

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Marketing Assistance Loans and
Loan Deficiency Payments for
2002 and Subsequent Crop Years
8-LP (Revision 1)**

Amendment 15

Approved: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 5 A has been amended to update the web sites for administering loans and LDP's.

Paragraph 25 has been amended to clarify policies for completing CCC-770 LDP/eLDP's and CCC-770 MAL's.

Subparagraph 301 A has been amended to clarify the date of delivery option.

Subparagraph 303 A has been amended to correct the subparagraph reference for commodities immediately fed during harvest.

Paragraphs 320 and 333 have been amended to reference CCC-633 EZ.

Paragraph 403 has been amended to:

- reflect new lien search policies
- provide criteria for determining when to conduct lien searches and UCC-1 filings.

Subparagraph 414 B has been amended to clarify policies about necessary signatures on CCC-10 for partners of general partnerships and joint ventures.

Page Control Chart		
TC	Text	Exhibit
	1-9 through 1-20 1-59 through 1-68 3-3, 3-4 3-9, 3-10 3-85 through 3-136 4-7, 4-8 4-8.5, 4-8.6 (add) 4-31, 4-32	1, pages 5-8

4 Related Handbooks (Continued)

A FSA Handbooks (Continued)

Handbook	Purpose
63-FI	Assignments and joint payment system.
64-FI	Establishing and reporting claims on automated claim system.
67-FI	Establishing and reporting debts in CRS.
2-LP Grains and Oilseeds	Provisions for grains and oilseeds.
2-LP Honey	Loans and LDP's for honey.
2-LP Peanuts	Provisions for peanuts.
2-LP Rice	Provisions for rice.
5-LP	Commodity inspectors.
1-PF	Agricultural Market Transition Program for 1996 through 2002 crop years.
1-PL	Payment limitation.
12-PS	Automated price support procedures and common functions for grains, oilseeds, and rice.
--15-PS	Web-based price support procedures and common functions for grains, oilseeds, and rice.--
20-PS	State Office loan and LDP reporting.

B Warehouse Operator Handbooks, Letters, and Notices

Warehouse operator handbooks, letters, and notices to industry for warehouses operating under USWA and UGRSA are available at www.fsa.usda.gov/daco/notices.htm.

5 Related Web Sites

A Useful Web Sites

The following web sites provide information used to administer loans and LDP's.

*--

Web Site Content	Web Site Address
FSA Home Page	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=landing&topic=landing
Price Support	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing
Loan Rates	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=lor
LDP	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=ldp
Daily LDP Rates	http://www.fsa.usda.gov/FSA/displayLDPRates?area=home&subject=prsu&topic=ldp-ldp
County PCP Data	http://www.fsa.usda.gov/FSA/displayPCPData?area=home&subject=prsu&topic=ldp-pcp
eLDP Rates	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=ldp
Peanut Rates	http://www.fsa.usda.gov/Internet/FSA_File/peanut.htm
Wool Rates	
Region 1	http://www.fsa.usda.gov/Internet/FSA_File/mktpriclean1.htm
Region 2	http://www.fsa.usda.gov/Internet/FSA_File/mktpriclean2.htm
Region 3	http://www.fsa.usda.gov/Internet/FSA_File/mktpriclean3.htm
Pulse Crops	http://www.fsa.usda.gov/Internet/FSA_File/pulses.htm
Cotton	http://www.fsa.usda.gov/Internet/FSA_File/cotton_rates.htm
Rice	http://www.fsa.usda.gov/Internet/FSA_File/rice_rates.xls
View Archived LDP/PCP	https://indianocean.sc.egov.usda.gov/ACR/

--*

5 Related Web Sites (Continued)

A Useful Web Sites (Continued)

*--

Web Site Content	Web Site Address
Economic and Policy Analysis	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ecpa&topic=landing
Dairy and Sweetener	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ecpa&topic=dsa
Honey	http://www.fsa.usda.gov/Internet/FSA_File/ccc_honey_survey_mar07.pdf
Law and Regulations	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=lare&topic=landing
Handbooks	http://www.fsa.usda.gov/FSA/webapp?area=home&subject=lare&topic=hbk
Notices	http://www.fsa.usda.gov/FSA/notices?area=home&subject=lare&topic=not&setflag=FROMURL&getData=NONE
Forms	http://165.221.16.90/dam/ffasforms/forms.html
News Releases	http://www.fsa.usda.gov/FSA/newsReleases?area=home&subject=meda&topic=ner&newstype=newsrel
Fact Sheets	http://www.fsa.usda.gov/FSA/newsReleases?area=newsroom&subject=landing&topic=pfs&newstype=prfactsheet

--*

6-15 (Reserved)

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

C CCC-770 LDP/eLDP's

The following is an example CCC-770 LDP/eLDP.

