

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Marketing Assistance Loans and Loan Deficiency
Payments for 2008 and Subsequent Crop Years
8-LP (Revision 2)**

Amendment 11

Approved: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraphs 1 A, 225 C, 226 C, 1500 A and B, 1515 A and Exhibit 2 have been amended to remove the notes about the suspension of mohair as an eligible commodity for MAL and LDP.

Paragraph 509, and subparagraphs 234 A, 501 D, 527 A, 600 C, 615 H, 617 F, 703 A and B, 797 B, 821 A, 822 E, and 900 A and H have been amended to add CCC-677S and CCC-678S when referencing CCC-677 and/or CCC-678 as note and security agreements applicable to crop year 2013 loans that were sequestered.

Paragraphs 235, 520 and 1000 have been amended throughout, and subparagraphs 506 D, 783 A, 821 B, 900 A, 1000 B, 1001 D, 1004 C, 1006 B, 1007 B, 1020 E, 1030 C, 1040 D, 1201 B, 1210 D, and 1215 D have been amended to clarify that ACRE-elected farms only apply to crop year 2013 because the Agricultural Act of 2014 did not continue the ACRE program for 2014 through 2018.

Subparagraph 1 B has been amended to reference the following as sources of authority for MAL's and LDP's:

- Agricultural Act of 2014
- Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011.

Subparagraph 30 C has been amended to remove outdated information on the acceptable documentation required for authorized offsets.

Subparagraph 34 A has been amended to update payment limitation provisions for 2013 through 2018 crop years.

Subparagraph 34 B has been amended to update the AGI limitation rules for 2013 through 2018 crop years.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 35 B has been amended to update the prompt payment requirements to:

- remove 2009 through 2012 crop year
- add 2014 through 2018 crop year.

Subparagraph 37 A has been amended to update the instructions to access SORS.

Subparagraph 37 B has been amended to update the instructions for obtaining the unofficial cumulative Price Support and LDP activity reports available to the general public.

Subparagraph 200 A has been amended to update the producer eligibility requirements for obtaining MAL's and LDP's.

Subparagraph 203 A has been amended to remove information no longer applicable.

Subparagraph 230 F has been amended to provide updated guidance about the automated Price Support reasonable production query.

Subparagraphs 322 A, 509 B, 520 H, 527 A, 540 D, 821 A, and 900 A have been amended to add CCC-677S and CCC-678S to clarify that each person signing is jointly and severally liable for repayment of the amount due.

Subparagraph 412 A was amended to clarify how liquidated damages are determined on crop year 2013 loans that were sequestered.

Subparagraph 501 D was amended to update producer eligibility requirements.

Paragraph 520 has been amended throughout, and subparagraphs 1020 E, 1030 C, and 1040 D have been amended to clarify that the "Non-ACRE" column in the tables applies to 2014 crop commodities.

Subparagraph 520 G has been amended to provide that premiums and discounts will only apply at loan forfeiture for all eligible commodities, except peanuts and cotton.

Subparagraphs 521 E has been amended to update guidance about the UCC form to be used for filing lien terminations.

Subparagraph 700 A has been amended to add reduced loan principal for 2013 crop year loans subject to sequestration as applicable to repayments.

Subparagraph 700 F has been amended to clarify that for sequestered loans, the applicable principal to repay is the reduced principal.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 785 B has been amended to update the 2014 national average loan rates for wheat.

Subparagraph 786 E has been amended to clarify and provide an example of how the repayment amount and marketing gain are determined when the CCC-determined value is used to repay a 2013 crop year sequestered loan.

Subparagraphs 1000 B and H have been amended to update applicable eligibility forms and requirements for LDP's.

Subparagraph 1002 A has been amended to:

- remove an example not applicable for crop year 2014
- clarify when CCC-633 EZ page 1 could be signed for crop year 2013
- add the date CCC-633 EZ page 1 can be accepted for the 2014 crop year.

Subparagraph 1004 C has been amended to clarify how the LDP amount is determined for 2013 crop year LDP's subject to sequestration.

Subparagraph 1007 D has been amended to remove the note about the ACRE reduction not applying to wool, mohair and unshorn pelts because the availability period for requesting a 2013 crop LDP on these commodities has expired.

Subparagraph 1007 F has been amended to provide examples of completed CCC-633 EZ, pages 1-5.

Subparagraph 1009 A has been amended to clarify that for crop years 2014 through 2018, LDP's requested and denied because of AGI and/or payment limitations, are eligible for nonrecourse loans if all other eligibility requirements are met.

Subparagraph 1101 A has been amended to add payment limitation as an eligibility requirement for 2014 graze-out payments.

Paragraphs 1104 and 1105 have been amended to remove reference to ACRE for Graze-out because the Agriculture Act of 2014 did not continue the ACRE program for 2014 through 2018, and the deadline to request 2013 crop year graze-out payments has expired.

Subparagraphs 1211 E, 1220 E, and 1221 A have been amended to remove the ACRE reduction as it is not applicable for crop years 2014 through 2018, and the deadline for requesting these loans for the 2013 crop year has expired.

Subparagraph 1507 C has been amended to remove reference to Exhibit 62, which is being withdrawn.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 1509 B has been amended to edit the address of the New Zealand Wool Testing Authority Ltd.

Subparagraph 1515 A has been amended to provide the national statutory loan rates for graded wool, ungraded wool and mohair for crop years 2014 through 2018.

Paragraph 1517 has been amended for crop years 2014 through 2018 marketing loan gains and LDP's for wool and mohair as follows:

- AGI provisions in subparagraph A
- payment limitation provisions in subparagraph B.

Subparagraph 1527 B has been amended to provide a completed example of CCC-633WM.

Subparagraph 1529 C has been amended to update the dates in the example of the notification letter to producers with damaged or destroyed collateral.

Subparagraphs 1532 D and 1535 C have been amended to remove outdated portions of the text.

Subparagraphs 1575 B and G have been amended to add Exhibit 63 for wool and mohair premiums and discounts.

Exhibit 2 has been amended to update the following definitions:

- “Denied Market Gain” to include payment limitation exceeded
- “Eligible Producer” to include new program requirements.

Exhibit 13 has been amended for the 2014 crop year.

Exhibit 62 has been withdrawn because it is no longer applicable.

Exhibit 63 has been amended to provide 2014 crop year wool premiums and discounts.

Exhibit 67 has been amended to:

- remove the table for 2008 and 2009 crop year regional loan rates for wool and mohair
- update the table to include 2014 wool and mohair loan rates.

Exhibit 70 has been amended to provide the premiums and discounts for 2014 crop mohair.

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Part 1 General Information and Administrative Provisions

Section 1 Introduction and Purpose

1 Purpose and Authority

A Purpose

[7 CFR 1421.1] This handbook provides general instructions for administering commodity loans and LDP's primarily for barley, canola, corn, crambe, dry peas, flaxseed, grain sorghum, large chickpeas, lentils, mohair, mustard seed, oats, peanuts, rapeseed, safflower, sesame seed, small chickpeas, soybeans, sunflower seed, wheat, and wool (graded and ungraded).

However, these provisions may pertain to other commodities. When these provisions apply, the individual commodity handbooks will reference this handbook.

Note: * * *

Provisions specific to individual commodities are issued on a continuing basis in the following handbooks:

- 7-CN
- 14-CN
- 2-LP Grains and Oilseeds
- 2-LP Honey
- 2-LP Peanuts
- 2-LP Rice
- 10-SU.

B Sources of Authority

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

- *--7 CFR Part 1421
- 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
- Food, Conservation, and Energy Act of 2008
- American Taxpayer Relief Act of 2012
- Agricultural Act of 2014.--*

1 Purpose and Authority (Continued)

C Loan and LDP Program Objectives

The loan and LDP program objectives are to:

- provide interim financing to assist with the orderly marketing of eligible commodities
- minimize loan forfeitures and market disruptions that could occur when loan rates exceed market prices.

2 Signatures, Authorizations, and Approvals

A Signatures

County Offices shall:

- follow 1-CM for producer signature and authorization provisions
- *--see 1-CM for a list of forms not approved for FAXed and scanned signatures.--*

B Redelegation of Authority by COC or CED

The authority to approve all loan and LDP forms and documents prepared according to this handbook may be redelegated in writing by:

- COC to CED, except forms and documents in which CED has a monetary interest
- CED to Federal and non-Federal County Office employees, except forms and documents in which the person approving has a monetary interest.

Reminder: Cross training in all applicable program areas shall be completed **before** signing authority redelegation is made.

Follow this table for exceptions to redelegate authority for approval of loans and LDP's.

IF the producer is...	THEN the approval authority shall be...
a Federal or non-Federal State or County Office employee	CED.
COC member	
DD	
SED	
STC member	
CED	COC.

Note: Questionable cases may be referred to the next higher authority for determination.

30 Offsets**A Basic Provisions**

Offsets are applicable for amounts owed CCC, FSA, or other creditors. The offset amount may be shown on CCC-679 or established as the result of a claim against the producer.

Make administrative offsets from loan or LDP proceeds owed to producers, if appropriate.

B Joint Disbursement of Loan Proceeds

The balance of the loan proceeds may be disbursed jointly to the producer and lienholder **after** applicable administrative offsets to CCC, FSA, or other creditor agencies according to 58-FI, have been made when the lienholder requests joint disbursement on CCC-679 for:

- recorded lien
- unrecorded lien, if **actual** notice of lien is given to the County Office.

For other creditor agency debts received in the County Office:

- **before** the filing date of any recorded lien or notification of an unrecorded lien, the lienholder **must** agree to the creditor agency debt offset **before** disbursement of loan proceeds jointly to the producer and lienholder by checking CCC-679, item 5, block (c)
- **after** the filing date of any recorded lien or notification of an unrecorded lien, the creditor agency debt shall be offset **only** if the lienholder agrees to disburse the loan proceeds solely to the producer by checking CCC-679, item 5, block (a).

30 Offsets (Continued)

C Authorizing Offsets

A loan disbursement can be offset to provide for charges other than in-handling, if the warehouse receipt indicates in-handling charges have been provided for or paid.

If using rice EWR's, the prepaid in-handling indicator must be set to "Y" to indicate in-handling charges have been provided for or paid, for the quantity to be eligible for a warehouse-stored MAL.

* * * Producers must provide acceptable documentation specifying that all in-handling charges have been provided for or paid **before** either of the following:

- a warehouse-stored MAL will be disbursed for the commodity
- recording settlement of a forfeiture farm-stored MAL.

Note: See subparagraph 540 E.

Offsets may be made for amounts contained on a separate statement of unpaid charges, or for a separate bill for unpaid charges, if **both** of the following apply:

- charges on the statement or bill are associated with other than handling of the commodity represented by the warehouse receipt
- charges have been approved by DAFP.

These charges are **not** considered a lien, but **must** be included on CCC-679, item 5, block (c), if an offset will be made for the charges (paragraph 404).

If an offset applies, do **not** disburse the loan unless the lienholder agrees to the offset on CCC-679 by checking item 5, block (a) or (c). If any lienholder checks item 5, block (b), the loan shall **not** be approved.

D Offsets from Other Program Payments

A producer with an outstanding MAL may request the County Office to offset other specific payments to apply to a specific outstanding MAL. Any requests **must** be writing.

If requested, County Office shall:

- set the "Other Agency Claim" flag in Financial Services
- request applicable payment be made to CCC and sent to County Office
- apply to applicable outstanding MAL as a "lump sum" repayment
- **not** establish a receivable in NRRS to offset a payment.

Note: The producer's request is only applicable if the commodity is still in storage.

--34 Payment and AGI Limitation for 2013-2018 Crops*A Payment Limitation for 2013-2018 Crops**

For the 2013 crop year, CCC will **not** limit market loan gains and LDP's.

For the 2014 through 2018 crop years, there are payment limitations on LDP's, and market 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
- market loan gains
- LDPs.

A person or legal entity that receives payments for peanuts, directly or indirectly, 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 an 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 market loan gains and LDP's for the 2008 through 2013 crop years.

B AGI Limitation Rule for 2013-2018 Crops

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

- market loan gains or LDP benefits for the 2013 crop year, if the average nonfarm AGI exceeds \$500,000.
- market loan gains or LDP benefits during the **2014 through 2018** crop years if the average AGI exceeds \$900,000.--*

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

35 Prompt Payment Act

A Applicability

The Prompt Payment Act, as administered by FMD, requires CCC, according to 61-FI, to pay a late payment interest penalty on the amount of loan disbursements and LDP's if **all** of the following apply:

- documentation is provided
- the payment is **not** made by the due date in subparagraph B
- all eligibility requirements are met.

B Payment Due Dates

This table provides the payment owed dates for loan and LDP purposes.

IF the program is for...	THEN the payment due date is...
loan agreements	30 calendar days after the County Office receives an application with all required documentation and signatures. Note: County Offices shall make every effort to process loans expeditiously when all required documentation and signatures have been received.
manual loan repayments that result in overcollection	the eighth workday after the following: <ul style="list-style-type: none"> • repayments are recorded through APSS • loans are determined to be overpaid.

35 Prompt Payment Act (Continued)

B Payment Due Dates (Continued)

IF the program is for...	THEN the payment due date is...
LDP's	<p>30 calendar days from the date the producer provides all information needed to complete the LDP request. This information includes, but is not limited to, the following:</p> <ul style="list-style-type: none"> • acreage certification • AD-1026's <p>Note: Includes farm plans.</p> <ul style="list-style-type: none"> • all signatures, as applicable •*--applicable CCC-902's according to 4-PL and 5-PL--* • CCC-931C or CCC-933 for 2013 crop year •*--CCC-941 for 2014 crop year--* • certifies the quantity <p>Notes: For commodities harvested as other than grain and quantity is certified in acres, the prompt payment due date is 30 calendar days from the date COC determines the maximum eligible quantity according to paragraph 336.</p> <p>COC is required to establish the maximum eligible quantity within 30 calendar days from the date all required information is available.</p> <ul style="list-style-type: none"> • delivery date, if the date of delivery is needed to determine the applicable LDP rate • requesting LDP on CCC-633 EZ page 1 and the applicable benefits page (page 2, 3, or 4). <p>Notes: County Offices must determine maximum quantity eligible before LDP payments can be made.</p> <p>Every effort must be made to process LDP's expeditiously as soon as all required information has been received.</p>

36 * * * Unnegotiated Treasury Checks (Continued)

A * * * Unnegotiated Loan Treasury Checks (Continued)

IF all unnegotiated Treasury checks for...	THEN...
LDP are returned to the County Office, processed through eLDP or APSS	<ul style="list-style-type: none"> • use the correction process to cancel LDP; a receivable will automatically be created in NRRS • request a replacement check according to 1-FI and apply to the receivable in NRRS according to 64-FI. <p>Notes: The same LDP quantity may not be pledged as collateral for a loan; however, if the producer later requests another LDP for the same LDP quantity, an LDP would be made as follows:</p> <ul style="list-style-type: none"> • is within the final loan availability period • for the original LDP quantity • at the same LDP rate in effect for the date the original LDP was requested.
LDP, processed through eLDP or APSS, are not returned to the County Office	use the correction process to cancel LDP; a receivable will automatically be created in NRRS.

37 State Office Reporting System (SORS)**A Individual Report Availability**

SORS, available on FSA Intranet, provides up-to-date access to national, State, county, and individual reports on:

- LDP's
- MAL's.

*--To access SORS, go to **<http://fsaintranet.sc.egov.usda.gov/fsa>**. Under "Resources", CLICK "**FSA Applications**"; under "Application Directory", CLICK "**P-Z**"; and CLICK "**SORS – State Office Reporting System**".--*

Note: For authority to access SORS, submit FSA-13-A to SLR. On FSA-13-A, in the "Resource Privilege" Section, under "**WEB**", select "**Add**" and in "EAS Role(s)" blank, ENTER "**app.fsa.sors.readonly**".

B Activity Reports

*--Official USDA weekly and monthly reports, and unofficial cumulative price support loan and LDP activity reports are available to the general public on the Price Support web page at **www.fsa.usda.gov/FSA**; under "Programs and Services", CLICK "**Price Support**", and--* under "Related Topics", CLICK "**Price Support Reports**".

38, 39 (Reserved)

Part 2 Common Loan and LDP Provisions

Section 1 Producer Eligibility

200 Eligible Producers

A Definition of Eligible Producer

[7 CFR 1421.4] Eligible producer means a person or legal entity that:

- has complied with annual program requirements including:
 - reporting acreage for **all** cropland on the farms according to 2-CP

Notes: Acreage reports must be obtained for the specific commodity on the farm **before** MAL disbursements and LDP benefits are received for that specific commodity. Report acreage, according to 2-CP, for all cropland on the farm on which the crop pledged as collateral or LDP was produced. Failure to report all cropland on a farm shall be considered noncompliance with program requirements and considered a violation according to 2-CP, Part 2.

If there are 2 or more **separate** operations under the **same** farm number in the same County Office, a reconstitution should be performed according to 10-CM.

- completing AD-1026 according to 6-CP
- * * *
- completing CCC-931C or CCC-933 for the 2013 crop year
- *--completing CCC-941 for the 2014 crop year
- completing applicable CCC-902 according to 4-PL and 5-PL--*

Note: CCC-902 is required for foreign person determination on both loans and LDP's. See subparagraph 203 A.

- has a beneficial interest in the eligible commodity for which a loan or LDP is requested
- shares in the risk of producing the applicable commodity.

200 Eligible Producers (Continued)**A Definition of Eligible Producer (Continued)**

The person or legal entity may be any of the following:

- landowner
- landlord or waterlord
- tenant
- sharecropper.

***--Exception:** Since 2009, States, local Governments, political subdivisions, and agencies--* thereof are **not** eligible for loans, market loan gains, or LDP's.

Legal entity means the entity either:

- owns land or an agricultural commodity, product, or livestock
- produces an agricultural commodity, product, or livestock.

B Company or Other Legal Entity

An eligible producer may be an irrigation company or other legal entity that provides **all or part** of the following that are necessary to produce and harvest a crop:

- equipment
- labor
- land
- water.

C Estates and Trusts

An eligible producer may be an estate or trust, including any of the following:

- receiver of an insolvent debtor's estate
- executor or an administrator of a decedent's estate
- guardian of any of the following:
 - an estate
 - a ward
 - an incompetent person
- trustees of a trust estate, if their representative authority is legally valid (1-CM).

202 Delinquent Federal Nontax Debtor (Continued)

F DCIA Questions and Answers (Continued)

Q4. If a producer forwards the MAL disbursement or payment from LDP to cover part or all of the producer's delinquent Federal nontax debt, can MAL or LDP be issued?

A4. Yes, as long as an approved payment agreement has been completed according to 58-FI and the MAL disbursement or payment from LDP is applied to the delinquent debt under the terms of the approved payment agreement.

Notes: It is the creditor agency and the producer who develop the terms in the approved payment agreement that will resolve the delinquent Federal nontax debt. If the LDP will resolve the delinquent Federal nontax debt in full or in part, the producer may apply the LDP to the delinquent Federal nontax debt and make acceptable payment arrangements with the creditor for the remainder of the delinquent Federal nontax debt. For FLP purposes, at the time of disbursement MAL or LDP must cure the delinquency in full.

If a portion of the debt has been written off, after the person has paid the debt in part and where the creditor agency accepts this partial payment as a compromise instead of payment in full, the entire debt would be deemed resolved.

Q5. If a producer repays MAL and a market gain is earned and it is later discovered that the producer had a delinquent Federal nontax debt at the time of the MAL repayment, is the producer entitled to retain market gain?

