FSA
HANDBOOK

Loans and Loan Deficiency Payments for Rice

To access the transmittal page click on the short reference.

For State and County Offices

SHORT REFERENCE

2-LP Rice
(Revision 9)

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

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Farm Service Agency
Washington, DC 20250

Loans and Loan Deficiency Payments for Rice 2-LP Rice (Revision 9)	Amendment 24

Approved by: Deputy Administrator, Farm Programs

Amendment Transmittal

A Reasons for Amendment

The entire handbook has been amended to:

- update applicable crop years
- remove ACRE references for all crop years, **except** 2013.

Subparagraph 1 A has been amended to provide reference to 8-LP for additional guidance, as applicable.

Subparagraph 1 B has been amended to provide the following references as authority for rice MAL's and LDP's:

- Agricultural Act of 2014 for 2014 through 2018 crop years

- Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011 – sequestration reduction for 2013 crop year reduced after October 1, 2013.

Subparagraphs 4 A and 91 C have been amended to add CCC-677S and CCC-678S, which were applicable to 2013 crop year loans issued on or after October 1, 2013.

Subparagraph 13 B has been amended to add payment limitation and AGI eligibility as producer requirements.

A Reasons for Amendment (Continued)

Subparagraph 91:

- C has been amended to update the web sites where the AWP repayment rate using the world market prices are posted

- F has been amended to add 2014 through 2018 payment limitations requirements

- G has been amended to add 2014 through 2018 AGI requirements.

Subparagraph 151:

- A has been amended to add payment limitation and AGI are applicable to LDP's
- D has been amended to add 2014 through 2018 payment limitations requirements
- E has been amended to add 2014 through 2018 AGI requirements.

Subparagraph 156:

- B has been amended to provide a completed example of CCC-633 EZ, page 1
- D has been amended to provide a completed example of CCC-633 EZ, page 2 for rice.

Subparagraphs 175 B and 176 D have been amended to add information on EWR's for LDP.

Subparagraph 176 C has been amended to add a new DACO contact for warehouse operations.

Subparagraph 179 A has been amended to clarify instructions on processing LDP requests through eLDP using EWR's.

Subparagraph 180 B has been amended to change the subparagraph title.

Paragraph 184 has been added to:

- provide instructions for processing eLDP using EWR
- edit the eLDP web site address.

Exhibit 7 has been amended to:

- delete crop year 2012 loan rates and discounts
- add a note about the sequestration of 2013 crop year MAL's and LDP's
- add crop year 2014 loan rates and discounts.

Amendment Transmittal (Continued)

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Part 1 Basic Program Provisions

1 Overview

A Handbook Purpose

--This handbook provides instructions for administering MAL and LDP programs for rice. Use this handbook with 8-LP, as applicable.--

B Sources of Authority

Authority for the policies prescribed in this handbook is in the following:

- Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) for 2008 through 2012 rice loans
- American Taxpayer Relief Act of 2012 (Pub. L. 112-240) for 2013 rice loans
- 7 CFR Part 1421
- *--Agriculture Act of 2014
- Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011, for 2013 crop year loans disbursed on or after October 1, 2013, that were reduced for sequestration.--*

2 Related Handbooks

A Handbooks

Use this handbook with 8-LP and 12-PS. This table provides specific 8-LP provisions.

8-LP	Provisions
Part 1, Section 3	• Actions for overdisbursements, overpayments, and receivables • appeals • bankruptcy cases • CCC-770 LDP/eLDP and CCC-770 MAL policy • finality rule and IRS reporting • lobbying activities • misaction/misinformation • prompt payment.
Part 2	General loan and LDP provisions.
Part 3, Section 3	Failure to provide production evidence.
Part 4	Violations.
Part 5, Sections 1 and 2	Filing UCC-1's and CCC-10's.
Part 7	• Repayments, releases, and loan maturity • CCC-681-1's • CCC-697's.

Other related handbooks include the following.

Handbook	Purpose
--1-CM--	Common Management and Operating Provisions
1-CMA	CMA, DMA, and LSA Common Loan and LDP Procedures
2-CP	Acreage and Compliance Determinations
1-FI	Processing Payment Initiated Through NPS
3-FI	State and County Receipts and Deposits
50-FI	Interest Rates
58-FI	Managing FSA and CCC Debts and Claims
*--63-FI	Financial Services Web Application
64-FI	Establishing and Reporting Receipts and Receivables on the National Receipts and Receivables System--*
5-LP	Commodity Inspectors Handbook
4-PL	Payment Eligibility, Payment Limitation, and AGI

3 Loan and LDP Availability

A Availability Dates

Loans and LDP's are available from the date loan rates are announced through May 31 of the year after the calendar year in which the crop is normally harvested.

Nonworkday: If the final loan availability date falls on a nonworkday, the producer's option to request a loan or LDP shall be extended until the next workday.

4 Loan Maturity Date

A Loans

Loans mature on demand, but no later than the last day of the ninth calendar month after the ***--**month in which, CCC-677, CCC-677S, CCC-678, or CCC-678S is approved. See**--*** subparagraph 15 C for repledged loans.

Nonworkday: If the maturity date falls on a nonworkday, the producer's option to repay the loan at the AWP repayment rate shall be extended until the next workday.

--Note:** CCC-677S and CCC-678S were the applicable Note and Security Agreements for crop year 2013 MAL's disbursed after October 1, 2013, where the loan amount was reduced for sequestration.**--

5 Spot Checks and Production Evidence

A Spot-Checking Loans and LDP's

Farm-stored loans and LDP's are subject to spot-check during and after the loan availability ***--**period. See 8-LP, Part 3, Sections 1 and 2 for the following:

- selecting loans and LDP's for spot check
- spot check verifications.

Handle program violations, including incorrect certification, unauthorized removal, and unauthorized disposition according to 8-LP, Part 4.

B Required Production Evidence

Production evidence is required for loan quantity or LDP selected for spot check as follows:

- outstanding farm-stored loan repaid at AWP
- certified LDP's:
- measured LDP's, when measurement service is not used as final production.

See 8-LP, Part 3, Section 3 for production evidence policy.**--***

6-12 (Reserved)

13 Eligible Rice Producer

A Definition of Eligible Producer

An eligible producer may participate in the loan and LDP programs for a farm if the producer:

- shares in the risk of producing rice
- has beneficial interest in the rice for which a loan or LDP is requested
- has met all other eligible requirements according to 8-LP, Part 2.

Note: States, local Government, political subdivisions, and agencies thereof, are no longer eligible to receive any MAL, MAL benefit, or LDP payment.

See 8-LP, Part 2 for determining beneficial interest.

B Other Eligibility Requirements

See 8-LP, Part 2 for producer eligibility requirements about:

- annual program requirements
- foreign person determinations
- legal entities
- estates and trusts
- other entities
- minors
- heirs of deceased producer.

***--**See 4-PL and 5-PL for producer eligibility requirements for AGI.

For the 2014 through 2018 crop years, there are payment limitations and AGI eligibility requirements for LDP's, and marketing loan gains associated with the MAL program. For additional information see subparagraphs 91 F and G.

Note: The individual or entity is eligible for MAL, but the loan must be repaid at principal plus interest.**--***

C Ineligible Producer

See 8-LP, Part 2 for producers who are ineligible for loan or LDP.

14 Producers Marketing Through CMA's

A Approved CMA's

CMA's approved by CCC may obtain loans or LDP's on eligible rice for the CMA members who are eligible to receive price support.

An approved CMA is considered an eligible producer. See 1-CMA for approved rice CMA's.

B Determining Member's Eligibility

Member eligibility is determined according to 1-CMA, Part 11.

C Farm-Stored Loans and LDP's

Contact PSD through the State and County Offices to determine eligibility, based on the approved CMA agreement, each year for the first loan or LDP CMA requests for farm-stored rice.

15 Eligible Rice

A Basic Eligibility Requirements

--**To be eligible for crop years 2013 through 2018 loans and LDP's, rice must:**--

- have been produced by an eligible producer
- be in existence and in storable condition
- be merchantable, and **must not** contain:
  - mercurial compounds
  - toxin-producing molds
  - other substances poisonous to humans or animals

    Note: Contaminated commodities are eligible for nonrecourse loan at a reduced loan rate.
- meet the definition of rice in the official United States Standards for Rice
- meet the specific commodity eligibility requirements for a nonrecourse loan.

  Note: See 8-LP, Part 2 for general requirements for nonrecourse loans.

B Definition of Low Quality Rice

Low quality rice is rice that grades 6 or Sample Grade according to Exhibit 5 and the United States Standards for Rice.

See Part 5 for LDP's on low quality rice.

C Repledged

Rice previously pledged as collateral for a loan that was redeemed with cash, at principal plus interest, may be repledged for loan during the applicable loan availability period. See subparagraph 46 C.

The maturity date for the repledged rice shall be the same as the maturity date for the initial loan.

16 Quantity Eligible for Loan or LDP

*--A Quantity Eligible, 2013 Through 2018 Crop

Any rice produced by a producer on a farm in crop years 2013 through 2018 is considered--* eligible, except as provided in paragraph 17.

B Approved Storage

See 8-LP, Part 5 for approved storage requirements for loan.

Approved storage requirements for LDP's are waived.

C Farm-Stored Rice

Farm-stored loans and LDP's will be limited to 100 percent of the eligible certified or measured quantity for initial loan disbursements and LDP's made during the loan availability period.

D Warehouse-Stored Rice

For warehouse-stored rice, price support will be limited to 100 percent of the eligible quantity recorded on warehouse receipts submitted during the loan availability period. Require the producer to obtain a replacement receipt that represents only the eligible quantity, if applicable.

E Individual Loans or LDP's

Any eligible rice not delivered to an approved CMA shall be eligible for individual loans or LDP's, according to subparagraph A.

16 Quantity Eligible for Loan or LDP (Continued)

F CMA Loans or LDP's

Approved CMA's shall be eligible for farm-stored and warehouse-stored loans or LDP's on the eligible quantity that CMA members deliver to CMA for which requests are filed according to subparagraph A.

See subparagraph 14 C for additional eligibility requirements for CMA's requesting farm-stored loans or LDP's.

G Reasonable Quantity for Individual Producers

The total quantity of rice eligible for loans and LDP's for a producer is limited to the quantity that could reasonably have been produced on the eligible acreage based on the conditions in the area. See 1-CMA for CMA's.

Use the Interim Price Support Query Tool spreadsheet to determine the approximate quantity eligible for loan or LDP. To access the spreadsheet, go to **http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing** and under "Hot Links", CLICK "**Interim PS Query Tool**".

*--H LDP Quantity Requested and Denied for Crop Years 2013 Through 2018

For:

- the crop year 2013, rice requested for LDP and denied because of average adjusted gross nonfarm income only, is eligible for nonrecourse loans

- 2014 through 2018 crop years, rice LDP's requested and denied because of average adjusted gross income and/or payment limitation, is eligible for nonrecourse loans.**--***

17 Quantity Ineligible for Loan or LDP

A Loans

Quantities of rice are not eligible for loan if:

- previously pledged for loan and repaid with cash at a rate less than the principal plus interest *** * ***

- LDP has been requested and made on that quantity, except for subparagraph 16 H.

--**If ineligible rice is inadvertently placed under loan, call the loan according to 8-LP, Part 4.**--
The producer is required to repay the principal plus accrued interest.

B LDP's

Quantities of rice are not eligible for LDP if:

- previously pledged for loan and repaid with cash at a rate less than the principal plus interest *** * ***

- LDP has been made on that quantity.

18 Maintaining Quality and Quantity

A Damaged Rice

County Offices shall remind producers requesting farm-stored loans that damaged rice may deteriorate more quickly than rice that is in good condition, and that:

- CCC will not assume any loss in quality or in quantity
- settlement will be based on the quantity and quality of the rice delivered.

B Cautioning Producers

County Offices shall caution producers that liquidated damages and administrative actions *****--apply according to 8-LP, Part 4 if either of the following is determined:--*****

- for loans, incorrect certification, unauthorized removal, or unauthorized disposition
- for LDP's, incorrect certification.

19-25 (Reserved)

Section 3 Quantity and Quality Determinations

26 Quantity Determination

A Warehouse-Stored Rice

For warehouse-stored rice, the quantity that may be placed under loan or LDP in an approved warehouse shall be the eligible net hundredweight specified on the warehouse receipt or supplemental certificate, if applicable.

Notes: If the quantity on the receipt represents eligible and ineligible quantities, require the producer to obtain a receipt representing only the eligible quantity.

Any cost for replacement receipts shall be at the producer's expense.

B Farm-Stored Rice

For farm-stored rice, the quantity in an approved storage structure that may be placed under loan or LDP shall be limited to 100 percent of the eligible certified or measured quantity.

Note: The quantity can be further adjusted according to Exhibit 5, subparagraph C.

27 Quality Determination

A Quality Factors

Quality factors, including class, grade, grading factors, and milling yield, shall be determined according to the Official U.S. Standards for Rough Rice.

B Milling Yield

The milling yield is an estimate of the quantity of whole kernels and total milled rice (whole and broken kernels combined) that is produced in the milling of brown rice for processing to a well-milled degree.

The milling yield must be expressed in whole numbers on both of the following:

- warehouse receipts
- supplemental certificates.

C Specifying Class of Rice

The class long grain, medium grain, or short grain must be specified.

Note: Only 1 class is permitted per loan.

D Warehouse-Stored Loans

Warehouse operators must obtain official grade determination when requested by producers.
--**The warehouse receipt **must** reflect the grade as supported by the required grading factors and other required entries according to subparagraph 35 B.**--

Note: CCC shall not pay for official grade determinations.

E Farm-Stored Loans

Quality determinations shall not be made for farm-stored loans.

28-34 (Reserved)

Section 4 Warehouse Receipt Requirements

35 General Warehouse Receipt Requirements

A Basic Requirements

All warehouse receipts must:

- represent eligible rice actually stored in:
  - UGRSA warehouse
  - *--Federally licensed warehouse
  - if not Federally licensed, in compliance with State laws in a State with an operating warehouse licensing program

    Note: See 8-LP, paragraphs 536 and 537.--*
- be negotiable
- be issued to the producer, or in the case of loans made to approved CMA's, the receipt should be issued to CMA
- be endorsed in blank to vest title in the holder
- show ownership, if the rice is owned by the warehouse operator, solely, jointly, or in common with others
- contain a statement that the rice is insured
- be a paper or electronic receipt issued through an approved EWR provider.

***--Note:** See 8-LP, subparagraph 545 A for additional warehouse receipt requirements.--*

35 General Warehouse Receipt Requirements (Continued)

B Required Entries

Each warehouse receipt must show:

- name and address of storing warehouse
- warehouse code assigned by CCC
- warehouse receipt number
- date receipt was issued
- date the rice was received
- storage start date and date storage is paid through
- whether the rice was received by rail, truck, or barge
- amount of prepaid in or out charges, if any
- net weight
- class (only 1 class of rice is permitted for each loan or LDP)
- grade
- special grade designation, if applicable
- grading factors, including color, smut, moisture, and heat damage
- milling yield
- signature of warehouse operator or authorized agent
- commingled rice
- ***--**prepaid in-handling charges.

Note: If not prepaid, a statement must be provided according to 8-LP, subparagraph 504 E.**--***

If the grading factors on the warehouse receipt do not reflect the applicable grade, the warehouse receipt **must** be returned to the producer to be corrected by the warehouseman. A corrected (new) warehouse receipt **must** be provided **before** loan approval and disbursement.

Note: For warehousemen operating under a merged warehouse code agreement, warehouse receipts must show the location and county to which the producer delivered the rice.

C Liens for Charges Indicated on Warehouse Receipt

If a warehouse receipt pledged as loan collateral indicates a lien on the rice for specified charges, such as drying or hauling, the warehouse receipt shall not be accepted for loan ***--**purposes. See 8-LP, Part 5, Section 3 to determine loan eligibility.**--***

Liens on rice do **not** affect LDP requests.

36 Supplemental Certificates

A Supersede Warehouse Receipt

Supplemental certificates that are fastened to a warehouse receipt supersede entries on the warehouse receipt.

B Infested Designation

When the warehouse receipt shows “infested”, the supplemental certificate must show the same:

- grade without the “infested” designation
- grading factors and quality shown on the warehouse receipt.