*--

This form is available electronically.						
CCC-770 LDP/eLDP (04-04-07) U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation Loan Deficiency Payment (LDP) and eLDP Program Review Checklist	1. Producer/Applicant Name			2. Date of Application (MM-DD-YYYY)		
	3. State Office Name		4. County Office Name			
	5. Crop Year		6. LDP or eLDP Number			
	7. Farm Number		8. Commodity/Class/Type			
NOTE: Properly completed forms mean completed according to the applicable procedure. This shall include proper signatures, shares, ID numbers, addresses, date stamp, etc.						
9. LDP Request/Application						
		Handbook or Other Applicable References	YES	NO	Initials	Date Completed
A. Is there a properly completed and signed CCC-633 EZ Page 1 on file? <i>Explain "NO" answer:</i>		8-LP, subparagraph 301.5				
B. Was the CCC-633 EZ Page 1 filed prior to loss of beneficial interest? <i>Explain "NO" answer:</i>		8-LP, subparagraph 301.5				
C. Has the CCC-633 EZ, Page 1 been forwarded to other county offices, if applicable?		8-LP, subparagraph 301.5				
D. Was the completed CCC-633 EZ, Page 1 and applicable LDP benefit request page (page 2, 3 or 4) received in the county office on or before the final loan/LDP availability date?		8-LP, paragraph 127				
E. Are CCC-633 EZ, Page 1 and Pages 2, 3, or 4 date-stamped?		8-LP, subparagraph 301E				
F. Did the producer answer the question, "Are you or any co-applicant delinquent on any Federal non-tax debt?"		8-LP, subparagraph 101B				
G. Has a second party reviewer verified and initialed the applicable LDP benefits page (CCC-633 EZ, Page 2, 3 or 4) to ensure the applicable LDP request was properly completed and ready for approval and processing?		8-LP, paragraph 136				
10. Producer/Commodity Eligibility						
A. Is there a properly completed and timely filed FSA-578 on file for the applicable crop year, with all cropland reported? <i>Explain "NO" answer:</i>		8-LP, paragraphs 100 and 128				
B. Has producer eligibility been verified on the CCC-770 Eligibility Checklist?		8-LP, paragraph 100				
C. Is the quantity requested for LDP within the COC-established reasonable yield for the commodity? Note: County Office Must Run Price Support Queries.		8-LP, paragraph 132				
D. If the requested quantity exceeded COC established reasonable yield, did the COC determine the quantity was reasonable? <i>Explain "NO" answer:</i>		8-LP, paragraph 132				
E. Did the producer have risk of producing the crop?		8-LP, paragraph 100				
F. If LDP is based upon date beneficial interest is lost, was acceptable production evidence provided and was the LDP rate verified? <i>Explain "NO" answer:</i>		8-LP, paragraph 303				
G. Is LDP rate correct for request date and county where marketed or stored, if beneficial interest is maintained?		8-LP, paragraph 303				

--*

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

C CCC-770 LDP/eLDP's (Continued)

*--

CCC-770 LDP/eLDP (04-04-07) Page 2						
10. Producer/Commodity Eligibility (Continuation)	Handbook or Other Applicable References	YES	NO	Initials	Date Completed	
H. Is LDP rate correct for the date beneficial interest was lost, if on the date of the request the producer no longer has beneficial interest?	8-LP, subparagraph 129A and paragraph 303					
I. Is LDP rate correct for "dates of Delivery", if LDP requested based on date of delivery?	8-LP, paragraph 303					
11. LDP Processing						
A. Has form CCC-674 or SF-LLL been obtained, if applicable? (LDP greater than \$100,000)	8-LP, paragraph 17					
B. Has the Financial Services System been updated to reflect assignments, if applicable? NOTE: All assignments should be on file and recorded in Financial Services as "LDP" and "LDP Web", for e-mails.	63-FI, Parts 3 and 4					
12. eLDP Processing						
A. Has eLDP customer profile been established?	15-PS, paragraph 251					
B. Has eLDP application been submitted and printed?	15-PS, Part 3					
13. Remarks:						
<p>Certification: I (we) the undersigned certify the above items have been verified or updated accordingly. I also certify that the applicable LDP documents will be filed in accordance with Handbook 25-AS and that the producer will receive the applicable LDP documentation according to policies and procedures found in Handbook 8-LP.</p>						
14A. Signature of Preparer(s)				14B. Date (MM-DD-YYYY)		
<p>15A. I concur/do not concur the above items have been verified or updated accordingly. <input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur</p>						
15B. CED Signature for Spotcheck				15C. Date (MM-DD-YYYY)		
<p>16A. I concur/do not concur the above items have been verified or updated accordingly. <input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur</p>						
16B. STC Designee Signature for Spotcheck				16C. Date (MM-DD-YYYY)		
<p><small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</small></p>						

--*

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

D CCC-770 LDP/eLDP Instructions

The following are FSA employee CCC-770 LDP/eLDP instructions.