A5. No. The producer must repay the market gain with interest since it was discovered that he/she had a delinquent Federal nontax debt at the time of MAL repayment.

Q6. If 2 producers sign the same CCC-633 EZ page 2 and Producer A is not delinquent debtor, but Producer B has a delinquent Federal nontax debt, can FSA pay Producer A his/her share of LDP?

A6. Yes. Producer A is entitled to receive his/her share of LDP and, if Producer B resolves the delinquent Federal nontax debt before the final loan availability date, he/she then will be entitled to receive his/her share of LDP.

203 Eligible Foreign Person

A Foreign Person Eligibility

--See 4-PL and 5-PL to determine eligibility requirements for foreign persons.--

The applicable CCC-902 is needed to be on file at the time of MAL disbursement or LDP request to determine foreign person status. * * *

B Handling Disbursements Involving an Ineligible Foreign Person

If a County Office determines that an ineligible foreign person has received a loan or LDP disbursement, the County Office shall follow this table.

IF a loan or LDP has been disbursed to...	THEN...
an ineligible foreign person	notify the producer according to Exhibit 11, subparagraph M.
a cooperative for a commodity delivered to the cooperative by an ineligible foreign person	contact the State Office for instructions.

204 Eligible CMA's

A Approved CMA's

[7 CFR Part 1425] CMA's approved to participate in loan and LDP programs may obtain loans and LDP's for their eligible producer members.

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

B Determining Producer Eligibility

If program year requirements are in effect for the crop year, producer eligibility will be determined according to 1-CMA, Part 7.

Section 2 Commodity Eligibility

225 Eligible Commodities

A Eligibility Requirements

[7 CFR 1421.5] To be eligible for a loan or LDP, the commodity **must**:

- have been produced by an eligible producer on a farm
- be in existence and in a storable condition
- be merchantable for food, feed, or other uses determined by CCC
- **not** contain mercurial compounds, toxin-producing molds, or other substances poisonous to humans or animals

Exception: For commodities containing vomitoxin and aflatoxin, see paragraph 231.

- meet the definition for the applicable commodity in the Official United States Standards for grain, rice, whole dry peas, split peas, and lentils, or beans for pulse crops, as applicable

Note: See subparagraph J for eligible commodities, classes, subclasses, and varieties.

- meet the specific commodity eligibility requirements for a nonrecourse loan
- **not** be:
 - substituted, purchased, bartered, or received as a gift
 - produced on land owned by the Federal Government, if the land is occupied without lease, permit, or other rights of possession.

Note: A commodity pledged as collateral for loan or LDP that is **not** produced and harvested by the eligible producer, but was exchanged for a commodity produced and harvested by the eligible producer is ineligible for loan and is considered a substitution.

B Substituted Commodities

Substituted commodities are commodities that are not harvested, sheared, or slaughtered by the eligible producer for the applicable crop year. Substituted commodities are **ineligible** for MAL's and LDP's.

If a County Office determines that a loan or LDP has been disbursed on substituted commodities, handle according to Exhibit 11, subparagraph M.

225 Eligible Commodities (Continued)

C Commodities Eligible for Loan or LDP

The commodities eligible for a loan or LDP include:

- barley
- corn
- grain sorghum

Notes: Including dual purpose sorghum varieties as determined by CCC.

See Exhibit 13 for eligible grain sorghum varieties and applicable yields.

- honey
- mohair

***--Note:** Mohair is an eligible commodity for 2014 through 2018 crop year MAL's and LDP's.--*

- oats
- oilseeds

Note: Including canola, crambe, flaxseed, mustard seed, rapeseed, safflower seed, sesame seed, soybeans, and sunflower seeds.

- pulse crops

Note: Including large and small chickpeas, dry peas, and lentils.

- rice

Note: Long and medium grain; medium grain includes short grain (2-LP Rice).

- wheat

226 Loan and LDP Final Availability Dates

A Availability

[7 CFR 1421.7] Loans and LDP's are available to eligible producers in any area in the U.S. and Puerto Rico where the applicable commodity is produced.

B Requesting Loans and LDP's

Requests for loans and LDP's shall be made on or before the final availability date for the respective commodities.

226 Loan and LDP Final Availability Dates (Continued)

C Final Availability Date

[7 CFR 1421.7] This table provides the final availability date for loans and LDP's for the commodities listed.

Commodity	Final Availability Date
Mohair Peanuts Unshorn Pelts (LDP only) Wool	January 31
Barley Canola Crambe Flaxseed Honey Oats Rapeseed Wheat Sesame Seed	March 31
Corn Dry Peas Grain Sorghum Lentils Mustard Seed Rice Safflower Seed Chickpeas Soybeans Sunflower Seed	May 31

Note: The Continuing Appropriations Resolution, 2013, suspended mohair MAL's and *-LDP's for FY 2013. Mohair is eligible for 2014 through 2018 crop year MAL's and LDP's.--*

When the final availability date falls on a nonworkday, the final date shall be extended to the next workday.

D Final Disbursement Date

The approved disbursement date shall **not** be later than 30 calendar days after the final loan availability date. When the final loan availability date falls on a nonworkday, the final date shall be extended to the next workday.

State Offices may grant extensions in 15-calendar-day increments, as applicable.

230 Eligible Quantity (Continued)

F Using Price Support Queries

County Offices shall use the automated Price Support queries according to 12-PS. Instructions for entering yields established by COC are in 12-PS. Price Support queries:

- are useful in determining a producer's reasonable production
- provide for a running account total by the producer for remaining MAL and LDP eligible quantities.

***--Note:** The automated Price Support queries are not available. An interim process has been provided in PS Directives.--*

G Questionable or Commingled Production

For quantity offered for loan or LDP that exceeds COC maximum established yield by:

- up to 10 percent:
 - producer shall provide a statement of reasonableness considering for things, such as farming practices and prior year's production
 - CED will make a determination to approve or deny the request based on his/her knowledge and current yields in the area

Notes: Approvals **must** be documented in the loan or LDP file.

Denials will automatically be referred to COC.

- more than 10 percent:
 - producer shall provide a statement of reasonableness considering for things, such as farming practices and prior year's production
 - COC will make a determination to approve or deny the request based on comparable yields and farming practices in the area.

Notes: The decision **must** be documented in the loan or LDP file, according to this note and in the COC minutes. Statement of reasonableness from producer shall be attached to applicable CCC-666 or CCC-633 EZ.

If COC denies the request, send Exhibit 11, subparagraph L letter to the producer. The letter shall be revised to meet the specific circumstances and provide the producer appeal rights.

Using yields from other producers' farms is not permitted.

230 Eligible Quantity (Continued)**G Questionable or Commingled Production (Continued)**

*--All approvals and justification for approvals shall be documented in the file and include the CED or COC chairperson's signature and date, as follows:

- for loans, in CCC-666, item 19 B, "Remarks" section
- for LDP's, on applicable CCC-633 EZ page as follows, in the "Additional Information" section:
 - page 2, item 32
 - page 3, item 56
 - page 4, item 86.--*

H Determining Ineligible Quantity

A quantity of a commodity is **not** eligible for loan if:

- it was previously placed under loan and redeemed at the CCC-determined value
- LDP benefits have been requested or made on the quantity.

Note: LDP quantities requested on CCC-633 EZ Page 2 are **ineligible** to be pledged for loan.

233 Loans Ineligible for Delivery or Forfeiture (Continued)**D Insufficient Value or Excess Sales Price**

If the settlement value was insufficient to clear the amount owed on the loan, establish the receivable in NRRS.

If the sales price exceeds the amount needed to repay principal and charges plus interest on the loan, the excess shall be for:

- recourse loans, refunded to the producer
- nonrecourse loans, retained by CCC.

234 Second Party Reviews**A Reviews**

A second party review of eligibility requirements for CCC-633WM's, CCC-666, CCC-677's, *--CCC-677S, CCC-678's, CCC-678S, and CCC-633 EZ, pages 1 through 5, as applicable, shall be performed **before** disbursement. Reviewer **must** initial CCC-633WM or CCC-666, as applicable, and CCC-677 or CCC-677S for farm-stored loan, CCC-678 or CCC-678's for--* warehouse-stored loan, or CCC-633EZ for LDP application, when review is completed.

The second party reviewer shall also check that the correct loan or LDP rate is used on all bins and/or receipts on each loan or LDP. The correct rate is determined according to paragraphs 506 and 1004.

Before a loan or LDP is issued, CCC-770 LDP/eLDP or CCC-770 MAL **must** be completed according to paragraph 23.

*--**Note:** CCC-677S and CCC-678S were the applicable Note and Security Agreements for crop year 2013 MAL's disbursed on or after October 1, 2013, where the loan amount was reduced 5.1 percent for sequestration.--*

B Approving Reviews

If the program technician accepts eLDP/LDP or MAL request, then he/she will **not** initial as the second party reviewer.

It is recommended that CED's in 2-person County Offices:

- initial as second party reviewer
- sign as approving official, as designated by COC.

--235 Commodities From ACRE-Elected Farms for Crop Year 2013 Only*A Crop Year 2013 Commodities Harvested from ACRE-Elected Farms**

The ACRE Program reduces applicable (county, regional, or national) loan commodity rates by 30 percent if producers on a farm make the decision to elect to participate in the ACRE Program on the farm for the 2013 crop year.

Note: The Agricultural Act of 2014 did not continue the ACRE program. Therefore, the ACRE reduction will not apply after the 2013 crop year.--*

Commodities harvested from an ACRE-elected farm will have a 30 percent reduction in MAL rates.

Example: \$2 base county loan rate x 70 percent = \$1.40 applicable loan rate.

Notes: The applicable loan repayment option (the lesser of loan rate principal plus interest, 30-day, or alternative rate) will **not** be similarly adjusted with a 30 percent reduction to calculate the applicable CCC-determined value (PCP, regional county price, national posted price, or AWP).

The loan rate used to determine LDP rates on ACRE elected farms will be reduced by 30 percent, accordingly.

Commingled commodities harvested from ACRE and non-ACRE elected farms must be placed under separate loans.

Warehouse stored ACRE commodities require separate warehouse receipts.

If ACRE and non-ACRE production cannot be distinguished separately, then the entire quantity is subject to the 30 percent reduction in MAL rates.

Wool, mohair, and honey are **not** subject to ACRE provisions.

--235 Commodities From ACRE-Elected Farms for Crop Year 2013 Only (Continued)*B Example of Determining ACRE-Elected Rate for MAL's for Crop Year 2013**

The following table illustrates how the MAL rate is computed for **ACRE**-elected (for 2013 crop only) and non-**ACRE**-elected farms. The applicable market gain is also computed--* when the CCC-determined value is \$4.50.

Example of Determining ACRE-Elected MAL Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE Reduction: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective MAL Rate Adjusted for ACRE (Line 1 - Line 2)	\$4.20	\$6.00
4	CCC-Determined Value of Commodity (Never Reduced)	\$4.50	\$4.50
5	Applicable Market Gain (Line 3 – Line 4)	\$0.00	\$1.50

***--C Examples of Determining ACRE-Elected Rate for LDP's for Crop year 2013**

The following table illustrates how the LDP rate is computed for **ACRE**-elected (for 2013 crop only) and non-**ACRE**-elected farms when the CCC-determined value is \$4.--*

Determining LDP Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE Reduction: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate Adjusted for ACRE (Line 1 - Line 2)	\$4.20	\$6.00
4	CCC-Determined Value of Commodity	\$4.00	\$4.00
5	Applicable LDP Rate (Line 3 – Line 4)	\$0.20	\$2.00

*--The following table illustrates how the LDP rate is computed for **ACRE**-elected (for 2013 crop only) and non-**ACRE**-elected farms when the CCC-determined value is \$4.50.--*

Determining LDP Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE Reduction: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate Adjusted for ACRE (Line 1 - Line 2)	\$4.20	\$6.00
4	CCC-Determined Value of Commodity	\$4.50	\$4.50
5	Applicable LDP Rate (Line 3 – Line 4)	\$0.00	\$1.50

236-299 (Reserved)

321 Loan Maturity Date Acceleration and Loans Called Before Maturity (Continued)**C Action When Producer Does Not Repay**

If the producer fails to make the requested repayment by the accelerated maturity date, the County Office shall, **immediately** after the accelerated maturity date, for a:

•*--nonrecourse farm-stored loan:

- authorize delivery on CCC-691
- issue demand letter according to Exhibit 7, subparagraph A, “farm-stored--* nonrecourse loan” * * *
- handle delivery in the normal manner
- record settlement according to 12-PS

•*--nonrecourse warehouse-stored loan shall be forfeited to CCC according to paragraph 900

• recourse loan:

- follow local sale procedures according to Part 8 and Exhibit 9, subparagraph A, “recourse loan” and Exhibit 10, subparagraph A, “distress loan”--*
- transfer loan from APSS using the “Transfer to Claims” option in 12-PS
- establish a receivable in NRRS according to 64-FI to match the amount on the Transfer to Claims Report
- issue announcement of sale according to paragraph 858
- apply sales proceeds to the NRRS-established receivable.

D Deducting Storage Charges

When a nonrecourse loan is called before maturity, make a storage deduction as a separate item instead of reducing the settlement rate.

APSS will determine storage charges:

- through the loan maturity date
- when “Y” is entered in response to “Are storage charges for early delivery applicable?”
- from the appropriate offer shipping rate table.

Exception: County Offices shall **not** make a storage deduction when deliveries of farm-stored commodities are called by CCC under general acceleration of the loan maturity date for a particular geographic area.

321 Loan Maturity Date Acceleration and Loans Called Before Maturity (Continued)**E Additional Action**

If the loan has not been liquidated by repayment or delivered by the specified final date, County Offices shall take steps to acquire the commodity by foreclosure according to paragraph 866.

If the producer appeals the loan call, follow paragraph 20.

322 Loan Collateral Storability Questioned**A Producer's Responsibility**

The producer is responsible for any loss in quantity and quality of the commodity placed under farm-stored nonrecourse or recourse loan.

***--Note:** Each producer signing CCC-677, CCC-677S, CCC-678 or CCC-678S is jointly--* and severally liable for repayment of the amount due.

CCC shall **not** assume any loss in quantity or quality for any reason.

Note: This includes commodities under loan that are affected by flood waters. See note in subparagraph 231 A.

B Action When Collateral Storability Is Questioned

When it is reported or determined the nonrecourse or recourse loan collateral storability is questioned, the County Office shall, as applicable:

- immediately spot-check the commodity
- draw samples of the commodity to verify the condition
- notify the producer of **all** of the following:
 - condition of the collateral, using the letter in Exhibit 11, subparagraph M
 - if the condition of the collateral can be corrected, to correct the problem within 30 calendar days
 - if the condition of the collateral **cannot** be corrected, the loan shall be called according to paragraph 321.

412 Assessing Liquidated Damages

A Calculating Liquidated Damages

For loan and LDP violations, calculate liquidated damages by multiplying the quantity involved in the violation times 10 percent of the loan or LDP rate.

***--Notes:** The liquidated damages penalty for **all** violations is 10 percent. Until the MAL software is moved to a web based system, enter all violations as the first offense to correctly calculate the 10 percent liquidated damages.

For 2013 crop year loans disbursed on or after October 1, 2013, that were reduced for sequestration, the liquidated damages penalty is determined using the full loan rate, **not** the sequestered rate.--*

B Authority to Waive Liquidated Damages

[7 CFR 1421.109] COC's may grant relief by waiving **any or all** of the liquidated damages determined according to subparagraph A when COC determines good faith and both of the following apply:

- violation occurred inadvertently, accidentally, or unintentionally
- first or second offense.

STC's:

- shall establish written guidelines for determining when a violation occurred inadvertently, accidentally, or unintentionally
- shall ensure that COC's are following STC guidelines and making equitable determinations based on the merits and facts involved in the violation
- may grant relief on a case-by-case basis by waiving **any or all** of the liquidated damages for both good faith and lack of good faith determinations, as long as the dollar amount falls within their authority.

C Canceling Liquidated Damages

Liquidated damages not waived cannot be canceled.

413 Special Provisions for Unauthorized Disposition or Flagrant Incorrect Certification Cases**A COC Action**

For each violation for unauthorized disposition or flagrant incorrect certification cases, COC shall:

- submit a memorandum to SED summarizing the situation that includes **all** of the following:
 - all actions COC has taken to date
- Note:** COC shall notify producer of violation according to subparagraph 401 B. An appeal hearing may be held, but do not determine good faith or waive liquidated damages until notified by SED of OIG action. COC shall notify producers of demand for payment according to subparagraphs 410 F or G when notification is received from SED.
- copies of documents about the violation, as appropriate, including a **complete** copy of the loan file
 - meet with producers if they appeal, but do **not** make a good faith determination or waive liquidated damages before receiving notification from the State Office indicating OIG action
- Note:** COC shall assume good faith **cannot** be determined when notifying the producer.
- **not** make recommendation as to whether an investigation is warranted
 - **not** acknowledge that an investigation may be conducted or provide any other information to anyone, including the producer, unless authorized by OIG.

501 Requesting Loans (Continued)

D Suggested Loan Processing Table

The following is an example guide that may be used when processing loan applications and completing loan approvals and disbursements. Use is optional.

Step	Action
1	<p>Accept loan request by phone, in person or by FAX.</p> <ul style="list-style-type: none"> • Ensure that: <ul style="list-style-type: none"> • application, CCC-666, CCC-677-1, or FSA-409 is complete and signed by producer for farm-stored loan requests • FSA-211 is on file, if applicable. • County Office may find it helpful to have the producer mark on a map or plat book page of a township the exact location of the storage structures for farm-stored loan requests. • See if producer has signed CCC-10 and, if not, obtain the required information to complete.
2	<p>The following is needed for security documentation:</p> <ul style="list-style-type: none"> • UCC-1 on file and active for farm-stored loan requests for the loan period as determined by the individual State • lien search, as determined by the individual State • obtain CCC-679's on all parties with a security interest in the producer's crop, as determined by the lien search, or notified by a lienholder. <p>Note: If necessary, obtain copies of non-standard filings, as determined by individual States, to determine if CCC-679 is needed.</p>
3	<p>Check the following eligibility for all producers on CCC-666, if applicable:</p> <ul style="list-style-type: none"> • FSA-578 has been filed, as applicable • AD-1026 completed •*-CCC-902 E or I completed according to 4-PL and 5-PL • CCC-941 for the 2014 crop year--* • CCC-931C or CCC-933 completed for 2013 crop year • commodity eligibility • DCIA compliance • storage eligibility.

501 Requesting Loans (Continued)

D Suggested Loan Processing Table (Continued)

Step	Action
4	<p>A second party, according to paragraph 234, shall review and check:</p> <ul style="list-style-type: none"> • Bu. calculations for: <ul style="list-style-type: none"> • certified loans • measured loans • warehouse loans • loan rate to ensure the correct rate, according to subparagraph 506 A, is used. <p>Ensure that FSA-409, Part B is complete, if applicable.</p>
5	<p>Quantity eligibility according to paragraph 230.</p> <p>Ensure that quantity is within the COC set maximum yield for that commodity and crop year.</p> <p>If the County Office has a worksheet (from Price Support Query or their own query) showing eligible bu., subtract bu. on application from total eligible to keep tract of eligibility balance.</p>
6	<p>If applicable, ensure that CCC-665 is completed and on file before disbursing commingled loans.</p>
7	<p>Load and/or process loan requests in APSS according to 12-PS.</p> <p>If all required information is on file and producer is in the office to sign CCC-677, *--CCC-677S, CCC-678, or CCC-678S then the loan can be completed in APSS.</p> <p>If CCC-677, CCC-677S, CCC-678, or CCC-678S is to be mailed to the producer for signatures or the producer will be coming into the office at a later date to sign, then the loan can be printed and saved in APSS.</p> <p>Note: CCC-677-S and CCC-678-S were the applicable Note and Security Agreements for crop year 2013 MAL's disbursed on or after October 1, 2013, where the loan amount was reduced 5.1 percent for sequestration.--*</p>

506 County Loan Rates (Continued)

B Recording Loan Rates in APSS

Record loan rates for the applicable commodities in APSS:

- by crop year
- according to 12-PS.