C Excess Moisture

To be eligible for loan, warehouse receipts showing moisture that exceeds 14.0 percent must have a supplemental certificate fastened to the warehouse receipt that shows an acceptable level of moisture.

The supplemental certificate must show the grade, grading factors, and quantity after drying or blending of the rice.

37-45 (Reserved)

Part 2 Making Loans

Section 1 Basic Loanmaking Provisions

46 Obtaining Loans

A Individual Producers

Eligible producers may obtain loans according to 8-LP and this handbook by placing rice in approved:

- farm storage and certifying the quantity on CCC-666 or requesting measurement service, and obtaining a loan on up to 100 percent of the certified or measured quantity

- warehouse storage and obtaining loans on 100 percent of the net quantity shown on the warehouse receipt.

B Approved CMA's

Approved CMA's may:

- obtain farm-stored loans on rice stored on farms in approved storage structures, if other eligibility requirements are met

- obtain warehouse-stored loans on rice stored in approved warehouses

- obtain a loan on rice that members previously placed under individual-producer loans and eventually delivered to CMA only if the loan was repaid as principal plus interest

- **not** pledge as collateral for loan, any rice on which LDP has been made.

46 Obtaining Loans (Continued)

C Repledging

Producers and approved CMA's may repledge a quantity of eligible rice that was previously mortgaged to CCC as collateral for a marketing assistance loan, and the loan was repaid at principal plus interest.

The maturity date of repledged loans shall be the same as the original loan maturity date.

Rice may **not** be repledged as collateral for loan if the original loan was any of the following:

- called because of incorrect certification, unauthorized removal, or unauthorized disposition
- repaid with cash, using an AWP repayment rate.

*** * ***

D Contracts

Review contracts, or require certification of no contract, if applicable, and make beneficial interest determinations according to 8-LP before approving loans **only** in situations when there is reason to believe the producer may have lost beneficial interest in the rice.

47-55 (Reserved)

Section 2 Initial Loanmaking

56 Loanmaking

A Farm-Stored Loan Rates

Farm-stored loan rates are established by State for the major rice-producing States. See Exhibit 7.

B Recording Loan Rates in APSS

Record loan rates in APSS by crop year according to 12-PS, Part 3.

C Loan Number Register

APSS will assign a loan number sequentially with loan numbers for each crop year.

Notes: If a manual loan is prepared for entry into APSS at a later date, assign a 90000 series number sequentially with the 90000 series loan numbers obtained from CCC-676 for the applicable crop year.

--**All loans must be processed through APSS **and** disbursed through NPS.**--

D Lien Searches and Financing Statements

Follow applicable procedure in 8-LP for:

- performing lien searches
- obtaining lien waivers
- filing UCC-1's or UCC-1F's, for farm-stored loans.

56 Loanmaking (Continued)

E Discounts

See Exhibit 7 for the applicable discounts for loans.

Note: Discounts do not apply to farm-stored loan disbursements.

F State Assessments

When applicable, State assessments shall be deducted from the loan amount at the applicable rate.

G Verifying Eligible Quantity

COC shall verify that the quantity of rice a producer pledges as collateral for loan does not exceed the producer's share of the quantity that could reasonably have been produced on the farm *** * ***. See subparagraph 16 G.

57 Loanmaking for Farm-Stored Loans

A Loan Rates

Use the applicable loan rate in Exhibit 7 to calculate the loan amount for certified or measured farm-stored loans.

The loan rate shall be:

- 20 percent of the loan rate for low quality rice, as applicable

  Example: $6.48 base county loan rate x 20 percent = $1.30 applicable loan rate.

- 30 percent of the loan rate for rice harvested as other than grain, as applicable

  Example: $6.48 base county loan rate x 30 percent = $1.94 applicable loan rate.

- 10 percent of the loan rate for contaminated rice, as applicable.

  Example: $6.48 base county loan rate x 10 percent = $0.65 applicable loan rate.

--**The loan rate shall be reduced by 30 percent for 2013 crop year production, if producers on the farm make the decision to participate in the ACRE Program for that year.**--

Note: For the 2013 crop year, eligible producers **must** enroll in ACRE. ACRE enrollment will **not** carry over on the farm from previous years.

*** * ***

B Requesting Farm-Stored Loans

When requesting farm-stored loans, producers shall:

- for certified loans, certify on CCC-666 the quantity in farm storage according to 8-LP, Part 5

- for measured loans, request measurement service according to 8-LP, Part 5

- certify whether the rice is aromatic according to subparagraph C.

STC shall not require that a loan be measured before or after disbursement. Loans are available on the quantity of eligible rice certified by the producer.

57 Loanmaking for Farm-Stored Loans (Continued)

C Aromatic Rice

Aromatic rice must be:

- pledged under separate loan agreements than loan agreements for nonaromatic rice
- stored separately from nonaromatic rice.

Advise producers pledging aromatic rice for loan that:

- for deliveries to CCC, producers are required to deliver the rice to a UGRSA-approved warehouse designated by CCC

- not all UGRSA-approved warehouses may be willing to store aromatic rice

- producers shall not receive any credit for expenses incurred in the delivery of aromatic rice.

D Record of Measurements

Complete and maintain CCC-677-1 according to 8-LP for measured loans and spot checks.

58 Loanmaking for Warehouse-Stored Loans

A Acceptable Receipts

When the request for a warehouse-stored loan is made, producers shall present acceptable warehouse receipts to County Offices.

The receipt may be either of the following:

- paper warehouse receipt issued by the warehouse
- EWR issued through CFS of a CCC-approved EWR provider.

Note: If any information on the warehouse receipts is incorrect or otherwise unacceptable for recording the loan in APSS, the County Office shall:

- not approve the loan
- require the producer to do the following before approving a warehouse-stored loan:
  - submit acceptable warehouse receipts
  - obtain lien waivers, if applicable.

B Loan Rates

APSS will use the loan rates in Exhibit 7 to calculate the loan amount.

For:

- low quality rice, adjust the loan rate to 20 percent, as applicable

- ***--**producers on a farm enrolled in the ACRE Program during 2013, reduce the loan rate by 30 percent.

Note: CCC no longer adjusts loan rates for warehouse-stored loans using premiums and discounts at loan making.**--***

58 Loanmaking for Warehouse-Stored Loans (Continued)

C Handling and Storage Charges

***--**County Offices shall:

- require in-handling charges associated with the quantity on the receipt to be prepaid or provided for

- discontinue applying storage deductions at loanmaking if storage is not paid through the loan maturity date.

Note: Only apply storage deductions if loan is forfeited.**--***

59-67 (Reserved)

Section 3 Additional Quantity for Farm-Stored Loans

68 Additional Quantity Limitations

A Increase in Quantity Only

Additional disbursements for an increase in the loan quantity are not authorized.

Note: During the loan availability period, producers may request a new loan or LDP for quantities exceeding the initial loan quantity provided the producer still has beneficial interest in the rice.

B Transfer From Farm to Warehouse

When farm-stored rice is transferred to an approved warehouse for storage, a disbursement ***--**for additional quantity may be available. See 8-LP, Part 6.**--***

69 (Withdrawn--Amend. 2)

70-89 (Reserved)

Part 3 Repayments and Releases

90 Overview

A In This Part

This part includes the provisions of loan repayments.

B Marketing Loan Repayments

Marketing loan repayments are intended to:

- minimize potential loan forfeitures
- minimize the accumulation of rice stocks by the Federal Government
- minimize the cost incurred by the Federal Government in storing rice
- allow rice produced in the United States to be marketed freely and competitively, both domestically and internationally.

91 Loan Repayment Provisions

A Types of Repayments

Farm-stored and warehouse-stored loans may be repaid at any time during the loan period at the lesser of:

- ***--**the AWP repayment rate, under the 2013 through 2018 MAL provisions**--***
- principal plus accrued interest and other charges (per cwt.).

B When to Require Principal Plus Interest

Loan repayments **must include principal plus interest** on quantities delivered under CCC-681-1 and either of the following applies:

- repayment is made after the end of the grace period for CCC-681-1

- repayment is for the quantity delivered after loan maturity, even if repayment is made by the end of the grace period.

See 8-LP, paragraph 26 for interest calculation procedures.

91 Loan Repayment Provisions (Continued)

C AWP Repayment Rate

Calculate the AWP repayment rate using the world market prices posted on either of the following:

- ***--http://fsa.usda.gov/FSA/displayLDPRates?area=home&subject=prsu&topic=ldp-ldp**

- "Daily Market Rates" at **http://fsa.usda.gov/FSA/dacoReports?area=home&subject=coop&topic=rpt-dm**.**--***

  Note: County Offices shall verify the weekly rice rates printed on the "Daily Market Rates" for correct information according to the official Wednesday announcement.

Subtract the:

- world market index from the whole kernel loan rate for the applicable class of rice to determine the market gain rate, which may be negative or positive

- ***--**market gain rate from the loan rate on CCC-677, CCC-677S, CCC-678, or CCC-678S**--*** to determine the repayment cost per hundredweight.

Note: APSS will calculate the AWP repayment rate based on the value entered in the "World Market Index" field.

D When Market Prices Are Announced

Market prices will be:

- announced, at 7 a.m. e.t., Wednesday, to the extent practicable
- effective upon announcement.

91 Loan Repayment Provisions (Continued)

E Locking-in Repayment Rates

Producers may lock in a repayment rate for farm-stored rice by completing CCC-697 according to 8-LP, Part 7.

*--F Payment Limitation for 2014 Through 2018

For the 2014 through 2018 crop years, there are payment limitations on LDP's, and marketing loan gains associated with the MAL program.

The total amount of payments received, directly or indirectly, by a person or legal entity (except joint ventures or general partnerships), for all commodities other than peanuts, is limited to no more than $125,000 annually, for a combination of the following programs:

- price loss coverage
- agricultural risk coverage
- marketing loan gains
- LDPs.

A person or legal entity that receives, directly or indirectly, payments for peanuts has a separate $125,000 payment limit annually for the same programs.

Payment limitations do **not**:

- apply to MAL disbursements

- prohibit individual or entities from receiving a MAL, but the MAL must be repaid at principal plus interest

- apply to loan forfeitures because indirect benefits realized by producers are not applicable.

Note: There was not a payment limitation for marketing loan gains and LDP's for the 2008 through 2013 crop years.

G AGI Limitation Rule for 2013 Through 2018 Crop

A person or legal entity shall not be eligible to receive marketing loan gains or LDP benefits during the:

- **2013** crop year, if their average nonfarm AGI exceeds $500,000
- **2014 through 2018** crop years, if their average AGI exceeds $900,000.

Exception: The person or entity is eligible for MAL, but the loan must be repaid at principal plus interest.**--***

91 Loan Repayment Provisions (Continued)

H Production Evidence Required

Loans that are repaid under the MAL provisions require production evidence to be submitted ***--** if the loan is selected for spot check. See 8-LP, Part 3 for determining:**--***

- acceptable production evidence
- when to submit production evidence.

I Market Gain Reported to IRS

The market gain is the difference between the loan principal that is liquidated and the amount needed for the loan repayment, when the loan repayment amount is less than the loan principal amount that is liquidated.

The amount of market gain is reported to IRS.

J Spot Checks

Farm-stored loans that are repaid under the loan provisions without production evidence remain subject to spot check according to 8-LP.

92 Filing CCC-681-1

A Why File CCC-681-1

If the proceeds from the sale of the collateral are needed to repay a farm-stored loan, ***--**producers may file CCC-681-1 according to 8-LP, Part 7, Section 4.**--***

93-104 (Reserved)

Section 2 (Withdrawn--Amend. 20)

105-108 (Withdrawn--Amend. 20)

109-124 (Reserved)

Part 4 Settlements and Forfeitures

125 Overview

A In This Part

This part includes the provisions for handling settlements for farm-stored rice delivered to CCC, and for warehouse-stored rice forfeited to CCC.

B Maximum Quantity for Delivery

The quantity eligible for delivery to CCC under a farm-stored loan settlement is limited to 110 percent of the outstanding loan quantity.

Note: If the maximum quantity is exceeded, require the producer to obtain a corrected warehouse receipt according to 8-LP.

C Rice Delivered Not Meeting Standards

For farm-stored rice delivered that does not meet the minimum eligibility standards for warehouse-stored loans, settle through APSS using the discounts in Exhibit 7.

If the special grade designation **"glutinous"** or **"parboiled"** is present on a warehouse receipt, contact PSD for further instructions.

D Aromatic Rice

Aromatic rice must be delivered, at the producer's expense, to a UGRSA-approved
***--**warehouse designated by CCC. The UGRSA-approved warehouse **must** be able and willing to store such rice on an identity preserved basis.

Credit for excess haul according to 8-LP, Part 8 shall not be granted to producers**--***
delivering aromatic rice.

126 Loan Maturity Report for Settlements

A Preparing Report

Prepare a loan maturity report according to 12-PS, Part 9, Section 2.

B Sending Notice of Maturity Letters

Send notice of maturity letter to producers with outstanding farm-stored loans according to *--8-LP, paragraph 797 at least 45 calendar days, but not more than 60 calendar days, before--* the applicable loan maturity date.

Note: Indicate in the maturity letter for producers with loans on aromatic rice that:

- for deliveries to CCC, producers are required to deliver the rice to a UGRSA-approved warehouse designated by CCC
- not all UGRSA-approved warehouses may be willing to store aromatic rice
- producers shall not receive any credit for expenses incurred in the delivery of aromatic rice.

127 Determining Loan Settlement Values

A Basic Rule

--Settlements shall be based on the quantity, limited according to 8-LP, Part 8 and quality of-- rice delivered in the settlement of the loan.

B Settlement Rate Based on Milling Yield

Settlement rates, like loan rates for warehouse-stored loans, are based on whole kernels and broken rice times the respective national loan rates for whole kernels and broken rice for the class of rice delivered, then adjusted for discounts.

C Discounts

For the applicable discounts, see Exhibit 7.

Note: To obtain discounts for factors or percentages of factors **not** shown in Exhibit 7:

- contact PSD by either of the following:

  - *--e-mail at **deann.allen@wdc.usda.gov**
  - telephone at 202-720-9889--*

- do **not** contact KCCO.

D Settlement Value of Zero

If discounts applied during settlement result in the rice having a value of zero or less than zero, use zero as the settlement value.

128 Handling Settlements

A Preparing CCC-691

***--**Schedule deliveries and prepare CCC-691 according to 8-LP, Part 8.

B CCC-692

Process the settlement in APSS according to 12-PS, Part 9, Section 5, to generate CCC-692. If the settlement results in an amount due:

- producer, NPS will issue EFT or check
- CCC, send the producer a notification letter for the amount due according to 8-LP, Part 8 and Exhibit 11, subparagraph A.

Note: See 8-LP, Part 8 for charges and credits applicable to the settlement.**--***

C Releasing Note

After the settlement has been completed, mark the original note and security agreement as settled and return it to the producer.

129-140 (Reserved)

Section 2 Forfeitures

141 Loan Maturity Report for Forfeitures

A Preparing Report

Prepare a loan maturity report according to 12-PS, Part 9, Section 2.

B Sending Notice of Maturity Letters

Send notice of maturity letter to producers with outstanding warehouse-stored loans according to 8-LP and the following:

- notify each producer of the maturity date and the following options that are available:

  - redeem collateral by repaying the loan with cash, at principal plus interest
  - redeem collateral by repaying the loan with cash, at an AWP repayment rate

  *** * ***

  - settle the loan by forfeiting the collateral to CCC at maturity

- send the notice of maturity letter at least 45 calendar days, but not more than 60 calendar days, before the applicable loan maturity date.

142 Refunding Prepaid Charges

A Handling Charges

APSS will refund prepaid handling charges, if applicable, at the lower of the following rates:

- the approved UGRSA rate in effect on the date the rice was received at the warehouse
- the rate the producer paid to the storing warehouse.

B Storage Refund

When KCCO calls warehouse-stored loans before maturity or if storage was prepaid beyond loan maturity, make refunds for the period of the unearned storage not to exceed the approved UGRSA rate.

APSS will determine the amount of refund from the schedule of rates provided by KCCO for:

- the period corresponding to the date the loan was called through maturity
- the period of excess storage paid.

143 Handling Loan Forfeitures

A Warehouse-Stored Loan Forfeitures

--**Handle loan forfeitures according to 8-LP, Part 9.**--

Process forfeitures through APSS according to 12-PS, Part 10.

