cards
- use pertinent information from the financial statements and credit history reports to prepare recommendations to COC.

C Delinquent Federal Debt Reports

County Offices shall:

- identify producers who are delinquent on Federal debts according to DCIA of 1996
- require FSFL applicants to certify to DCIA compliance on CCC-185
- not approve FSFL loans for delinquent Federal debtors, except if they may become nondelinquent before the loan is disbursed.

46 Credit History and Federal Delinquent Debt Reports (Continued)

C Delinquent Federal Debt Reports (Continued)

For borrowers that are entities, such as corporations and partnerships, and a member of this entity is determined to be delinquent, County Offices shall:

- not determine that the borrowing entity is ineligible for FSFL
- offset the delinquent member's pro rata share of the loan if the member is delinquent at the time the loan is to be disbursed
- apply the offset amount to the delinquent debt.

47 Obtaining and Filing UCC Financing Statements

A County Office Action

County Offices shall:

- if applicable according to State law, obtain the applicant's signature on the applicable manual UCC form at the time of application and before the farm storage equipment is delivered to the farm
- prepare manual or electronic UCC forms according to State law as soon as an adequate description of the collateral is available using data from a current CCC-10 prepared according to paragraph 49
- perform a lien search or pay for lien searches to determine that no other liens are filed on the collateral
- *--document the lien search on FSA-2360 or similar form--*
- obtain lien waivers on CCC-190 if other liens are found on the collateral
- file UCC forms according to State law before, or as soon as possible after, the equipment is delivered to the proposed location
- pay filing or recording fees
- file UCC continuation forms **before** original UCC forms expire.

*--49 Completing CCC-10 (Continued)

C CCC-10 Availability

CCC-10 is available for download from the following:

- by FSA employees, from the FSA Intranet at <http://intranet.fsa.usda.gov>
- by producers, with instructions, from the Internet at <http://www.sc.egov.usda.gov/>.

D Instructions for Preparing CCC-10

County Offices shall prepare CCC-10 according to the following table.

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

--*

49 Completing CCC-10 (Continued)

D Instructions for Preparing CCC-10 (Continued)

Item	Instructions
5	If the box in item 1 is checked for individual, enter the name of the State and county of the producer's primary residence. Unless otherwise advised by OGC, this is where to file UCC's and to perform lien searches.
6	If the box in item 1 is checked for organization or entity, enter the type of organization or entity. Acceptable types are corporations, general or limited partnerships, limited liability companies, and trusts. An informal joint operation or venture is not a legal entity. Members of an informal joint operation or venture are treated as individuals.
7	If the organization or entity is registered, it must be organized under the law of a single State and must be displayed in a State public record as being organized. If the organization or entity is registered, enter the State in which the organization or entity was created and is registered. Unless otherwise advised by OGC, this is where to file UCC's and to perform lien searches.
8	If the organization or entity is not registered, enter the State where the place of business is located or where the organization or entity conducts its affairs. Unless otherwise advised by OGC, this is where to file UCC's and to perform lien searches.
9	Be sure the producer understands the statement in item 9.
9A-9D	<p>If the box in item 1 is checked for:</p> <ul style="list-style-type: none"> • individual, producer enters signature as first, middle, last name and, if applicable, a suffix • organization or entity, producer enters the following: <ul style="list-style-type: none"> • the legal name of the organization or entity • the word "by" • producer's signature • producer's title. <p>Example: Hobbitt Farms Inc. by John H. Smith, president</p> <p>Note: For * * * joint ventures, all partners' and spouses' signatures are required. *--For corporations, limited and general partnerships, and limited liability-- * corporations, the person authorized to sign on behalf of the entity is required to sign. For trusts, the trustee or trustees are required to sign. For estates, the executor is required to sign.</p>

Section 2 Other Requirements

58 Insurance Requirements

A Crop Insurance Requirement

To enhance a borrower's repayment ability, County Offices shall:

- require the producer to provide proof of multi peril crop insurance for all insurable facility loan commodities of economic significance on all farms operated by the borrower in the county where the storage facility is located
- annually obtain proof of multi peril insurance for each crop year applicable to the entire term of the loan, except for sugar beets because sugar beets are not an FSFL commodity.

B Acceptable Forms of Insurance

Acceptable forms of crop insurance are any level of coverage of multi peril insurance, including the catastrophic level, group coverage, and crop revenue coverage offered under the Federal Crop Insurance Program.

C Acceptable Proof of Insurance

County Offices shall accept proof of insurance, such as:

- statements of coverage for the applicable crop year
- applications for insurance for the applicable crop year signed by the agent
- other forms of proof acceptable to CED.

D Crop Insurance Waiver

County Offices shall:

- waive the requirement if it is too late for the producer to obtain multi peril insurance for the crop year
- enter the following statement on CCC-185, remarks section:

“I agree to purchase multi peril crop insurance for facility loan commodities during the next available sales period. I understand that my failure to meet this requirement will be construed as a program violation.”
- *--ensure that producers initial and date the statement on CCC-185 to signify that the statement is understood and will be complied with.--*

58 Insurance Requirements (Continued)**E Failure to Obtain Crop Insurance**

County Offices shall:

- monitor the borrower's crop insurance status
- consider a lack of insurance to be a program violation
- take action to call loans when borrowers do not maintain insurance.

Note: Before calling loans, COC's may request a waiver according to subparagraph 2 E.

F All Peril Structural and Flood Insurance

To protect CCC's interest in collateral, County Offices shall:

- require borrowers to obtain all peril insurance on the storage, handling, or drying structures listing CCC as a loss payee
- *--amount of coverage shall always equal or exceed outstanding loan balance--*
- obtain proof of all peril that lists CCC as a loss payee as soon as it is available
- review proof of all peril insurance provided to CCC periodically by insurance companies or borrowers
- take action to call loans when borrowers do not maintain insurance.

Note: Before calling loan for lapse of insurance, COC's, according to subparagraph 2 E, may request a waiver for failure to fully comply with program requirements, if borrowers still obtain insurance.