Note: Second party loan rate reviews are **required** by initialing and dating the printed copy.

C Requesting Loan Rates for New Crops

To request loan rates that are **not** available, State Office shall contact PSD.

***--D ACRE-Elected Loan Rate Adjustments for 2013 Crop Year**

The base loan rate for commodities pledged for a 2013 crop year loan or LDP request--* harvested from an ACRE-elected farm will be reduced by 30 percent through APSS, as applicable.

See paragraph 235 for additional ACRE-elected provisions.

507 Loan Service Fees

A Establishing Loan Service Fees

[7 CFR 1421.104] CCC establishes a nonrefundable loan service fee that is deducted from each loan.

County Offices shall **not** add any other fees to the loan service fee established by CCC.

B Loan Service Fee Rates

The loan service fee:

- is **not** applicable to LDP’s
- shall be the **smaller** of the following:
 - 1/2 (.005) of 1 percent times the gross loan amount
 - amount shown in this table.

Type of Loan	Loan Service Fee (In Dollars)
Farm-stored:	
• per loan	45
• each storage structure with loan collateral over 1.	3
Warehouse-stored:	
• per loan	45
• each warehouse receipt over 1.	3
Distress, per loan.	45

508 Loan Maturity Dates

A Nonrecourse and Recourse Loans

[7 CFR 1421.101] Loans mature on demand, but no later than the last day of the ninth calendar month after the month in which the loan is disbursed.

For repledged loans:

- the maturity date shall be the same as the original loan maturity date
- in APSS, enter the approval date of the original loan to establish the proper maturity date for the repledged loan.

Distress loans mature on demand, but no later than 90 calendar days after the date the loan is disbursed. The collateral may be repledged for loan according to paragraph 1221.

508 Loan Maturity Dates (Continued)

B Nonworkday

If the maturity date falls on a nonworkday, the maturity date shall be the next workday.

C Maturity Month Table

This table shows applicable maturity months. Loans **cannot** be extended.

Month Disbursed/Approved	Maturity Month (Last Day)
June	March
July	April
August	May
September	June
October	July
November	August
December	September
January	October
February	November
March	December
April	January
May	February

509 Disbursing Loans

***--A Preparing Note and Security Agreements**

Prepare CCC-677, CCC-677s, CCC-678, or CCC-678S in APSS according to 12-PS.--*

All commodity loans **must** be recorded through APSS and disbursed through NPS. For manual processing when APSS will be unavailable for an extended period of time, State Offices shall contact the National Office.

***--Note:** CCC-677-S and CCC-678-S were the applicable Note and Security Agreements for crop year 2013 MAL's disbursed on or after October 1, 2013, where the loan amount was reduced 5.1 percent for sequestration.--*

509 Disbursing Loans (Continued)***--A Preparing Note and Security Agreements (Continued)--***

Disburse loan proceeds to each producer who has a share in the loan after offset, if applicable, unless CCC-679 indicates that the remaining disbursement is to be issued jointly to the lienholder.

After all offsets have been deducted from the loan proceeds as indicated on CCC-679, item 5 (c), disburse the remaining loan proceeds by either of the following methods:

- EFT or check to the producer, if item 5(a) was checked where all lienholders indicate they do not want to be included on the disbursement
- 1 check to the producer and lienholders requesting joint payment in item 5(b) or (c).

Note: Loan proceeds are **not** assignable. See 63-FI, paragraph 64.

***--B Approving Note and Security Agreements**

Approve CCC-677, CCC-677S, CCC-678, or CCC-678S, for CCC when:--*

- all lien waivers, if applicable, are obtained
- for farm-stored loans, UCC-1's are filed

Note: Do **not** delay loan disbursement after UCC-1 has been recorded by the proper official.

- second party review has been completed according to paragraph 234
- CCC-770 MAL has been completed, if applicable
- all required borrowers' signatures are obtained.

***--Notes:** Each producer signing CCC-677, CCC-677S, CCC-678, or CCC-678S is jointly and severally liable for repayment of the amount due.

The loan approval date must **not** be before the date all required borrower's signatures are obtained on the current CCC-677, CCC-677S, CCC-678, or CCC-678S.

When CCC-677, CCC-677S, CCC-678, or CCC-678S is approved, the person signing for CCC shall have determined that the producer and the commodity are eligible.

The properly completed CCC-677, CCC-677S, CCC-678, or CCC-678S **must** be signed--* **before** the loan can be approved and disbursed. The disbursement date shall **not** be later than 30 calendar days after the approval date or final loan availability date.

509 Disbursing Loans (Continued)**C Denial Notification**

See paragraph 503 for notifying producers when loan benefits are denied.

D Distributing Documents

Provide producers a copy of the following:

- *--approved CCC-677, CCC-677S, CCC-678, or CCC-678S--*
- transaction summary report generated by APSS, if applicable

Note: The transaction summary report provides written notification to the producer of the loan maturity date and interest rate. This report is only generated when previously **saved loans** are disbursed according to 12-PS.

- CCC-601 (Exhibit 5).

E Filing Documents

File in:

- locked, custody, fireproof files, the following **original** documents:
 - *--signed and approved CCC-677, CCC-677S, CCC-678, or CCC-678S--*
 - for warehouse-stored loans, warehouse receipts and, if applicable, KC-350 (Grain) or KC-350 (Oilseed)
 - transaction summary report, if applicable
- producer's loan folder, **copies** of the following documents:
 - *--signed and approved CCC-677, CCC-677S, CCC-678, or CCC-678S--*
 - for warehouse-stored loans, front and back of the warehouse receipts and, if applicable, KC-350 (Grain) or KC-350 (Oilseed)

Important: The warehouse receipt **must** show endorsement.

- transaction summary report, if applicable.

Note: See 25-AS for filing details.

510 COC Approval of Certain Farm-Stored Loans

A COC Approval Required

[7 CFR 1421.4] Cases shall be referred to COC **before** approving a farm-stored loan when an otherwise eligible producer has:

- been convicted of a criminal act in connection with the loan and LDP programs
- made a misrepresentation in connection with the loan and LDP programs
- unlawfully disposed of or willfully converted CCC loan collateral
- caused the County Office difficulty in settling a previous loan.

COC shall approve a loan **only** when satisfied that CCC's interests are **fully protected**.

B Denial Notification

See paragraph 503 for notifying producers when loans are denied.

Section 2 Farm-Stored Loans

520 Nonrecourse Loan Requests and Loan Rates

A Requesting Farm-Stored Loans

[7 CFR 1421.105] When requesting farm-stored loans, producers shall:

- for certified loans, certify the quantity in farm storage on CCC-666 according to paragraph 524
- for measured loans:
 - complete CCC-666 according to paragraph 524
 - request measurement service according to paragraph 525 and Exhibit 15.

B Loan Rates

Use the loan rate for the county where the commodity is stored to calculate the loan amount for certified or measured farm-stored loans according to paragraph 506.

C Adjusting Loan Rate

Adjust the base county loan rate for the following:

- commodities harvested as other than grain, **except** silage and hay (subparagraph D)
- contaminated commodities (subparagraph E)
- low quality or sample grade commodities (subparagraph F).

***--Note:** The loan rate for commodities harvested from ACRE-elected farms for crop year 2013 **must** be adjusted according to subparagraph 235 A.--*

D Loan Rate for Commodities Harvested as Other Than Grain

For certified or measured farm-stored loans on commodities harvested as other than grain, the loan rate shall be 30 percent of the loan rate for the county where the commodity is stored to calculate the loan amount. Silage and hay are **not** eligible for a MAL.

The following illustrates how the commodity harvested as other than grain MAL rate is ***--computed for ACRE-elected (for 2013 crop only) and non-ACRE-elected farms. For crop year 2014, see the Non-ACRE column.--***

Determining Commodities Harvested as Other Than Grain MAL Rate			
Line	Description	ACRE	Non-ACRE
1	MAL Rate (County Rate for Corn)	\$2.00	\$2.00
2	ACRE Reduction: 30 Percent of MAL Rate (.30 x Line 1)	\$0.60	N/A
3	Effective MAL Rate (Adjusted for ACRE, if applicable)	\$1.40	\$2.00
4	Nonrecourse MAL Rate for Commodities Harvested as Other Than Grain: 30 Percent of Loan Rate (.30 x Line 3)	\$0.42	\$.60

520 Nonrecourse Loan Requests and Loan Rates (Continued)

E Contaminated Commodities

For contaminated commodities, the loan rate shall be 10 percent of the loan rate for the county where the commodity is stored to calculate the loan amount for certified or measured farm-stored loans exceeding acceptable contaminate levels according to paragraph 231.

The following table illustrates how the contaminated commodity MAL rate is computed for *-ACRE-elected (for 2013 crop only) and non-ACRE-elected farms. For crop year 2014, see the Non-ACRE column.--*

Determining Contaminated Commodity MAL Rate			
Line	Description	ACRE	Non-ACRE
1	MAL Rate (County Rate for Corn))	\$2.00	\$2.00
2	ACRE Reduction: 30 Percent of MAL Rate (.30 x Line 1)	\$0.60	N/A
3	Effective MAL Rate (Adjusted for ACRE, if applicable)	\$1.40	\$2.00
4	Nonrecourse MAL Rate for Contaminated Commodities: 10 Percent of Loan Rate (.10 x Line 3)	\$0.14	\$.20

F Low Quality Commodities

For low quality commodities, including commodities with a test weight falling on the additional schedule of discounts in 2-LP Grain and Oilseeds, the loan rate is 20 percent of the applicable base county loan rate; no other discounts will be applied to the nonrecourse loan disbursed at the reduced loan rate except for the 30 percent acre reduction, if applicable.

The following table illustrates how the low quality commodity MAL rate is computed for *-ACRE-elected (for 2013 crop only) and non-ACRE-elected farms. For crop year 2014, see the Non-ACRE column.--*

Determining Low Quality Commodity MAL Rate			
Line	Description	ACRE	Non-ACRE
1	MAL Rate (County Rate for Corn))	\$2.00	\$2.00
2	ACRE Reduction: 30 Percent of MAL Rate (.30 x Line 1)	\$0.60	N/A
3	Effective MAL Rate (Adjusted for ACRE, if applicable)	\$1.40	\$2.00
4	Nonrecourse MAL Rate for Low Quality Commodities: 20 Percent of Loan Rate (.20 x Line 3)	\$0.28	\$.40

Note: Wheat that has falling numbers and grades 1-5 or does **not** have quality factors listed on the additional schedule of premiums and discounts, shall **not** be considered a low quality commodity. See subparagraph 225 H. For the falling number discounts for wheat, see 2-LP Grains and Oilseeds.

520 Nonrecourse Loan Requests and Loan Rates (Continued)**G Premiums and Discounts**

* * * Premiums and discounts will **not** apply for all eligible commodities at loan disbursement, **except** for peanut and cotton MAL's; however, premiums and discounts will apply if the eligible loan commodities are forfeited and delivered to CCC and any deficiency **must** be repaid to CCC.

H Adjustments to Loan Rate After Forfeiture or Settlement

Except for peanuts and cotton, loan rates will be adjusted to reflect applicable premiums and discounts and/or storage charges owed to CCC at the time of recording the forfeiture or settlement.

***--Note:** Each producer signing CCC-677, CCC-677S, CCC-678, or CCC-678S is jointly--* and severally liable for repayment of the amount due.

521 Filing UCC-1's**A 1998 Revision and 2010 Amendments to UCC Article 9**

All States have adopted the 1998 revision to UCC Article 9. One of the key changes included centralizing the electronic filing of most security interests for States without a pre-existing centralized filing system. However, as States transition to a centralized, electronic UCC filing and recording system, the means by which UCC-1's are filed and paid for may vary from State to State. State Offices shall:

- continue to follow the regional attorney's advice
- request, from PSD, isolated exceptions to policy in this paragraph based on the following:
 - written direction or recommendations from the regional attorney
 - PSD concurrence.

Example: The regional attorney advises that filing UCC-1 without a loan applicant's signature negates the double jeopardy protection afforded secured lenders by certain State laws according to Pub. L. 99-198, Section 1324. In this case, upon PSD concurrence, the State Office may direct County Offices to continue **requiring** that a loan applicant sign UCC-1, as advised by the regional attorney.

Many States have enacted the 2010 amendments to UCC Article 9. The 2010 amendments:

- modify the existing statute to respond to filing issues and addresses other matters that have arisen in practices following a decade of experience with the 1998 revision to UCC Article 9

521 Filing UCC-1's (Continued)

***--A UCC Article 9 1998 Revision and 2010 Amendments (Continued)**

- provide new standards for the names of individual debtors to be used on UCC-1.

Note: In States that have enacted the 2010 amendments to UCC Article 9, the effective date of the new law is July 1, 2013. In States that have not yet adopted the 2010 amendments, the effective date will be the date specified by State Statute in its adoption of the 2010 amendments.

State Offices shall contact their regional attorney for information on the status of the 2010 amendments to UCC Article 9 in their State.--*

B Applicability

County Offices shall file applicable UCC-1's required by State law to protect CCC's security interest after CCC-10 is obtained:

- for all farm-stored loans
- for warehouse-stored loan collateral transferred to farm storage
- immediately after the lien search and **before** loan disbursement so there can be no intervening security interests filed; obtain CCC-679 to ensure CCC's first lien position.

Notes: If UCC-1 has previously been filed, ensure UCC-1 will **not** lapse **before** loan maturity.

The procedure for filing UCC-1's, and the time period before the filing appears on the lien search, is different in every State. The loan can be disbursed provided the County Office has the results of the requested lien search, documentation showing the filing date and the reference number for the filed UCC-1, and the necessary lien waivers.

521 Filing UCC-1's (Continued)

E Paying Filing Expenses and Termination Fee

County Offices shall pay filing and termination fees according to the following.

IF the...	THEN...
filing cost is for a financing statement, such as UCC-1	use the online payment web-based application. Special provisions allow the producer to pay the filing fee (subparagraph 504 H).
producer requests termination of CCC's security interest	*--prepare and file the applicable UCC form--* after receiving the termination fee from the producer. State Offices may issue more detailed instructions on terminating UCC-1's applicable to their State.
termination fee was included in the initial filing fees	after producer requests termination of lien, *--prepare and file the applicable UCC form.--*

Note: Do **not** include **any** of these fees in the service fee for the loan.

F Debtor's Name on UCC Documents

The 2010 amendments to UCC Article 9 included new standards for the name used by individual debtors on UCC financing statements. There are 2 alternatives a State can choose to adopt for the proper naming of an individual debtor that can include using debtor's valid driver license or State-issued ID card for documentation. State Offices shall contact their regional attorney for information on the naming alternative adopted in their State, and for all other guidance on the correct name to provide on a financing statement. UCC-1's that fail to properly identify debtors will **not** perfect security interests.

G UCC Forms

The 2010 amendments to UCC Article 9 implemented many new UCC forms. If the 2010 amendments to UCC Article 9 have been enacted in user's State, the regional attorney shall be contacted by the State Office to determine which forms should be used under State law.

522 Eligible Storage Structures

A Approved Farm Storage

[7 CFR 1421.103] Approved farm storage shall consist of storage structures:

- located on or off the farm, excluding unauthorized (commercial storage) warehouses as defined in Exhibit 2, that provide safe storage for the commodity through the maturity date for the loan
- adequate to maintain the quality and quantity as determined by the County Office
- designed so that the commodity can be:
 - measured, safely inspected, and sampled, if necessary
 - safely stored in oxygen-limiting structures, as applicable.

Commodities stored in all types of bags may be eligible for loan if **all** of the following apply:

- COC determines CCC's interests are not at risk and that the bags provide safe storage
- COC determines that storing in bags of a particular size is normal for the commodity in that county

Note: COC, with STC concurrence, may waive this requirement on a case-by-case basis.

- the commodity shall **not** be accepted in bags for delivery to CCC for a farm-stored loan settlement.

Commodities stored in pits or bunkers are **not** approved farm storage **unless** the grain is a commodity harvested as other than grain. The loan rate will be adjusted according to subparagraph 520 D.

527 Completing CCC-665's for Commingled Production**A Commingled Commodities**

All producers whose commodities are stored commingled in a storage structure, when all or a portion of the commodity is or will be collateral for **separate** CCC loans, shall sign CCC-665. See subparagraph B for an example of CCC-665.

Note: If all applicable producers do **not** sign CCC-665, loans shall, as applicable:

- **not** be disbursed
- be called.

Producers whose commodities are stored commingled in the same storage structure may ~~*-~~obtain **joint** loans in the normal manner when **all** producers sign CCC-677 or CCC-677S. CCC-665 is not required in this situation.

Note: Each producer signing CCC-677, CCC-677S, CCC-678 or CCC-678S is jointly--* and severally liable for repayment of the amount due.

See Part 6, Section 1 for additional commingling provisions.

527 Completing CCC-665's for Commingled Production (Continued)

B Example of CCC-665

County Offices shall use CCC-665 when subparagraph A is applicable.

This form is available electronically.	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	Form Approved - OMB No. 0560-0087
CCC-665 (04-13-98)	AGREEMENT FOR GRAIN PLEDGED AS COLLATERAL FOR CCC COMMODITY LOANS	
<p>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information to be supplied on this form is authorized by Pub. L. 104-127, the Commodity Credit Corporation Charter Act, as amended (15 USC 714 b & c) and 7 CFR Part 1421. The information will be used to monitor collateral placed under loan in the CCC commodity loan program. Providing this information is voluntary; however, without it authorization to pledge grain as collateral will be denied. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.</p> <p>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0087. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p>		
<p>Whereas, Commodity Credit Corporation (CCC) desires to make commodity loans available to individual producers whose grain is commingled with other producer's grain in the same farm storage structure(s) (a):</p> <p>The following producers whose signatures appear below are entering into this agreement to store (b) <u>Wheat</u> (Commodity) for loan number(s) (c) <u>99-999-XX and 99-999-XX</u> in storage structures designated on CCC-677, Farm Storage Note and Security Agreement and located at the storage locations named on CCC-677. The grain stored in such designated structures will be commingled with other producers' grain. Some of this grain will be pledged as collateral for a CCC commodity loan. All producers who store grain in such designated structures while any part of the grain is pledged as collateral for a CCC loan must sign this agreement. CCC will hold all producers signing this agreement liable for any damage incurred by CCC and each producer signing this agreement acknowledges that they will comply with provisions determined by CCC with respect to any commodity stored in the structures designated on the applicable CCC-677 regardless of whether their share of the commodity is pledged as collateral for a CCC commodity loan.</p> <p>(d) Producers (Sign and Date):</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>		
1. Approved for CCC by: <u>/s/ County Office Employee</u>		2. Date (MM-DD-YYYY) 06-30-20XX
<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> <p style="text-align: center;"> <input type="checkbox"/> COUNTY OFFICE COPY <input type="checkbox"/> PRODUCER COPY </p>		

540 Requesting Warehouse-Stored Loans

A Warehouse Receipts

[7 CFR 1421.106] When requesting warehouse-stored loans, producers shall present acceptable warehouse receipts from an authorized warehouse, as specified in subparagraph 535 B.