B Releasing Note

After warehouse receipts have been forfeited, mark the original CCC-678 **"forfeited"** and return it to the producer.

144-149 (Reserved)

Part 5 Loan Deficiency Payments

150 Overview

A In This Part

This part includes instructions for preparing and issuing LDP's.

B Definition of LDP

LDP's are payments made to producers who, although eligible to obtain a CCC MAL, agree to forgo the loan in return for a payment on the rice.

The amount of LDP is the difference between the loan rate based on the national average milling yield and AWP, times the quantity.

151 Basic LDP Provisions

A General Provisions

LDP's:

- shall not be combined for more than 1 class of rice
- will be processed through eLDP
- will be made in cash subject to assignment according to 63-FI
- will be issued by EFT or check, as applicable
- ***--**shall not be subject to payment limitation for crop year 2013
- shall be subject to payment limitation for crop years 2014 through 2018

  Note: See subparagraph 91 F for payment limitation requirements.

- shall be subject to AGI for crop years 2013 through 2018

  Note: See subparagraph 91 G for AGI requirements.**--***

- are subject to:
  - administrative offset according to 58-FI
  - spot check according to 8-LP, Part 3
- must be approved before the final loan availability date
- cannot be:
  - canceled or repledged once a request has been made
  - repaid to obtain a loan or LDP
- are not subject to State assessments
- will be paid when approved.

Lien searches and lien waivers are not required.

151 Basic LDP Provisions (Continued)

B Producer Eligibility Requirements

Producers applying for LDP must:

- meet eligibility requirements in paragraph 13
- agree to forgo obtaining a loan for the quantity on which LDP is requested.

C CMA Eligibility Requirements

CMA's applying for LDP must:

- meet eligibility requirements in paragraph 14
- agree to forgo obtaining a loan for the quantity on which LDP is requested.

*--D Payment Limitations for 2014 Through 2018 Crops

For the 2014 through 2018 crop years, there are payment limitations on LDP's, and marketing loan gains associated with the MAL program.

The total amount of payments received, directly or indirectly, by a person or legal entity (except joint ventures or general partnerships), for all commodities other than peanuts, is limited to no more than $125,000 annually, for a combination of the following programs:

- price loss coverage
- agricultural risk coverage
- marketing loan gains
- LDPs.

A person or legal entity receiving payments for peanuts, directly or indirectly, has a separate $125,000 payment limit annually for the same programs.

Note: There was not a payment limitation for marketing loan gains and LDP's for the 2008 through 2013 crop years.

E AGI Limitation Rule for 2013 Through 2018 Crops

A person or legal entity shall **not** be eligible to receive:

- LDP benefits during the 2009 through 2013 crop year program, if their average nonfarm AGI exceeds $500,000

- market loan gains or LDP benefits during the 2014 through 2018 crop years, if their average AGI exceeds $900,000.

  Exception: The person or entity is eligible for MAL, but the loan must be repaid at principal plus interest.**--***

151 Basic LDP Provisions (Continued)

F LDP Amount Reported to IRS

The amount of LDP is:

- the LDP rate, times the quantity
- reported to IRS.

G Commodity Eligibility Requirements

To be eligible for LDP, the rice must:

- not have been previously pledged as collateral for MAL
- meet the eligibility requirements in paragraph 15.

H Waiver of Storage Requirements

Approved storage requirements are waived when CCC-633-EZ, page 2 is approved.

I LDP Number Register

eLDP will assign an LDP number for each crop year.

J Filing LDP's

LDP's shall be maintained in 1 of the following:

- a separate LDP file for each request received
- one LDP file for each producer
- one LDP file for each producer by commodity
- ***--**a separate LDP file for ACRE enrolled farms (for 2013 crop only).

Note: The 2014 Farm Bill did not include continuing the ACRE program so the ACRE reduction will not apply after the 2013 crop year.**--***

K Low Quality Rice

Rice with low quality or grading U.S. No. 6 or U.S. Sample Grade according to the Official U.S. Grading Standards, are eligible for LDP. See 8-LP, Part 10, Section 3.

152 Request for LDP

A Request

LDP requests are complete when a County Office receives a completed and signed CCC-633 EZ, pages 1 and 2.

B General Information

LDP's must be requested:

- before beneficial interest is lost according to 8-LP, Part 2

  Note: CCC-633 EZ, page 1 must be filed before beneficial interest is lost.

- on or before the final availability date for the crop year of the commodity

- from a CMA-service County Office for CMA's according to 1-CMA.

LDP requests must be:

- submitted by any of the following:

  - in person
  - by mail
  - by FAX
  - through eForms

- approved when all eligibility requirements are met

- date-stamped when CCC-633 EZ, pages 1 and 2 are received in the County Office to indicate the request date.

  Note: See 8-LP, subparagraph 1000 H for the suggested LDP checklist.

LDP's:

- will be processed through eLDP web site by the County Office or producer

  Note: LDP's can be processed through APSS only with authorization from PSD.

- are subject to the 30 percent loan rate reduction when calculating the LDP rate for ***--**commodities produced from an ACRE-elected farm for crop year 2013 only**--***

- exceeding $100,000 requires the applicant to comply with lobbying disclosure requirements. See 8-LP, paragraph 28.

152 Request for LDP (Continued)

*--B General Information (Continued)

Issue payments when:

- CCC-633 EZ, page 1 has been filed and CCC-633 EZ, page 2 is approved
- quantity has been certified or delivery documentation was received on which beneficial interest has been lost.

C Joint LDP's

All producers sharing in the rice who are requesting LDP jointly shall sign CCC-633 EZ.--*

D Contracts

Review contracts, or require certification of no contract, if applicable, and make beneficial interest determinations according to 8-LP before approving LDP's **only** in situations when there is reason to believe the producer may have lost beneficial interest in the rice.

153 FAXed LDP Applications

A Acceptable FAXed LDP Applications

--**FAXed LDP application requests are considered complete when CCC-633 EZ is:**--

- correctly completed by the producer
- received in the County Office, as applicable.

B Ineligible FAXed LDP Applications

***--**FAXed LDP requests submitted on any form other than CCC-633 EZ are not acceptable.

C Incorrect FAXed LDP Requests

If CCC-633 EZ is not correctly completed by the producer according to paragraph 156 or 158, as applicable, return the LDP request to the producer and explain the circumstances of request denial.

Instruct the producer that a new LDP request must be made to receive LDP. A new LDP rate will be established based on the date of the correctly completed request if the producer selects item 23 A on CCC-633 EZ, page 2.

D Signatures

Follow-up original copies and signatures are not required for LDP requests FAXed on CCC-633 EZ.**--***

153 FAXed LDP Applications (Continued)

E Applications Requested But Not Received

If a producer inquires about a FAXed LDP application, and the application was not received in the County Office, County Offices shall:

- ***--**require producer to submit documentation to verify CCC-633 EZ was FAXed**--***

- accept producer's completed LDP application

- document the date the LDP application was FAX and the reason the FAX was not received

- use the LDP rate in effect on the date printed by the FAX machine on the original LDP ***--**request transmittal, if applicable

  Note: If item 23 A was selected on the CCC-633 EZ LDP request, then the LDP rate will be based on the LDP rate in effect in the county where beneficial interest was lost.**--***

- **not** accept or approve producer's LDP application unless the producer can provide verification of the actual FAXed date.

154 Eligible Quantity

A Commodity Eligibility Requirements

To be eligible for LDP, the quantity of commodity must:

- meet eligibility requirements in paragraph 15
- have been produced by an eligible producer
- not have been previously pledged as collateral for a loan and repaid with cash at a rate less than the principal, plus interest
- not have been previously requested or paid for LDP.

A quantity of a commodity eligible to be repledged for a nonrecourse loan is eligible for LDP.

For LDP's on:

- ***--**commodities harvested as other than grain, see 8-LP, Part 10, Section 2
- low quality commodities, see 8-LP, Part 10, Section 3
- contaminated commodities, see 8-LP, Part 10, Section 4.**--***

B Quantity Requested

Eligible producers may request LDP quantities by:

- certifying the quantity
- requesting measurement service
- certifying date of delivery
- providing delivery evidence
- providing production evidence if beneficial interest has been lost.

Note: CCC-633 EZ, page 1 must be on file before beneficial interest is lost in the quantity requested.

154 Eligible Quantity (Continued)

C Certified Quantity

Producers may request LDP by certifying the quantity. A reasonableness check using yields *--established by COC, according to 8-LP, paragraph 230, must be completed to ensure that the commodity was produced by the producer. All certified LDP's are subject to spot check according to 8-LP, Part 3.--*

COC set yield does not ensure that the commodity was produced; however, it establishes a guide for reasonableness of production.

D Measured Quantity

Eligible producers may request measurement service to obtain LDP.

If measurement service is requested on FSA-409:

- *--complete CCC-677-1 in addition to CCC-633 EZ, page 2 according to paragraph 1008--*

- reduce the measured quantity to the maximum eligible moisture level if the commodity contains moisture exceeding the level for the commodity according to the applicable 2-LP.

LDP's requested by measurement service are not subject to spot check.

E Quantity Supported by Production Evidence

If producers do not wish to certify to the quantity or date delivered, requests can be *--completed by providing production evidence according to 8-LP, Part 3, Section 3.--*

If production evidence is provided at time of payment request, then LDP will not be subject to spot check.

155 Types of LDP's

A Types of LDP's

LDP's are requested for any stored quantity the producer maintains beneficial interest in on date of request and can be either:

- farm-stored quantities
- warehouse-stored quantities
- ***--**warehouse-stored quantities as shown on the paper receipt or EWR--*.

LDP Type	LDP Rate
Beneficial interest maintained	Rate on date of request
Beneficial interest lost	Rate in effect on date sold according to acceptable sales evidence
Delivery date **Note:** Beneficial interest maintained, but before delivery the producer requests to use rate in effect on date of delivery.	Rate in effect on date delivered from the field

*--156 Completing CCC-633 EZ

A Completing CCC-633 EZ, Page 1

Complete CCC-633 EZ, **page 1** according to the following.

Item	Instructions
1	Enter the producer's name and address. This should be the name of the individual, joint operation, or entity for which benefits may be requested.
2	Enter the telephone/cell number, including area code, of the applicant.
3	Enter the last 4 digits of the applicant's Social Security or tax ID number of the producer or entity in item 1.
4	Enter the crop year for the commodities covered by the LDP agreement.
5	Enter the States and the counties where the applicant has an interest for the designated crop year. **Note:** CCC-633 EZ covers interests in all eligible LDP commodities of the applicant listed in item 1. The County Office that first receives page 1, shall forward to other County Offices, as applicable, by FAX or mail.
Part A – Terms and Conditions	
All applicants requesting LDP shall review and understand the terms and conditions of this agreement.	
Part B – Methods of Payment Request	
All applicants requesting LDP shall review and understand the methods by which a payment request may be initiated under this agreement. **Note:** CCC-633 EZ, page 2 **must** be received in the County office before the final loan availability date for the applicable commodity.	
Part C – Producer Signature and Certification	
6 and 7	After reading the certification statement, the applicant shall sign and date. **Note:** Generally there will be 1 form per individual/joint operation/entity. Multiple signature lines are provided for cases where multiple signatures are required to act for the joint operation/entity. If additional signature lines are needed, the applicant shall use CCC-633 EZ, page 5, Part C.
Part D – CCC Agreement (FSA Use Only)	
8	Enter signature of authorized CCC Representative.
9	Enter title of authorized CCC representative.
10	Enter date of CCC representative's signature.
11	Enter additional information pertinent to the approval or disapproval of agreement.
12	Enter the name and address of the County FSA Office, LSA, or DMA receiving and signing the original CCC-633 EZ, page 1. The County Office may enter their assigned State and county code in place of their name and address.

--*

156 Completing CCC-633 EZ

B Example of CCC-633 EZ, Page 1

The following is an example of CCC-633 EZ, page 1.

*--

This form is available electronically.

CCC-633 EZ (03-28-14)	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	1. Name and Address of Producer (Include ZIP Code) (Please Print) William Green 510 Hwy 123 Anywhere, ST 00001
	LOAN DEFICIENCY PAYMENT (LDP) AGREEMENT AND REQUEST	2. Telephone or Cell Number *(Include Area Code)*: 999-555-1212
All eligible producers entering into this agreement MUST meet marketing assistance loan eligibility and have beneficial interest in the quantities covered by this agreement for the applicable crop year when signing this form. A producer is considered to have beneficial interest in the specified quantities if the producer has ALL of the following: • title to the commodity • control of the commodity		3. ID Number *(Last 4 Digits)*: XXXX 4. Crop Year: 20XX 5. State(s) and County(s) State, Jones County

File this form **BEFORE** loss of beneficial interest (title and control) to indicate your intentions to receive Loan Deficiency Payment (LDP) benefits for this crop year for all counties and all eligible harvested, sheared, or slaughtered commodities for the individual, joint operation, or entity identified in Item 1. The CCC-633 EZ - LDP Request (Page 2), Cotton LDP Request (Page 3), or Request for Wool, Mohair, or Unshorn Pelt LDP (Page 4) must be completed **BEFORE** the final loan/LDP availability date to receive LDP benefits.

PART A - TERMS AND CONDITIONS

- The LDP rate will be based on the earlier of: a) the date beneficial interest is lost as applicable to specific commodity provisions; or b) the LDP request date as submitted on the CCC-633 EZ (Page 2) Part E, or CCC-633 EZ (Page 4) for wool, mohair, and unshorn pelts. For cotton LDP's requested on CCC-633 EZ Cotton (Page 3), the LDP rate will be based on the information provided on Page 3.
- Quantities covered by this agreement were produced by the producer and not purchased or acquired directly or indirectly from any other source or committed under a marketing agreement to a Cooperative Marketing Association (CMA.)
- As a condition of receiving an LDP, a producer (or members of a CMA) must first resolve delinquent federal non-tax debt(s). The debt(s) must be resolved before the final loan/LDP availability date.
- CCC may request copies of contracts and supplemental documentation to determine eligible quantity and when beneficial interest was lost.
- If a Marketing Assistance Loan (MAL) is disbursed for a quantity covered by this agreement and the MAL is repaid at a price less than principal and interest, this agreement becomes null and void for that specific quantity.
- All producers with an interest in the quantity covered by this agreement must sign a CCC-633 EZ Part C, to obtain LDP benefits.

PART B - METHODS OF PAYMENT REQUEST ***(Request must be submitted by final loan/LDP availability date.)***

- For quantities represented by verifiable production evidence under this agreement, submission of evidence in combination with Part E, Part N, or Part O of this form as applicable shall be considered a request for payment. Evidence must include sufficient data to determine producer and commodity eligibility and LDP rate.
- For quantities for which verifiable evidence is unavailable (i.e., certified quantities, fed quantities, quantities used for seed, silage, etc.), the request for payment shall be initiated by recording a certification of quantity on Part E, Part N, or Part O of this form as applicable. Additional information may be requested by CCC to determine producer and commodity eligibility and LDP rate.
- Submission of an eLDP shall be a request for payment. The CCC-633 EZ Part E is not required for that specific quantity.
- **For Cotton Producers Only**: Producer agrees: a) any request for a module lock-in or post-ginning LDP is irrevocable and cannot be cancelled or revised unless the LDP is denied due to AGI; b) any request for a gin-direct LDP is irrevocable on or after the date of ginning; c) entry of information on Page 3 of this application constitutes an irrevocable application for the Adjusted World Price (AWP) to be locked in on the date an accurately completed application is submitted for an LDP based on gin-provided documentation identifying the bales produced from the module/storage unit for which the AWP lock-in applies.

PART C - PRODUCER SIGNATURE AND CERTIFICATION ***(For additional signatures, complete CCC-633 EZ Continuation, Part C)***

I/we certify all information entered on this form is true and correct. By certifying to the terms and conditions in Part A, the producer(s) hereby enters into this agreement with CCC for all eligible commodities. The producer(s) agrees: 1) any false claim or false statement may lead to civil liability or criminal prosecution; 2) LDP's may be selected for spot-check and the producer will be required to provide supplemental documents to determine program eligibility; 3) to forgo a commodity loan on the quantity requested for LDP unless a quantity is denied LDP due to payment limitation; 4) not to refund any LDP amount in order to obtain a commodity loan; 5) this agreement and subsequent payment request is subject to CCC determination of producer and commodity eligibility subject to 7 CFR Parts 1421, 1425, 1427 and 1434; 6) that CCC shall require refund of LDP, plus interest, from the date of payment if producer(s) and/or commodity is later determined ineligible by CCC; 7) CCC shall assess administrative penalties and/or liquidated damages in accordance with 7 CFR Parts 1421, 1425, 1427 or 1434, as applicable, if producer(s) misrepresented the eligible quantity and/or commodity covered by this agreement; 8) the maximum eligible quantity and yield determinations must equal the quantity and yield determinations for disaster or crop insurance e indemnity payments, when and if applicable; and 9) to submit the applicable CCC-633 EZ, Page 2, Page 3, Page 4 or an eLDP online request before obtaining LDP amounts.