Item	Instructions
1	Enter name of producer. This should be the name of the individual, joint operation, or entity for which benefits may be requested.
2	Enter date of LDP application.
3 and 4	Enter the State and county name.
5	Enter crop year.
6	Enter LDP or eLDP number.
7	Enter the farm number.
8	Enter commodity/class/type.
LDP Request/Application	
9 *--A - G	Enter: <ul style="list-style-type: none"> • a check (✓) in the appropriate box to designate either “Yes” or “No”. • preparer’s initials and the date the items were verified by preparer. <p>Note: For CCC-770 questions not applicable, enter “N/A”</p>
Producer/Commodity Eligibility Verification	
10 A - I	Enter: <ul style="list-style-type: none"> • a check (✓) in the appropriate box to designate either “Yes” or “No”. • preparer’s initials and the date the items were verified by preparer. <p>Note: For CCC-770 questions not applicable, enter “N/A”.</p>
LDP Processing/Approval	
11 A and B	Enter: <ul style="list-style-type: none"> • a check (✓) in the appropriate box to designate either “Yes” or “No”. • preparer’s initials and the date the items were verified by preparer.--* <p>Note: For CCC-770 questions not applicable, enter “N/A”.</p>

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

D CCC-770 LDP/eLDP Instructions (Continued)

Item	Instructions
eLDP Processing	
12 A and B	Enter: <ul style="list-style-type: none"> • a check (✓) in the appropriate box to designate either “Yes” or “No”. •*--preparer’s initials and the date the items were verified by preparer.--* <p>Note: For CCC-770 questions not applicable, enter “N/A”.</p>
13	Enter any remarks pertaining to any questions included on CCC-770.
Certification	
14 A and B	At the time of completion for each MAL request, the preparer shall sign and date.
15 A - C	CED shall enter (✓) in applicable box (Concur or Do Not Concur) and date. <p>Note: This item will only be completed, if the applicable CCC-770 is selected for spotcheck.</p>
16 A - C	DD shall enter (✓) in applicable box (Concur or Do Not Concur) and date. <p>Note: This item will only be completed if the applicable CCC-770 is selected for spotcheck.</p>

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

E CCC-770 MAL's

The following is an example CCC-770 MAL.

*--

<p>CCC-770 MAL U.S. DEPARTMENT OF AGRICULTURE (04-04-07) Commodity Credit Corporation</p> <p align="center">MARKETING ASSISTANCE LOAN (MAL) PROCESSING CHECKLIST</p>						1. Name of Applicant					
						2. Date of Application (MM-DD-YYYY)			3. Loan Type:		
									Warehouse	FS- Cert.	FS- Measured
						4. State Office Name			5. County Office, DMA or CMA Name		
6. Commodity		7. Class/Type		8. Crop Year		9. Farm Number		10. Warehouse Code		11. No. of Warehouse Receipts:	
										Paper:	EWR:
12. MAL Request/Application:						Handbook or Other Applicable References		YES	NO	Initials	Date Completed
A. Is the CCC-666 properly completed and signed for farm-stored loans?						8-LP, subparagraph 400A					
B. For warehouse-stored loans, has the warehouse receipt been properly endorsed?						8-LP, subparagraph 448					
C. For measured loans, has the CCC-666, FSA-409 and the CCC-677-1 been completed and signed?						8-LP, Part 4					
D. Is the CCC-10 properly completed and on file?						8-LP, paragraph 414					
13. Producer/Commodity Eligibility Verification:											
A. Has the FSA-578 been properly completed and filed?						8-LP, subparagraph 100A					
B. Has the CCC-770 Eligibility checklist been completed and verified?						3-PL, paragraph 3					
C. Did the producer answer the question, "Are you or any co-applicant delinquent on any Federal non-tax debt?"						8-LP, subparagraph 101B					
D. Is the eligible loan commodity in existence and in storable condition?						8-LP, subparagraph 126					
E. Has the loan been requested on or before the final loan availability date?						8-LP, subparagraph 127C					
F. Did the producer certify to maintaining beneficial interest in the crop? <i>County Offices shall review contracts, if provided.</i>						8-LP, subparagraphs 129, 130, 131					
G. Is the quantity requested within the COC-established reasonable yield for the commodity? <i>County Offices MUST run queries.</i>						8-LP, subparagraph 132					
H. Did the producer certify to having risk of producing the crop?						8-LP, subparagraph 100A					
I. Has a second party review been properly completed? <i>Ensure that the loan application was initialed by the reviewer.</i>						8-LP, subparagraph 136A					
14. MAL Processing/Approval:											
A. Has a lien search been performed, if applicable?						8-LP, paragraph 403					
B. Have lien waivers been obtained, if applicable?						8-LP, paragraph 404					
C. For DAFP authorized loan deductions, were the deductions submitted on a statement of charges signed by the producer?						8-LP, paragraph 404					
D. Were the deductions made according to lien-holder instructions on CCC-679?						8-LP, paragraph 404					
E. Has the UCC-1 been properly filed and verification of the filing was received?						8-LP, paragraph 423					
F. Were CCC-683, Commodity Loan Seals provided for farm stored MAL?						8-LP, paragraph 425					