See 2-LP Grains and Oilseeds for commodity specific warehouse receipt requirements.

B Warehouse-Stored Quantity

Warehouse-stored loans stored in an approved warehouse will be limited to 100 percent of the eligible net weight specified on the warehouse receipt or, if applicable, KC-350 (Grain) or KC-350 (Oilseed).

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.

C Commodity Loan Eligibility

To be eligible for CCC commodity loan, the quantity and quality of grain represented by a warehouse receipt must reflect the commodity produced and delivered by the producer.

540 Requesting Warehouse-Stored Loans (Continued)

D Loan Rates

CCC will **not** adjust loan rates for warehouse-stored loans using premiums and discounts at loanmaking for any commodities **except** cotton and peanuts. Follow PS directives, 7-CN, and 12-PS for applicable software instructions.

***--Note:** Each producer signing CCC-677, CCC-677S, CCC-678, or CCC-678S is jointly--* and severally liable for repayment of the amount due.

Use the loan rate for the county where the commodity is stored **except** for situations covered in this table.

IF the commodity is warehouse-stored and...	THEN use the loan rate...
stored in a warehouse operating under a merged code agreement	for the location to which the producer delivered the commodity. The warehouse receipt issued under merged warehouse code agreements must show the location and county to which the commodity was delivered.
represented by a warehouse receipt indicating the “grain covered by this receipt has been redeposited”	where the receipt is issued. The commodity is considered stored at the original point of delivery.
physically moved to the warehouse location indicated on the warehouse receipt	where the receipt is issued. The commodity is eligible because the commodity was physically moved to the location on the warehouse receipt.

The loan rate shall be adjusted according to subparagraphs 520 C through H.

Part 6 Relocating Loan Collateral**Section 1 Handling Farm-Stored Loans****600 Commingling and Commodity Movement on Farm****A General Provisions**

Producers may, to efficiently use storage space and manage commodity inventory:

- move loan collateral from 1 farm storage structure to another
- commingle commodities according to subparagraph B.

Note: County Offices shall ensure that CCC's liens are perfected for farm-stored loan collateral moved to another county or State.

B Commingled Commodities

Commingled commodities may:

- be **any** of the following:
 - eligible or ineligible
 - same or different crop years
 - for same or different producers
 - collateral for nonrecourse or recourse loans
 - LDP quantities
 - different classes, except for wheat
 - different quality
- **not** be either of the following:
 - processed and unprocessed commodities
 - different commodities, such as wheat with corn.

600 **Commingling and Commodity Movement on Farm (Continued)**

C Request to Move or Commingle Loan Collateral

Producers who have **not** previously designated additional storage structures, according to *-paragraph 526, on CCC-677, CCC-677S, or CCC-687-1 shall request COC approval--* **before:**

- moving loan collateral from 1 storage structure to another storage structure
- commingling loan collateral.

See subparagraph D for completing CCC-687-1 to document and approve producer's request to move or commingle commodities.

When the request to move loan collateral to a specific structure is approved on CCC-687-1, the structure shall be considered designated.

Record loan collateral movement as a bin-to-bin transfer in APSS according to 12-PS.

Measurement before and after moving or commingling the commodity is **not** required unless an eligible commodity is commingled with an ineligible commodity. However, if the producer requests measurement service to accurately determine the quantity before and after moving or commingling the commodity, the County Office shall charge the producer for services performed.

615 Transferring Loans From Farm Storage to Warehouse Storage (Continued)

G Partial Transfer of the Loan Quantity

When **part** of the loan quantity is transferred, the transferred loan quantity is the quantity delivered to the warehouse. Accordingly the:

- farm-stored loan quantity **after** the transfer is the difference between the following:
 - farm-stored loan quantity before the transfer
 - quantity delivered to the warehouse

Note: The remaining farm-stored loan quantity is subject to spot check. See subparagraph 317 D for tolerance levels when shortages are discovered after partial transfers were approved according to this subparagraph.

- warehouse-stored loan will be the quantity delivered and will **not** result in an additional disbursement for additional quantity.

H Completing Transfer

Complete the farm-to-warehouse transfer through APSS:

- according to 12-PS
- for the quantity and quality shown on the warehouse receipt and, if applicable, KC-350 (Grain) or KC-350 (Oilseed)
- deducting loan service fees according to subparagraph 507 B.

--All producers who signed CCC-677 or CCC-677S shall endorse the warehouse receipts and sign CCC-678 or CCC-678S generated through APSS within 15 calendar days of the-- transfer, but **no** later than the loan maturity date.

615 Transferring Loans From Farm Storage to Warehouse Storage (Continued)

I Commodity Transferred

When the loan collateral is transferred to warehouse storage and the grading factors require using the additional schedule of discounts, notify the producer of the following choices:

- adjust the loan rate to 20 percent of the loan rate according to subparagraph 540 D to continue the nonrecourse loan
- ***--Note:** For wheat, do **not** adjust the loan rate to 20 percent of the loan rate if the **only** discount on the additional schedule of discounts is for falling numbers. See information on falling number discounts for wheat in 2-LP Grains and Oilseeds.--*
- notify the producer that the loan can be converted to a recourse loan within 30 calendar days.

Complete the conversion to a recourse loan according to Part 12 and the following:

- ***--**use the Correct a Loan process, according to 12-PS
- a receivable will automatically be created in NRRS
- re-record as a manual recourse farm-stored measured loan according to 12-PS

Note: For corrections, assign the next 90,000 number from the CCC-676. A 90,000 number will denote a manual loan and allow users to enter the original disbursement date.

- NRRS will automatically apply the proceeds of the new loan to the receivable created when the nonrecourse loan was reversed
- any outstanding amount still owed will remain as an outstanding receivable and will be processed in the normal manner according to 64-FI.--*

If forfeited, **only at forfeiture** adjust the loan rate for **all** the quality factors recorded on the warehouse receipt using the appropriate discounts in the applicable 2-LP.

Note: Do **not** adjust the loan rate for quality factors when disbursing the warehouse-stored loan.

617 Transferring Loans From Warehouse Storage to Farm Storage (Continued)

C Quantity Limitations

The farm-stored loan quantity **cannot exceed** the warehouse-stored loan quantity transferred, rounded to the next higher whole unit of measure.

See subparagraph E for measuring farm-stored collateral.

D Maturity Date

The loan maturity date for the farm-stored loan shall be the same date as the warehouse-stored loan maturity date.

E Measurement After Transfer

After the collateral has been moved to eligible farm storage:

- perform a measurement service at the producer's expense
- obtain a representative sample of the commodity and apply, as applicable, the combined test weight and pack factor, test weight, and moisture shrink
- use the scale ticket quantity if COC determines the weighed quantity on the documentation more accurately reflects the quantity in farm storage.

County Offices shall:

- review entries on CCC-677-1
- note any comments entered by the commodity inspector.

617 Transferring Loans From Warehouse Storage to Farm Storage (Continued)

F Completing Transfer

Complete the warehouse-to-farm transfer through APSS:

- if data is complete and accurate
- entering measurements or weighed quantity, as applicable
- according to 12-PS
- deducting loan service fees according to Part 5.

--All producers who signed CCC-678 or CCC-678S shall sign CCC-677 or CCC-677S-- generated through APSS within 15 calendar days but no later than the maturity date.

G Overdisbursement Created

An overdisbursement will be created in the transfer process when the outstanding loan amount exceeds the loan value of the measured quantity.

Use the notification and demand letters in Exhibit 11, subparagraph F to require repayment of the overdisbursement and interest.

H When Measured Quantity Is Less Than Transferred Quantity

If the measured quantity is:

- 90 percent or more of the transferred warehouse-stored loan quantity, take no action unless COC determines a loan violation occurred
- less than 90 percent of the transferred warehouse-stored loan quantity, COC shall determine whether a loan violation has occurred according to Part 4.

618-626 (Reserved)

Part 7 Repayments, Releases, and Loan Maturity

Section 1 General Provisions

700 General Repayment Information

A Types of Repayments

After the date of disbursement, farm-stored and warehouse-stored loans may be repaid at any time during the loan period.

The producer may repay the loan at the lesser of either the following:

- loan principal plus interest
- CCC-determined value under the marketing loan provisions according to Section 2
- *--reduced loan principal plus interest for 2013 crop year MAL's disbursed on or after October 1, 2013, which were reduced 5.1 percent for sequestration.--*

Note: Marketing loan repayment provisions are **not** applicable to recourse loans.

700 General Repayment Information (Continued)

B Acceptable Forms of Payment

County Offices shall accept the following forms of payment from producers or buyers as repayment for loans:

- cash
- certified or cashier's checks
- checks issued, at producer's request, payable:
 - solely to CCC
 - to CCC and other applicable lienholders
- checks made payable solely to CCC or the applicable County Office
- checks that include producer's name as 1 of the payees
- money orders
- personal checks from producers or buyers

Exception: See subparagraph C for guaranteed remittances.

- wire transfers.

C Guaranteed Remittances

To protect CCC's interest, STC, COC, or CED may require guaranteed remittance:

- for **all** repayments
- on a countywide basis
- on a Statewide basis (by STC **only**).
- on an individual basis.

--Follow 64-FI for dishonored checks. Concentration banking counties shall also follow 3-FI. See paragraph 702.--

700 General Repayment Information (Continued)

D Repayment Date

The repayment date shall be the date the repayment is received in the County Office that disbursed the loan.

E Recording Repayments

Record repayments according to 12-PS.

Note: Before recording market loan repayments on warehouse-stored loans, make additional disbursements, if applicable, according to paragraph 511.

CCC-500 will be generated by APSS. County Office shall:

- sign and date CCC-500
- provide the producer the original CCC-500 as a receipt for the repayment
- keep a copy in the loan folder.

Note: Do **not** send CCC-500 to FRB.

--Prepare and deposit collections according to 3-FI and 64-FI.--

700 General Repayment Information (Continued)

F CCC-500 Explanation and Action

This table provides explanations and actions required for CCC-500's.

Item	Explanation/Action
1-6	Self explanatory.
7	Total amount received from borrower.
8	Information for this repayment, as follows: A total number of bu/cwt./lbs redeemed B*--principal liquidated (reduced principal for sequestered MAL's)--* C interest paid D cost to the borrower on a per bu./cwt./lb. basis.
9	Information on the outstanding balance after repayment, as follows: A number of bu/cwt./lbs remaining under loan B loan principal remaining on the loan.
10	Details on the repayment, as follows: A seal number or warehouse receipt number identifying where the grain is stored B total number of bu/cwt./lbs redeemed C date loan was disbursed D date loan was repaid E amount the borrower repaid, including principal and interest F number of bu/cwt./lbs remaining under loan after the repayment G loan principal outstanding on the loan after the repayment. Note: If all bins or receipts do not fit on CCC-500, CCC-500-1 will print in APSS.
11	Reserve storage and other charges, as follows: A no longer applicable B no longer applicable C if the loan was loaded in the violation software, list the liquidated damages paid by this repayment.
12	Notice to borrower of dishonored check provisions.
13	Amount of waived interest will be listed if a marketing loan repayment was processed.
14	County Office shall sign and date.

702 Notice of Nonpayment or Dishonored Check Received From FSC (Continued)

B Action Following Spot Check (Continued)

*--After the spot check has been completed, determine the necessary action according to the following.

<p>IF the commodity repaid with the dishonored check has...</p>	<p>THEN...</p>
<p>been removed</p>	<p>according to 64-FI, adjust the receivable to include the fee for measurement service, if it is still owed.</p> <p>Note: If the commodity has been entirely removed, a violation may have occurred and liquidated damages may be applicable. A separate receivable will need to be established when COC or STC determine that liquidated damages are owed.</p>
<p>not been removed and the producer notifies the County Office in writing that the loan is to revert back to where it was before the repayment</p> <p>Note: Producer does not submit a replacement check.</p>	<p>according to 64-FI, adjust the receivable to:</p> <ul style="list-style-type: none"> • add the measurement service fee, if still owed • adjust the loan principal and interest amount on the receivable to "0". <p>Note: Ensure that the dishonored check fee remains on the receivable.</p> <p>NRRS will:</p> <ul style="list-style-type: none"> • send a notification letter to the producer, if an amount is still owed • be used to deposit any remittances for the dishonored check fee and/or measurement service. <p>According to 12-PS, delete dishonored check repayment in APSS.</p>

--*

703 Releasing CCC-677 and CCC-678 After Repayment**A Action After Full Repayment**

After full liquidation of the loan through repayment or redemption, return the original copy *--of CCC-677, CCC-677S, CCC-678 or CCC-678S, marked “**PAID**”, to the producer after--* 30 calendar days.

Note: When a **guaranteed remittance** has been submitted for full liquidation of the loan and no other repayment using other than guaranteed remittances has been submitted within the last 30 calendar days, the original copy of CCC-677, CCC-677S, CCC-678, or CCC-678S may immediately be marked “**PAID**” and returned to the producer.

B Additional Action for Farm-Stored Loans

--After CCC-677 or CCC-677S is released to the producer, according to subparagraph A,-- prepare and file documents necessary to release financing statement, according to subparagraph 521 E, at the producer’s:

- request
- expense, if applicable.

704-713 (Reserved)

Section 6 Calculating Market Loan Repayment Rates

783 General Information

A CCC-Determined Value

CCC-determined value is the lesser of the following:

- 30-calendar-day PCP
- alternative PCP
- announced rates, as applicable to other commodities.

CCC-determined value is the amount used to determine the LDP and market loan repayment rates.

Notes: CCC-determined value shall **not** be adjusted for ACRE. However, the loan rate used to determine the LDP rate is the result of the ACRE adjustment, as applicable.

--ACRE only applies to 2013 crop year loans.--

B LDP Rate

The LDP rate is determined by the amount the applicable commodity loan rate exceeds the CCC-determined value according to paragraph 1004.

C Market Loan Repayment Rate

The market loan repayment rate is the lesser of the following:

- loan rate plus interest
- the 30-day-calendar method, as explained in subparagraph 785 B
- the alternative method, as explained in subparagraph 785 C that is either of the following:
 - 5-calendar-day method for wheat, feed grains, soybeans, canola, flaxseed, and oil and nonoil sunflower seed

Note: The repayment rate for **nonoil** sunflowers (confectionary type) will occur at the lesser of the loan rate plus interest or oil sunflower seed repayment rate.

- alternative repayment method for pulse crops and other oilseeds, peanuts, wool, and mohair.

Notes: The repayment rates are **not** crop year specific and apply to all outstanding MAL's and to compute LDP's.

Complete market loan repayments according to paragraph 715 and Section 4.

784 Terminal Market Rates and County Differentials

A Terminal Market Rates

County Offices are assigned 1 or 2 terminal markets for each commodity by KCCO. The terminal market rates are used to determine the CCC-determined value.

B Rate Announcement

Terminal market rates are announced to the extent possible:

- daily, for canola, feed grains, flaxseed, soybeans, sun flowers, and wheat
- Friday, for oilseeds **except** canola, flaxseed, soybeans, and sun flowers.

Market rates are announced to the extent possible:

- Friday, for pulse crops
- Tuesday, effective at 12:01 a.m. Wednesday, for peanuts, wool, and mohair.

All terminal market rates and market rates are in effect until the next rate change is announced.

Example: The rate announced on Friday for wheat will be used for all nonworkdays until the next announcement of the rates on the first workday, as applicable.

C Daily Market Rates

The terminal market rates are downloaded from KCCO and posted to www.fsa.usda.gov/FSA/webapp?area=home&subject=coop&topic=rpt; scroll down and CLICK “**Market Prices**”.

KCCO maintains and archives market prices for public use at www.fsa.usda.gov/FSA/webapp?area=home&subject=coop&topic=rpt; scroll down and CLICK “* * * **Market Prices**”.

*--Market prices for the current year are displayed by date. For past years, select the applicable year near the top of the page and CLICK “**GO**”.--*

The “Daily Market Rates” display all of the following:

- date of posting
- individual terminal market price closings from previous day
- commodity
- footnotes for adjusting terminal market prices for certain commodities.

784 Terminal Market Rates and County Differentials (Continued)

D County Average Location Differentials

KCCO shall:

- provide a terminal market price to State Offices showing:
 - terminal markets assigned to each county for each commodity
 - county differential for each terminal market per commodity
- determine the terminal market price for each commodity at each terminal market
- maintain the daily market rates to make terminal market prices available to State and County Offices
- by telephone, immediately advise State Offices of terminal or differential changes and the effective date as they occur.

See subparagraph 225 J or 785 L for abbreviations for commodity, class, and terminal markets.

State Offices shall:

- inform County Offices of:
 - the assigned terminal markets for each commodity
 - the county differential for each commodity
 - any changes KCCO makes to assigned terminals or differentials
- contact PSD:
 - for requests to changes in county differentials
 - questions about the “Daily Market Rates” downloaded each day.

785 **Loan Repayment Rates**

A Determining Market Loan Repayment Rates

See the following subparagraphs for examples on how to calculate repayment rates:

- subparagraphs F and G for **corn, grain sorghum, soybeans, barley, oats, canola, flaxseed, and oil and non-oil sunflower seed**
- subparagraphs H and I for **wheat**
- subparagraph J for **crambe, mustard seed, rapeseed, safflower, and sesame seed**
- subparagraph K for **pulse crops (lentils, dry peas, and small and large chickpeas).**

B 30-Calendar-Day Method

CCC determines market loan repayment rates based on average market prices during the preceding 30-calendar-day period.

For:

- **corn, grain sorghum, soybeans, barley, oats, canola, flaxseed, oil and non-oil sunflower seed, crambe, mustard seed, rapeseed, safflower, and sesame seed**, the 30-calendar-day method reflects a 30-calendar-day moving average of all terminal market prices for the crop, adjusted by the difference between the applicable national loan rate and county loan rate
- **wheat**, the 30-calendar-day method reflects a 30-calendar-day moving average of all terminal market prices for the specific class, adjusted by the difference between the applicable national average loan rate by class and county loan rate by class.

***--Notes:** The following displays the 2014 wheat national average loan rates by class.

Wheat Class	2014 National Average Loan Rate (Per Bu)
Durum	\$3.23
Hard Red Spring	\$3.46
Hard Red Winter (HRW)	\$2.87
Soft Red Winter	\$2.58
Soft White	\$2.64

--*

See subparagraph L for a table of terminal markets by commodity.

786 Calculating CCC-Determined Value (Continued)

B RCP

RCP is the price used to determine the CCC-determined value for oilseeds **only**.

RCP is:

- **not** adjusted for premiums and discounts when determining the market repayment rate
- **not** adjusted for premiums and discounts when determining the LDP rate
- **not** adjusted when loan rates are discounted to a set percentage for nonrecourse loans on:
 - commodities harvested as other than grain
 - contaminated commodities
 - low quality commodities
- calculated for each region assigned to the County Office for the commodity, as applicable.

C Calculating the CCC-Determined Value

Calculate the CCC-determined value:

- daily for canola, feed grains, flaxseed, oil and nonoil sunflower seeds, soybeans, and wheat
- every Friday for crambe, mustard seed, rapeseed, safflower, and sesame seed
- every Friday for large and small chickpeas, dry peas, and lentils
- using the terminal markets or market rates assigned for each commodity, as applicable.

The CCC-determined value is the lowest value between the 30-calendar-day or alternative PCP.

Note: The alternative PCP is the higher value resulting from applicable terminal markets assigned to county (subparagraph 785 G and I).

Determine the:

- LDP rate by subtracting the CCC-determined value from the county loan rate, as applicable
- market gain by subtracting the CCC-determined value from the county loan rate, as applicable.