6A. Producer's Signature (BY)	6B. Title/Relationship *(Individual Signing in a representative capacity)*	7. Date *(MM-DD-YYYY)*	6A. Producer's Signature (BY)	6B. Title/Relationship *(Individual Signing in a representative capacity)*	7. Date *(MM-DD-YYYY)*
/s/ William Green		04-01-2014			

PART D - CCC AGREEMENT ***(FOR CCC USE ONLY)***

8. Signature of CCC Representative	10. Date *(MM-DD-YYYY)*	11. Additional Information	12. Name and Address of County FSA Office or LSA or DMA
/s/ John Doe 9. Title of CCC Representative CED	04-01-2014		Jones County FSA Office 1521 Main Street Snywhere, ST 00001

NOTE: *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, 7 CFR Part 1425, 7 CFR Part 1427, 7 CFR Part 1434, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) as amended by the American Taxpayer Relief Act of 2012, and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility for loan deficiency payment program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for loan deficiency payment program benefits. This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F – Administration). The provisions of criminal and civil fraud, privacy and other statutes may be applicable to the information provided.* ***RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***

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If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at ***http://www.ascr.usda.gov/complaint_filing_cust.html****, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at* ***program.intake@usda.gov****. USDA is an equal opportunity provider and employer.*

--*

156 Completing CCC-633 EZ

C Completing CCC-633 EZ, Page 2

Complete CCC-633 EZ, page 2 according to the following.

Item	Instructions
	Part E – Request for LDP
13A and 13B	Enter the producer's name, address, and telephone number, including area code. **Note:** This should be the same as in item 1.
14	Enter the last 4 digits of the applicant's Social Security or tax ID number.
15	Enter the crop year for which LDP is requested.
16	Enter the State and county where the farm records are maintained
17	Check either "Yes" or "No" to the question, "Are you or any co-applicant delinquent on any Federal Non-tax debt?" If "Yes" is checked, explain in item 32.
18	**For FSA use only.** Enter the processing system assigned LDP number.
19	Enter the commodity for which LDP is requested along with the class, variety, or type, as applicable. For sunflowers, ENTER "oil" or "other", as applicable. If the commodity requested is wheat and the class is mix, producers must indicate the predominate class of wheat.
20	Enter the net quantity and unit of measure requested for this payment. **Note:** User may ENTER "All" if the producer selects the "date of delivery" option or a measured LDP. For commodities harvested as other than grain, the quantity may be certified as tons, acres harvested, bushels, pounds, or cwt. CCC is required to establish a whole grain yield according to 8-LP, ***--**paragraph 336.**--***

*--156 Completing CCC-633 EZ

C Completing CCC-633 EZ, Page 2 (Continued)

Item	Instructions
	Part E – Request for LDP (Continued)
21	Check the box from the following that corresponds with the source of the quantity in item 20: • "A", "Certified", if no acceptable production and/or sales evidence is provided at the time of payment request, check box **Note:** Certified quantities are subject to spot-check and CCC may require production evidence to support the certification. • "B", "Measurement Service", if measurement service is requested to determine quantity **Note:** The servicing County Office will initiate a measurement service at the location described in item 22. By requesting measurement service, the applicant agrees the quantity determined by measurement service will be the maximum quantity eligible for LDP and the request for payment is irrevocable. • "C", "Production Evidence", if request for payment is accompanied by production and/or sales evidence. **Note:** When acceptable production and/or sales evidence is provided at the time of payment request, no additional documentation will be required.
22	Enter the State (if necessary) and county, where the quantity in item 20 is stored. In addition, enter the location within the same county where the commodity is stored. **Example:** Bin number, legal description, and/or land description; enter the warehouse name if commodity is warehouse stored. A separate LDP request must be completed for quantities stored in a different county.

--*

*--156 Completing CCC-633 EZ

C Completing CCC-633 EZ, Page 2 (Continued)

Item	Instructions
Part E – Request for LDP (Continued)	
23A And 23B	Enter the date of this request, date BI was lost, or the date of delivery. If a request has multiple dates (such as date of feeding or sale) and production evidence or schedule/ledger that is provided shows when BI is lost, this item can be left blank. If page 2 is filed before delivery and the producer wants to use the "date of delivery" option, Box "B" must be checked.
24	**For FSA use only.** Enter the LDP rate in effect according to the applicable date as provided in item 23. For multiple dates of delivery, ENTER "See Attached Production Evidence".
Part F – Producer Certification	
25 through 27	At the time of completion for each request, the producer shall sign in item 25, enter the share percentage of the LDP quantity in item 26, and enter the date in item 27. This indicates the applicant's intention to receive an LDP payment based on the applicable quantity and effective LDP rate. **Note:** If additional signatures lines are needed, use CCC-633 EZ Continuation, page 5, Part F. If BI has **not** been lost, then the effective LDP rate will be based upon the time and date a properly completed request for payment is received in the FSA County Office.
Part G – CCC Approval	
28	Enter signature of authorized CCC representative.
29	Enter title of authorized CCC representative.
30	Enter date of CCC representative's approval.
31	FSA office will check either "Approved" or "Disapproved".
32	Enter any additional information pertinent to the approval or disapproval of this payment request.

--*

156 Completing CCC-633 EZ

D Example of CCC-633 EZ, Page 2

The following is an example of CCC-633 EZ, page 2.

*--

Page 1

CCC-633 EZ (03-28-14)

PART E - REQUEST FOR LDP

13A. Contact Name and Address of Producer *(Include Zip Code)* *(Please Print)*	13B. ID Number *(Last 4 digits)*	14. Telephone or Cell Number *(Include Area Code) (Optional)*	15. Crop Year	17. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 32.
William Green 510 Hwy 123 Anywhere, ST 00001	XXXX	999-555-1212	20XX	☐ YES ☒ NO
	16. State and County where Farm Records are Maintained State, Jones County			

A completed CCC-633 EZ, Page 1 must be on file before beneficial interest (title and control) is lost in the requested quantity for this to be considered a valid request for payment. This request for payment, with acceptable production evidence (if applicable), must be submitted to the County FSA office that administers the farm records for the requested commodity and quantity.

Complete Items 19 through 23 and sign/date below. Indicate in Item 21 if this is a certified LDP, request for measurement service, or indicate production evidence is attached, as applicable. When beneficial interest has been lost, indicate date of sale, fed, used for seed, etc, as applicable, in Item 23. If additional entries are needed, provide data on an additional CCC-633 EZ, Page 2.

18. LDP No. (CCC Use Only)	19. Commodity Class, Variety, Type	*20. Net Quantity Requested and Unit of Measure (bu., tons, cwt., lbs., etc.)	21. Source of Quantity (Check one of the following)			22. Stored or Delivery Location, if applicable (State, County, Warehouse, or Bin Site)	23. Effective Date of LDP Rate *(MM-DD-YYYY)*		24. LDP Rate (CCC Use Only)
			A. Certified	*B. Measurement Service	C. Production Evidence	**Examples:** Warehouse-Stored: Ohio, Athens Co., ABC Warehouse Farm-Stored: Texas, Webb Co., 30' Butler Bin, North of House	A. Date of LDP Request or Date Beneficial Interest Was Lost	B. Check to Request Date of Delivery	
	Rice-Rough-Long	10,000 cwt	☒	☐	☐	Farm-Stored: State, Jones Co., Nw 1/4 see 14 Lake twp-North Bin	08-01-2013	☐	
			☐	☐	☐			☐	
			☐	☐	☐			☐	
			☐	☐	☐			☐	

* If measurement service is requested, I agree to pay the required fee(s) and agree this request is irrevocable. The quantity determined by measurement service will be the maximum quantity eligible at the time of this request. Producer must enter in Item 20, a specific quantity or "ALL" for this LDP application to be valid.

PART F - PRODUCER CERTIFICATION ***(For additional signatures, complete CCC-633 EZ Continuation, Part F)***

I certify all information entered on this form is true and correct. By completing Part E and signing and dating this form, I hereby make a request for payment from the Commodity Credit Corporation (CCC) for the commodity described above under the terms and conditions as provided on the CCC-633 EZ, Loan Deficiency Payment (LDP) Agreement and Request. I also understand that a CCC-633 EZ, Page 1 MUST be on file at the FSA County Office for this LDP request to be considered complete.

25A. Producer's Signature *(By)*	25B. Title/Relationship *(Individual Signing in a Representative Capacity)*	26. Share %	27. Date *(MM-DD-YYYY)*	25A. Producer's Signature *(By)*	25B. Title/Relationship *(Individual Signing in a Representative Capacity)*	26. Share %	27. Date *(MM-DD-YYYY)*
/s/ William Green			08-01-2013				

PART G - CCC APPROVAL ***(FOR CCC USE ONLY)***

28. Signature of CCC Representative	29. Title of CCC Representative	30. Date *(MM-DD-YYYY)*	31. Action:	32. Additional Information/Second Party Review
/s/ John Doe	CED	08-01-2013	☐ APPROVED ☐ DISAPPROVED	

Page 2

--*

E Completing CCC-633 EZ for Measured Rice LDP's

See 8-LP, paragraph 1008 for completing measurement service LDP requests.

157, 158 (Withdrawn--Amend. 8)

159 (Withdrawn--Amend. 20)

160-174 (Reserved)

Part 6 Electronic Warehouse Receipts

175 General Information

A Definitions [7 CFR 735.3]

CFS is an electronic system operated and maintained by a provider, as a disinterested third party authorized by DACO, where information relating to EWR's, USWA documents, and other electronic documents are recorded and maintained in a confidential and secure fashion independent of any outside influence or bias in action or appearance.

EWR's are receipts authorized by DACO to be issued or transmitted under USWA as electronic documents.

A provider is a person authorized by DACO, as a disinterested third party, that maintains 1 or more confidential and secure electronic systems independent of any outside influence or bias in action or appearance.

A holder is a person that has possession in fact or by operation of law, of EWR's, USWA electronic documents, or any electronic documents.

B FSA's EWR Web-Based System for Rice

FSA's EWR web-based system:

- shall be used by County Offices when producers apply for price support benefits using EWR's

- allows County Offices to:

  - download EWR's from the provider CFS
  - transfer data to APSS to complete the loan
  - *--transfer data to eLDP system to complete LDP request--*
  - release EWR's when loans are liquidated

- eliminates entering manual warehouse receipt-related data needed to complete price support MAL transactions in APSS or LDP transactions in eLDP and allows County Offices to electronically transfer EWR's to either of the following:

  - new holders after the loan is repaid
  - KCCO at forfeiture.

175 General Information (Continued)

C EWR Transaction Types

EWR web-based system for rice provides the following transaction capabilities to authorized users.

Transaction Type	Transaction Code
Download EWR for price support.	DPS
Release EWR to new EWR holder.	RPS
Reset EWR to its pre-download status.	UPS
***--**Reset EWR downloaded for LDP in error.	ULD**--***
View EWR information.	RRI
Transmit price support information to the provider's CFS.	IPS

176 Responsibilities

A Producer Responsibilities

The producer shall:

- deliver the commodity to the warehouse

- instruct the warehouse to issue EWR as "loanable", if producer intends to apply for price support benefits

  Note: A "loanable" indicator does **not** make CCC the holder of EWR but enables CCC to access EWR when the producer applies for price support benefits.

- obtain a list of EWR's.

  Note: At a minimum, the EWR list shall include:

  - producer name
  - warehouse code
  - commodity type
  - commodity class
  - EWR number
  - ***--**ACRE enrollment indicator (for 2013 crop rice only).

    Note: County Offices shall determine the producer's ACRE enrollment status for crop year 2013 manually.**--***

B Warehouse Responsibilities

The warehouse shall:

- accept the commodity delivered by the producer
- subscribe to a provider system approved to issue rice EWR's
- issue and cancel EWR's through the selected provider.

  Note: EWR's **must** be issued through the provider CFS according to the Provider Agreement with DACO.

176 Responsibilities (Continued)

C Provider Responsibilities

The provider shall:

- sign a Provider Agreement with DACO
- maintain EWR's on behalf of the warehouse
- handle and maintain EWR's in CFS in a secure manner
- enter into an agreement with CCC on handling EWR data used to obtain price support benefits
- implement instructions issued by authorized holder of EWR's
- ***--**contact Dan Schofer, Warehouse Operations Program Manager at 202-690-2434 with questions on EWR provider responsibilities.**--***

D FSA County Office Responsibilities

County Offices shall:

- use FSA's EWR web-based system to:
  - download and process EWR's for price support activity
  - verify the downloaded EWR that goes with the loan/LDP request
  - transfer EWR's to APSS to complete the loan application
  - ***--**transfer EWR to eLDP system to complete LDP request**--***
  - release EWR to the authorized holder at liquidation
  - return EWR to CFS, when applicable
  - print "printer friendly" pages to include in the loan/LDP file
- complete loan applications using EWR's in APSS
- complete LDP applications using eLDP
- record liquidation transactions associated with loan in APSS **before** releasing EWR.

177 Using FSA's EWR System for Rice

A Accessing FSA's EWR Web-Based System

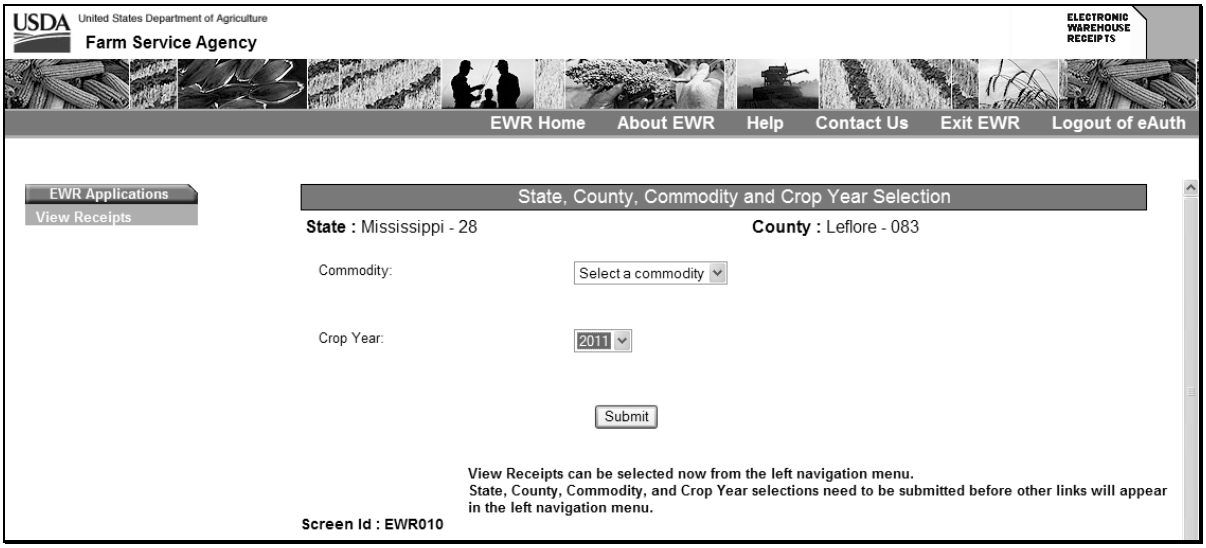
The following table provides steps to access FSA's EWR web-based system.
*--

Step	Action
1	Access the FSA Intranet Home Page at **http://fsaintranet.sc.egov.usda.gov/fsa/**. Under Resources, CLICK "**FSA Applications**".
2	Under Price Support, CLICK "**EWR – Electronic Warehouse Receipts**".
3	The eAuthentication Login Screen will be displayed. Enter user ID and password and CLICK "**Login**". **Note:** Information on security operations, including eAuthentication, can be found at **https://fsa.sc.egov.usda.gov/mgr/iso/public/Wiki%20Pages/Audience.aspx**.