--*

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

E CCC-770 MAL's (Continued)

*--

CCC-770 MAL (04-04-07)		Page 2			
14. MAL Processing/Approval (Continuation):	Handbook or Other Applicable References	YES	NO	Initials	Date Completed
G. Has the CCC-665, Agreement for Grain Pledged as Collateral For CCC Commodity Loans, been properly completed, if applicable.	8-LP, paragraph 429				
H. Was the applicable loan rate for the stored commodity requested for loan verified? Note: Loan rate is based on where the commodity is stored.	8-LP paragraph 405				
I. Has form CCC-674 or SF-LLL been obtained, if applicable? (MAL disbursement greater than \$150,000)	8-LP, Paragraph 17				
15. Remarks					
<p><i>Certifications:</i> I (we) the undersigned certify the above items have been verified or updated accordingly. I also certify that the producer will be provided the applicable Note and Security Agreement and the Note and Security Agreement Terms and Conditions upon the approval of the requested marketing assistance loan and that the policies and procedures were followed according to Handbook 8-LP and other policy handbooks, as applicable.</p>					
16A. Signature of Preparer(s)				16B. Date (MM-DD-YYYY)	
<p>17A. I concur/do not concur the above items have been verified or updated accordingly. <input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur</p>					
17B. CED Signature for Spotcheck				17C. Date (MM-DD-YYYY)	
<p>18A. I concur/do not concur the above items have been verified or updated accordingly. <input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur</p>					
18B. STC Designee Signature for Spotcheck				18C. Date (MM-DD-YYYY)	
<p><small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</small></p>					

--*

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

F CCC-770 MAL Instructions

The following are FSA employee CCC-770 MAL instructions.

Item	Instructions
1	Enter name of producer. This should be the name of the individual, joint operation, or entity for which benefits may be requested.
2	Enter the date of MAL request (MM-DD-YYYY).
3	Enter (✓) by applicable loan type (warehouse, farm-stored, or farm-stored measured).
4 and 5	Enter State and County Office, DMA, or CMA name.
*--6 and 7	Enter commodity and class or type.
8	Enter crop year.
9	Enter farm numbers.
10	Enter warehouse code, for warehouse-stored loans.
11	Enter number of warehouse receipts pledged as collateral for MAL.
MAL Request/Application	
12 A - D	Enter: <ul style="list-style-type: none"> • a check (✓) in the appropriate box to designate either “Yes” or “No”. •*--preparer’s initials and the date the items were verified by preparer. <p>Note: For CCC-770 questions not applicable, enter “N/A”.</p> <p style="text-align: center;">Example: Question 12 A, “Is the CCC-666 properly completed and signed for farm-stored commodities?” is only applicable to farm-stored. Therefore, for warehouse-stored loans, this question is not applicable and “N/A” should be entered in the “NO” column.</p>
Producer/Commodity Eligibility Verification	
13 A - I--*	Enter: <ul style="list-style-type: none"> • a check (✓) in the appropriate box to designate either “Yes” or “No”. • preparer’s initials and the date the items were verified by preparer.--* <p>Note: For CCC-770 questions not applicable, enter “N/A”.</p>

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

F CCC-770 MAL Instructions (Continued)

Item	Instructions
	MAL Processing/Approval
14 *--A - I	Enter: <ul style="list-style-type: none"> • a check (✓) in the appropriate box to designate either “Yes” or “No”. • preparer’s initials and the date the items were verified by preparer.--* <p>Note: For CCC-770 questions not applicable, enter “N/A”.</p>
15	Enter any remarks pertaining to any questions included on CCC-770.
	Certification
16A and B	When completed, for each MAL request, preparer shall sign and date.
17 A - C	CED shall enter (✓) in applicable box (Concur or Do Not Concur) and date. <p>Note: This item will only be completed, if the applicable CCC-770 is selected for spotcheck.</p>
18A - 19C	DD shall enter (✓) in applicable box (Concur or Do Not Concur) and date. <p>Note: This item will only be completed, if the applicable CCC-770 is selected for spotcheck.</p>

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)

G Spotcheck Policy

CCC-770 LDP/eLDP and CCC-770 MAL shall be randomly selected for spotcheck.

CCC-770 LDP/eLDP's and CCC-770 MAL's shall be spotchecked to verify that CCC-770 LDP/eLDP's and CCC-770 MAL's were properly completed, filed, and to ensure that accurate MAL and LDP approvals and denials were completed.