786 Calculating CCC-Determined Value (Continued)**C Calculating the CCC-Determined Value (Continued)**

If the CCC-determined value is higher than the applicable county loan rate, there is **no**:

- LDP in effect for that day and requests are not applicable
- market gain earned, but producer may obtain forgiven interest, as applicable.

For loans, always use the county loan rate, terminal markets, and location differentials applicable to the county used to disburse the loan when determining the CCC-determined value.

D Grade Discounts for Amber Durum and Durum Wheat

To determine the CCC-determined value for amber durum or durum wheat loans or LDP's, subtract the discount for Amber Durum or Durum shown on the "Daily Market Rates" from the applicable terminal market price.

E CCC-Determined Value

County Offices shall obtain loan repayment information, PCP's, and LDP rates from PSD's web site.

*--For crop year 2013 sequestered loans, the CCC determined value is not reduced for sequestration. The amount paid by producers is determined as follows:

- $\text{loan rate/bu.} \times \text{loan quantity} - (\text{loan amount} \times \text{sequestration rate}) = \text{reduced loan principal}$
 $(\$1 \times 1,000 - (\$1000 \times 5.1\%)) = \$949 \text{ reduced loan principal}$
- $\text{PCP/bu.} \times \text{loan quantity} - (\text{loan amount} \times \text{sequestration rate}) = \text{repayment amount required}$
 $(\$0.90 \times 1,000 \text{ bu.} - (\$900 \times 5.1\%)) = \$854.10 \text{ repayment amount required}$
- $\text{market loan gain determined by taking the reduced loan principal} - \text{repayment amount required} = \text{market loan gain}$
 $(\$949 - \$854.10 = \$94.90 \text{ market loan gain}).--*$

787-789 (Reserved)

Section 7 (Withdrawn--Amend. 3)

790-793 (Withdrawn--Amend. 3)

794-796 (Reserved)

Section 8 Loan Maturity**797 Maturity Notification to Producers****A Preparing Lists of Maturing Loans**

County Offices shall print lists of maturing loans:

- at least 45 calendar days, but not more than 60 calendar days, before maturity
- according to 12-PS.

B Preparing Maturity Notification Letters

County Offices shall:

- use the Price Support Query to print out loan maturity notification letters according to 12-PS
- send the applicable notification letter, as printed and provided in Exhibits 7 through 10:
 - at least 45 calendar days, but **not** more than 60 calendar days, before maturity for farm and warehouse nonrecourse and recourse loans
 - at least 30 calendar days before maturity for distress loans
 - to applicable producers advising of the loan maturity date and the applicable options available according to subparagraph D
 - inform producers of the additional maturity information according to subparagraph C
- for outstanding honey loans, see 2-LP Honey, paragraph 16.

The maturity notification letters serve as reminders to the producers. Nonreceipt of maturity notification letter does **not** negate the producer's responsibility for repaying the outstanding loan principal plus interest, if applicable by the maturity date provided on the signed CC-677, *-CCC-677S, CCC-678, or CCC-678S.--*

797 Maturity Notification to Producers (Continued)

C Additional Maturity Information

County Offices shall ensure that producers are informed of the following additional maturity information, as applicable to the loan type.

For loans **not** repaid by the loan maturity date, on the next workday after maturity:

- delivery instructions will be issued with a demand letter for **nonrecourse farm-stored** loans regardless of whether a CCC-681-1 has been issued

*--**Note:** See Exhibit 7, subparagraph F.--*

- warehouse receipts will be forfeited **immediately** to CCC for **nonrecourse warehouse-stored** loans
- for **farm- or warehouse-stored recourse** loans:
 - begin foreclosure proceedings according to paragraph 866 and Part 8, Section 3
 - *--establish receivable through NRRS, if applicable, according to Exhibits 9 and 10, subparagraphs A--*
 - the receivable amount is equal to the principal plus interest.

Repayments made **after** maturity and **before** queuing the forfeiture or settlement of the loan:

- may be accepted
- shall be made at principal and charges plus interest.

Interest will continue to accrue at the interest rate applicable to the loan until the loan is repaid or transferred to receivables.

See paragraph 803 for **nonrecourse farm-stored** loans not delivered or repaid by expiration of CCC-691.

820 Delivered Quantities Exceeding Maximum Eligible Quantity (Continued)

C Additional County Office Action

Follow this table when additional action is necessary to obtain corrected documents.

IF the producer...	THEN the County Office shall...
fails to obtain the warehouse receipt and CCC-691 from the County Office for correction	<ul style="list-style-type: none"> • obtain corrected warehouse receipts • consider the cost for splitting warehouse receipts as a cost incurred by CCC • enter the cost on CCC-691, item 26 • complete the settlement process.
obtains the warehouse receipt and CCC-691 from the County Office, but fails to return the corrected documents	establish a receivable through NRRS. The receivable amount is equal to the principal plus interest as of the date of the demand letter. On the 31st calendar day, if the amount due is not repaid by the 30th calendar day after the CCC-691 expiration or extended expiration date, the interest start date for the receivable shall be the 31st calendar day after the CCC-691 expiration or extended expiration date.
returns the corrected documents after the claim has been established	follow paragraph 867 and 12-PS for processing settlement of the loan in receivable status.

Note: If the loan collateral is sold by local sale, process settlement in APSS according to 12-PS.

821 Determining Loan Settlement Values

A Base Loan Rates

If the commodity is delivered to CCC from farm storage, settlement shall be made by CCC on the basis of the base loan rate:

- applicable to the crop year for the commodity
- for the county where the producer's customary delivery point is located
- adjusted for applicable premiums and discounts.

***--Note:** Each producer signing CCC-677, CCC-677S, CCC-678, or CCC-678S is jointly--* and severally liable for repayment of the amount due.

B Determining Settlement Values

Farm-stored loan settlement is based on the quantity and quality of the commodity delivered to CCC.

Determine farm-stored settlement rates on eligible commodities, as determined in applicable 2-LP, using the:

- specific crop year schedule of loan premiums and discounts for the:
 - crop year of the commodity delivered
 - factors or percent of factors shown on the warehouse receipts or inspection certificates
- additional schedule of discounts in effect on the date delivery was completed by the producer.

***--Note:** For 2013 crop year commodities where the loan rate was reduced for--* ACRE-elected farms, the base loan rate is the adjusted ACRE loan rate, as applicable.

C Weight Basis for Premiums and Discounts

See applicable 2-LP for applicable weight basis.

822 Completing Settlements (Continued)**D Submitting Documents to KCCO**

County Offices shall submit, according to paragraph 826, the following documents to KCCO:

- copy of CCC-691
- warehouse receipt, if applicable
- supplemental certificates, if applicable
- copy of CCC-692
- any additional documents necessary to support the settlement.

***--E Releasing Note and Security Agreements After Settlement**

After the commodity has been delivered, settlement completed, and documents transmitted to KCCO, County Offices shall:

- mark the original CCC-677 or CCC-677S, “**Delivered**”
- return CCC-677 or CCC-677S to the producer.

If **either** of the following applies, do **not** release CCC-677 or CCC-677S to the producer:--*

- loan deficiency exists and has not been satisfied
- loan amount has been transferred to receivables and has not been paid.

823 Loan Deficiencies**A Notifying Producers**

When there is a deficiency owed to CCC resulting from a loan settlement, County Offices shall:

- transfer the amount due CCC from APSS using the “Transfer to Claims” option
- *--immediately establish receivable in NRRS according to 64-FI and Exhibit 7,--* subparagraph A for a “deficiency after delivery”

Note: NRRS will notify the producer requesting repayment of the amount due on CCC-692, item 22.

- send copies of CCC-691 and CCC-692 to the producer.

B Applying Repayments

Record receivable repayments in NRRS.

C Excessive Loan Deficiency

If an excessive loan deficiency occurs because of a settlement, COC shall:

- review the applicable loan folder and documents for possible program violation
- document results of the review in COC minutes
- if applicable:
 - submit information to OIG, through the State Office
 - take administrative actions according to Part 4.

824, 825 (Reserved)

Part 9 Warehouse-Stored Loan Forfeitures

900 Loan Forfeitures

A When to Process Forfeiture

Complete warehouse-stored loan forfeitures when producers do not repay warehouse-stored loans by the loan maturity date according to PS directives and 12-PS, applying premiums and discounts.

County Offices **must** immediately:

- before processing loan or forfeitures in APPS, contact the storing warehouse operator to obtain applicable storage or public tariff rates for Federally licensed warehouses and for warehouses in States listed in subparagraph 536 B
- process storage deductions, if applicable, using the offer shipping rate table for UGRSA warehouses in States listed in subparagraph 536 C; updated warehouse offer shipping rates for States listed in subparagraph 536 C are available at http://erielake.sc.gov.usda.gov/whserates/grain/warehouse_rates.asp
- process loan reversal in APSS according to PS directives and 12-PS
- reenter loan applying premiums, discounts, and other applicable charges according to PS directives and 12-PS

Note: Apply premiums, discounts, and other applicable charges to the loan rate that was
--reduced for ACRE-elected farms for applicable 2013 crop year loans only.--

- process warehouse-stored loan forfeiture on the first day **after** the loan maturity date
- follow Exhibit 8, subparagraph A, “warehouse nonrecourse loan” to establish a receivable in NRRS, if an amount is due CCC
- *--**Note:** Each producer signing CCC-677, CCC-677S, CCC-678 or CCC-678S is jointly--*
and severally liable for repayment of the amount due.
- mail the forfeited warehouse receipt to KCCO on the same day transmittal control documents are generated according to subparagraph 901 A.

Note: For EWR’s, select “Release Code/Reason”, “**9-Forfeiture**” to transfer EWR to KCCO.

900 Loan Forfeitures (Continued)

B Verifying Documents

Before processing the forfeiture in APSS according to 12-PS, County Offices shall:

- review the loan documents, each warehouse receipt, and if applicable, KC-350 (Grain) or KC-350 (Oilseed) for data accuracy

Note: If the review of loan documents and warehouse receipts reveals an overdisbursement of the loan, handle according to paragraph 31.

- ensure that warehouse receipts:
 - issued to the producer have been endorsed by the producer
 - contain proper authorized warehouse code and crop year
- verify weights, bu, and check against quantity shown on CCC-678
- enter the following in the upper-right corner of the warehouse receipt:
 - State and county codes
 - loan number
 - CCC storage start date according to subparagraph C.

The quantity eligible for forfeiture to CCC under a warehouse-stored loan is limited to the loan quantity specified on the warehouse receipt.

C Determining CCC Storage Start Date

Determine the storage start date for CCC according to this table.

***--Note:** When the forfeiture process in subparagraph A is followed, APSS should determine the storage start date for CCC automatically.--*

IF...	THEN...
storage was paid or provided for through the maturity date	the storage start date for CCC is the day following the loan maturity date.
either of the following applies: <ul style="list-style-type: none"> • warehouse-stored loan is called before maturity and storage is refunded according to subparagraph E • storage was prepaid beyond loan maturity 	the storage start date for CCC is the day following the date through which storage had been prepaid or provided.
storage charges through the maturity date were not paid or provided for at loanmaking	<ul style="list-style-type: none"> • create a receivable through NRRS • process new loan adjusting loan rate.

900 Loan Forfeitures (Continued)

D Prepaid Storage Refunds

A storage refund will be calculated by APSS, through the forfeiture process according to 12-PS, when **either** of the following applies:

- loan is called and forfeited **before** maturity
- storage has been paid beyond loan maturity.

The storage refund, made to the producer, is calculated:

- for called loans for the period corresponding to the date the loan was called through loan maturity
- for loans with excess storage paid from the date CCC acquires the commodity through the date warehouse storage charges have been paid or provided for
- at the **smaller** of the UGRSA-approved storage rate, if applicable, or the storage rate actually paid by the producer.

E Verifying Prepaid In-Handling Charges

Farm-stored nonrecourse commodity loans that are brought under an approved warehouse storage structure are **ineligible** for in-handling charges.

When these loans are forfeited to CCC, County Offices shall:

- enter the following statement on the warehouse receipt:

“Farm-stored loan converted in-store. No in-handling charges.”
- direct KCCO **not** to pay in- handling charges.

900 Loan Forfeitures (Continued)

F Handling National Soybean Assessments

According to 12-PS, when processing warehouse-stored **soybean** loan forfeitures, enter the national soybean assessment, equal to 0.5 percent of the settlement value, in the “assessment” field.

G Submitting Documents to KCCO

County Offices shall send all forfeited warehouse receipts and KC-350’s, if applicable, to KCCO according to paragraph 901 immediately after processing the warehouse loan forfeiture in APSS and on the same day transmittal control documents are generated according to subparagraph 901 A.

H Releasing CCC-678 After Forfeiture

After the warehouse receipts have been forfeited and transmitted to KCCO, County Offices shall:

- *--mark the original CCC-678 or CCC-678S, “**Forfeited**”
- return CCC-678 or CCC-678S to the producer.--*

Part 10 LDP's

Section 1 General Provisions

1000 Basic Provisions

A Definition of LDP's

[7 CFR 1421.200] LDP's are payments made to producers who, although eligible to obtain a CCC loan, agree to forgo the loan in return for a payment on the eligible commodity.

B General Provisions

LDP's:

- will be processed through eLDP web site by the County Office or producer
- will be issued by EFT or check, as applicable, subject to assignment
- are subject to administrative offset according to 58-FI
- shall be subject to AGI requirements

Notes: The applicable AGI document is required before CCC-633 EZ, page 2, 3, and 4 are approved. The LDP rate is determined according to paragraph 1004. See current AGI policy for additional information.

--CCC-941 is applicable for the 2014 crop year.--

* * *

CCC-931C or CCC-933 is applicable for the 2013 crop year.

A valid AGI certification is on file according to 4-PL, Part 6 and 5-PL, Part 6 for each applicable crop year.

- **must** be approved when all eligibility requirements are met, but the LDP rate is determined according to paragraph 1004
- *--are subject to payment limitations for crop year 2014 together with market loan gains, PLC and ARC – see subparagraph 34 A for additional information--*
- **cannot** be canceled or repledged once a request has been made or disapproved

Note: LDP requests disapproved because the requested quantity exceeded the maximum eligible commodity may be approved if the producer provides acceptable production according to paragraph 230.

1000 Basic Provisions (Continued)**B General Provisions (Continued)**

- **cannot** be repaid to request a subsequent loan or LDP on the same quantity
- are **not** subject to commodity assessments
- are subject to spot check according to Part 3
- will be paid when approved
- *--are subject to the 30 percent loan rate deduction for crop year 2013 when calculating the LDP rate for commodities produced from an ACRE-elected farm

Notes: For crop year 2013, the base loan rate **must** be reduced by 30 percent **before--*** applying PCP for any commodity produced on an ACRE-elected farm. See subparagraph 235 A for additional information on ACRE.

Currently in the eLDP software, there is **not** a report available to determine if County Offices are accurately indicating if the quantity for LDP is from an ACRE-elected farm.

- exceeding \$100,000 requires the applicant to comply with lobbying disclosure requirements (paragraph 28).

Lien searches and lien waivers are **not** required.

C Producer and CMA Eligibility Requirements

Producers and approved CMA's for their members, applying for LDP, must:

- meet eligibility requirements in Part 2, as applicable
- agree to forgo obtaining a loan for the quantity on which LDP is requested.

D Storage Requirements

[7 CFR 1421.200] Approved storage requirements are waived for LDP's.

E LDP Numbers

LDP numbers will be assigned by the Web. The number assigned by eLDP will be provided from an external site for eLDP's processed by both County Offices and producers.

1000 Basic Provisions (Continued)

F Filing LDP's

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

- a separate LDP file for **each** request received
- LDP file for **each** producer
- LDP file for **each** producer by commodity.

See subparagraph H for an example of a County Office checklist for determining eligibility and processing an LDP request.

G LDP Amount Reported to IRS

LDP amounts are reported to IRS; however, LDP's made to CMA's are **not** reported to IRS.

H Suggested County Office Checklist for LDP's

The following is an example checklist that can be used when completing LDP approvals and issuing payments.

Step	Action
1	Take CCC-633 EZ at counter or remove from FAX machine and do the following: <ul style="list-style-type: none"> • date stamp application and supporting documentation, such as production evidence • ensure that: <ul style="list-style-type: none"> • CCC-633 EZ is complete and signed by producer • CCC-633 EZ page 1 is on file, if producer is submitting pages 2, 3, or 4 • FSA-211 is on file, if applicable • LDP rate is correct for date of request and county where stored.

1000 Basic Provisions (Continued)

H Suggested County Office Checklist for LDP's (Continued)

Step	Action
2	<p>Check the following eligibility for all producers on the applicable LDP request:</p> <ul style="list-style-type: none"> • AD-1026 completed • beneficial interest, if applicable • CCC-902 I or E completed • completed AGI certification <p>*--Notes: CCC-941 is applicable for 2014 crop year.--*</p> <p style="text-align: center;">* * *</p> <p style="text-align: center;">CCC-931C or CCC-933 is applicable for the 2013 crop year.</p> <p style="text-align: center;">*--A valid AGI certification is on file according to 4-PL, Part 6 and 5-PL, Part 6 for each applicable crop year.--*</p> <ul style="list-style-type: none"> • commodity eligibility • crop acres certified, if applicable • DCIA compliance •*--ACRE program participant for crop year 2013 only.--*
3	<p>Quantity eligibility according to paragraph 230.</p> <p>Ensure that quantity is within COC set maximum yield for that specific commodity and crop year.</p> <p>Ensure that producer's profile is updated in eLDP with eligibility for current crop year.</p>

1001 Requests for LDP's Documented on CCC-633 EZ (Continued)**C Multi-County Producers**

If the producer farms in more than 1 county, the County Office first contacted shall:

- accept the LDP request on CCC-633 EZ page 2, 3, or 4
- contact the other County Offices when either of the following applies:
 - the request covers eligible production from more than 1 farm and the farm program records are kept in more than 1 County Office
 - LDP's were received from more than 1 County Office
- FAX LDP requests to the applicable administrative County Office for completion.

If a single CCC-633 EZ page 2, 3, or 4, includes production from multiple farms that are located in a different county, the County Office that accepts the LDP request **must** indicate in item 32 that "multiple LDP's will be issued to cover the requested quantity according to this LDP request".

Note: The applicable administrative County Office **must**:

- verify the COC-established maximum yield for the eligible production in the applicable county
- document in item 32 where the verification of information was obtained.

D Commingled Commodities

For LDP requests on commingled commodities, producers may request individual or joint LDP's. For joint LDP's, all producers whose share of the commodity is included **must** sign CCC-633 EZ page 2, 3, or 4.

A separate CCC-633 EZ page 2 or 3 is **required** for **all** production from ACRE-elected *--farms for crop year 2013.--*

1001 Requests for LDP's Documented on CCC-633 EZ (Continued)

E Approvals and Payments

LDP requests must be:

- approved when all eligibility requirements are met
- date-stamped when CCC-633 EZ pages 1 and 2, 3, or 4 are received in the County Office to indicate the intention and the request date.

Note: If the FAX machine preprints the correct date time, when any of the CCC-633 EZ pages are received in the County Office or if the date is printed on an eForms submission, then the date stamp is not required.

Issue payments when:

- CCC-633 EZ page 1 has been filed and pages 2, 3, or 4 have been approved
- all required production evidence, such as delivery documentation, has been received for LDP's on which beneficial interest has been lost
- second party review has been completed according to paragraph 234; reviewer should initial and date CCC-633 EZ page 2, 3, or 4
- CCC-770 LDP/eLDP has been completed and signed, if applicable.

F Prompt Payment

See paragraph 35 for prompt payment due dates.