G Flood Insurance

To protect CCC's interest in collateral, County Offices shall:

- determine whether proposed storage facility sites are located in flood hazard areas by viewing national flood insurance program maps
- document the review on FEMA 81-93, available on the Internet at
--<http://www.fema.gov/nfip/sfhdform.shtm>--
- require the loan applicant to obtain flood insurance if the review documented on FEMA 81-93 indicates that flood insurance is required
- obtain proof of flood insurance coverage
- not approve loans if flood insurance is required and not obtained or not available
- review proof of insurance provided by insurance companies to be sure insurance is maintained for the life of the loan
- take action to call loans when borrowers do not maintain insurance.

Part 6 Approving Committee Review of Applications

101 COC Review

A Responsibility

COC shall determine:

- whether the applicant meets all eligibility requirements
- whether the proposed facility or renovation is eligible and needed
- whether the estimated yields and acreages to calculate needs are reasonable
- whether the environmental conditions of the site would place CCC at risk
- the type of security to be required
- the conditions of approval
- that the loan limit per entity, on all the borrowers FSFL's does not exceed \$100,000.

B Approvals and Disapprovals

COC shall do either of the following:

- approve the loan within COC authority by signing CCC-185 and document determinations in executive COC minutes; enter COC approval date and request an obligation in APSS according to subparagraph 319 C

Notes: It is imperative that County Offices enter COC approval date and request obligations in a timely manner. To ensure funding for all approved FSFL's, PSD continually monitors total FSFL obligations and needs this information to be current.

*--Do **not** issue the approval letter, in subparagraph 116 A, until funding has been received according to paragraph 332.--*

- disapprove the loan, stating why in the COC executive meeting minutes.

Note: County Offices shall provide the applicant with notification and appeal rights, if applicable.

C Referrals to STC

For applications that require consideration by STC because STC has set a COC loan approval limit, County Offices shall submit:

- copies of the complete application with supporting documentation as specified by STC
- a copy of an aerial photograph of the proposed site where the facility will be located identifying roads and other key features
- recommendations from COC about the applicant's credit history, ability to repay, and type of security.

101 COC Review (Continued)**D STC Action**

STC shall:

- approve or disapprove all applications referred
- indicate approval by signing CCC-185
- explain reasons for not approving applications in a memorandum to COC
- provide the applicant with notification of disapproval and appeal rights, if applicable, according to 1-APP
- return entire case file to the County Office.

E Confidentiality of Applicant's Financial Information

For CCC to provide confidentiality of an applicant's financial information, STC's and COC's shall:

- not view financial information, such as balance sheets and cash flow statements, provided by applicants
- not discuss an applicant's financial information with anyone outside of the State or County Office
- obtain a recommendation for approval concerning the applicant's credit history and ability to repay from an FSA employee with FSA loan approval authority
- use the recommendation to determine whether:
 - an applicant's credit history is satisfactory
 - the applicant has the ability to repay debt resulting from the loan.

***--Note:** The applicant's financial information is to be kept in their loan folder. After a complete review by an FSA employee with loan approval authority and COC approval of the loan, SED can mandate sealing any or all applicant's financial information in a sealed envelope to be kept in their loan folder.--*

121 Final Review of Cost Documents**A Acceptable Cost Documents**

County Offices shall review:

- final evidence of total cost
- proof of downpayment
- payment of amounts in excess of the loan.

Note: Evidence must be signed and dated by the seller.

B Examples of Acceptable Evidence

The following are examples of acceptable evidence of cost documents:

- a sales document or receipt, which is signed and dated by the seller
- a certification, which is signed and dated by the seller or provider of services
- a canceled check, which is supported by a signed and dated sales document
- a receipt, which is signed and dated by the seller or provider of services
- copies or facsimiles of documents with the seller's original signature and date.

Note: Seller signatures on sales documents are not required if CCC-191 is on file for an amount equal to the sales document amounts.

C County Office Action

County Offices shall:

- date-stamp original evidence, make a copy for the loan folder, and return original evidence to the borrower
- request applicant to provide any additional information or documentation considered necessary to support costs or downpayment
- verify evidence with sellers, if necessary
- obtain COC reconsideration if final review indicates that:
 - final costs exceed costs on which COC approval was based
 - final documentation includes items not in the original approval
- ensure that all necessary actions and forms have been completed
- calculate the amount to be disbursed according to paragraphs 15 and 16.

121 Final Review of Cost Documents (Continued)

D Trade in Allowances

County Offices shall not allow trade in allowances.

Example: Borrower has an old grain dryer he or she values at \$1,000 to:

- trade in to the storage bin distributor
- use towards the downpayment.

E Release of Liability

County Offices shall obtain CCC-191 for storage and handling facility construction projects from the following:

- the primary contractor who either constructs or subcontracts all aspects of the facility construction and presents 1 bill to the borrower for the entire FSFL project
- all contractors and suppliers providing separate bills for supplies, work, or services performed in the construction of FSFL, whether their part of the project is included in the final amount of FSFL.

Notes: CCC-191 will **not** be required for a supplier of goods if the total cost is less than \$100 **and** the cost is not included in the final loan amount.

Only one CCC-191 is required from each contractor supplying goods or performing services. CCC-191 on file does not have to reflect that the total amount of the bill has been paid. CCC-191 can show a partial payment (at least 15 percent) has been made.
_*

Example: The borrower has paid the cement contractor the required 15 percent of his total cement bill as reflected in his total/final bill. The 15 percent is entered in CCC-191, items 3(a) and 3(b). As the cement contractor has not been totally paid, the loan disbursement was made to the borrower and the cement contractor. A new CCC-191, following disbursement with the contractor's name on the check, is not required from the contractor.

123 Extension of Approvals

A Extensions That May Be Granted

Loan approvals expire 4 months after the date of approval. COC's shall:

- obtain approval from STC or STC designee to grant up to an additional 4-month extension if there are bona fide delays in construction

Note: Extensions become necessary only if the applicant has not completed construction or has not submitted all documentation required to disburse the loan. Delays in disbursing a loan within the control of CCC, such as funds obligation, do not require a request for extension from the applicant.