B Initial View Receipts Selection Option

After completing the eAuthentication login process, the following State, County, Commodity and Crop Year Selection Screen will be displayed with the "View Receipt" option on the left navigation menu. The "View Receipts" option allows users to view EWR's for a specific commodity and crop year, **before** accessing other EWR processing functions.

Select the applicable commodity and the crop year associated with the EWR to view and CLICK "**Submit**". State, County, Commodity and Crop Year Selection Screen will be redisplayed with additional menu options on the left navigation menu.



--*

177 Using FSA's EWR System for Rice

*--B Initial View Receipts Selection Option (Continued)

The commodity selection, "Rice-View All" from the drop-down menu is available for users authorized to view rice EWR's for all classes of rice or a specific class of rice. Other commodity selections are applicable to peanut EWR's.

CLICK "**Submit**". The following View Receipts Selection Screen will be displayed. Users can do either of the following:

- continue with the "View Receipt" option by completing the information on the View Receipts Selection Screen, and clicking "**Submit**"**--***

  Notes: For rice, select 1 of the following from the commodity drop-down menu:

  - "Rough Rice - L"
  - "Rough Rice - M"
  - "Rough Rice - S".

  MAL or LDP for "Rough Rice - S" will have the same loan rate, premiums, discounts, and LDP rate as "Rough Rice – M".

- ***--**select another function from the left navigation menu.

  Note: Use the "**Change State, County, Commodity and Crop Year**" option from the left navigation menu to perform other EWR functions for another State, county, commodity, and crop year. See subparagraph E for additional information.

--*

177 Using FSA's EWR System for Rice (Continued)

*--C Electronic Warehouse Receipts Program Screen

After the State, county, commodity, and crop year are selected, and user clicks "Submit", the following Electronic Warehouse Receipts Program Screen will be displayed.

--*

177 Using FSA's EWR System for Rice (Continued)

D EWR Applications Menu Options

The EWR application provides the following menu options displayed on the left navigation bar:

- Request Receipts
- Send Receipts to APSS
- Release Receipts
- View Receipts
- Change State, County, Commodity and Crop Year, if applicable.

***--Note:** Use the "Change State, County, Commodity and Crop Year" option, located under "EWR Applications" on the left of the screen to process receipts for another State, county, or class of rice other than what is displayed on the Welcome to the Electronic Warehouse Receipts Program Screen.

E Change State, County, Commodity and Crop Year Option--*

County Offices with multiple counties, including County Offices acting as CMA Service Centers, shall be provided with a drop-down menu to select the applicable State and county where the loan/LDP will be processed.

The following is an example of the **State, County, Commodity and Crop Year Selection** Screen with the drop-down menu for selecting the applicable State and county for loan/LDP processing.

***--**

--*

Select the applicable State, county, commodity, and crop year from the drop down menu. This should be the State and county where the loan request is to be processed.

178 Requesting EWR's

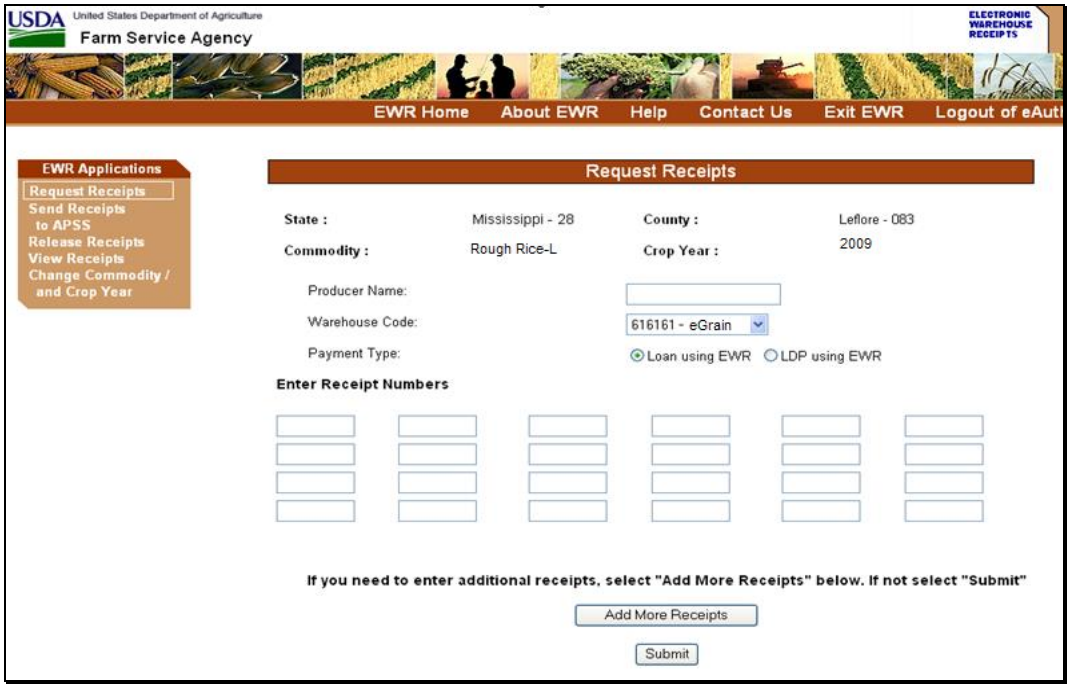
--A Submitting Requests for EWR's for Loans--

Producers requesting loans or LDP's shall provide County Offices with basic loan or LDP application requirements. In addition to the producer and farm information, the applicant shall at a minimum, provide the following information:

- producer name
- warehouse code
- commodity type
- commodity class
- list of EWR numbers
- *--ACRE indicator (for 2013 crop only).--*

Note: County Offices shall request receipts from ACRE and non-ACRE farms separately.

County Office can accept the information from producers by either FAX or e-mail. The following table provides steps for requesting EWR's from the provider CFS.

Step	Action
1	CLICK **"Request Receipts"** from the left navigation bar to request EWR data associated with producer's application. The following is an example of a Request Receipt Screen.  * * *

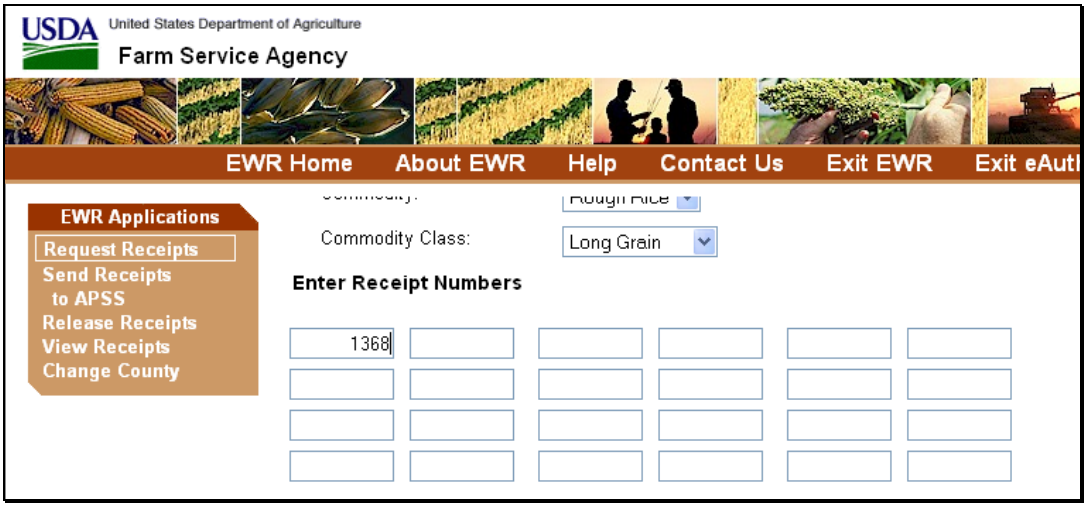
178 Requesting EWR's (Continued)

--A Submitting Requests for EWR's for Loans (Continued)--

Step	Action
2	On the Request Receipts Screen, select the appropriate crop year from the drop-down menu and complete the following required data: • producer name **Note:** This will be used to identify the request, but does **not** have to exactly match the name in SCIMS name and address file. • warehouse code **Note:** A list of participating warehouses will be displayed in the drop-down menu. • payment type (CLICK "radio button" corresponding to the type of request • EWR numbers. **Note:** The Request Receipt Screen will allow users to enter 24 EWR's per screen.

178 Requesting EWR's (Continued)

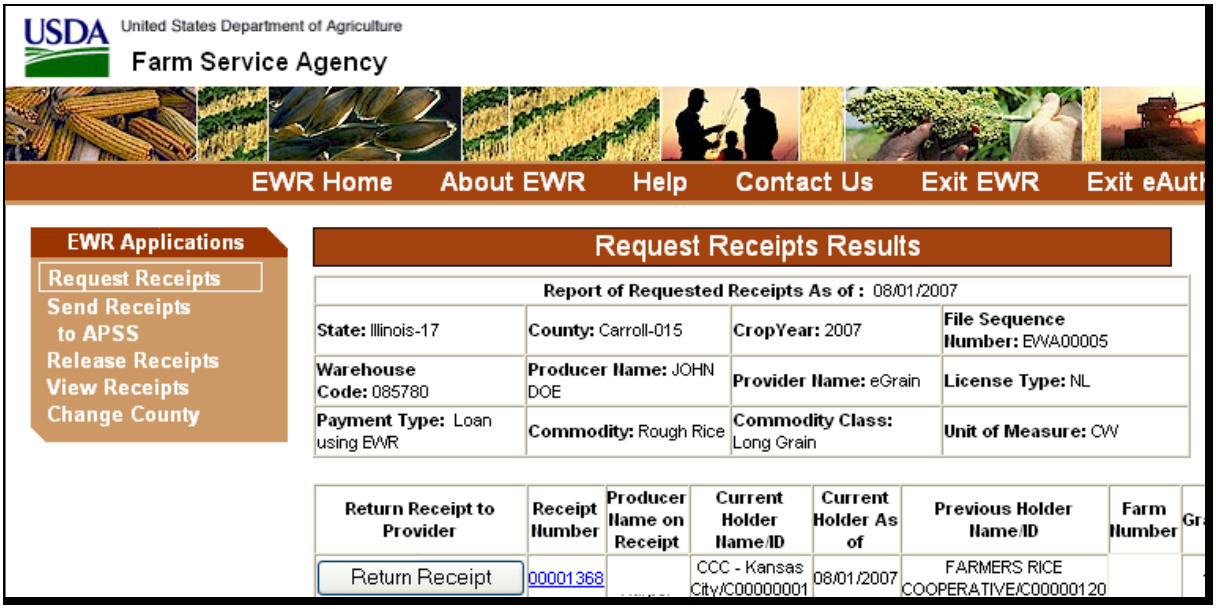
--A Submitting Requests for EWR's for Loans (Continued)--

Step	Action
3	If entering more than 24 EWR's, on the Request Receipt Screen, CLICK **"Add More Receipts"**. A Request Receipt Continuation Screen will be displayed that allows users to enter additional EWR numbers for the request. 
4	CLICK **"Submit"** to send the request for EWR's. FSA's EWR web-based system will retrieve the requested EWR's from Provider's system used by the warehouse to issue EWR's.

*--178 Requesting EWR's (Continued)

B Requesting EWR Results

FSA's EWR web-based system will retrieve the information from Provider's system and display the Request Receipts Results Screen.



The upper portion of the Request Receipts Results Screen will be displayed with the:

- data submitted with the request, according to subparagraph 177, with the Provider's name, license type, and unit of measure

- File Sequence Number assigned to the request.

  Note: FSA's EWR web-based system assigns an 8-character alphanumeric file sequence number according to this table.

Position	Format	Description	Comments
1-2	EW	Indicates it is an EWR.	Assigned to all EWR's.
3	A to Z	Crop year indicator.	Starts with A for 2007 crop year and is incremented by 1 year for subsequent letters (B for 2008, C for 2009, etc).
4-8	Number	File sequence counter.	Starts with 00001 each crop year.

--*

178 Requesting EWR's (Continued)

B Request EWR Results (Continued)

The lower portion of the Request Receipts Results Screen will be displayed with the Report of Requested Receipts providing a list of valid EWR's, EWR's with the errors, and the corresponding error description, if applicable.

A "printer friendly" page will be available. Print the data and the Report of Requested
--Receipts and file in the loan folder. The following is an example of the Report of--
Requested Receipts.

Report of Requested Receipts As of : 08/01/2007

State: Illinois-17	**County:** Carroll-015	**CropYear:** 2007	**File Sequence Number:** EWA00005
Warehouse Code: 085780	**Producer Name:** JOHN DOE	**Provider Name:** eGrain	**License Type:** NL
Payment Type: Loan using EWR	**Commodity:** Rough Rice	**Commodity Class:** Long Grain	**Unit of Measure:** CW

Receipt Number	Producer Name	Current Holder Name/ID	Current Holder As of	Previous Holder Name/ID	Farm Number	Grade	Storage Paid Thru	Weight
00001368	Mavis Harper	CCC - Kansas City/C00000001	08/01/2007	COOPERATIVE/C00000120		1	05/31/2008	12345.67
Total Valid Receipts: 1							**Total Weight: 12,345.67**	

Receipt Number	Reason Code	Reason Description
Total Receipts Returned: 0		

Screen Id : EWR024

close window

178 Requesting EWR's (Continued)

C Validating EWR's

Review the results of the request for accuracy and consistency with the loan or LDP application submitted by the producer.

Each request must have the same:

- aromatic indicator
- commodity
- commodity class
- crop year
- producer name
- type of payment request
- warehouse code.

***--Note:** For the 2013 crop year, each file requested must have the same ACRE enrollment--* status.

The following table provides the steps to validate EWR's.

<table>
<tr><th>Step</th><th colspan="2">Action</th></tr>
<tr><td rowspan="4">1</td><td colspan="2">On the Receipt Number column, click the applicable EWR number to display the detail EWR data.

Note: EWR data is also available on the "printer friendly" page.</td></tr>
<tr><td>IF...</td><td>THEN go to Step...</td></tr>
<tr><td>all entries are valid</td><td>3.</td></tr>
<tr><td>EWR's were downloaded in error</td><td>2.</td></tr>
<tr><td>2</td><td colspan="2">CLICK "Return Receipt" to return EWR's to the Provider.

Notes: The Return Receipt option shall be used when EWR's are downloaded in error and must be removed from the File Sequence Number. The returned EWR will be reset to its pre-download status.

A Confirm Return Receipt Screen will be displayed with selected EWR's to be returned.</td></tr>
<tr><td>3</td><td colspan="2">CLICK "Submit". FSA's EWR web-based system will:

• remove EWR's with errors from the file, if applicable
• process and complete the file for transfer to APSS according to paragraph 179.</td></tr>
</table>

179 Sending EWR's to APSS

A General Information

The requested EWR's shall be identified by the File Sequence Number and can be transferred to APSS to process the:

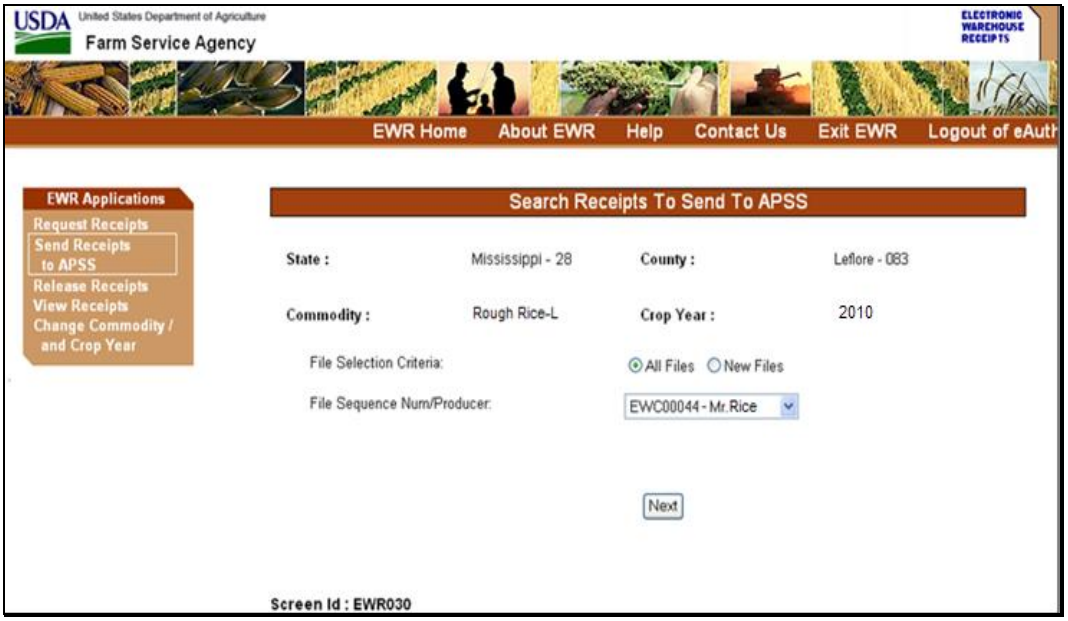
- loan request of the producer
- re-entry of a corrected loan.