G Canceling CCC-633 EZ's

CCC-633 EZ page 2, 3, or 4 **cannot** be canceled at any time. After producers sign CCC-633 EZ page 2, 3, or 4, LDP is obligated to be paid by CCC to the producer.

H Deferred Payments

Payments **cannot** be deferred or delayed at any time. All payments **must** be made as soon as possible after the date of request.

1002 CCC-633 EZ's

A Page 1

The purpose of CCC-633 EZ page 1 is to:

- allow producers to indicate their intention to receive LDP benefits
- be completed 1 time per crop year to include all eligible commodities in which the producer maintains beneficial interest on the date page 1 is received in the applicable County Office
- cover all counties in which the producer or legal entity does business.

CCC-633 EZ page 1:

- **must** be received in the County Office on or **before** subsequent CCC-633 EZ pages 2, 3, or 4 are submitted for payment

Note: DMA's and LSA's will obtain CCC-633 EZ from their customers.

- is crop year specific and does **not** apply for subsequent crop years
- ***--**may be submitted by the producer for crop year 2013 beginning **October 1** of the preceding crop year, through the final loan availability date for the applicable commodity, as long as the producer still has beneficial interest in the commodity.

Note: For crop year 2014, LDP's were not authorized until the FR notice was published on Friday, March 28, 2014. CCC-633 EZ, page 1, could not be accepted until that date.--*

* * *

County Offices shall encourage producers to submit CCC-633 EZ page 1 each crop year whether or **not** the producer plans to subsequently request a loan or LDP.

Because CCC-633 EZ page 1 serves as the producer's **intention** to request and receive LDP benefits, the producer still maintains the ability to pledge the eligible commodity for MAL. The eligible commodity becomes ineligible for MAL, when page 2 or 4 has been submitted for payment of LDP benefits.

1002 CCC-633 EZ's (Continued)**A Page 1 (Continued)**

The County Office receiving the initial filing of CCC-633 EZ page 1, will:

- complete Part D
- FAX or mail a copy to all County Offices, identified in item 5, in which the producer or entity has a farming interest.

Note: If there are additional counties that the producer neglected to include in item 5, LDP benefits are **not** denied because that County Office did **not** receive CCC-633 EZ page 1; FAX or mail omitted County Offices a copy of CCC-633 EZ page 1 when identified.

B Page 2

CCC-633 EZ page 2 is for all harvested commodities, **except** cotton.

For commodities harvested as other than grain, fed, or used for seed, determine a yield according to paragraph 336.

Note: The option of using 3 similar farms is **no** longer allowed.

Producers may submit:

- multiple requests using the applicable CCC-633 EZ page 2, 3, or 4, to cover all eligible quantities
- one CCC-633 EZ page 2 to cover multiple commodities if the quantities are requested on the same day.

Example: Producer can submit CCC-633 EZ page 2 on January 21, 2010, for corn and soybeans. Only one CCC-633 EZ page 2 is necessary.

Note: Once CCC-633 EZ page 2, 3, or 4, is submitted and approved for payment, **no** other changes can be made to the original CCC-633 EZ.

C Page 3

CCC-633 EZ page 3 is for cotton; see 7-CN.

D Page 4

CCC-633 EZ page 4 is for wool, mohair and unshorn pelt LDP requests.

1003 FAXed CCC-633 EZ's (Continued)

C Signatures

Followup original copies and signatures are **not** required for FAXed CCC-633 EZ's.

D CCC-633 EZ's Requested But Not Received

If a producer inquires about a FAXed CCC-633 EZ that was not received, County Offices shall:

- require producer to submit documentation to verify the date and time of the CCC-633 EZ FAX transmission
- accept producer's completed CCC-633 EZ
- document the date CCC-633 EZ was FAXed 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 CCC-633 EZ transmittal
- **not** accept or approve producer's CCC-633 EZ unless the producer can provide actual FAXed date verification.

Note: Incomplete transmissions are **not** considered to be valid CCC-633 EZ's.

1004 LDP Rates**A Effective LDP Rate**

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 unauthorized warehouse, livestock feeder, processor, ethanol or bio diesel plant, or wool pool.

For commodities immediately fed during harvest, see subparagraph F.

B Determining LDP Rates for Non-ACRE-Elected Farms

LDP rates are 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 LDP rate in effect until the next posting of the repayment/LDP rates.

Example: Use LDP rate announced on Friday for commodities delivered on a Saturday, Sunday, or Monday Federal holiday.

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

See Part 7, Section 6 for determining the CCC-determined value.

***--C Determine LDP Rates for ACRE-Elected Farms for 2013 Crop Year**

The LDP rate for crop year 2013 commodities produced on ACRE-elected farms must--* include the 30 percent reduction from the loan rate **before** determining the LDP rate. Use LDP rate in effect until the next posting of the repayment/LDP rates.

Example: Use the LDP rate announced on Friday, applicable to commodities produced on ACRE-elected farms, for ACRE-elected farm commodities delivered on a Saturday, Sunday, or Monday Federal holiday.

1004 LDP Rates (Continued)***--C Determine LDP Rates for ACRE-Elected Farms for 2013 Crop Year (Continued)--***

For eligible commodities stored out of the U.S., base the LDP rate on the county where LDP is requested. The effective ACRE payment rates are displayed by State and county at www.fsa.usda.gov/FSA/displayLDPRates?area=home&subject=prsu&topic=ldp-ldp in the “Effective ACRE LDP Rate” column.

--The announced LDP rate is not reduced for sequestration. The amount paid the producer is reduced after the gross payment amount is determined.--

D 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 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, 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.

E Determining LDP Amounts

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

F LDP Rate for FAXed CCC-633 EZ page 2, 3, or 4

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

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., LDP rate is the rate in effect on the previous workday.

G 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. **Questionable cases may be reviewed by the COC for reasonableness.**

1005 Eligible Quantity

A Commodity Eligibility Requirements

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

- meet eligibility requirements in Part 2, including beneficial interest requirements
- have been produced by an eligible producer

Note: Producers found ineligible after submitting CCC-633 EZ page 1, and are later able to reestablish eligibility **before** the final loan/LDP availability day, are eligible to request LDP payment on CCC-633 EZ page 2 or 4 based on the day of LDP request or day beneficial interest was lost.

- 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.

Note: Producers **must** submit a valid CCC-633 EZ page 1 **before** losing beneficial interest.

IF...	THEN...
producer maintains beneficial interest and has submitted CCC-633 EZ, page 2 before submitting CCC-633 EZ, page 1	the LDP rate would be based on the date a correctly signed and completed CCC-633 EZ, page 1 is received in the County Office.
beneficial interest has been lost and CCC-633 EZ, page 2 is submitted before CCC-633 EZ, page 1 is received in the County Office	that quantity is ineligible for LDP.

The following are eligible for LDP:

- a quantity of a commodity eligible to be repledged for a nonrecourse loan
- silage and hay derived from an eligible loan commodity.

Note: Silage, hay, and roasted commodities are **not** eligible for MAL.

For LDP's on:

- commodities harvested as other than grain, see Section 2
- low quality commodities, see Section 3
- contaminated commodities, see Section 4
- HM or excess moisture commodities, see Section 5.

1006 LDP Types

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.

B Rate for Type

This table provides guidance for determining LDP rate based on LDP type provided CCC-633 EZ page 1 is on file.

LDP Type	LDP Rate
Beneficial interest maintained.	Rate on date of request.
Beneficial interest lost.	Rate in effect on date sold or date delivered to a non-authorized warehouse 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.

***--Note:** For crop year 2013, the LDP rate is determined for commodities produced on an--* ACRE-elected farm by reducing the loan rate by 30 percent **before** calculating the LDP rate.

1007 Completing CCC-633 EZ's

A Page 1

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

Item	Instructions
1	Enter name and address of the producer (individual, joint operation, or legal entity) for which benefits may be requested.
2	Enter telephone/cell number, including area code, of the producer.
3	Enter last 4 digits of TIN for the producer in item 1.
4	Enter crop year for the commodities covered by CCC-633 EZ.
5	<p>Enter States and the counties where the producer has an interest for the designated crop year.</p> <p>Note: CCC-633 EZ covers interests in all eligible LDP commodities of the producer in item 1. The County Office that first receives page 1, shall forward to other County Offices, as applicable, by FAX or mail.</p>
Part A – Terms and Conditions	
All producers requesting LDP shall review and understand the terms and conditions of this agreement.	
Part B – Methods of Payment Request	
All producers requesting LDP shall review and understand the methods by which a payment request may be initiated under this agreement.	
Note: Page 2, 3, or 4 must be received in the County Office before the final loan availability date for the applicable commodity.	

1007 Completing CCC-633 EZ's (Continued)

A Page 1 (Continued)

Item	Instructions
Part C – Producer Signature and Certification	
6 and 7	<p>After reading the certification statement, the producer needs to sign and date in items 6 and 7. The signatures indicate the producer has reviewed and agrees to the conditions listed. There will be one CCC-633 EZ page 1 per producer. Multiple signature lines are provided for cases where multiple signatures are required to act for an operation or legal entity. If additional signature lines are needed, the producer shall use page 5, Part C.</p> <p>In item 6B, “Title/Relationship”, the signatory shall enter their relationship authorizing them to sign on behalf of the producer; for example, power of attorney, position in the company, spouse, etc.</p> <p>Example: Treasurer of Smith Bros., Inc.</p> <p>If the applicant is not signing in the representative capacity, leave field 6B blank. If “SELF” is written to indicate the producer is signing on behalf of their own self, it is acceptable; however, not necessary.</p> <p>Note: Generally, there will be one CCC-633 EZ page 1 per producer. Multiple signature lines are provided for cases where multiple signatures are required to act for the operation or legal entity. If additional signature lines are needed, the producer shall use page 5, Part C.</p>
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 name and address of the County FSA Office, LSA, or DMA receiving and signing the original page 1. The County Office may enter their assigned State and county code in place of their name and address.

Note: Pages 2, 3, or 4 **must** accompany all requests for payment. If additional information is needed to determine eligible producer, net quantity, and payment rate, then the request will **not** be paid until evidence is provided.

1007 Completing CCC-633 EZ's (Continued)

B Page 2

Complete CCC-633 EZ page 2 according to the following. A separate page 2 is **required** for *-LDP requests for commodities produced on ACRE-elected farms (for 2013 crop only) and-* non-ACRE-elected farms.

Item	Instructions
Part E – Request for LDP	
13A	Enter producer’s name, address, and phone number, including area code. Note: This should be the same as in item 1.
13B	Enter last 4 digits of TIN of the producer in item 13A.
14	Enter alternate phone number, including area code, of producer in item 13A (optional).
15	Enter crop year for which LDP is requested.
16	Enter 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 processing system-assigned LDP number.
19	Enter 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, applicants must indicate the predominate class of wheat.
20	Enter 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, bu, lbs, or cwt. CCC is required to establish a whole grain yield according to paragraph 336.

1007 Completing CCC-633 EZ's (Continued)

B Page 2 (Continued)

Item	Instructions
Part E – Request for LDP (Continued)	
21	<p>Check (✓) the box from the following that corresponds with the source of the quantity in item 20:</p> <ul style="list-style-type: none"> • “A”, “Certified”, if no acceptable production and/or sales evidence is provided at the time of payment request <p>Note: Certified quantities are subject to spot check and CCC may require production evidence to support the certification.</p> <ul style="list-style-type: none"> • “B”, “Measurement Service”, if measurement service is requested to determine quantity <p>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.</p> <ul style="list-style-type: none"> • “C”, “Production Evidence”, if request for payment is accompanied by production and/or sales evidence. <p>Note: When acceptable production and/or sales evidence is provided at the time of payment request, no additional documentation will be required.</p>
22	<p>Enter:</p> <ul style="list-style-type: none"> • State, if necessary, and county where the quantity in item 20 is stored • location within the same county where the commodity is stored. <p>Example: Bin number, legal description, and/or land description; enter the warehouse name if commodity is warehouse-stored.</p> <p>A separate LDP request must be completed for quantities stored in a different county.</p>
23A and 23B	<p>Enter 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.</p>

1007 Completing CCC-633 EZ's (Continued)

B Page 2 (Continued)

Item	Instructions
Part E – Request for LDP (Continued)	
24	<p>For FSA use only. Enter LDP rate in effect according to the applicable date as provided in item 23. For multiple dates of delivery, ENTER “See Attached Production Evidence”.</p> <p>Note: All commodities grown on ACRE-elected farms must be included on one *--CCC-633 EZ, for crop year 2013 only.--*</p>
Part F – Producer Certification	
25 through 27	<p>After reading the certification statement, the producer must sign, enter share percentage of the LDP quantity, and date in items 25A, 26, and 27. The signatures indicate the producer has reviewed and agrees to the conditions listed. There will be one CCC-633 EZ per producer. Multiple signature lines are provided for cases where multiple signatures are required to act for an operation or entity. If additional signature lines are needed, the producer shall use page 5, Part F. The approval date will be the date all required signatures are in the County Office.</p> <p>In item 25B, “Title/Relationship”, the signatory shall enter their relationship authorizing them to sign on behalf of the producer; for example, power of attorney, position in the company, spouse, etc.</p> <p>Example: Treasurer of Smith Bros., Inc.</p> <p>If the applicant is not signing in the representative capacity, leave field 25B blank. If “SELF” is written to indicate the producer is signing on behalf of their own self, it is acceptable; however, not necessary.</p> <p>If beneficial interest has not been lost, the effective LDP rate will be based on the time and date a properly completed request for payment is received in the FSA County Office.</p>
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	<p>Enter any additional information pertinent to the approval or disapproval of this payment request. Second party review initials are required.</p> <p>Note: For commodities produced on ACRE-elected farms, enter “ACRE-elected *--commodities from ACRE-elected farms only”, for crop year 2013.--*</p>

1007 Completing CCC-633 EZ's (Continued)

C Page 3

Complete CCC-633 EZ page 3 according to 7-CN.

D Page 4

Complete CCC-633 EZ page 4 according to the following.

Note: Items 57 through 86 are **only** applicable to wool, mohair, or unshorn pelt LDP's.

* * *

Item	Instructions
Part M – Request for Wool, Mohair, or Unshorn Pelt LDP	
57	Enter producer's name and address. Note: This should be the same as in item 1.
58	Enter last 4-digits of the applicant's TIN.
59	Enter telephone/cell number, including area code, of the producer.
60	Enter crop year for which LDP is requested.
61	Check either "Yes" or "No" to the question, "Are you or any co-applicant delinquent on any Federal non-tax debt"? If "Yes", then explain in item 86.
62	Enter State and county where the farm records are maintained.
Part N – Complete for Wool or Mohair	
63	For FSA use only. Enter processing system-assigned LDP number
64	Check either "Mohair" or "Wool" to indicate the applicable commodity for which this LDP is requested.
65	If "wool" is selected in item 64, check either "Graded" or "Ungraded" to indicate applicable type of wool. If graded is selected, enter the micron and yield from the core test report (Exhibit 40) in item 86, "Additional Information". Note: This item is not applicable to mohair.
66	Enter net quantity requested for this payment in lbs.

1007 Completing CCC-633 EZ's (Continued)

D Page 4 (Continued)

Item	Instructions
Part N – Complete for Wool or Mohair (Continued)	
67	<p>Check the box from the following that corresponds with the source of the quantity in item 66:</p> <ul style="list-style-type: none"> • “A”, “Certified”, if quantity is based on producer certification and no acceptable production and/or sales evidence are provided at the time of payment request <p>Note: Certified quantities are subject to spot check and CCC may require production evidence to support the certification.</p> <ul style="list-style-type: none"> • “B”, “Production Evidence”, if quantity is based on an attached invoice, weight receipt, or settlement sheet and/or sales evidence • “C”, “Quantity in Excess of Certified Quantity”, if quantity is based on a request for an additional LDP disbursement on a quantity in excess of previously submitted request (CCC-633 EZ page 4) for a certified quantity after delivery of the wool or mohair when beneficial interest is lost. <p>Acceptable documentation in the form of a net weight receipt or settlement sheet from the sale or delivery of the wool and mohair must be provided to support the additional quantity in excess of the certified quantity.</p>
68	<p>Enter:</p> <ul style="list-style-type: none"> • State, if necessary, and county where the quantity in item 66 is stored • location within the same county where the commodity is stored. <p>Example: Barn/shed location, legal description, and/or land description, enter the warehouse name if commodity is warehouse-stored or stored by a commissioned agent.</p> <p>A separate LDP request must be completed for quantities stored in a different county.</p>
69	<p>Enter date of this request or the date beneficial interest was lost. If a request has multiple dates, such as sale, delivery, or slaughter, and production evidence or schedule/ledger is provided that shows when beneficial interest is lost, then this item can be left blank.</p>
70	<p>For FSA use only. Enter LDP rate in effect as it determines when beneficial interest was lost or when an acceptable application is submitted.</p>

1007 Completing CCC-633 EZ's (Continued)

F Example of CCC-633 EZ

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	
		3. ID Number (Last 4 Digits): XXXX	4. Crop Year: 20XX
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:		5. State(s) and County(s) State, Jones County	
<ul style="list-style-type: none"> • title to the commodity • control of the commodity 			
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			
<ul style="list-style-type: none"> • 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.)			
<ul style="list-style-type: none"> • 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 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)	8A. Producer's Signature (BY)
/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	04-01-2014		Jones County FSA Office 1521 Main Street Anywhere, ST 00001
9. Title of CCC Representative			
CEO			
<p>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.</p> <p>The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited basis will apply to all programs and/or employment activities.) Persons with disabilities, who wish to file a program complaint, write to the address below or if you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 945-6136 (in Spanish).</p> <p>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.</p>			

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1007 Completing CCC-633 EZ's (Continued)

F Example of CCC-633 EZ (Continued)

The following is an example CCC-633 EZ page 2 for non-ACRE-elected farm production.

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CCC-633 EZ (03-28-14)									
PART E - REQUEST FOR LDP									
13A. Contact Name and Address of Producer (Include Zip Code) (Please Print) William Green 510 Hwy 123 Anywhere, ST 00001			13B. ID Number (Last 4 digits) XXXX		14. Telephone or Cell Number (Include Area Code) (Optional) 999-555-1212		15. Crop Year 20XX	17. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 32. <input type="checkbox"/> YES <input checked="" type="checkbox"/> 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) Examples: Warehouse-Stored: Ohio, Athens Co., ABC Warehouse Farm-Stored: Texas, Webb Co., 30' Butler Bin, North of House	23. Effective Date of LDP Rate (MM-DD-YYYY)		24. LDP Rate (CCC Use Only)
			A. Certified	*B. Measurement Service	C. Production Evidence		A. Date of LDP Request or Date Beneficial Interest Was Lost	B. Check to Request Date of Delivery	
	Rice-Rough-Long	10,000 cwt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nw 1/4 sec. 10 Jones Co. North 36' Bin	08-29-XX	<input type="checkbox"/>	.10
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
* 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) <i>William Green</i>		25B. Title/Relationship (Individual Signing in a Representative Capacity)		26. Share % 100%	27. Date (MM-DD-YYYY) 08-29-XX	25A. Producer's Signature (By)		25B. Title/Relationship (Individual Signing in a Representative Capacity)	27. Date (MM-DD-YYYY)
PART G - CCC APPROVAL (FOR CCC USE ONLY)									
28. Signature of CCC Representative <i>John Doe</i>		29. Title of CCC Representative CED		30. Date (MM-DD-YYYY) 08-29-XX	31. Action: <input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED		32. Additional Information/Second Party Review		

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1007 Completing CCC-633 EZ's (Continued)

F Example of CCC-633 EZ (Continued)

The following is an example of CCC-633 EZ page 3.