- grant extensions only if the borrower:
 - *--submits a written request for an extension within 7 calendar days of notification by the County Office--*

Note: County Offices shall notify borrowers by telephone, e-mail, or letter, 14 workdays before the expiration date that, if necessary, they must request an extension in writing.

- provides evidence that the application was made in good faith
- provides evidence that lack of completion is because of reasons beyond his or her control

Examples: The following are examples of reasons beyond the borrower's control:

- delays in the delivery of parts
 - bad weather conditions
 - lack of necessary skilled labor
 - legal delays involving real estate liens.
- grant extensions only for the time necessary to complete the installation
- not grant automatic extensions
- not grant extensions when equipment has not been delivered to the farm before the approval expires

Exception: The applicant provides a binding contract signed by the applicant and supplier proving there is a purchase commitment.

- notate a new expiration date on CCC-185, Remarks section.

123 Extension of Approvals (Continued)

***--B Requests for Extensions Beyond 8 Months**

STC's or STC designees are not authorized to grant extensions of FSFL approvals beyond 8 months from the date of original approval. Requests for waivers of this policy may be submitted to DAFP, according to subparagraph 2 B, if the request:

- meets the requirements of subparagraph A
- is submitted according to paragraph 276.

124-135 (Reserved)

Part 8 Disbursing Loans

136 Preparing Manual CCC-186

A Manually Preparing CCC-186

When APSS is not available, County Offices shall manually prepare CCC-186 as follows.

Note: FSFL's must be disbursed through the APSS software. See 1-FI, paragraph 218 and 1-CM, paragraph 813 for more information.

Item	Instructions
1A	Enter the State code.
1B	Enter the county code.
1C	Enter the loan number.
2	Enter the amount calculated according to paragraph 15.
3	Enter the annual interest rate in effect at time of approval.
4	Enter an approximate total finance charge. Use System 36 amortization schedule software to calculate finance charge and installment amount.
5	Enter the applicable number of annual installments.
6	Enter the installment amount.
*--7A	Enter the debtor's name and address.
7B	Enter the debtor's telephone number including area code.
8	Enter co-debtor's (or debtor's spouse) name and address, if applicable.
9A	Debtor shall sign.
9B	Enter last 4 digits of debtor's identification number.
9C	Enter date debtor's signed in item 9A.
10A	Co-Debtor (or debtor's spouse) shall sign, if applicable.
10B	Enter last 4 digits of co-debtor's (or debtor's spouse) identification number.
10C	Enter date co-debtor (or debtor's spouse) signed in item 10A.
11A	COC Chairman or designee shall sign.
11B	Enter the title of the approving official.
11C	Enter the date of disbursement.
12	Enter the County Office's name, address, and telephone number.--*

136 Preparing Manual CCC-186 (Continued)

B Example of Manual CCC-186

Following is an example of a manual CCC-186.

*--

This form is available electronically. Form Approved - OMB No. 0560-0204																																																				
CCC-186 (02-11-08)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="3" style="text-align: center;">U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation</th> </tr> <tr> <td colspan="3" style="text-align: center;">Farm Storage Facility Loan Program</td> </tr> <tr> <th colspan="3" style="text-align: center;">FOR FSA USE ONLY</th> </tr> <tr> <td colspan="3" style="text-align: center;">1. Loan Identification Number</td> </tr> <tr> <td style="width: 33%;">A. State Code</td> <td style="width: 33%;">B. County Code</td> <td style="width: 33%;">C. Loan Number</td> </tr> <tr> <td style="text-align: center;">72</td> <td style="text-align: center;">123</td> <td style="text-align: center;">2007/00005</td> </tr> <tr> <td colspan="3">2. Amount Financed</td> </tr> <tr> <td colspan="3" style="text-align: center;">\$ 29,100.00</td> </tr> <tr> <td>7A. Debtor's Name and Address (Including ZIP Code)</td> <td>7B. Telephone Number (Including Area Code)</td> <td>3. Annual Percentage Rate</td> </tr> <tr> <td>John Clark 282 East Road Pleasantville, ST 99809</td> <td>123-456-7890</td> <td style="text-align: center;">6.75 %</td> </tr> <tr> <td colspan="2">8. Co-Debtor's Name and Address (Including ZIP Code)</td> <td>4. Finance Charge 1/</td> </tr> <tr> <td colspan="2">Douglas Clark 2198 State Street Pleasantville, St 99809</td> <td style="text-align: center;">\$ 8368.40</td> </tr> <tr> <td colspan="2"></td> <td>5. No. of Annual Installments</td> </tr> <tr> <td colspan="2"></td> <td style="text-align: center;">7</td> </tr> <tr> <td colspan="2"></td> <td>6. Installment Amount</td> </tr> <tr> <td colspan="2"></td> <td style="text-align: center;">\$ 3,352.63</td> </tr> <tr> <td colspan="3">1 / Assuming installments are paid on anniversary date at the Interest rate shown in Item 3 above.</td> </tr> </table>	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation			Farm Storage Facility Loan Program			FOR FSA USE ONLY			1. Loan Identification Number			A. State Code	B. County Code	C. Loan Number	72	123	2007/00005	2. Amount Financed			\$ 29,100.00			7A. Debtor's Name and Address (Including ZIP Code)	7B. Telephone Number (Including Area Code)	3. Annual Percentage Rate	John Clark 282 East Road Pleasantville, ST 99809	123-456-7890	6.75 %	8. Co-Debtor's Name and Address (Including ZIP Code)		4. Finance Charge 1/	Douglas Clark 2198 State Street Pleasantville, St 99809		\$ 8368.40			5. No. of Annual Installments			7			6. Installment Amount			\$ 3,352.63	1 / Assuming installments are paid on anniversary date at the Interest rate shown in Item 3 above.		
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The undersigned Debtor(s) jointly and severally promise to pay to the order of the Commodity Credit Corporation (CCC) the principal amount shown above as "Amount Financed," together with interest and other charges provided herein. Payment shall be in the number of equal annual installments shown above with interest at the "Annual Percentage Rate" specified above. Equal loan installments, amortized over the loan term are due and payable no later than the last day of each 12 months of the loan period. Payments shall be applied first to interest and then to principal. Payment of loan installments and interest shall be made by check, cash, money order, or by deduction from amounts due Debtor from CCC. Any delinquent amount may be deducted and paid out of any amounts due Debtor under any program carried out by any agency of the Department of Agriculture and any other agency of the United States. The Debtor waives presentment for payment, demand, protest, notice of protest, and notice of nonpayment of this note.