H CED Spotchecks

CED's:

- are required to perform spot checks of CCC-770 LDP/eLDP's and CCC-770 MAL's
- shall spot check at a minimum, CCC-770 LDP/eLDP's and CCC-770 MAL's every FY quarter, according to this table

Number of Checklists	Number of Checklists to Spotcheck
10 or less	5
11 through 1,000	10
more than 1,000	20

***--Note:** The required number of CCC-770 LDP/eLDP's and CCC-770 MAL's to be spot-checked is per program.

Example: County Office A completes a total of 100 MAL's and 20 LDP's in FY 2006 2nd quarter. County Office A is required to spot-check ten CCC-770 MAL's and ten CCC-770 LDP/eLDP's.

- shall spot check every STC's, COC's, and/or employee's CCC-770 LDP/eLDP's and CCC-770 MAL's, in addition to the minimum number of CCC-770 LDP/eLDP's and CCC-770 MAL's selected--*
- shall sign CCC-770 LDP/eLDP and CCC-770 MAL and check the "Concur" or "Do Not Concur" box for the randomly selected CCC-770 LDP/eLDP's and CCC-770 MAL's
- shall report to COC and the STC representative any CCC-770 LDP/eLDP's and CCC-770 MAL's that is checked "Do Not Concur"
- are not required to spot check every CCC-770 LDP/eLDP's and CCC-770 MAL's completed in their county.

--CED's shall copy and file, by program, all MAL and LDP checklists that were spot checked by the CED.--

25 CCC-770 LDP/eLDP's and CCC-770 MAL's (Continued)**I State Office Spot Check Selection**

The State Office shall select the following for spot check by STC or their representative, at a *--minimum, every FY quarter:--*

- three CCC-770 LDP/eLDP's and CCC-770 MAL's, if 10 or less CCC-770 LDP/eLDP's and CCC-770 MAL's have been completed
- five CCC-770 LDP/eLDP's and CCC-770 MAL's, if 11 through 1,000 CCC-770 LDP/eLDP's and CCC-770 MAL's have been completed
- ten CCC-770 LDP/eLDP's and CCC-770 MAL's, if more than 1,000 CCC-770 LDP/eLDP's and CCC-770 MAL's have been completed.

J STC or Designee Spot Checks

STC or their designee shall:

- *--spot check determinations selected according to subparagraph I by the State Office
- spot check, at a minimum, 50 percent of CED spot checks in subparagraph H, including STC, COC, and/or employee CCC-770 MAL's or CCC-770 LDP/eLDP's--*
- sign CCC-770 LDP/eLDP and CCC-770 MAL and check the "Concur" or "Do Not Concur" box for the selected determination or certification changes
- submit the results of the spot checks to SED.

300 Basic Provisions (Continued)**G LDP Amount Reported to IRS**

The amount of LDP is reported to IRS.

LDP's made to CMA's are not reported to IRS.

H Denied LDP Amounts

Part or all of a producer's calculated LDP amount shall be denied if any of the following apply:

- payment limitation is reached
- percent of cropland factor is less than 1.0000
- permitted entity share is less than 100 percent.

--301 Requests for LDP's – CCC-633 EZ*A General Information**

LDP requests are complete when a County Office receives a completed and signed CCC-633 EZ, page 1 **and** page 2, 3, or 4, as applicable.

Note: For 2006 and subsequent crop years, CCC-633 EZ is the only form approved for requesting LDP's.

CCC-633 EZ's allow producers to enter into an agreement with CCC to indicate intention to receive LDP benefits for all eligible commodities for the applicable crop year. CCC-633 EZ's:

- incorporate all types of LDP requests into a single 2-part application that consists of the page 1 LDP agreement and pages 2, 3, and 4 LDP benefit requests.
- ensure LDP benefits for eligible producers on all eligible commodities when page 1 is filed before loss of beneficial interest and pages 2, 3, and/or 4 are received before the final loan/LDP availability date
- cover production sold before CCC-633 EZ, page 2 or 4 is submitted as long as the producer filed a CCC-633 EZ, page 1 before loss of beneficial interest
- cover "over-run bushels" delivered for sale, not to exceed the reasonable quantity for that commodity--*

301 Requests for LDP's – CCC-633 EZ

A General Information (Continued)

- can be used to request LDP's for all eligible loan commodities listed in subparagraph 127 C including hay, silage, and green peanuts
- cover all quantities the producer has beneficial interest in on the date page 1 is completed and received in the applicable County Office
- page 1 only needs to be filed in 1 County Office for all counties in which the producer or entity has an interest in an eligible commodity
- do not negate the producer's ability to obtain an MAL

Note: If the producer submits CCC-633 EZ, page 2 or 4 requesting payment of LDP benefits, then the specific quantity in which the LDP benefit was requested becomes ineligible for MAL.