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CCC-633 EZ (03-28-14)							
PART H - REQUEST FOR COTTON LDP							
33A. Contact Name and Address of Producer (Include Zip Code) <i>(Please Print)</i> William Green 510 Hwy 123 Anywhere, St 00001		33B. ID No. <i>(Last 4 digits)</i> XXXX	34. Telephone or Cell Number <i>(Include Area Code) (Optional)</i> 999-555-1212	35. Farm Number 66	36. Crop Year 20XX	37. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in item 56. <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
38. Producer Initials to verify LDP type and bale quantity	Type of LDP Requested	Must be Requested	Must have Beneficial Interest at Time of LDP Application?	The LDP Rate will be the rate in effect on the:		39. Quantity: (Use Part K for file sequence number(s))	
	Irrevocable Module Lock-In	After Harvest, Before Ginning	YES	Date an Accurately Completed Request is Submitted. ▶		Identified by gin as being produced from the module(s) listed in Part I and identified by bale list or file sequence number(s).	
Whg	Gin-Direct	Before Date of Ginning	YES	Date of Ginning ▶		GIN DIRECT ONLY: For each farm number producer enters number of bales or "ALL" to be identified by bale list or file sequence number.	
						A. FARM NO.	B. NO. BALES
						666	315
	Irrevocable Post-Ginning	After Ginning	YES	Later of: 1) date of request or 2) date bale list submitted ▶		C. Producer enters bale quantity (to be verified by bale list or file sequence number): N/A	
	Lost Beneficial Interest	After Ginning	NO	Date Beneficial Interest Lost ▶		D. Producer enters bale quantity (to be verified by bale list or file sequence number): N/A	
PART I - MODULE IDENTIFICATION OF SEED COTTON (Completed for Module Lock-In LDP Request)							
40. Gin Code:				41. Module Location at Farm or Gin:			
42. Gin's Module/Trailer Number:							
PART J - PRODUCER CERTIFICATION (For additional signatures, complete CCC-633 EZ Continuation, Part J)							
I certify all information entered on this form is true and correct.							
43A. Producer's Signature (By) <i>Wd William Green</i>	43B. Title/Relationship (Individual Signing in a Representative Capacity) Self	44. Share % 100%	45. Date (MM-DD-YYYY) 11-15-20XX	43A. Producer's Signature (By)	43B. Title/Relationship (Individual Signing in a Representative Capacity)	44. Share %	45. Date (MM-DD-YYYY)
PART K - INFORMATION FOR LDP REQUEST (Complete Upon Receipt of Bale Data Files) (FOR CCC USE ONLY)							
46. LDP Number 11456	47. File Sequence Number(s) 0234	48. Date File(s) Received (MM-DD-YYYY) 11-20-20XX	49. Bale Count 315				
PART L - CCC APPROVAL (FOR CCC USE ONLY)							
50A. Signature of CCC Representative <i>Wd John Doe</i>	50B. Title of CCC Representative CED	53. Date Request Submitted (MM-DD-YYYY) 11-15-20XX	55. Name and Address of FSA County Office or LSA Jones Co FSA Office 1521 Main Street Anywhere, ST 00001	56. Additional Information/Second Party Review			
51. Action: <input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED	52. Date of Signature by CCC Representative (MM-DD-YYYY) 11-21-20XX	54. AWP on Applicable Date 96.69					

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1007 Completing CCC-633 EZ's (Continued)

F Example of CCC-633 EZ (Continued)

The following is an example of CCC-633 EZ page 4.

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CCC-633 EZ (03-28-14)											
PART M - REQUEST FOR WOOL, MOHAIR, OR UNSHORN PELT LDP											
57. Contact Name and Address of Producer (Include Zip Code) (Please Print) William Green 510 Hwy 123 Anywhere, ST 00001					58. ID Number (Last 4 Digits) XXXX	59. Telephone or Cell Number (Include Area Code) 999-555-1212	60. Crop Year 20XX	61. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 86. <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
A completed CCC-633 EZ (Page 1) must be on file for the crop year identified in Item 60 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.					62. State and County where Farm Records are Maintained State, Jones Co.						
Complete Items 64 through 69 for wool and mohair or Items 72 through 77 for unshorn lamb pelts and sign/date below. Indicate the source of quantity in Item 67 or 75 if this is a certified LDP, indicate for wool or mohair only if the quantity is in excess of the certified quantity, or indicate if production evidence is attached, as applicable. When beneficial interest has been lost, indicate date of sale, delivery, slaughter, etc., as applicable, as the effective date of LDP rate in Item 69 or 77. If additional entries are needed, provide data on an additional CCC-633 EZ, Page 4.											
PART N - COMPLETED FOR WOOL OR MOHAIR											
63. LDP No. (CCC Use Only)	64. Commodity	65. Type		66. Net Quantity (lbs.)	67. Source of Quantity (Check one of the following)			68. Stored Location (State, County, Warehouse, Farm Storage Location)	69. Effective Date of LDP Rate (Date of Request or Date Beneficial Interest was Lost) (MM-DD-YYYY)	70. LDP Rate (CCC Use Only)	
					A. Certified	B. Production Evidence	C. Qty in Excess of Certified Qty.				
99055	Mohair <input type="checkbox"/> Wool <input checked="" type="checkbox"/>	Graded <input type="checkbox"/>	Ungraded <input checked="" type="checkbox"/>	100	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Barn Number 2	09-13-20XX	\$0.05	
99056	Mohair <input type="checkbox"/> Wool <input checked="" type="checkbox"/>	Graded <input checked="" type="checkbox"/>	Ungraded <input type="checkbox"/>	50	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Barn Number 2	09-13-20XX	\$0.05	
	Mohair <input type="checkbox"/> Wool <input type="checkbox"/>	Graded <input type="checkbox"/>	Ungraded <input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
	Mohair <input type="checkbox"/> Wool <input type="checkbox"/>	Graded <input type="checkbox"/>	Ungraded <input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
PART O - COMPLETED FOR UNSHORN LAMB PELTS											
71. LDP No. (CCC Use Only)	72. Number of Unshorn Lamb Pelts Requested	73. Use				74. Stored Location (If applicable) (State, County, Warehouse, Farm Storage Location)	75. Source of Quantity (Check one of the following)		76. Current Herd/ Flock Size	77. Effective Date of LDP Rate (Date of Request or Date Beneficial Interest was Lost) (MM-DD-YYYY)	78. LDP Rate (CCC Use Only)
		A. Immediate Slaughter	B. Slaughter for Personal Use	C. Preserved and Stored	D. Sold as Feeders to Lamb Buyer		A. Certified	B. Production Evidence			
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>			
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>			
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>			
PART P - PRODUCER CERTIFICATION (For additional signatures, complete CCC-633 EZ Continuation, Part P)											
I certify all information entered on this form is true and correct and that the commodity was owned/retained for at least 30 days before the date of shearing or slaughter for unshorn lambs. By completing Part N for wool and mohair or Part O for unshorn lamb pelts and signing and dating this form, I hereby make a request for a payment from Community 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.											
78A. Producer's Signature (By) <i>/s/ William Green</i>	79B. Title/Relationship (Individual Signing in a Representative Capacity) Self	80. Share % 100%	81. Date (MM-DD-YYYY) 10-14-20XX	78A. Producer's Signature (By)	79B. Title/Relationship (Individual Signing in a Representative Capacity)	80. Share %	81. Date (MM-DD-YYYY)				
PART Q - CCC APPROVAL (FOR CCC USE ONLY)											
82A. Signature of CCC Representative <i>/s/ John Doe</i>	82B. Title of CCC Representative CED	83. Date (MM-DD-YYYY) 10-14-20XX	84. Action: <input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED	85. Is the quantity for this LDP reasonable? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	86. Additional Information/Second Party Review						
Page 4											

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1007 Completing CCC-633 EZ's (Continued)

F Example of CCC-633 EZ (Continued)

The following is an example of CCC-633 EZ page 5.

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CCC-633 EZ Continuation (03-28-14)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation						
CONTINUATION SHEET FOR LOAN DEFICIENCY (LDP) PAYMENT AGREEMENT AND REQUEST (Use with CCC-633 EZ Pages 1, 2, 3, or 4)								
Attach to Form CCC-633 EZ, Page _____								
Enter a Check by the Appropriate Part to Indicate which Section this Form Applies.								
<input type="checkbox"/> PART C - PRODUCER CERTIFICATION (CCC-633 EZ Page 1) (Continuation)								
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)			
<input type="checkbox"/> PART F - PRODUCER CERTIFICATION (CCC-633 EZ Page 2) (Continuation for LDP Request)								
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)	
<input type="checkbox"/> PART J - PRODUCER CERTIFICATION (CCC-633 EZ Page 3) (Continuation for Cotton LDP Request)								
43A. Producer's Signature (By)	43B. Title/Relationship (Individual Signing in a representative capacity)	44. Share %	45. Date (MM-DD-YYYY)	43A. Producer's Signature (By)	43B. Title/Relationship (Individual Signing in a representative capacity)	44. Share %	45. Date (MM-DD-YYYY)	
<input type="checkbox"/> PART P - PRODUCER CERTIFICATION (CCC-633 EZ Page 4) (Continuation for Wool, Mohair, or Unshorn Pelt LDP Request)								
79A. Producer's Signature (By)	79B. Title/Relationship (Individual Signing in a representative capacity)	80. Share %	81. Date (MM-DD-YYYY)	79A. Producer's Signature (By)	79B. Title/Relationship (Individual Signing in a representative capacity)	80. Share %	81. Date (MM-DD-YYYY)	

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1009 Notification of Denied LDP Benefits

A Denied LDP Notification

When the producer is denied LDP benefits, County Offices shall:

- immediately notify the producer in writing
- use the applicable letter in Exhibit 11, subparagraph K or L about denial of loan or LDP benefits and include the following:
 - reason for denying LDP
 - appeal rights according to 1-APP.

Notes: Rewrite the letter to reflect the reason for LDP denial, as applicable.

See Exhibit 11, subparagraph A, “Miscellaneous Notification Letters for Loans and LDP’s”.

*--For crop:

- years 2014 through 2018, LDP’s requested and denied because of AGI and /or payment limitations, are eligible for nonrecourse loans if all other eligibility requirements are met
- year 2013, if LDP benefits are denied because of AGI, producers are afforded the--* opportunity to request a nonrecourse loan by the final availability date if all other eligibility requirements are met.

1010-1019 (Reserved)

Section 2 Commodities Harvested as Other Than Grain**1020 Eligibility for LDP****A Eligible Harvested as Other Than Grain Commodities**

Eligible commodities include barley, canola, chickpeas (small and large), corn, crambe, dry peas, flaxseed, grain sorghum, lentils, mustard seed, oats, rapeseed, rice, safflower, sesame seed, soybeans, sunflower seed, or wheat that meet 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 are:

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

Note: Hay, silage, and roasted commodities are **not** eligible for MAL.

Commodities **must** be mechanically harvested. Grazing is **not** considered harvested and is **not** eligible for LDP. See Part 11 for graze-out payments.

1020 Eligibility for LDP (Continued)

C Requests

LDP's must be requested on CCC-633 EZ page 2, **after** page 1 has been submitted.

D Maximum Eligible Quantities

To process LDP on commodities harvested as other than grain, determine the maximum eligible production according to paragraph 336.

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

When the bu. or cwt. is determined, according to paragraph 336, the LDP request can be approved and payment made.

--E LDP Rate--

Use the LDP rate applicable to the date of:

- request
- delivery
- harvest for commodities fed during harvest
- loss of beneficial interest, **only** if CCC-633EZ, Page 1, was filed timely.

*--For crop year 2013 only, the LDP rate for commodities produced on ACRE-elected farms is determined by reducing the loan rate by 30 percent **before** calculating the LDP rate. In a case of commodities harvested as other than grain, the loan rate is reduced for both ACRE and commodities harvested as other than grain adjustments, **before** calculating the LDP rate. LDP rates **cannot** be less than zero.

The following table illustrates how the LDP rate for a commodity harvested as other than grain is computed for ACRE-elected (for 2013 crop only) and non-ACRE-elected farms, when the CCC-determined value is \$1.20. For crop year 2014, see the Non-ACRE column.--*

Determining Commodity Other Than Grain LDP Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE Reduction: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate: Adjusted for ACRE (Line 1 – Line 2)	\$4.20	\$6.00
4	Loan Rate for Commodities Other Than Grain: 30 Percent of Loan Rate, according to subparagraph 520 D (.30 x Line 3)	\$1.26	\$1.80
5	CCC-Determined Value of Commodity	\$1.20	\$1.20
6	LDP Rate for Commodities Other Than Grain (Line 4 - Line 5)	\$0.06	\$0.60

1020 Eligibility for LDP (Continued)

E LDP Rate for ACRE and Non-ACRE-Elected Farms (Continued)

The following table illustrates how the LDP rate for a commodity harvested as other than *--grain is computed for ACRE-elected (for 2013 crop year) and non-ACRE-elected farms when the CCC-determined value is \$3.07. For crop year 2014, see the Non-ACRE column.--*

Determining Commodity Other Than Grain LDP Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE Reduction: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate: Adjusted for ACRE (Line 1 – Line 2)	\$4.20	\$6.00
4	Loan Rate for Commodities Other Than Grain: 30 Percent of Loan Rate, according to subparagraph 520 D (.30 x Line 3)	\$1.26	\$1.80
5	CCC-Determined Value of Commodity	\$3.07	\$3.07
6	LDP Rate for Commodities Other Than Grain (Line 4 - Line 5)	\$0.00	\$0.00

1021-1029 (Reserved)

Section 3 Low Quality Commodities

1030 Eligibility for LDP

A Eligible Low Quality Commodities

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

Note: Wheat that is on the additional schedule of discounts because of falling numbers **only**, and all other grading and quality factors are not on the additional schedule, does **not** qualify as low quality wheat. See information on falling number discounts for wheat in 2-LP Grains and Oilseeds.

B LDP Request

Request LDP’s on CCC-633 EZ page 2, 3, or 4, as applicable, **after** page 1 has been submitted.

C LDP Rate

Use the LDP rate applicable to the date of:

- request for LDP
- delivery
- feeding for commodities fed during harvest
- loss of beneficial interest, **only** if CCC-633 EZ page 1 was filed timely.

*--For crop year 2013 only, LDP rate for commodities produced on ACRE-elected farms is determined by reducing the loan rate by 30 percent **before** calculating the LDP rate. In a case of low quality commodities, the loan rate is reduced for both ACRE and low quality adjustments **before** calculating the LDP rate. LDP rates **cannot** be less than zero.

The following table illustrates how the LDP rate for a low quality commodity is computed for ACRE-elected (for 2013 crop year) and non-ACRE-elected farms when the CCC-determined value is \$0.80. For crop year 2014, see the Non-ACRE column.--*

Determining Low Quality Commodity LDP Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate: Adjusted for ACRE (Line 1 – Line 2)	\$4.20	\$6.00
4	Loan Rate for Low Quality Commodities: 20 Percent of Loan Rate, according to subparagraph 520 F (.20 x Line 3)	\$0.84	\$1.20
5	CCC-Determined Value of Commodity	\$0.80	\$0.80
6	LDP Rate for Low Quality Commodities (Line 4 – Line 5)	\$0.04	\$0.40

1030 Eligibility for LDP (Continued)

C LDP Rate (Continued)

The following table illustrates how the LDP rate for a low quality commodity is computed for

--ACRE-elected (for 2013 crop year) and non-ACRE-elected farms when the CCC-determined value is \$3.07. For crop year 2014, see the Non-ACRE column.--

Determining LDP Rates for Low Quality Commodities			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate: Adjusted for ACRE (Line 1 – Line 2)	\$4.20	\$6.00
4	Loan Rate for Low Quality Commodities: 20 Percent of Loan Rate, according to subparagraph 520 F (.20 x Line 3)	\$0.84	\$1.20
5	CCC-Determined Value of Commodity	\$3.07	\$3.07
6	LDP Rate for Low Quality Commodities (Line 4 – Line 5)	\$0.00	\$0.00

D Production Evidence

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

1031-1039 (Reserved)

Section 4 Contaminated Commodities

1040 Eligibility for LDP**A Eligible Contaminated Commodities**

Contaminated commodities are commodities that contain any of the following:

- mercurial compounds
- toxin producing molds, such as aflatoxin
- other substances poisonous to humans or animals
- any contamination in food commodities.

Illegally contaminated and nonmarketable commodities that test positive for a contaminant are **not** eligible for loan or LDP.

B Eligible Commodities

Contaminated commodities are eligible for nonrecourse loans, but only at 10 percent of the loan rate, according to Part 5, Section 2. Any contaminated commodity must be merchantable to be eligible. Any commodity eligible for nonrecourse loan is eligible for LDP under this section.

Contaminant testing is **not** required for LDP.

C LDP Request

Request LDP's on CCC-633 EZ page 2, 3, or 4, as applicable, **after** page 1 has been submitted.

D LDP Rate

Use the LDP rate applicable to the date of:

- request for LDP's
- delivery
- harvest for commodities immediately fed during harvest
- loss of beneficial interest, **only** if CCC-633 EZ page 1 was filed timely.

1040 Eligibility for LDP (Continued)

D LDP Rate (Continued)

*--For crop year 2013 only, the LDP rate for commodities produced on ACRE-elected farms is determined by reducing the loan rate by 30 percent **before** calculating the LDP rate. In a case of contaminated commodities, the loan rate is reduced for both ACRE and contaminated commodity adjustments **before** calculating the LDP rate. LDP rates cannot be less than zero.

The following table illustrates how the LDP rate for a contaminated commodity is computed for ACRE-elected (for 2013 crop year) and non-ACRE-elected farms when the CCC-determined value is \$0.40. For crop year 2014, see the Non-ACRE column.--*

Determining Contaminated Commodity LDP Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate: Adjusted for ACRE (Line 1 – Line 2)	\$4.20	\$6.00
4	Loan Rate for Contaminated Commodities: 10 Percent of Loan Rate, according to subparagraph 520 E (.10 x Line 3)	\$0.42	\$0.60
5	CCC-Determined Value of Commodity	\$0.40	\$0.40
6	LDP Rate for Contaminated Commodities (Line 4 – Line 5)	\$0.02	\$0.20

The following table illustrates how the LDP rate for a contaminated commodity is computed *--for ACRE-elected (for 2013 crop year) and non-ACRE-elected farms when the CCC-determined value is \$3.07. For crop year 2014, see the Non-ACRE column.--*

Determining Contaminated Commodity LDP Rate			
Line	Description	ACRE	Non-ACRE
1	Loan Rate (County Rate for Durum Wheat)	\$6.00	\$6.00
2	ACRE Reduction: 30 Percent of Loan Rate (.30 x Line 1)	\$1.80	N/A
3	Effective Loan Rate: Adjusted for ACRE (Line 1 – Line 2)	\$4.20	\$6.00
4	Loan Rate for Contaminated Commodities: 10 Percent of Loan Rate, according to subparagraph 520 E (.10 x Line 3)	\$0.42	\$0.60
5	CCC-Determined Value of Commodity	\$3.07	\$3.07
6	LDP Rate for Contaminated Commodities (Line 4 – Line 5)	\$0.00	\$0.00

E Production Evidence

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

1041-1049 (Reserved)

Part 11 Graze-Out Payments

1100 General Provisions

A Definition of Graze-Out Payments

[7 CFR 1421.300] Graze-out payments are payments made to eligible producers who although eligible to obtain a loan:

- elect to use acreage planted with barley, oats, triticale, or wheat for livestock grazing
- agree to forgo any other harvesting of the commodity on this acreage during the applicable crop year.