Debtor hereby grants to CCC as collateral security for the payment of this note, plus interest and charges, a security interest in the following described farm storage equipment (a):

1-16,000 Bushel (30' diameter) Butler Steel Grain Bin with grain spreader and motor, inside and outside ladders, perforated floor with aeration system and motor, installed on concrete foundation.

and the proceeds from any disposition of the collateral. The collateral shall not be sold without prior written authority of CCC. Such collateral is to be located upon the premises in Debtor's possession described (b):

NW 1/4 SW 1/4 Sec. 24 Cook Twp, Jones County

Debtors shall grant CCC such additional security as it may require. The above provisions and those on the reverse side hereof have been read and considered by the undersigned. It is agreed that by signing this combined Promissory Note and Security Agreement, they make the representations, warranties, and agree to all the terms and conditions specified.

9A. Debtor's Signature /s/ <i>John Clark</i>	9B. Debtor's Identification Number (Last 4 digits) 9876	9C. Date of Execution (MM-DD-YYYY) 02/13/2008
10A. Co-Debtor's Signature (if applicable) /s/ <i>Douglas Clark</i>	10B. Co-Debtor's Identification Number (Last 4 digits) 5432	10C. Date (MM-DD-YYYY) 02/13/2008

11. COMMODITY CREDIT CORPORATION SECURED PARTY

11A. By: Approving Official's Signature /s/ <i>Jam Ced</i>	12. FSA County Office Name and Address (Including ZIP Code) Jones County Farm Service Agency 270 Lake St. City, ST 99999 Telephone Number (Area Code): 888-123-4567
11B. Title CED	
11C. Date of Disbursement (MM-DD-YYYY) 02/13/2008	

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 7 CFR Part 1436 and the Commodity Credit Corporation Charter Act, 15 USC 714 et. seq. The information will be used to determine eligibility for CCC financing for farm storage and drying equipment. Furnishing the requested information is voluntary, however, without it CCC financing under the program cannot be provided. Failure to furnish the requested information will result in denial of CCC financing under this program. 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.

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 0560-0204. 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.

--*

136 Preparing Manual CCC-186 (Continued)***--C Manual Prepared CCC-186 Terms and Conditions**

County Offices shall complete the manual CCC-186 terms and conditions according to the following.

Item	Instructions
Item 11	
9A	Debtor signing CCC-186, page 1, item 9A shall also enter initials and date.
10A	Co-debtor (or debtor's spouse) signing CCC-186, page 1, item 10A shall enter initials and date.
Item 12	
10A – 17A	Co-Debtor(s) whose signature and date appear on CCC-186-1, items 10A - 17A must initial and date in box numbered the same as the signature box on CCC-186-1.

--*

136 Preparing Manual CCC-186 (Continued)

*--D Example of Manual Prepared CCC-186 Terms and Conditions

CCC-186 (02-11-08)

Page 2 of 2

CCC-186 TERMS AND CONDITIONS

1. The Debtor represents, covenants, and agrees that:
 - (a) The Debtor is the absolute and exclusive owner of the collateral, said collateral is free from all liens, encumbrances, or other security interests, and the Debtor will warrant and defend the collateral against the claims of all other persons.
 - (b) The Debtor will use the loan funds secured hereby for the purpose for which they are advanced and will properly care for the collateral, and keep it in good condition and available for the storing and conditioning only approved facility loan commodities until the entire loan is repaid. The Debtor will promptly pay when due all indebtedness secured hereby, all taxes, liens, and other charges assessed upon or attaching to the collateral and will not encumber the collateral, remove, sell or otherwise dispose of the collateral or of any interest therein or permit others to do so.
 - (c) Any authorized representative of CCC may at any time enter upon the premises where the collateral is located and inspect the same.
 - (d) If any amounts required herein to be paid by him or her are not paid when due, they may be paid by CCC which shall be secured for such payments and interest thereon at the applicable rate of interest then in effect. Such payments shall be due and payable to CCC immediately without demand at the office of the FSA County Committee which signed this note.
 - (e) During the life of this loan the loan collateral shall not be used by any commercial operation including, but not limited to, elevators, warehouses, dryers or processing plants. The storage and handling of approved facility loan commodities, whether paid or unpaid, for persons other than the borrower, except for family members as defined in 7 CFR Part 718, and/or tenants and landlords sharing in the crop requiring storage is not allowed. The entire indebtedness will immediately become due and payable if the above provisions are violated, except as authorized by CCC.
2. The Debtor certifies that the evidence furnished to the FSA County Committee as to the cost of the collateral represents the total cost of such property and that all debts on the property in excess of the amount of the loan have been paid, that he or she has read this note and security agreement and that he or she understands and agrees that the loan is made subject to and in consideration of the representations, warranties and agreements contained therein, and that this note is subject to the present regulations of CCC and to its future regulations not inconsistent with the express provisions hereof.
3. Upon default hereunder (*whether by failure to pay promptly any indebtedness or installment thereof or interest thereon, or to perform any covenants or agreements herein contained*), or if any of the Debtor's representations or warranties herein or if the loan application proves false, or upon the death, bankruptcy, insolvency, or incompetency of the Debtor or attachment or levy on collateral by any court process:
 - (a) CCC may declare the entire indebtedness secured hereby immediately due and payable. In that event, CCC may remove the collateral and sell same.
 - (b) The Debtor hereby waives all rights of notice, appraisal, compulsory disposition, exemption, and redemption he or she may otherwise have by law.
 - (c) A default will exist under any other security instrument held by CCC and executed or assumed by the Debtor on real or personal property, and default under any such other security instrument will constitute default hereunder.
4. If the collateral is acquired by CCC through foreclosure or other means, at the option of CCC and at no expense to CCC, such property shall remain on the above-described real estate for a period not to exceed six (6) months after the date of acquisition by CCC.
5. Proceeds for disposition of the collateral shall be applied first on expenses of retaking, holding, preparing for sale, selling, and for payment of reasonable attorneys' fees and legal expenses incurred by CCC, second to the satisfaction of indebtedness secured hereby, third to the satisfaction of subordinate security interests to the extent required by law, fourth to any other obligations of the Debtor owing to or insured by CCC, and fifth to the Debtor. The Debtor will be liable for any deficiency owed to CCC after such disposition of proceeds of collateral.
6. It is the intent of the Debtor and CCC that to the extent permitted by law and for the purpose of this note and security agreement the collateral covered hereby shall remain personality and shall not be assented to other goods.
7. If any provision of this note and security agreement is held invalid or unenforceable it shall not affect any other provisions hereof, but this note and security agreement shall be construed as if it had never contained such invalid or unenforceable provision.
8. The rights and privileges of CCC under this note and security agreement shall inure to the benefit of its successors and assigns. All covenants, warranties, representations, and agreements of the Debtor contained in this note and security agreement are joint and several and shall bind personal representatives, heirs, successors, and assigns.
9. The terms and conditions contained on this form are in addition to the applicable program regulations found at 7 C.F.R. 1436. To the extent that the terms and conditions conflict with the regulations, the regulations prevail. Additionally, the regulations and statutes applicable to CCC operations apply to this program.
10. CCC is authorized to file financing statements describing the collateral, to file amendments to the financing statements and to file continuation statements.
11. Debtor and Co-Debtors whose signature appears on CCC-186, Items 9A and 10A MUST initial and date the corresponding item numbers referenced below:

