

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

<b>CCC Cotton Authorized Loan Servicing Agent Program 22-CN (Revision 2)</b>	<b>Amendment 10</b>
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**Approved by:** Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Reason for Amendment**

Subparagraph 54 D has been amended to correct the office designated to be contacted to correct statements of charges.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
	4-9, 4-10	



## 53 Maturity Date Notification Letter and Forfeiture Policy (Continued)

## F Notice of Maturity Letter

Use the following letter to notify each contact producer of loan maturity.

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Dear Producer:

This is to notify you that your (year) crop (upland or ELS) cotton loan, No. (loan number), will mature (maturity date).

Under the terms and conditions of the loan, the following options are available:

- repay the loan before maturity
- forfeit the loan collateral to CCC at maturity.

**Loan extensions were not authorized by the 1996 Farm Bill.**

If you choose to forfeit the loan collateral to CCC, you must pay to CCC at rates that are specified in the storage agreement between the warehouse and CCC, all:

- warehouse storage charges that accrued **before** the date all documents required from you for the loan were provided to this LSA Office
- unpaid warehouse receiving charges including any charges for new ties.

Any compression charges outstanding at the time of forfeiture will “travel with the bale”, and will not be billed to you.

Please notify LSA of your intention to either repay with cash or forfeit. If you do not take action by loan maturity, your loan collateral will be forfeited to CCC automatically.

If you designated a buyer as agent using CCC-605 and that agent, or any subsequent agent, does not redeem this loan by maturity, you are responsible for the above charges.

Sincerely,

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LSA Official

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## 54 Collecting Charges Due on Forfeited Loans

### A Determining Charges Due

[7 CFR 1427.11(f)] When loans are forfeited, and after warehouse charges are paid by KCCO, KCCO will determine the total of the following 2 amounts that will be billed to the producer:

- warehouse storage charges that accrued **before** the date all documents required from the producer for the loan were provided to the County Office
- unpaid warehouse receiving charges including any charges for new ties.

### B Definition of Date Documents Provided

The date documents provided (enter on CCC Cotton A-5, item 8) is the **later** of the following dates:

- the date of receipt from the producer of any paper documents necessary to complete the loan, such as a lien waiver

**Note:** The date by which a lien search conducted is not applicable to this item.

- the date CCC was made holder of EWR's
- if applicable, the date paper warehouse receipts were delivered to LSA.

### C Statement of Charges Due

LSA will automatically receive notification of the Statement of Charges due for each loan forfeited through COPS.

### D Collecting Charges Due From Producer

[7 CFR 1427.13(e)] After receiving the Statement of Charges Due CCC from COPS, LSA shall:

- determine whether the statement of charges is for the correct producer and loan
- **\*--if statement of charges is incorrect, contact APC, PSCAO, CLG to request a correct--\*** statement of charges by:
  - telephone at 816-926-2638
  - e-mail at [jldelancy@kcc.usda.gov](mailto:jldelancy@kcc.usda.gov).