- apply to CMA's who apply to service County Offices for LDP's according to 1-CMA.

By completing and agreeing to the terms and conditions provided on CCC-633 EZ, page 1 before losing beneficial interest, producers may be eligible to receive LDP benefits based on the earlier of:

- date beneficial interest is lost in the eligible commodity, according to acceptable production evidence
- the date of request for payment, if beneficial interest is retained
- *--date of delivery, if beneficial interest is retained.--*

Producers **must** submit CCC-633 EZ, page 1 and page 2, 3, or 4 **before** the applicable final availability date for the respective commodities to be eligible for the LDP benefit. See subparagraph 127 C for a listing of the final loan availability date for specific commodities.

303 LDP Rates**A Effective LDP Rate**

The LDP rate is the rate in effect on the date:

- of request, if beneficial interest is maintained on date of request
- beneficial interest is lost according to acceptable production evidence
- of delivery, if the producer requests the date of delivery option on the applicable CCC-633 EZ, page 2 before delivering the requested quantity.

The date beneficial interest is lost is the date the producer loses control of the commodity through sale, feeding to livestock, or delivery to an unapproved warehouse, livestock feeder, processor, ethanol or bio diesel plant, or wool pool.

--For commodities immediately fed during harvest, see subparagraph F.--

B LDP Rate

The LDP rate is determined by the amount the applicable commodity loan rate exceeds the CCC-determined value for where:

- the commodity is stored for LDP in which the producer maintains beneficial interest
- beneficial interest is lost in the requested commodity.

Use the rate in effect until the next rate change.

Example: Use the rate announced on Friday for commodities delivered on a nonworkday.

For eligible commodities stored out of the United States, determine the LDP rate based on the County where LDP is requested.

See Part 9, Section 7 for determining the CCC-determined value.

303 LDP Rates (Continued)**C LDP Rate for Multiple Deliveries**

The LDP rate for multiple deliveries of production covered under CCC-633 EZ is based on the first consecutive quantity delivered, unless otherwise designated on CCC-633 EZ.

Selecting a specific delivery date to obtain an LDP rate for all quantity delivered is not permitted.

If multiple deliveries occur for production delivered under CCC-633 EZ and:

- multiple LDP's will be made, the LDP rate is based on the date of delivery for the quantity being paid under LDP, as applicable
- a single LDP will be made, the weighted average LDP rate for the total quantity will be determined based on the eligible LDP rate for the dates eligible quantity was delivered.

D Determining LDP Amounts

LDP amounts are calculated by multiplying the LDP rate times the LDP quantity requested.

E LDP Rate for FAXed CCC-633 EZ, Page 2, 3, or 4

For CCC-633 EZ, page 2's, 3's, or 4's FAXed, the LDP rate is the rate in effect when CCC-633 EZ, page 2, 3, or 4 is received in the County Office, if the LDP request is *--completed according to paragraph 307.5.--*

Example: If the rate is announced at 7 a.m. e.t. and the FAXed CCC-633 EZ is received at 5 a.m. e.t., the LDP rate is the rate in effect on the previous workday.

F Fed or Processed Commodities

Commodities stored on the farm that were harvested as feed or later processed may be requested on CCC-633 EZ, page 2 after harvest ends. For commodities fed during harvest, *--LDP's shall be requested on CCC-633 EZ, page 2. If feeding dates are within reason, LDP rate is based on the date the producer certifies that the commodity was fed.--*

Section 2 Commodities Harvested as Other Than Grain**320 Eligibility for LDP****A Commodity Definitions**

Eligible commodities include wheat, corn, grain sorghum, barley, oats, rice, soybeans, sunflower seed, sesame seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, dry peas, small chickpeas, or lentils meeting the definitions included in Official U.S. Standards for Grain.

B Eligible Commodities

Eligible commodities harvested as other than grain are any loan commodities produced on a farm that is:

- harvested as:
 - *--hay
 - cobbage
 - ground corn
 - cracked, rolled, or crimped
 - silage--*
- roasted
- processed immediately upon harvest or later processed, as applicable
- mutilated, mixed, or ground with other parts of the plant that produced the commodity
- stored in an unmeasurable structure.

*--**Note:** Hay and silage are **not** eligible for MAL.--*

Commodities must be mechanically harvested. Grazing is not considered harvested and is not eligible for LDP.

320 Eligibility (Continued)

C Requests

LDP's must be requested on CCC-633 EZ * * *.

D Maximum Eligible Quantities

To process LDP on commodities harvested as other than grain, determine the maximum eligible production according to paragraph 536.

LDP requests may be certified to establish the LDP rate and should be certified in tons or acres, as applicable.

When the bushel or cwt. is determined, according to paragraph 536, the LDP request can be approved and payment made.