Initial	Date	Initial	Date
9A JC	2-13-08	10A DC	2-13-08

12. If applicable, Co-Debtor(s) whose signature and date appears on CCC-186-1, Items 10A through Item 17A MUST initial and date the corresponding item numbers referenced below:

Initial	Date	Initial	Date	Initial	Date	Initial	Date
10A	MC	11A 2-13-08		12A CC	2-13-08	13A	
14A		15A		16A		17A	

--*

137 CCC-186-1 Continuation

A CCC-186-1 Continuation Sheet

County Offices shall use CCC-186-1 where additional co-debtor signatures are required.

*--

Item	Instructions
1A	Enter the State code.
1B	Enter the county code.
1C	Enter the loan number.
Part A	
2 – 9	Enter additional co-debtor's (or any debtor's spouse) name, address, and last 4 digits of identification number.
Part B	
10A – 17B	Co-Debtor's (or any debtor's spouse) shall sign and date, if applicable.
18	Enter any other pertinent information.

--*

137 CCC-186-1 Continuation (Continued)

B Example of manual CCC-186-1 Continuation Sheet

Following is an example of a manual CCC-186-1.

*--

This form is available electronically.		Form Approved - OMB No. 0560-0204	
CCC-186-1 (02-11-08)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	
FARM STORAGE FACILITY LOAN PROGRAM CCC-186 CONTINUATION SHEET		FOR FSA USE ONLY	
		1. Loan Identification Number	
		A. State Code 72	B. County Code 123
		C. Loan Number 2007/00005	
PART A - PRODUCER'S INFORMATION			
2. Co-Debtor's Name and Address Mary Clark 282 East Road Pleasantville, ST 99809 Identification Number (Last 4 digits): 4321		3. Co-Debtor's Name and Address Carol Clark 2190 State Street Pleasantville, ST 99809 Identification Number (Last 4 digits): 8765	
4. Co-Debtor's Name and Address Identification Number (Last 4 digits):		5. Co-Debtor's Name and Address Identification Number (Last 4 digits):	
6. Co-Debtor's Name and Address Identification Number (Last 4 digits):		7. Co-Debtor's Name and Address Identification Number (Last 4 digits):	
8. Co-Debtor's Name and Address Identification Number (Last 4 digits):		9. Co-Debtor's Name and Address Identification Number (Last 4 digits):	
PART B - PRODUCER'S CERTIFICATION			
<i>The undersigned debtor(s) agrees to all terms and conditions specified in Form CCC-186 "Promissory Note and Security Agreement" with the same loan identification number. Debtor(s)/Producer(s) who sign and date in Items 10A through 17B must also initial and date the corresponding Item numbers on CCC-186, Page 2 Item 12.</i>			
10A. Signature of Co-Debtor/Producer /s/ Mary Clark	10B. Date (MM-DD-YYYY) 2-13-08	11A. Signature of Co-Debtor/Producer /s/ Mary Clark	11B. Date (MM-DD-YYYY) 2-13-08
12A. Signature of Co-Debtor/Producer	12B. Date (MM-DD-YYYY)	13A. Signature of Co-Debtor/Producer	13B. Date (MM-DD-YYYY)
14A. Signature of Co-Debtor/Producer	14B. Date (MM-DD-YYYY)	15A. Signature of Co-Debtor/Producer	15B. Date (MM-DD-YYYY)
16A. Signature of Co-Debtor/Producer	16B. Date (MM-DD-YYYY)	17A. Signature of Co-Debtor/Producer	17B. Date (MM-DD-YYYY)
18. REMARKS			
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 7 CFR Part 1436 and the Commodity Credit Corporation Charter Act, 5 USC 714 et. seq. The information will be used to determine eligibility for CCC financing for farm, storage and handling equipment. Furnishing the requested information is voluntary; however, without it CCC financing under the program cannot be provided. Failure to furnish the requested information will result in denial of CCC financing under this program. 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. 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 0560-0204. The time required to complete this information collection is estimated to average 2 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.			
<small>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) 720-6392 (TDD). USDA is an equal opportunity provider and employer.</small>			

--*

138-149 (Reserved)

150 Collecting Installments (Continued)

C Reminder and Notification Letter (Continued)

County Offices are reminded **not** to change the amount that prints on the reminder and notification letter. Although these amounts may differ from the amounts on the amortization schedule printed at loan disbursement, the amounts on these letters are correct. Differences in the amounts are usually because of the annual installment payment being made on a date other than the actual due date. See paragraph 361 C for the repayment date to enter on Screen VDA11005.