Note: Files that have been transferred to APSS **must** be used to process loans on the **same day** or the files will have to be re-sent to APSS to be available for processing in APSS.

--**Do not transfer files associated with the LDP request to APSS. See paragraph 184 for additional instructions on processing LDP requests through eLDP using EWR's.**--

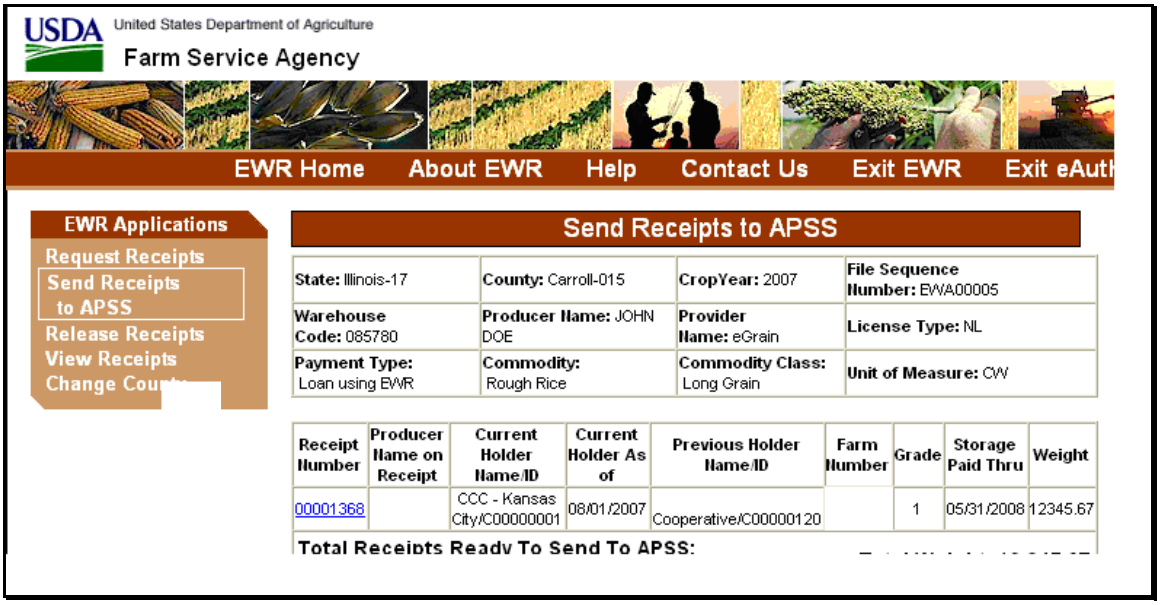
B Searching for EWR's and Sending EWR's to APSS

Files that have been requested according to paragraph 178 are ready for transfer to APSS. The following table provides steps for search for EWR's and sending EWR's to APSS.

Step	Action
1	CLICK "**Send Receipts to APSS**" on the left side of the navigation menu to transfer completed EWR's to APSS. The Search Receipts to Send to APSS Screen will be displayed, select the appropriate crop year from the drop-down menu, and go to Step 2. ***--**  **--***

179 Sending EWR's to APSS (Continued)

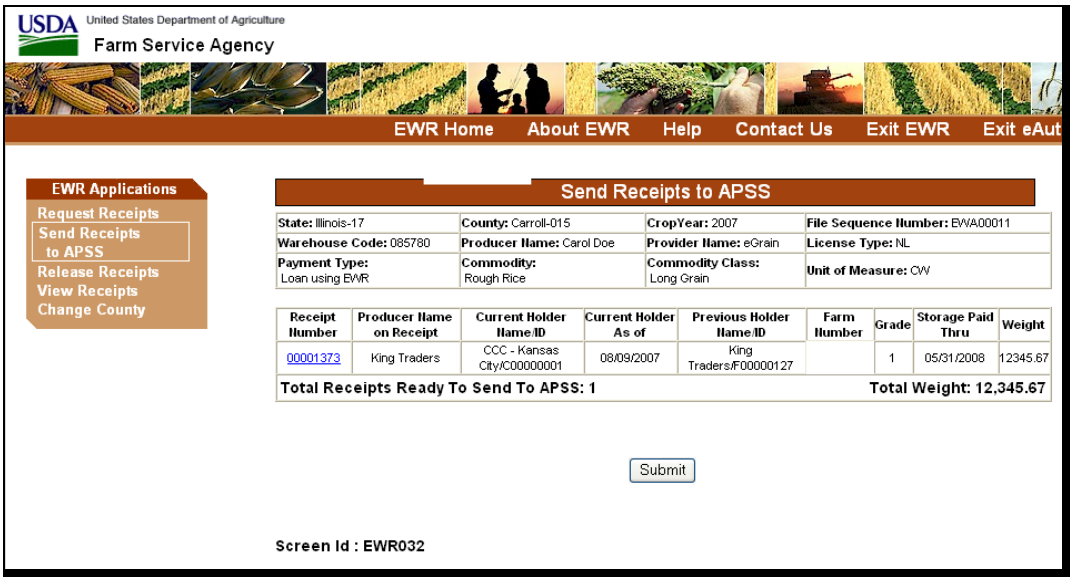
B Searching for EWR's and Sending EWR's to APSS (Continued)

Step	Action
2	For File Selection Criteria, CLICK "radio button" indicating the appropriate EWR ***--**files as follows: • New Files; lists the requested EWR File Sequence Numbers of EWR's that have **not** been previously transferred to APSS • All Files; lists the requested EWR File Sequence Numbers of all EWR's that**--*** are included in the new files as well as files previously transferred to APSS.
3	For Select File Sequence Num/Producer, select from the drop-down menu.
4	CLICK **"Next"**, the Send Receipts to APSS Screen will be displayed. 
5	Under the Receipt Number column, click the specific EWR number to display the detail data. **Note:** A "printer friendly" page is also available.

*--179 Sending EWR's to APSS (Continued)

B Searching for EWR's and Sending EWR's to APSS (Continued)

Step	Action
6	CLICK **"Submit"**, to transfer EWR's in the file to APSS. The Send Receipts to APSS Results Screen will be displayed with confirmation that EWR's have been sent to APSS and the option to access and print a "printer friendly" list. This is an example of the Send Receipts to APSS Results Screen.
7	CLICK "printer friendly" page, print the report, and file the report in the loan folder.



--*

*--180 Processing Rice EWR's in APSS

A Warehouse-Stored Loans Using EWR's

EWR's that have been transferred to APSS are ready to be used to process warehouse-stored loan applications. APSS has been enhanced to add the ability to use EWR's to process warehouse-stored loans. The following table provides steps for loan making.

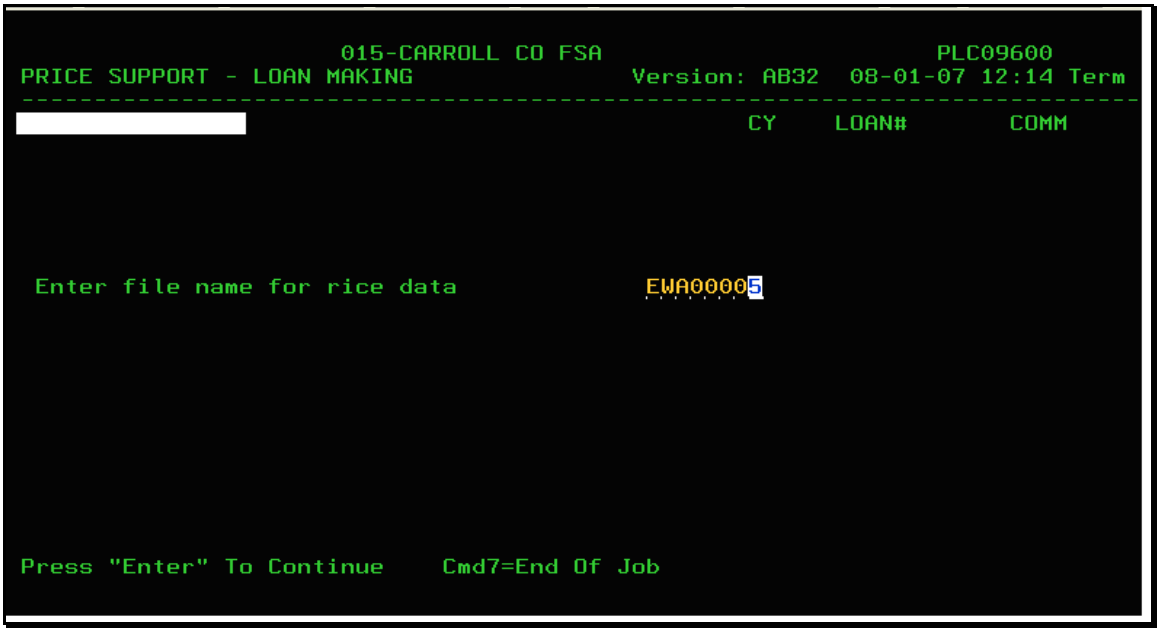
Step	Action
1	On System 36/AS400, APSS, Price Support Main Menu, PCA005, ENTER "**2**", "Perform Loan Making Functions", and PRESS "Enter".
2	Perform the normal loan and producer verification routines.
3	From the Price Support - Loan Making Menu, PLA000, ENTER "**10**", "Warehouse Rice Loans Using Preprocessed Data", and PRESS "Enter". This is an example of Screen PLA000.

```
COMMAND                              PLA000                                YH
PRICE SUPPORT - LOAN MAKING MENU
-------------------------------------------------------------------------------


                      1.  Farm Stored Regular Certified
                      2.  Farm Stored Regular Measured
                    * 3.  Farm Stored Reserve
                      4.  Warehouse Stored Regular
                    * 5.  Warehouse Stored Reserve
                      6.  Distress Certified
                      7.  Distress Measured
                      8.  Form A Cotton Loans Using Preprocessed Bale Data
                      9.  Warehouse Peanut Loans Using Preprocessed Data
                     10.  Warehouse Rice Loans Using Preprocessed Data


Enter the number of your selection and
press the "Enter" key.

Cmd3=Previous Menu
 _
```

--*

180 Processing Rice EWR's in APSS (Continued)

A Warehouse-Stored Loans Using EWR's (Continued)

Step	Action
4	Screen **PLC09600** will be displayed. Enter the File Sequence Number of the rice EWR file that will be used to process the loan. This is an example of Screen **PLC09600**. 
5	PRESS "**Enter**". The system will retrieve and display the producer name associated with the transferred rice EWR file.
6	ENTER "**Y**" or "**N**" to the question, "**Is this the correct file?**" **Notes:** The producer name displayed after answering the question may not exactly match the SCIMS name and address record. APSS will process the loan for the person/entity displayed on the upper left hand corner of the screen and not the name shown on the completed EWR file.
7	Continue with the warehouse-stored loan making process according to 12-PS, Part 4. Verify the pre-filled information on the screen when completing the loan-making process.

180 Processing Rice EWR's in APSS (Continued)

--B Handling Errors in EWR Transferred to APSS--

APSS does not allow pre-filled data to be edited. This table provides guidance.

IF EWR errors are detected and the loan involves...	THEN...
1 EWR	• discontinue the loan-making process • access the web-based FSA EWR System • return the EWR with error to the Provider according to paragraph 181 using reason code "5-Receipt Data Error".
multiple EWR's	• delete EWR's with errors from the loan being processed • complete the loan-making process with EWR's that passed validation • access the web-based EWR system • return the deleted EWR's with errors to the Provider according to paragraph 181 using reason code "5-Receipt Data Error".

181 Releasing EWR's

A General Information

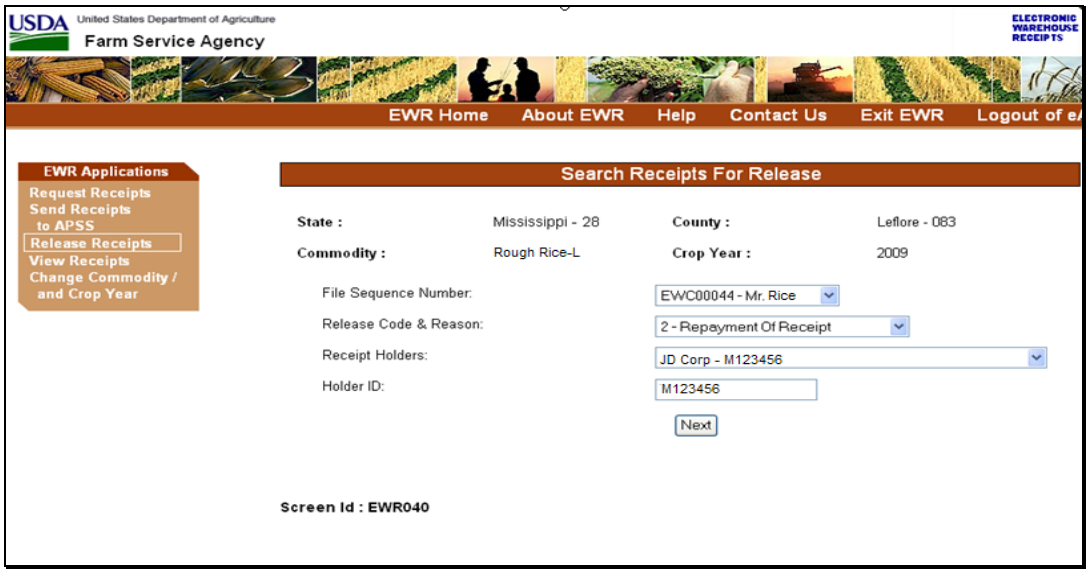
EWR's that have been downloaded by County Offices may be released for the following reasons.

Release Code/Reason	Condition	Action/Result
2 – Repayment of Receipts	Receipt under loan is being redeemed.	Select the new Holder ID and Holder Name Information from the drop-down menu or enter a new Holder ID. This should match the Holder ID provided by the person or entity redeeming the loan. Receipt will be released to the new receipt holder through the Provider system. **Note:** If the new holder is invalid, the receipt will be returned to the County Office with an error message.
4 – Reconcentration/Split	Receipt: • has been approved for reconcentration • needs to be split on request of the producer or FSA.	Receipt will be returned to the shipping warehouse through the Provider system. **Note:** See paragraph 183 for additional instructions on reconcentration using EWR's.
5 – Receipt Data Error	There is an error in the receipt data.	Receipt will be automatically returned to the previous holder through the Provider system. **Note:** Needs correction by the receipt issuer.
6 – Downloaded in Error	***--**EWR was downloaded by the County Office for loan in error.**--***	Receipt will be returned to the previous holder through the Provider system. **Note:** Receipt may be requested by any County Office.
***--**8 – Receipt Downloaded in error for LDP	EWR was downloaded by the County Office for LDP in error.	EWR will be reset to its predownload status by removing the LDP indicator and the County Office association from the receipt.**--***
9 – Forfeiture	Receipt under loan is forfeited.	Receipt will be released to KCCO and included in CCC inventory.