321-332 (Reserved)

Section 3 Low Quality Commodities**333 Eligibility for LDP****A Commodity Definitions**

Commodities with quality factors falling to the additional schedule of discounts in the applicable 2-LP handbook are considered “low quality” and are eligible for LDP.

B LDP Request

Request LDP's on CCC-633 EZ * * *.

C LDP Rate

Use the LDP rate applicable to the date of:

- request for basic LDP's
- delivery for field direct LDP's
- harvest for commodities immediately fed during harvest.

D Production Evidence

Production evidence is required according to Part 5, Section 3, when producers are selected for spot check.

334-344 (Reserved)

403 Lien Searches**A General Information**

[7 CFR 1421.104] A lien search, including Federal and State tax liens, shall be performed in the appropriate recording official's office according to State law for:

•*--all loan requests that meet the criteria in subparagraph B, except for loans made to:--*

- CMA's according to subparagraph D
- a producer who will immediately exchange the commodity certificate for loan collateral according to Part 9, Section 8
- warehouse-stored collateral transferred to farm storage.

For multi-county producers, the loanmaking County Office shall conduct or obtain the lien search at the appropriate location according to State law.

Contact the regional attorney, through the State Office:

- when assistance or advice is needed
- for assistance when any of the following conditions apply:
 - producer has farming operations in more than 1 State
 - commodity is stored in another State
 - commodity is moved to another State during the loan period.

403 Lien Searches (Continued)

***--B When to Perform Lien Searches**

County Offices shall conduct lien searches and file UCC-1 documents according to this table.

Loan Amount / Loan Type	Conduct Lien Search		UCC-1 or applicable financing statement	
	Yes	No	Yes	No
<\$25,000				
Farm-Stored		X	X	
Warehouse-Stored		X		X
>\$25,000				
Farm-Stored	X		X	
Warehouse-Stored	X			X
Note: If conducting lien searches is a free service provided through the State, lien searches may be conducted on all loans regardless of the dollar amount.				

County Offices shall perform lien searches and perfect the security interest, regardless of the loan amount, if 1 of the following applies:

- producer is, at the time of the loan request, either of the following:
 - involved in a bankruptcy
 - under investigation by OIG
- producer committed a MAL/LDP violation in the current or preceding crop year
- CCC is notified by the producer, lending institution, or lien holder that a lien exists on the commodity
- aggregate loan principal for the crop year will exceed \$25,000.

Note: County Offices shall file applicable UCC-1's required by State law, to protect CCC's security interest according to paragraph 423, regardless of MAL principal.

C Recording UCC-1 for Chattel Mortgage Filing Date in APSS

APSS was enhanced to **not** require filing dates of UCC-1 for loans less than \$25,000. County offices are instructed to enter the date UCC-1 was filed in the "UCC-1 or Chattel Mortgage Filing Date" field on Screen PLA13005 for **all** loans.--*

403 Lien Searches (Continued)**D When to Perform Lien Searches**

The lien search shall be performed:

- **after** the loan request is filed and **before** the loan is approved
- when collateral for a warehouse-stored loan is transferred to farm storage according to paragraph 818
- when loan collateral will not be immediately exchanged for the entire loan quantity on the date of loan disbursement.

Do **not** perform the lien search **before** the request is filed.

Advise the producer that the loan cannot be disbursed until the lien search is completed and necessary lien waivers are obtained according to paragraph 404.

E Action After Lien Search Performed

When a lien search is completed, the County Office shall:

- file the results of the search in the applicable loan folder
- require the producer to provide CCC-679, according to paragraph 404, for each lienholder discovered on the lien search.

F CMA's Responsibility

CMA's shall be reminded of their responsibility to pledge eligible commodities for CCC loan free of any liens based on CMA financial agreement.

If CMA has pledged the commodity offered or to be offered for loan for the purpose of obtaining a line of credit, CMA shall provide a lien waiver that is:

- completed according to subparagraph 404 D
- signed by the applicable lending institution.

G Paying Lien Search Fee

Issue CCC-184, according to 1-FI, for the lien search fee.

414 Completing CCC-10

A Applicability

Producers applying for CCC or FSA loans at USDA Service Centers are required to provide specific information on CCC-10. CCC-10:

- serves as CCC's or FSA's notice of intent to perfect its security interest
- identifies the debtor's exact full legal name, and if the debtor is an entity, the type and location of the entity
- identifies the jurisdiction in which CCC will conduct lien searches
- authorizes CCC or FSA to file financing statements before executing a security agreement
- is not applicable for loans made to a producer who will immediately exchange the commodity certificate for all loan collateral according to Part 9, Section 8
- is applicable to warehouse loans to identify the jurisdiction in which to conduct lien searches, but for which UCC is not filed.