The **final** loan installment payment shall include interest to the date payment is received in the County Office. The table in subparagraph 361 C does not apply to the final loan payment. The following note shall be attached to the reminder and notification letter for the **final installment payment**:

“The **final** installment payment on your FSFL is due soon. The installment due date is listed in the 1st column of the table in the attached letter. The installment amount due is the total amount owed, if the final loan payment is received in the FSA County Office on the installment due date. If payment is received on another day, the amount due will be different. Please contact the FSA County Office for the total amount due, if the installment will be received on a day different than the installment due date. Any collateral security on this loan will **not** be released to the borrower until the entire principal has been repaid”

D Failure to Pay Installments Policy

[7 CFR 1436.13] If installments are not paid by the due date, County Offices shall:

- consider FSFL’s delinquent for FSFL purposes and eligible for offset from any payments due borrower on the next day after the due date, when the installment principal balance remaining after payment exceeds \$25
- mail a first demand letter to the contact borrower and all co-borrowers on the day after the due date describing actions that may be taken against the debtor if the installment is not paid within 30 calendar days of the date of the letter
- in addition to the first demand letter, mail 2 subsequent demand letters at 30 calendar day intervals if the installment is not paid
- collect additional interest to date of repayment
- initiate collection action against a debtor’s pro rata share of payments due any entity that the borrower participates in, either directly or indirectly
- initiate collection action against related persons or entities, irrespective of the debtors share when CCC determines that the debtor has established an entity or reorganized, transferred ownership, or changed their operation for the purpose of avoiding payment of the debt

150 Collecting Installments (Continued)**D Failure to Pay Installments Policy (Continued)**

- cease collection activity until any appeal activity by the borrower is complete but withhold any FSA or CCC payments to the borrower for later offset

Note: Delinquent installments cannot be moved out of FSFLP status to claims status. This is because a portion of the outstanding principal balance is not due and because collateral that could be foreclosed upon exists.

- initiate foreclosure actions only after all efforts to collect the installment have been exhausted under delinquency policy.

E Later Payment of an Installment

FSA recognizes that installment due dates may not always coincide with dates by which crops are harvested and income is available. Debtors who cannot pay on the due date may request up to an additional 120 calendar days to pay an installment if they submit the following:

- a request in writing for COC consideration within 60 calendar days before or after the installment due date
- a current cash flow statement demonstrating that the installment can be paid within 120 calendar days after the due date.

Payment after the installment due date:

- does not change the system-calculated due date in APSS
- does not change the due date of the next installment
- allows debtors more time to pay an installment and allows the County Office to cease further collection action except for offset opportunities
- may be requested for each installment during the term of the loan
- requires collection of additional interest through the date of repayment of the installment.

150 Collecting Installments (Continued)**G Loan Acceleration**

CCC may:

- declare the entire indebtedness immediately due and payable if the borrower:
 - violated any of the terms and conditions of the application
 - breaches any of the terms and conditions of any of the instruments executed in connection with the loan
- call the loan if the collateral is used in connection with any commercial operation, including but not limited to, elevators, warehouses, dryers, or processing plants during the life of the loan.

Note: The loan may be paid in full or in part at any time before maturity.

H Releasing Security

Upon payment of a loan in full, County Offices shall:

- *--release or obtain the release of security documents, as required by State law, upon request by the borrower
- require the borrower to pay all release fees
- mark the original CCC-186 “paid” and forward to the borrower after 30 calendar days from the date of repayment.

Note: If final FSFL payment is made by cash, certified check, or money order, borrower may request an accelerated release of security documents from SED. Included with the request, the County Office will send a copy of the final FSFL repayment receipt showing the loan has been paid in full, and a copy of CCC-257 showing the remittance has been deposited. SED, after reviewing the documents, may advise the County Office in writing, to proceed with releasing the security documents. The authority for this release may not be re-delegated.--*

I Delinquent FSFL’s for DCIA Purposes

County Offices shall consider FSFL’s delinquent for DCIA purposes when either of the following occurs:

- a due and payable FSFL installment is not paid in full within 90 calendar days after the due date
- the installment principal balance, after a due and payable installment is applied, exceeds \$25, within 90 calendar days after the due date.

150 Collecting Installments (Continued)**J STC Review of Repayment Status**

STC or representative shall:

- at least quarterly, review the Repayment Status Report

***--Note:** See subparagraphs 414 A and H.--*

- ensure that County Offices are:
 - sending the required demand letter the day after the installment due date
 - sending other required demand letters timely
 - following correct procedure for collecting any delinquent payments.

150.5 Small FSFL Installment Principal Balances**A Why Small Balances Exist**

Small installment principal balances result when installments are **not** paid on the due date and the County Office processes the repayment using the receipt date as the date of repayment; therefore, additional interest is calculated to the date of receipt. See subparagraph 361 C about repayment date.

Note: Interest is from date disbursed to date payment is made or from one repayment date to the next repayment date. Additional interest accrues and is owed if over 365 calendar days.

B How to Detect Existing Small Principal Balances

For loans where installments have been paid, County Offices shall:

- review the FSFL repayment receipt printed when the last repayment was applied, according to subparagraph 361 G

Note: The message, “The principal balance after this payment is current”, is printed on the repayment receipt and correct as of that day. As the loan is current until after the anniversary date or due date, any additional amount due will not be printed on the receipt or the repayment status report until after the due date.