181 Releasing EWR's (Continued)

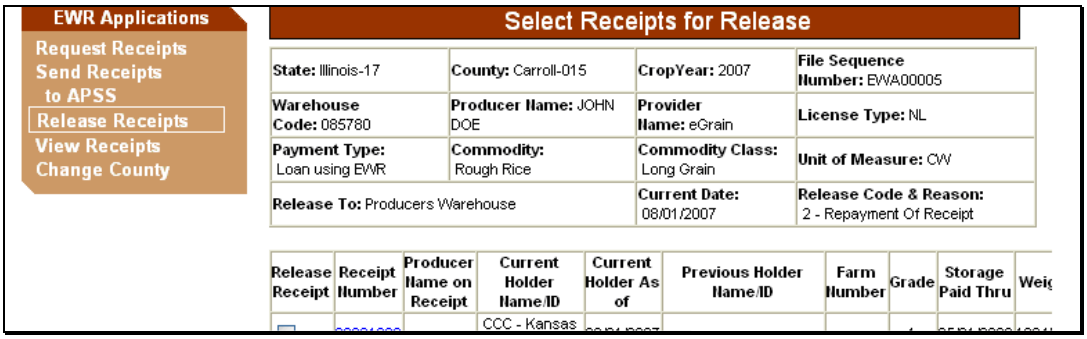
B Selecting EWR's to Release

*--If EWR is forfeited to CCC, the County Office must print the EWR **before** releasing to record the grading factors, according to 8-LP, paragraph 900.--*

Step	Action
1	CLICK **"Release Receipts"** on the left side of the navigational menu to access the release EWR's functions. The following is an example of the Search Receipts for the Release Screen that will be displayed.  The file sequence Number drop-down menu will display the File Sequence Number and the producer name of all the files that have been completely processed.

181 Releasing EWR's (Continued)

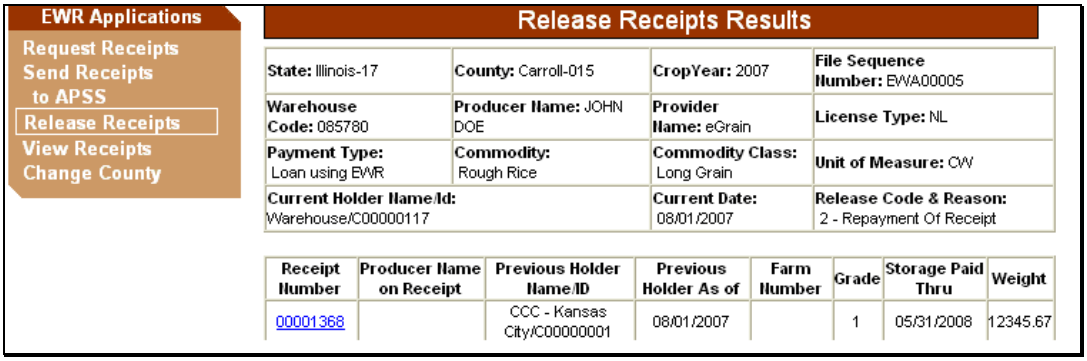
B Selecting EWR's to Release (Continued)

Step	Action
2	The **Release Code & Reason** drop-down menu will display the different release reasons as described in subparagraph A. If the Release Code & Reason selected is "**2-Repayment of Receipts**", the user shall ENTER the holder ID and name provided by the person or entity redeeming the loan. ***--**EWR's downloaded for LDP in error **must** be released using Release Code & Reason, "**8-Receipt downloaded in error for LDP**".**--*** **Note:** The person or entity authorized to redeem the loan shall be responsible for providing the new Holder information to the County Office.
3	CLICK "**Next**". The Select Receipts for Release Screen will be displayed. 
4	Verify the "**Release To**" and the "**Release Code & Reason**" displayed on the upper portion of the screen. ***--**If the Release Code & Reason selected is "**2- Repayment of Receipt**", and the new Holder ID is other than the Previous Holder ID, the system will display the following warning message. If the user is releasing to a holder other than the previous holder, and has selected the correct holder to whom it should be released, continue the release process. CLICK "**Back**" button, if the holder to release to is incorrect. Restart the release process by selecting "**Release Receipts**" from the EWR Applications menu.**--***

181 Releasing EWR's (Continued)

B Selecting EWR's to Release (Continued)

Step	Action
5	The Total Receipts Ready for Release will be displayed. CLICK the box corresponding to EWR number to be released in the Release Receipt column.
6	CLICK "**Next Page**" to view additional EWR's, if applicable.
7	CLICK "**Continue**" to go to the next screen. EWR's that have been selected for release will be displayed.
8	Confirm your chosen EWR and CLICK **"Cancel"** to undo the selection and re-display all EWR's ready for release.
9	CLICK **"Submit"** to complete the release process. The "**Release Receipt Results"** will be displayed. This is an example a Release Receipt Results Screen.
10	CLICK "**printer friendly**" page to print the data and file this report in the loan/LDP folder.



EWR Applications
Request Receipts
Send Receipts to APSS
Release Receipts
View Receipts
Change County

Release Receipts Results

State: Illinois-17	**County:** Carroll-015	**CropYear:** 2007	**File Sequence Number:** EWA00005
Warehouse Code: 085780	**Producer Name:** JOHN DOE	**Provider Name:** eGrain	**License Type:** NL
Payment Type: Loan using EWR	**Commodity:** Rough Rice	**Commodity Class:** Long Grain	**Unit of Measure:** CW
Current Holder Name/Id: Warehouse/C00000117		**Current Date:** 08/01/2007	**Release Code & Reason:** 2 - Repayment Of Receipt

Receipt Number	Producer Name on Receipt	Previous Holder Name/ID	Previous Holder As of	Farm Number	Grade	Storage Paid Thru	Weight
00001368		CCC - Kansas City/C00000001	08/01/2007		1	05/31/2008	12345.67

182 Viewing EWR's

A General Information

EWR system provides the user the ability to inquire on EWR's using the following options:

- view EWR's
- view reports.

Note: The View Reports option is available to PSD and State Office users only.

B "View Receipts" Option

"View Receipts" option:

- provides users the ability to view receipt by:

  •***--**warehouse code
  - receipt number, **optional** with warehouse code**--***
  - file sequence number

- allows users to view and print EWR details as they appear in the:

  - EWR system
  - Provider's system.

182 Viewing EWR's

B "View Receipts" Option (Continued)

*--Select a specific EWR from the View Receipts Selection Screen to display or print the Receipt Detail Report.

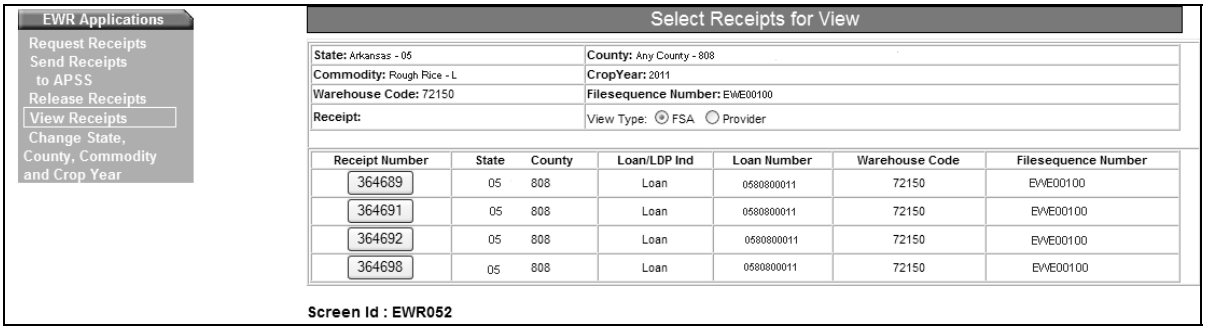
The following is an example of the View Receipts Selection Screen.

--*

EWR's in:

- **FSA's** system will include EWR's that have been requested by County Offices for price support purposes
- **Provider's** system will include **all** EWR's issued by warehouses; some EWR's may **not** have been downloaded by County Offices.

*--Click the applicable receipt number **link** as displayed on the following example of the Select Receipts for View Screen.



--*

183 Reconcentration of Warehouse-Stored Loans Using EWR's

A General Information

--8-LP, Part 6, Section 3 provides guidelines on reconcentrating loan collateral. Currently,-- APSS does not have the ability to process a warehouse-to-warehouse transfer using EWR automatically. Warehouses electing to issue EWR's on the commodity being reconcentrated shall complete the reconcentration process according to this paragraph.

B Releasing EWR's

Upon approval of CCC-699, County Offices shall:

- print the **original** EWR using the rice EWR web-based system and attach the report to the original CCC-699
- release the **original** EWR using the rice EWR web-based system, selecting Release Code 4 - Reconcentration/Split
- notify the warehouse that EWR has been released for reconcentration.

C Distributing CCC-699

County Offices shall:

- keep original CCC-699 in County Office security file
- send warehouse operator's copy to the warehouse
- send producer's copy to producer or CMA
- file a copy of EWR in the producer's loan folder and file folder in suspense file
- follow up to ensure that:
  - the commodity is reconcentrated
  - new EWR's are received by County Offices within 30 calendar days from the date of approval
  - County Offices receive replacement EWR numbers and warehouse information from receiving warehouse.

183 Reconcentration of Warehouse-Stored Loans Using EWR's

D Processing Replacement EWR's

Upon notification by the warehouse that the replacement EWR is ready for retrieval, County Offices shall use FSA's EWR web-based system for rice to:

- request the replacement EWR according to paragraph 178
- print each replacement EWR that has been downloaded.

County Offices shall:

- ***--**review each replacement EWR according to 8-LP, subparagraph 630 A**--***
- contact the issuing warehouse if there are any questions about the replacement EWR.
- transfer the downloaded replacement EWR to APSS according to paragraph 179.

E Processing Transfers Using EWR's in APSS

--**County Offices shall complete the transfer process according to 8-LP, subparagraph 630 B**-- by entering the replacement EWR data manually on the applicable screens in APSS according to 12-PS, Part 5.

F Releasing Replacement EWR's

Process repayments of replacement EWR's in APSS in the normal manner. County Offices shall release replacement EWR's that have been repaid according to paragraph 181 using Release Code 2 - Repayment of Receipts.

*--184 Processing eLDP Using EWR

A General Information

The eLDP software has been enhanced to allow FSA County Offices to use EWR's to process eLDP's. EWR's downloaded for eLDP will be marked for exclusive use of the State and County Office that downloaded EWR and will block other users from using the same EWR to request for another MAL or LDP.

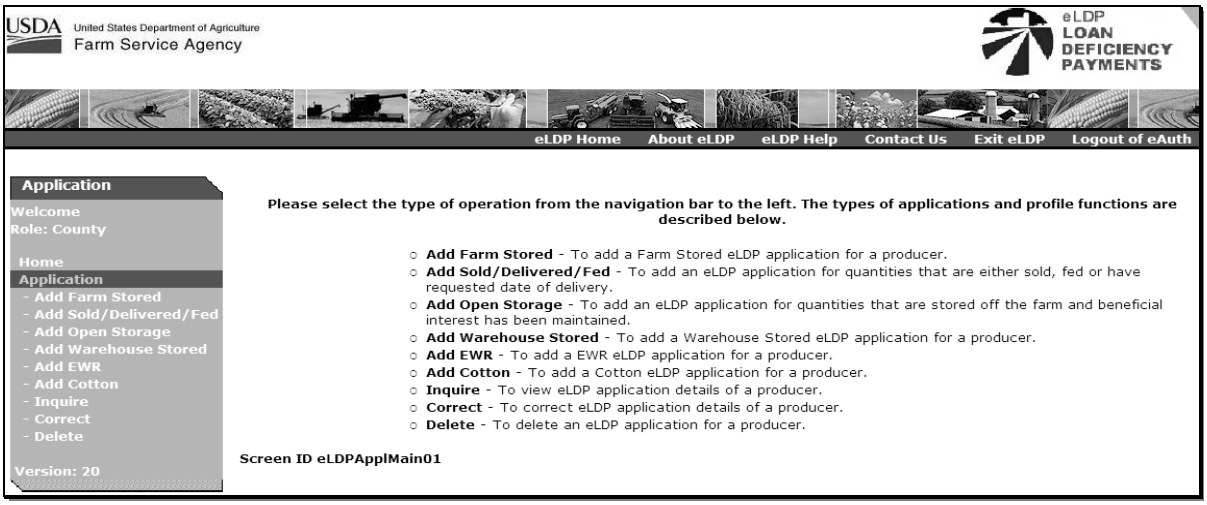
The eLDP requestor using EWR **must** provide to the Service Center, the warehouse code and EWR numbers that go with the eLDP application. The eLDP software will retrieve the EWR's based on the information specified in the eLDP request, and will add the quantity from EWR's that were successfully downloaded. The resulting quantity shall be used to complete the eLDP application.

The eLDP system may be accessed at **http://intranet.fsa.usda.gov/fsa/applications.asp**. See 15-PS for additional information.

B Adding EWR to eLDP Request

Users **must** complete the eLDP pre-processing requirements according to 15-PS, Part 2, **before** processing the eLDP request. If the producer is using EWR with the application, user **must**, on the Screen ID eLDPApplMain01, CLICK "**Add EWR**".

The following is an example of the Screen ID eLDPApplMain01.

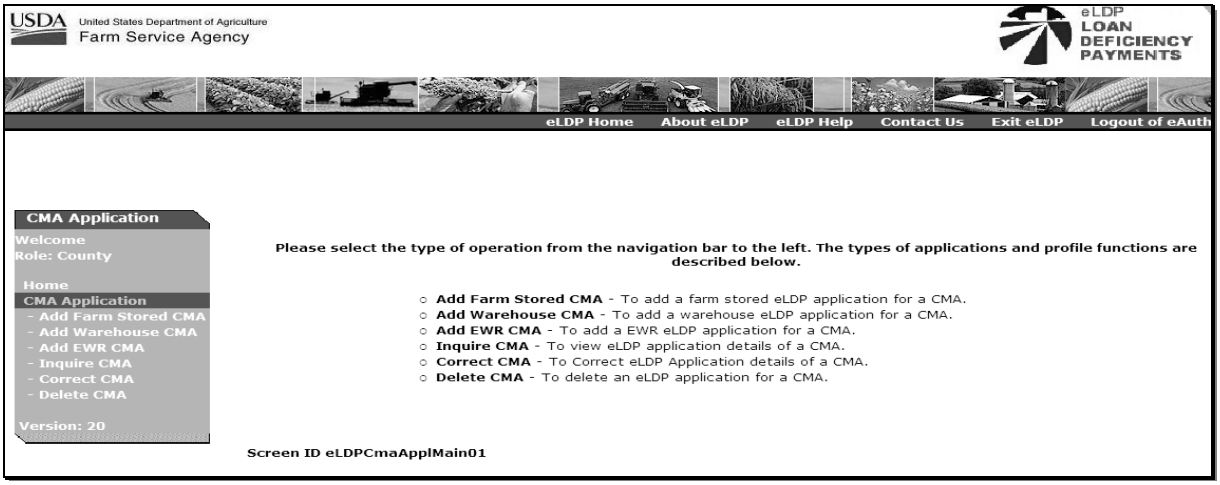


--*

*--184 Processing eLDP Using EWR (Continued)

B Adding EWR to eLDP Request (Continued)

If the user is a CMA Service Center, the following screen will be displayed.



Complete the applicable Producer Search and Storage Location Screens according to 15-PS, paragraphs 321 and 322.

When completed, Screen ID eLDPApplPayInfo2, Part B, Producer Payment Information section will be displayed. Enter the EWR numbers associated with the request at the lower section of Part B. Enter individual EWR numbers in the "**Warehouse Receipt #**" column. Indicate "**Rows to Add"** as needed, and CLICK "**Add Rows"**. User may add 5 rows at a time.

The following is an example of the EWR entry block.

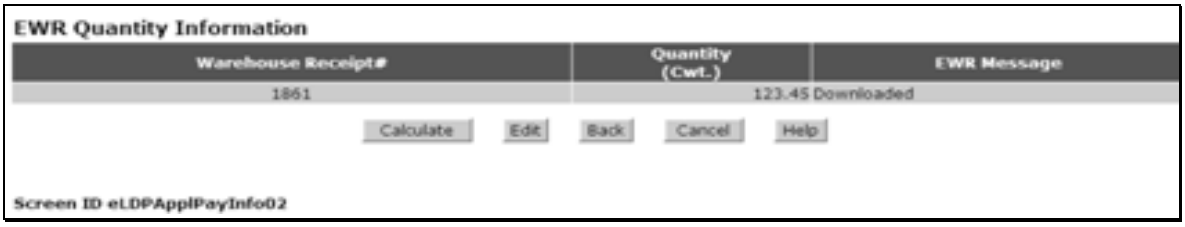
CLICK "**Clear**", to clear EWR entry on each line. After all EWR's are listed, CLICK "**Get EWRs**" to download EWR's into eLDP.