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

County Offices shall obtain CCC-10 and signatures as follows:

- if a current CCC-10 is not already filed, obtain a signed CCC-10
- ensure that producers understand that:
 - applicable collateral for loans is not described on CCC-10
 - CCC-10 remains in effect until the producer notifies CCC or FSA of any changes by filling out a new CCC-10
 - for UCC's filed manually that require the debtor's signature, CCC requires CCC-10 to identify the jurisdiction in which to perform lien searches
- for:
 - general partnerships and joint ventures, all partner's signatures are required
--unless an individual is authorized to act on behalf of the general partnership that binds all members according to 1-CM--
 - corporations, limited partnerships, and limited liability corporations, the person authorized to sign for the entity is required to sign
 - trusts, the trustee or trustees are required to sign
 - estates, the executor is required to sign
- allow spouses to sign CCC-10 for each other only as allowed according to 1-CM
- gather data and signatures concerning spouses where spousal information is required by State law, according to the regional attorney
- if applicable, provide a copy of CCC-10 to other County Offices in which the producer is active
- file CCC-10's in alphabetical order in folders labeled "LP 1-2 Financing Statements."

C CCC-10 Availability

CCC-10 is available for download by FSA employees from the FSA intranet at <http://intranet.fsa.usda.gov>.

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

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-699	Reconcentration Agreement and Trust Receipt	828	827, 829-831
CCC-700	Loan Deficiency Payment Statement	308	Ex. 6
CCC-700A	Loan Deficiency Payment Statement Continuation	308	Ex. 6
CCC-709	Direct Loan Deficiency Payment Agreement		Text, Ex. 25
CCC-709 PELT	Direct Unshorn Pelt Loan Deficiency Payment (LDP) Certification and Application	1544	
CCC-770 LDP/eLDP	Loan Deficiency Payment (LDP) and eLDP Program Review Checklist	25	301
CCC-770 MAL	Marketing Assistance Loan (MAL) Processing Checklist	25	401
CCC-930	AMS Inspection Certificate of Quality Factors for Wool and Mohair	Ex. 80	1575, 1577
FAS-1007	Maintenance Delivery Task Description		535
FSA-211	Power of Attorney		3, 129, 970, 992
FSA-321	Finality Rule and Misaction/Misinformation		518, 519, 1556, 1557
FSA-409	Measurement Service Record		304, 307, 426, 427, Ex. 6, 13
FSA-578	Report of Acreage		101, 373, 374, 536, 1516
KC-232	Notice of Approval or Change in Status of Storage Agreement or Contract	700	445, 701
KC-350	Warehouse Operator's Supplemental Certificate		411, 443, 446, 448, 449, 451, 815, 971, 1018, 1100, 1101, Ex. 13

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

Forms (Continued)

Number	Title	Display Reference	Reference
KC-350 (Grain)	Warehouse Operator's Supplemental Certificate		449
SF-LLL	Disclosure of Lobbying Activities	17	Ex. 6, 13
SF-LLL-A	Disclosure of Lobbying Activities Continuation Sheet	17	
UCC-1	Financing Statement		403, 404, 411, 423, 426, 1527
UCC-1F	Effective Financing Statement		426, 1527
WA-302	Examination Report		447

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
AGI	adjusted gross income	105, 300, 309
ATHM	acid treated high moisture (applicable to acid treated high moisture shelled corn and grain sorghum loans)	Text, Ex. 2
BCD, IMB	Bulk Commodities Division, Inventory Management Branch, KCCO	702, 805, 1000, 1026, 1057, 1101 Ex. 38
CAS	Corporate Affairs Staff	17
CBS	Concentration Banking System	918
CDP	Crop Disaster Program	373
DCIA	The Debt Collection Improvement Act	101
DMA	Designated Marketing Association	301.5
EFT	electronic funds transfer	300, 308, 927, 928
EM	excess moisture	126, 357, 522
F.O.B.	free on board	131, 1059, 1060, 1062
FOD, CMB	Financial Operations Division, Cash Management Branch, KCFO	1202
FOR	farmer-owned reserve	Ex. 4
FRB	Federal Reserve Board	900
HM	high moisture (applicable to high moisture barley, shelled corn, and grain sorghum loans)	Text, Ex. 2, 7
IWTO	International Wool Textile Organization	1509, 1510
lbs.	pounds	Ex. 47
MAL	Marketing Assistance Loan	Text
MOU	Memorandum of Understanding	407
PCP	posted county price	5, 985
RCP	regionally calculated price	985
Schlumberger	Schlumberger Estimated Commercial Top and Noil	1509, 1575
UCC	Uniform Commercial Code	414, 423
UGRSA	Uniform Grain and Rice Storage Agreement	994, 1531
USWA	United States Warehouse Act	4, 447
WAMLAP	Wool and Mohair Market Loss Assistance Program	1535

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

Redelegations of Authority

Redelegation of authority is provided in paragraph 3.