231 Releasing Real Estate Security (Continued)

B Partial Release Preparation and Distribution

County Offices shall:

- prepare partial releases according to the following unless OGC requires other language according to State law
- file the partial release with the appropriate recording official according to State law
- distribute copies of the partial release to the following:
 - secured party
 - debtor
 - loan folder.

PARTIAL RELEASE

The Commodity Credit Corporation (CCC), as owner and holder of the following described security instruments, made and executed by (enter names of debtors, of (enter County where debtor located) County, State of (enter State where debtor located), filed or recorded in the (enter name of the office where security instruments were recorded), office of (enter county where office is located), State of (enter State where office is located), to wit:

Instrument	Mortgagee	Date of Instrument	Date Filed	Document, File or Book No.	Page No.

for value received, does release from the lien of said instruments the following described property (describe property in detail).

Only the above described property is released from the lien of the aforesaid instruments. This release shall not affect or modify the obligations secured by those lien instruments, and these obligations shall continue in force and in effect until fully paid, satisfied, and discharged.

In witness whereof, CCC has signed this form on (enter date of execution).

Witness: (enter signature of person witnessing CCC signature)

For: Commodity Credit Corporation

By: (signature of authorized representative of CCC)

Title: (enter title of authorized representative of CCC)

(Attach acknowledgment applicable to State for notarization)

231 Releasing Real Estate Security (Continued)**C Discharge of Mortgage or Deed of Trust**

Discharges of real estate liens used to secure loans are authorized when:

- the County Office determines that:
 - the lien has been fully satisfied by full payment of the amount due
 - 30 calendar days from the date of final payment of the loan have lapsed
- the borrower pays all costs associated with the release.

***--Note:** If final FSFL payment is made by cash, certified check, or money order, borrower may request an accelerated release of security documents from SED. Included with the request, the County Office will send a copy of the final FSFL repayment receipt showing the loan has been paid in full, and a copy of CCC-257 showing the remittance has been deposited. SED, after reviewing the documents, may advise the County Office in writing, to proceed with releasing the security documents. The authority for this release may not be re-delegated.--*

231 Releasing Real Estate Security (Continued)***--D Discharge Preparation and Distribution**

County Offices shall:

- prepare discharges according to the following unless OGC requires other language according to State law
- file the discharge with the appropriate recording official according to State law
- distribute copies of the discharge to the following:
 - secured party
 - debtor
 - loan folder.

DISCHARGE					
The Commodity Credit Corporation (CCC), as owner and holder of the following described security instruments, made and executed by (enter names of debtors, of (enter County where debtor is located) County, State of (enter State where debtor is located), filed or recorded in the (enter name of the office where security instruments were recorded), office of (enter county where the office is located), State of (enter State where the office is located), satisfies and discharges said lien instruments.					
Lien Instrument	Mortgagee	Date of Instrument	Date Filed	Document, File, or Book No.	Page No.
In witness whereof, CCC has signed this form on (enter date of execution). Witness: (enter signature of person witnessing CCC signature) For: Commodity Credit Corporation By: (signature of authorized representative of CCC) Title: (enter title of authorized representative of CCC) (Attach acknowledgment applicable to State for notarization).					

--*

232 Discharge of Severance Agreements**A Discharge of Severance Agreements Authorization**

Discharges of severance agreements used to protect CCC's security interest are authorized when:

- the County Office determines that:
 - the loan has been paid in full
 - 30 calendar days from the date of final payment of the loan have lapsed
- the borrower pays all costs associated with the discharge.

***--Note:** If final FSFL payment is made by cash, certified check, or money order, borrower may request an accelerated release of security documents from SED. Included with the request, the County Office will send a copy of the final FSFL repayment receipt showing the loan has been paid in full, and a copy of CCC-257 showing the remittance has been deposited. SED, after reviewing the documents, may advise the County Office in writing, to proceed with releasing the security documents. The authority for this release may not be re-delegated.--*

B Discharge Preparation and Distribution

County Offices shall:

- prepare discharges according to the following unless OGC requires other language according to State law
- distribute copies.

Part 18 Requests for Relief**276 Other Situations****A County Office Action**

To address special situations, County Offices shall:

- prepare a memorandum to STC containing:
 - full details of the situation
 - purpose of the request
 - COC recommendations
- provide copies of all applicable loan documents, including COC minutes
- forward the request to STC.

B State Office Action

If STC concurs with the COC request, State Offices shall:

- prepare a memorandum to DAFP containing:
 - full details of the situation
 - purpose of the request
 - STC and COC recommendations
- provide copies of all applicable loan documents.

***--Note:** The original file and loan documents are not to be sent--*

C DAFP Action

DAFP shall:

- approve or disapprove the request
- notify the applicable State Office.

277-289 (Reserved)

317 Initial Entry of CCC-185 Data (Continued)

B Data Entry (Continued)

Step	Action	Result
5	<p data-bbox="386 331 959 363">On Screen VFA10800, users are required to:</p> <ul style="list-style-type: none"> <li data-bbox="386 405 829 436">●*--enter applicable data about:--* <li data-bbox="435 478 1062 552">● who it is purchased from, for example “Jones Company” <li data-bbox="435 594 1019 667">● who it is erected/installed by, for example “Smith Company” <li data-bbox="435 709 1008 783">● who the real estate owner is, for example “James and Linda Farmer” <li data-bbox="435 825 997 898">● who the lien holder is, for example “My Mortgage Company” <li data-bbox="435 940 1040 1014">● what the real estate location is, for example “NE4NW4 Sec. 10-34-15” <li data-bbox="443 1056 1097 1192">*--Note: This is the location where the collateral is located that is automatically transferred to CCC-186. Please enter the complete legal description.--* <li data-bbox="386 1234 1081 1308">● answer the question, “Are you or any co-applicant delinquent on any federal non tax debt? (Y or N)” <li data-bbox="435 1350 1097 1455">Note: If the answer is “Y”, manually note the creditor name, account number, and amount of debt on CCC-185, page 2, remarks. <li data-bbox="386 1497 735 1528">● enter date of CCC-185: <ul style="list-style-type: none"> <li data-bbox="435 1570 1036 1602">● for first applicant, for example “06112000” <li data-bbox="435 1612 967 1644">● for second applicant, when applicable <li data-bbox="386 1686 643 1717">● PRESS “Enter”. 	Screen VFA11000 will be displayed.