If the download is successful, the Quantity column will be automatically filled. The "**EWR Message**" column will display the status of the download process, or display any error message, if applicable.**--***

*--184 Processing eLDP Using EWR (Continued)

B Adding EWR to eLDP Request (Continued)

The following is an example of the result of a request.



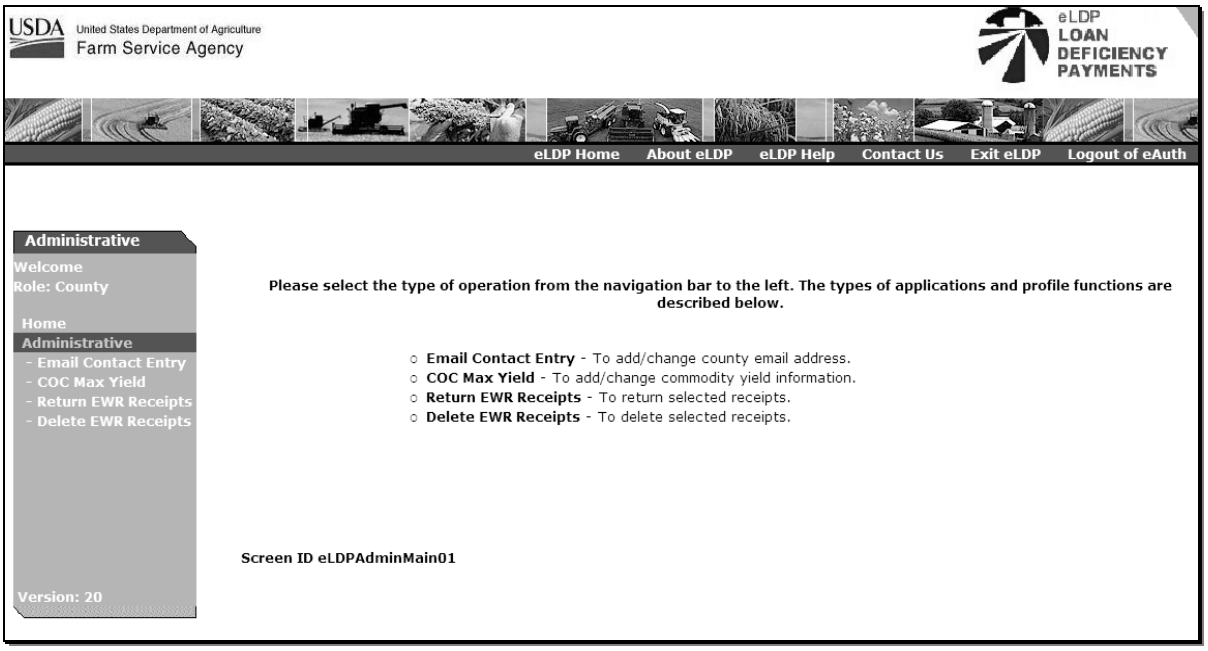
CLICK "**Back**" to return to the previous Storage Location Screen, to correct warehouse code entry. CLICK "**Edit**" to return to the previous screen that allows user to add/remove EWR's that were previous entered. If there are no errors in the entry, CLICK "**Calculate**". The screen will be redisplayed with the summary based on the EWR's that were successfully downloaded.

C Completing eLDP Request

Complete the eLDP application in the normal manner. Print the pdf format of the Application Summary and file in the producer folder.

D Returning EWR's

The Administrative menu has been enhanced to handle EWR-related functionality. The following is an example of Screen ID eLDPAdminMain01.



--*

*--184 Processing eLDP Using EWR (Continued)

B Adding EWR to eLDP Request (Continued)

The option to:

- "**Return EWR Receipt**" shall be used if the eLDP system times-out or if the connection is dropped during the download process

  Note: This option will display Screen ID Return EWRReceipts and allow the user to return the EWR to the Provider. The EWR will be reset to its pre-download status and will be available for re-download by the user.

- "**Delete EWR Receipts**" shall be used **only** after the "**Return Receipts**" function was **not** completed successfully.

  Note: This option will display Screen ID DeleteEWRReceipts and allow the user to remove the EWR from the eLDP system.

User may view the receipt according to paragraph 182 to verify the status of the EWR.**--***

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents		2
CCC-633 EZ	Loan Deficiency Payment (LDP) Agreement and Request	156	151-155
CCC-666	Farm Stored Loan Quantity Certification		46, 57
CCC-676	LDP and Loan Number Register		56
CCC-677	Farm Storage Note and Security Agreement		4, 91
CCC-677-1	Farm Storage Loan Worksheet		57, 154
CCC-677S	Farm Storage Note and Security Agreement (2013 Sequestered Loans)		91
CCC-678	Warehouse Storage Note and Security Agreement		4, 91
CCC-681-1	Authorization for Delivery of Loan Collateral for Sale		2, 91, 92
CCC-678S	Warehouse Storage Note and Security Agreement (2013 Sequestered Loans)		91
CCC-691	Commodity Delivery Notice		131
CCC-692	Settlement Statement		128
CCC-697	Request to Lock in a Market Loan Repayment Rate		2, 90, 91
CCC-699	Reconcentration Agreement and Trust Receipt		183
CCC-770 LDP/eLDP	Loan Deficiency Payment (LDP) and eLDP Program Review Checklist		2
CCC-770 MAL	Marketing Assistance Loan (MAL) Processing Checklist		2
FSA-409	Measurement Service Record		154
UCC-1	National Financing Statement		2, 56
UCC-1F	Effective Financing Statement		56

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

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviation	Term	Reference
CFS	central filing system	58, 175, 176, 178
USWA	U.S. Warehouse Act	175

Redelegations of Authority

None

Definitions of Terms Used in This Handbook

Adjusted World Price (AWP)

AWP is the world price for whole kernels and broken rice for the applicable class of rice, adjusted for the national average milling yield.

Aromatic Rice

Aromatic rice is rice that emits a unique aroma when cooked and is commonly referred to as jasmine-type or basmati-type rice.

Notes: FSA field personnel will not be required to make a determination whether rice is aromatic when performing a measurement service or spot check.

Almost all aromatic rice is grown under contract. The variety contracted may be 1 of, but not limited to, Cal A301, Della, Delmont, Jasmine 85, and Texmati.

AWP Repayment Rate

The AWP repayment rate is the difference between the national average loan rate and AWP, subtracted from the individual producer's loan rate.

The AWP repayment rate is the repayment rate at which the producer repays the loan under the marketing loan or MAL repayment provisions.

Central Filing System (CFS)

CFS is an electronic system operated and maintained by a provider, as a disinterested third party authorized by DACO, where information relating to warehouse receipts, USWA documents, and other electronic documents are recorded and maintained in a confidential and secure fashion independent of any outside influence or bias in action or appearance.

Eligible Producer

An eligible producer may participate in the loan and LDP programs for a farm if the producer:

- shares in the risk of producing rice on a farm
- has beneficial interest in the rice for which a loan or LDP is requested
- has met all other eligible requirements according to 8-LP, Part 2.

Electronic Warehouse Receipt (EWR)

--**EWR's are receipts authorized by DACO to be issued or transmitted under USWA as electronic documents.**--

Definitions of Terms Used in This Handbook (Continued)

Holder

A holder is a person that has possession in fact or by operation of law, of a warehouse receipt, USWA electronic document, or any electronic document.

Loan Deficiency Payment (LDP)

LDP's are payments made to producers who, although eligible to obtain a CCC MAL, agree to forgo the loan in return for a payment on the rice.

The amount of LDP is the difference between the loan rate based on the national average milling yield and AWP, times the quantity.

Low Quality Rice

Low quality rice is rice that grades 6 or Sample Grade according to Exhibit 5 and the United States Standards for Rice.

Marketing Assistance Loans (MAL's)

MAL's are loans authorized by the Agricultural Market Transition Act program included in the Federal Agriculture Improvement and Reform Act of 1996.

National Average Loan Rate

The national average loan rate is the loan rate for whole kernels and broken rice for the applicable class of rice, adjusted for the national average milling yield.

Provider

A provider is a person authorized by DACO, as a disinterested third party, that maintains 1 or more confidential and secure electronic systems independent of any outside influence or bias in action or appearance.

World Market Index

The world market index is a number that APSS compares to the whole kernel loan rate to determine the LDP rate or the market loan gain rate.

A world market index will be posted weekly for each class of rice on either of the following:

- ***--http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing**
- "Daily Market Rates" downloaded from KCCO.**--***

The whole kernel loan rate minus the world market index is equal to the LDP rate or the market loan gain rate.

Menu and Screen Index

Menu or Screen	Title	Principal Reference
EWR000	Electronic Warehouse Receipts Program Screen	177
	EWR Release Receipts Results Screen	181
	EWR Request Receipts Screen	178
	EWR Request Receipts Results Screen	178
	EWR Search Receipts For Release Screen	181
	EWR Search Receipts to Send to APSS Screen	179
	EWR Select Receipts For Release Screen	181
EWR052	EWR Select Receipts For View Screen	182
	EWR Send Receipts to APSS Screen	179
	EWR State and County Screen	177
EWR010	EWR View Receipts Selection Screen	177, 182
PCA005	Price Support - Main Menu Screen	180
PGA000	Price Support - Loan Deficiency Payment Making Menu Screen	180
PGA09600	Price Support - Loan Deficiency Payments Screen	180
PLA000	Price Support - Loan Making Menu Screen	180
PLC09600	Price Support - Loan Making Screen	180
EWR010	EWR State, County, Commodity and Crop Year Selection Screen	177

Rice Requirements

A Quality Factors

The following table gives the quality factor standards for rice pledged for warehouse-stored loans.

Quality Factor	Requirement	Low Quality Rice
Grade	Must grade U.S. No. 5 or better (Loan rate based on U.S. No. 2)	U.S. No. 6 or U.S. Sample Grade
Moisture	Cannot exceed 14.0 Percent **Exception:** The moisture percentage on the warehouse receipt may exceed 14.0 percent if the warehouse receipt is accompanied by a supplemental certificate that shows the moisture level and quantity after drying or blending.	Over 14.0 Percent If rice is not dried to acceptable moisture percent, adjust the quantity according to subparagraph C.

B Special Grade Designations

Rice is eligible for loan at a reduced loan rate if any of the following special grade designations are present:

- parboiled
- smutty
- infested
- glutinous.

Rice Requirements (Continued)

C Adjustments for Farm-Stored Rice

The loan quantity for farm-stored rice may be reduced:

- at the producer's request for any reason

- ***--**by COC to reflect a quantity at 14.0 percent moisture, according to 8-LP, Exhibit 12, if**--***
  both of the following apply:

  - the moisture is determined to be more than 14.0 percent
  - COC determines the producer has the facilities to dry the rice.

D Aromatic Rice

See paragraphs 57 and 125 for special storage and delivery requirements for aromatic rice.

Loan Rates and Discounts

***--A Loan Values for Crop Year 2013 Whole Kernels and Broken Rice**

The following provides the loan values for crop year **2013** whole kernels and broken rice.

Rough Rice Class	Whole Kernels (Dollars ($) Per Cwt.)	Broken Rice (Dollars ($) Per Cwt.)
Long Grain	10.34	5.83
Medium Grain/Short Grain	9.72	5.83

Crop year 2013 MAL's disbursed on or after October 1, 2013, are subject to a reduction in the loan principal of 5.1 percent for sequestration.**--***

B Calculating Warehouse Loan Rates

Calculate the loan rate for warehouse-stored loans using the:

- whole kernel rice yield and total rice yield

  Note: Obtain these yields from the warehouse receipt.

- loan value in subparagraph A.

C Example of a Loan Rate Calculation

***--**An example of a loan rate calculation for **2013** crop warehouse-stored rice with a 56/68 milling yield is as follows:

- long grain whole kernel yield (.56) x loan value ($10.34) = $5.79
- broken rice yield (.12) x loan value ($5.83) = $0.70
- loan rate per 100 pounds is $5.79 + $0.70 = $6.49**--***
- adjust for discounts according to subparagraph E.

Note: Discounts shall only be applied when loans are forfeited.

Loan Rates and Discounts (Continued)

***--D Farm-Stored Loan Rates for Crop Year 2013**

The following provides the loan rates for crop year **2013** farm-stored rice.

2012 Rice Farm-Stored Loan Rates by Class, Rough Basis		
	Long Grain	**Medium Grain/Short Grain**
States	**Dollars ($) per cwt.**	
Arkansas	$6.46	$6.20
California	6.34	6.59
Louisiana	6.48	6.31
Mississippi	6.61	6.50
Missouri	6.35	6.50
Texas	6.82	6.49
All other States	6.50	6.50

E Crop Year 2013 Rice Grade Discounts

The following provides the grade discounts for crop year **2013** rice.**--***

Grade	Discount Per Cwt.
U.S. No. 2	0
U.S. No. 3	$0.30
U.S. No. 4	$0.60
U.S. No. 5	$1.00
U.S. No. 6	$2.00
Sample grade	$5.50

Loan Rates and Discounts (Continued)

***--F Crop Year 2013 Smut Discount**

The following provides the smut discount for crop year **2013** rice.**--***

Smut Damage Percent	Discount Per Cwt.
Trace	0
0.1 - 1.0	$0.05
1.1 - 2.0	$0.10
2.1 - 3.0	$0.15

Note: Rice that contains more than 3 percent smut qualifies as low quality rice. Low quality or ***--**smutty rice is considered sample grade and is eligible for a nonrecourse MAL at 20 percent of the loan rate.

Example: Arkansas long grain rice loan is $6.46 per cwt. x .20 = $1.29 per cwt.**--***

Loan Rates and Discounts (Continued)

***--G Loan Values for Crop Year 2014 Whole Kernels and Broken Rice**

The following provides the loan values for crop year **2014** whole kernels and broken rice.

Rough Rice Class	Whole Kernels (Dollars ($) Per Cwt.)	Broken Rice (Dollars ($) Per Cwt.)
Long Grain	10.25	6.18
Medium Grain/Short Grain	9.63	6.18

--*

H Calculating Warehouse Loan Rates

Calculate the loan rate for warehouse-stored loans using the:

- whole kernel rice yield and total rice yield

  Note: Obtain these yields from the warehouse receipt.

- loan value in subparagraph G.

I Example of a Loan Rate Calculation

*--An example of a loan rate calculation for crop year **2014** warehouse-stored rice with a 56/68 milling yield is as follows:

- long grain whole kernel yield (.56) x loan value ($10.25) = $5.74
- broken rice yield (.12) x loan value ($6.18) = $0.74
- loan rate per 100 pounds is $5.74 + $0.74 = $6.48**--***
- adjust for discounts according to subparagraph K.

Note: Discounts shall only be applied when loans are forfeited.

Loan Rates and Discounts (Continued)

***--J Farm-Stored Loan Rates for Crop Year 2014**

The following provides the loan rates for crop year **2014** farm-stored rice.

2013 Rice Farm-Stored Loan Rates by Class, Rough Basis		
	Long Grain	**Medium Grain/Short Grain**
States	**Dollars ($) Per Cwt.**	
Arkansas	$6.46	$6.22
California	6.33	6.59
Louisiana	6.46	6.29
Mississippi	6.63	6.50
Missouri	6.41	6.50
Texas	6.81	6.48
All other States	6.50	6.50

K Crop Year 2014 Rice Grade Discounts

The following provides the grade discounts for crop year **2014** rice.**--***

Grade	Discount Per Cwt.
U.S. No. 2	0
U.S. No. 3	$0.30
U.S. No. 4	$0.60
U.S. No. 5	$1.00
U.S. No. 6	$2.00
Sample grade	$5.50

Loan Rates and Discounts (Continued)

***--L Crop Year 2014 Smut Discount**

The following provides the smut discount for crop year **2014** rice.**--***

Smut Damage Percent	Discount Per Cwt.
Trace	0
0.1 - 1.0	$0.05
1.1 - 2.0	$0.10
2.1 - 3.0	$0.15

Note: Rice that contains more than 3 percent smut qualifies as low quality rice. Low quality or smutty rice is considered sample grade and is eligible for a nonrecourse MAL at 20 percent of the loan rate.

Example: Arkansas long grain rice loan $6.46 per cwt. x .20 = $1.29 per cwt.