317 Initial Entry of CCC-185 Data (Continued)

B Data Entry (Continued)

Step	Action	Result
6	<p>On Screen VFA11000:</p> <ul style="list-style-type: none"> enter the following: <ul style="list-style-type: none"> farm number *--State and county codes, if other than the Administrative County Office--* commodity acres and yield per acre answer the question, "Are there more farms to record? (Y or N)" PRESS "Enter". <p>Note: See the example in subparagraph C.</p>	<p>If the answer to more farms is:</p> <ul style="list-style-type: none"> "Y", Screen VFA11000 will be redisplayed for more entries "N", Screen VFA11500 will be displayed to display, for FSFL, the system-calculated: <ul style="list-style-type: none"> total production, for example "94,000" total-estimated production times 2 existing capacity, for example "20,000" additional capacity needed, for example "168,000".
7	<p>On Screen VFA11500:</p> <ul style="list-style-type: none"> review system-calculated data PRESS "Enter". 	<p>Screen VFA17005 will be displayed to ask the question, "Do you wish to complete this process? (Y or N)".</p>

319 Recording Actions for CCC-185's (Continued)

C Approvals

Complete CCC-185 **approval** processing according to the following table.

Step	Action	Result
1	On Screen VCA11000: <ul style="list-style-type: none"> enter applicant's name, ID number and type, and FSFL number PRESS "Enter". 	FSFL Menu VFA000 will be displayed.
2	On Menu VFA000: <ul style="list-style-type: none"> ENTER "2", "Approval Process (Generates a completed CCC-185, Re-access)" PRESS "Enter". 	Screen VFA12500 will be displayed.
3	On Screen VFA12500: <ul style="list-style-type: none"> enter the following: <ul style="list-style-type: none"> amount approved pending funding COC approval date number of loan installments is displayed PRESS "Enter". 	Screen VFA13000 will be displayed.
4	On Screen VFA13000: <ul style="list-style-type: none"> in detail, enter the required collateral security on CCC-186 in 1 of the following formats: <ul style="list-style-type: none"> free form as required by State law as authorized, in writing, by OGC Note: The system provides 3 lines for entry. If more space is required, do all of the following: <ul style="list-style-type: none"> provide an attachment reference the attachment in this entry require the borrowers to initial and date the attachment. PRESS "Enter". Note: If a detailed description is not entered, ensure that the filed UCC-1 or real estate filing contains a detailed description. *--This is the description of the collateral that is included on CCC-186. --* 	Screen VFA13500 will be displayed.

319 Recording Actions for CCC-185's (Continued)

C Approvals (Continued)

Step	Action	Result
5	<p>On Screen VFA13500:</p> <ul style="list-style-type: none"> • leave ranking criteria field blank • enter appropriate notations in remarks, such as conditions of approval <p>Note: Three pages are provided for remarks.</p> <ul style="list-style-type: none"> • PRESS "Enter". 	Screen VFA17005 will display the question, "Do you wish to complete this process? (Y or N)".
6	<p>On Screen VFA17005:</p> <ul style="list-style-type: none"> • ENTER "Y" or "N", as applicable • PRESS "Enter". 	<p>If the answer is:</p> <ul style="list-style-type: none"> • "Y", CCC-185 will be printed with approval information in item 14, "CCC Approval" • "N", Screen VFA13500 will be redisplayed and will allow the user to make changes.

Note: The FSFL funding process takes **at least 5** workdays from when the loan approval is entered and transmitted for funding to when the obligation is received back in the County Office.

Reports, Forms, Abbreviations, and Delegations of Authority

Reports

None

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
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CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents	49	49
CCC-184	CCC Check		46, 172, 292, 347
CCC-185	Loan Application and Approval for Farm Storage and Drying Equipment Loan Program	42, 102	Text
CCC-185-1	Loan Application and Approval for Farm Storage and Drying Equipment Loan Program CCC-185 Continuation Sheet	42	
CCC-186	Promissory Note and Security Agreement	136	Text
CCC-186-1	Farm Storage Facility Loan Program CCC-186-1 Continuation Sheet	137	137, 411, 412
CCC-190	Farm Storage Facility Loan Program Lien Waiver		43, 47
CCC-191	Farm Storage Facility Loan Program Release of Liability	121	117
CCC-193	Real Estate for Farm Storage Facility Loan Program		119
CCC-193-D	Farm Storage Facility Loan Deed of Trust for (State of _____)		119
CCC-194	Farm Storage Facility Loan Program Subordination Agreement (Lien on Real Property)		119
CCC-195	Farm Storage Facility Loan (FSFL) Processing Checklist	43	15
CCC-257	Schedule of Deposit		291, 317, 361, 426
CCC-295A	Farm Storage Facility Loan Program Final Inspection of Facility Before Loan Disbursement	122	172

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

Forms (Continued)

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CCC-295B	Farm Storage Facility Loan Program Annual Inspection Record		122, 152
CCC-296	Farm Storage Facility Loan Program Certification of Attorney	117	115
CCC-297	Severance Agreement		14, 43, 115, 117, 118, 172
CCC-298	Farm Storage Facility Loan Program Assumption Agreement	167	167, 426
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FEMA 81-93	Standard Flood Hazard Determination		43, 58
FSA-850	Environmental Evaluation Checklist		10, 10.5, 43, 71, 75
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FSA-2037	Farm Business Plan Worksheet Balance Sheet		44
FSA-2038	Farm Business Plan Worksheet Projected/Actual Income and Expense		44
FSA-2360	Report of Lien Search		47
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UCC-1	National Financing Statement		172, 228, 319, 414