B Definition of Triticale

Triticale is grain that consists of 50 percent or more of whole triticale (X Triticosecale Wittmack) and **not** more than 10 percent of other grains for which standards have been established under the United States Grain Standard Act.

C Prohibiting Crop Insurance Indemnity or NAP

Producers who elect to graze barley, oats, triticale, or wheat will **not** be eligible for an indemnity for the same acres under the Federal Crop Insurance Act or NAP.

1101 General Information**A Eligibility Requirements**

Graze-out payments are subject to the same basic eligibility requirements as commodity loans and LDP's including, but **not** limited to the following:

- AGI provisions
- beneficial interest
- conservation compliance
- death, incompetency, disappearance, or dissolution of a producer
- foreign person determinations
- misaction or misinformation
- offsets
- *-- payment limitations for crop year 2014, together with market loan gains, PLC and ARC, see subparagraph 34 A for additional information.--*

B Application Period

The application period for graze-out:

- begins on the first day of mechanical harvest as determined by COC
- ends on March 31 of the calendar year following the year the crop is normally harvested.

Producers may file an application for graze-out anytime during this application period.

Reminder: Applications may **not** be cancelled or withdrawn once requested.

COC shall determine and document in COC minutes, the beginning harvest date in the county for barley, oats, triticale, or wheat. This will be the earlier of the normal harvest date for grain or the normal harvest date when harvested as other than grain.

1104 Payment Rate and Calculations

A Graze-Out Payment Rate

The graze-out payment rate is determined by the amount the applicable commodity loan rate exceeds the CCC-determined value of the commodity for the county where the farm is located.

* * *

*--The effective payment rates, the same as the LDP rate, are posted by State and County Offices at www.fsa.usda.gov/FSA/displayLDPRates?area=home&subject=prsu&topic=ldp-ldp. After the “State”, “County”, and “Crop Year” is selected, CLICK “**Submit**”. The rates will be displayed in the column titled, “Effective LDP Rate”.--*

Note: The graze-out payment rate is **the rate in effect on the day a completed CCC-633 GRAZING is received** in the FSA administrative County Office.

CCC-633 GRAZING is complete when all applicable:

- entries have been completed by the producer according to subparagraph 1105 A
- all applicable producer signatures have been obtained.

Note: For triticale, the payment rate is calculated based on the predominant class of wheat in that county.

*--The following table illustrates how the graze-out payment is computed.

Determining Graze-Out Payment Rate		
Line	Description	Rate
1	Loan Rate (County Rate for Durum Wheat)	\$6.04
2	CCC-Determined Value of the Commodity	\$3.07
3	Graze-Out Rate (Line 3 – Line 4)	\$2.97

--*

1104 Payment Rate and Calculations (Continued)**B Applicable Yield**

For graze-out, the yields shall be determined as follows:

- the payment yield shall be the yield in effect for calculating the direct payment yield under DCP according to 7 CFR Part 1412
- in the event the previous option is not available, the applicant may submit actual production harvested as grain on the same farm or another farm of the applicant in the same area
- if neither of the previous 2 options is available, COC may establish a yield based on their judgment and knowledge of practices and growing conditions in the county with documentation supporting the COC established yield, which **must** be included in the COC minutes.

Note: The option of using 3 similar farms is **no** longer allowed.

For triticale, the payment yield shall be based on the predominant class of wheat according to the options in this subparagraph.

C Payment

Calculate the graze-out payment by multiplying the actual grazed acreage requested for grazing times the applicable yield times the payment rate.

***--Example:** Using the graze-out rate from the table in subparagraph A, 40 acres grazed x 50 bu/acre x \$1.16 graze-out rate = \$2,320 graze-out payment.--*

After the payment is calculated and reviewed by a second party, State Offices shall send an e-mail to DeAnn Allen, PSD, at deann.allen@wdc.usda.gov, identifying the county and amount of funding needed to process CCC-633 GRAZING.

CCC-633 GRAZING can be processed through the web-based eLDP system only **after** eFunds have been allocated to the county. The National Office program manager will allocate the eFunds.

1105 CCC-633 GRAZING's

A Completing CCC-633 GRAZING's

Complete CCC-633 GRAZING's according to the following. CCC-633 GRAZING's shall be completed by FSN and crop.

All persons who share in the grazed acreage **must** be included on one CCC-633 GRAZING.

Item	Instructions
Items 1 through 5 are completed by the FSA County Office.	
1	Enter applicable crop year.
2A and 2B	Enter FSN and the application number assigned by APSS after CCC-633 GRAZING has been recorded in APSS. Note: County Office use only. FSN needed to determine rate.
3	Enter name and address of the applicable County Office.
4	Enter applicable State code. Note: County Office use only.
5	Enter the applicable county code.
Part A, items 6 through 16B are completed by the producer.	
6	Enter producer's name, address, and telephone number. Note: This will be the contact producer if more than 1 producer shares in the grazed acreage.
7	Check the type of commodity grazed.
8	Enter wheat class, as applicable.

1105 CCC-633 GRAZING's (Continued)

A Completing CCC-633 GRAZING's (Continued)

Item	Instructions
9 through 14	Check applicable box in response to each question.
15	Enter actual or estimated grazing period for the farm. *--Example: August 15, 2014, through September 15, 2014.--*
16A	Enter requested acres that have been or will be grazed.
16B	Enter corresponding tract/field location.
Part B, items 17 through 23 are completed by the FSA County Office.	
17	Enter total acreage requested from item 16A. County Offices shall ensure that the tract/field location certified on FSA-578 is the same as the tract/field location requested by the producer in item 16B.
18	Enter yield, as applicable. This is the payment yield determined according to subparagraph 1104 B.
19	Enter result of item 17 multiplied times item 18.
20	Enter county where the commodity was grazed if different than the FSA administrative County Office.
21	Enter date the request is completed.
22	*--Enter payment rate applicable to the date in item 21.--*
23	Enter result of item 19 multiplied times item 22.
Part C, item 24 is to be completed by the producer.	
24	After reading the certification statement, all producers shall sign, provide ID number, date, and indicate share of the grazed crop, as applicable.
Item 25 is to be completed by the FSA County Office.	
25	COC or designee shall approve or disapprove CCC-633 GRAZING, sign, provide title, and date, as applicable. Note: Do not approve if producer is not in compliance. Provide a copy to the producer, as applicable.

1201 Loan Rates**A Final Date to Request Loan**

The producer must request the loan by the final availability date for the commodity according to subparagraph 226 C.

B Loan Rate

The loan rate shall be, for commodities stored in structures that:

- can be measured, 100 percent of the base county loan rate if the quantity is:
 - measured and the structure may or may not be sealed after being measured
 - certified and the structure will **not** be sealed
- **cannot** be measured, 75 percent of the base county loan rate.

Example: \$2 base county loan rate x 75 percent = \$1.50 applicable loan rate.

Structures that are sealed shall be considered structures that “cannot be measured”.

--For crop year 2013, the loan rate for commodities produced on ACRE-elected farms will-- be further reduced by 30 percent.

C Moisture Determination

The moisture determination may be determined by any of the following:

- local warehouse or State inspection facilities at producer’s expense
- FSA employee
- producer’s certification of moisture, when the commodity is in a structure that **cannot** be measured.

Do **not**:

- obtain sample or certification for test weight
- adjust for test weight and pack factors.

D Determining Farm-Stored Loan Quantity

When excess moisture is determined according to subparagraph 528 C, apply the applicable moisture shrink factor, according to Exhibit 12, to the determined loan quantity.

Do **not** apply a discount for excess moisture.

1201 Loan Rates (Continued)

E Loan Quantity Adjusted for Moisture

The loan quantity shall be:

- * * * 100 percent of the certified or measured quantity * * *
- adjusted for the applicable moisture shrink factor, according to Exhibit 12, to reflect the quantity at the 2-LP standard moisture level.

Example: Grain sorghum is 14.0 percent and corn is 15.5 percent.

F Establishing Repayment Schedule

If commodity will be fed, County Offices shall establish a loan repayment schedule with each producer:

- at loan disbursement
- to ensure that the loan is repaid before:
 - the commodity is removed for feed
 - loan maturity.

County Offices shall establish a system to periodically monitor the repayment schedule.

1202-1209 (Reserved)

Section 2 Corn and Grain Sorghum HM Recourse Loans

1210 Commodity Recourse Loans

A Availability

To provide the maximum benefits to producers who normally harvest and store all or a portion of their corn or grain sorghum at moisture levels exceeding 2-LP standards, even if the moisture level is below the maximum STC-established level, producers may obtain a recourse loan for:

- HM corn or grain sorghum stored in structures capable of storing ensilage

Example: Grain stored in Harvestore, pit silo, or oxygen limiting structures.

- an acquired quantity to replace HM corn and grain sorghum according to paragraph 1211.

B Eligibility

HM corn and grain sorghum **must** meet the definition for the applicable commodity according to the U.S. Standards for Grain that, in part, require 50 percent or more whole kernels and a moisture level higher than the 2-LP standard * * * moisture level for HM corn and grain sorghum.

In **all** cases, HM corn and grain sorghum **must** be harvested as grain.

1210 Commodity Recourse Loans (Continued)**C Final Date to Request Loan**

The producer **must** request the loan by the final availability date for the commodity according to subparagraph 226 C. See paragraph 1211 for the final request date on acquired grain.

D Loan Rate

The loan rate shall be, for commodities stored in structures that:

- can be measured, 100 percent of the base county loan rate if the quantity is:
 - measured and the structure may or may not be sealed after being measured
 - certified and the structure will **not** be sealed
- **cannot** be measured, 75 percent of the base county loan rate.

Example: \$2 base county loan rate x 75 percent = \$1.50 applicable loan rate.

Structures that are sealed shall be considered structures that “**cannot** be measured”.

--For crop year 2013, the loan rate for commodities produced on ACRE-elected farms will-- be further reduced by 30 percent.

E Moisture Determination

The moisture determination may be determined by any of the following:

- local warehouse or State inspection facilities at producer’s expense
- FSA employee
- producer’s certification of moisture, when the commodity is in a structure that **cannot** be measured.

Do **not**:

- obtain sample or certification for test weight
- adjust for test weight and pack factors.

1211 Acquired Quantities for HM Commodities (Continued)

D Maximum Quantity Eligible

The maximum quantity of the acquired commodity that may be pledged for HM corn or grain sorghum recourse loan shall be limited to the acreage of the commodity harvested at HM level, times the **smaller** of the following:

- farm program yield
- actual yield.

For HM corn or grain sorghum recourse loan purposes, the actual yield may be determined from another field on the producer's farm from which the HM corn or grain sorghum was harvested.

E Disbursing Loans

Disburse the loan as a recourse loan after adjusting quantity for moisture according to subparagraph 1210 F.

* * *

1212-1214 (Reserved)

Section 3 Cracked, Rolled, or Crimped Shelled or Ear Corn Recourse Loans**1215 Cracked, Rolled, or Crimped Corn Recourse Loans****A Availability**

Farm-stored recourse loans are available to eligible producers of shelled or ear corn that has been cracked, rolled, or crimped.

If LDP was paid on the corn, it is ineligible for loan.

***--Note:** Corn must have been initially harvested as either shelled or ear corn.--*

B Acceptable Cracked, Rolled, or Crimped Ear Corn

Acceptable cracked, rolled, or crimped **ear** corn may contain:

- broken kernels and cob reduced to pieces sufficiently large enough to identify by observation that the material is kernel and cob
- only minimal stalk, leaves, husk, and other additives
- less than 50 percent of whole kernels.

C Limitations

The authority to make loans on cracked, rolled, or crimped corn is limited to shelled or ear corn placed in eligible farm storage. This authority shall **not** be extended to any other variations of processed corn, including but **not** limited to the following:

- earlage
- ground corn
- silage.

1215 Cracked, Rolled, or Crimped Corn Recourse Loans (Continued)**D Loan Rate**

The loan rate, including HM cracked, rolled, or crimped corn, shall be:

- 70 percent of the county loan rate if the commodity can be measured

Example: \$2 base county loan rate x 70 percent = \$1.40 applicable loan rate.

- 52.5 percent of the county loan rate if the commodity **cannot** be measured.

Example: \$2 base county loan rate x 52.5 percent = \$1.05 applicable loan rate.

--For crop year 2013, the loan rate for commodities produced on ACRE-elected farms will-- be further reduced by 30 percent.

E Maximum Loan Quantity

The loan quantity shall be:

- limited to 100 percent of the quantity certified by the producer or measured by the County Office
- adjusted for moisture according to subparagraph G.

County Offices shall:

- document on CCC-666 or CCC-677-1 that the corn is:
 - cracked, rolled, or crimped
 - ear or shelled
- ENTER “**RCK**” on Screen PLB10000 in the “Class/Variety” field when recording the loan in APSS.

Section 4 Distress Loans**1220 Initiating Distress Loans****A Availability**

[7 CFR 1421.103] State Office may initiate a distress loan program when **both** of the following apply:

- commodity is stored on the ground or in temporary facilities
- when there is a shortage of storage at harvest time:
 - on the farm
 - in local warehouses.

B Notification of Program

When a distress loan program is initiated in the State or in designated areas within the State:

- State Office shall notify:
 - PSD
 - County Offices
- County Offices shall immediately notify producers of the availability of distress loans for commodities stored in ineligible storage.

In addition to the availability of the distress loan program, provide producers with the information in subparagraphs C and D.

1220 Initiating Distress Loans (Continued)**C Loan Requests**

Loan requests **must** be made and loan documents signed within 30 calendar days after harvest completion.

D Storage Location

The storage location for the commodity offered as collateral for the distress loan **must** be **both** of the following:

- protected from animals
- located so that water drainage will **not** seriously affect the quality or quantity of the commodity.

E Maximum Quantity and Loan Rate

The maximum quantity eligible for a certified or measured distress loan shall **not** exceed ***--75 percent of the eligible quantity. The loan rate shall be reduced.--***

F Maturity Date

Distress loans mature on demand, but no later than 90 calendar days after the date the loan is disbursed.

The collateral may be repledged to secure a MAL, not to exceed the normal 9-month loan period according to paragraph 1221.

G Loan Repayment

On or before the distress loan maturity date, the loan **must** be repaid at principal plus interest. If collateral for the distress loan will be repledged, see subparagraph 1221 B.

H Preparing CCC-677

CCC-677 shall be prepared in APSS according to 12-PS.

1221 Repledging Distress Loan Collateral

A Repledge for 9-Month Loan

The County Office shall notify the producer using the notification letter provided in Exhibit 10, subparagraph C at **least** 30 calendar days before the loan maturity that the producer may move the commodity into **eligible** farm or warehouse storage and repledge the collateral:

- on or before loan maturity
- before the final loan availability date.

The collateral may be repledged for a:

- recourse loan according to Section 1
- nonrecourse loan according to Part 5, Sections 1 through 3.

* * *

B Repayment Before Repledge

If the collateral for the distress loan will be repledged, the producer must repay the distress loan by either of the following methods:

- principal plus interest
- authorize offset for the amount needed to repay the distress loan from the proceeds of the repledged loan.

C Maturity Date of Repledged Distress Loan

The maturity date for the repledged distress loan shall be the last day of the 9th calendar month following the disbursement date of the original distress loan.

1222-1299 (Reserved)

Part 13 (Reserved)

1300-1399 (Reserved)

Part 14 (Reserved)

1400-1499 (Reserved)

Part 15 Mohair, Unshorn Pelt, and Wool Provisions

1500 General Information

A Purpose

This Part provides general instructions for administering loans and LDP's for the following commodities:

- mohair

* * *

- unshorn pelts
- wool
 - graded
 - ungraded.

Use this Part with the existing policy in this handbook, as applicable.

B Applicable Crop Years

The legislative source of authority in subparagraph 1 B authorizes nonrecourse MAL's and LDP's for mohair, unshorn pelts, and wool be made available to eligible producers from the *--2014 through the 2018 crop years.--*

* * *

1500 General Information (Continued)

C Loan and LDP Common General Provisions References

Except as otherwise noted in this Part, general MAL and LDP policies and requirements not specifically mentioned in this Part remain in effect according to provisions in this handbook.

1501-1504 (Reserved)

1507 Commodity Eligibility**A Commodities Eligible for Loan and LDP**

The commodities eligible for loan and LDP under this Part are as follows:

- mohair (net weight) * * *
- wool (net weight)
 - graded
 - ungraded.

Unshorn pelts are **only** eligible for LDP.

B Eligible Mohair and Wool

To be eligible for a nonrecourse MAL or LDP, the mohair and wool must be:

- produced and sheared by the eligible producer
- in existence and in storable condition
- of merchantable quality suitable for loan
- produced and shorn in the U.S.
- produced and shorn from live animals of domestic origin and located in the U.S.
- unprocessed.

C Eligible Offsorts

The following offsorts from skirting fleece wool are eligible for loan or LDP at the ungraded rate:

- tags
- crutchings
- bellies
- pieces.

Note: Applicable ungraded wool CCC discounts for offsorts will apply to wool forfeited or *--settled to CCC, according to paragraph 1575. See Exhibit 63.--*

1507 Commodity Eligibility (Continued)

D Eligible Unshorn Pelts

To be eligible for LDP, the unshorn pelts must:

- have been produced by an eligible producer according to subparagraph 1505 B
- be produced from a live unshorn lamb sold for immediate slaughter or slaughtered for personal use
- be produced from a live unshorn lamb of domestic origin in the U.S. at the time beneficial interest is lost.

1508 Ineligible Commodities

A Commodity Ineligibility

Commodities covered under this part are ineligible for a nonrecourse MAL or LDP, if the commodity is:

- purchased
- substituted
- gifted
- traded or bartered
- processed or altered from natural form.

Note: This does not include scoured or carded commodities.

B Destroyed Commodities

Mohair and wool are ineligible for a nonrecourse MAL or LDP if the commodity is:

- burned
- buried
- destroyed by any other means.

Note: LDP must be disbursed and sufficient time allotted for the spot-check process, according to paragraph 1551, before a commodity can be destroyed.

C Ineligible Unshorn Pelts

Unshorn lambs killed by predators are ineligible for an unshorn pelt LDP.

1509 Graded Wool

A Eligible Graded Wool

To obtain a loan or LDP at the graded rate, the wool must be core tested by a CCC-approved testing facility to objectively measure the following through laboratory analysis:

- fiber diameter (micron)
- yield.

To receive a graded wool MAL or LDP, the producer must provide a copy of the core test report or core test certificate from the CCC-approved testing facility containing the results of the laboratory analysis to the FSA County Office before benefits will be disbursed. See Exhibit 40 for examples of core test reports.

Note: The core test report results shall **not** be averaged for purposes of determining a micron and yield for ungraded quantities commingled with graded quantities.

B CCC-Approved Testing Facilities

Core test reports or core test certificates will be accepted from the following CCC-approved testing facilities.

- Yocom-McColl Testing Laboratory
540 West Elk Place
Denver CO 80216-1823
303-294-0582
- New Zealand Wool Testing Authority Ltd.
Cnr Bridge Street and Lever Street
P.O. Box 12065
--Ahuriri, Napier, New Zealand 4144--
06-835-1086.

Section 2 General Provisions

1515 Basic Provisions

A Statutory Loan Rates

*--The national statutory loan rates provided in the Agriculture Act of 2014 for mohair and wool produced during the 2014 through 2018 crop year are as follows.

Commodity	Loan Rate 2014 Through 2018
Graded Wool	\$1.15 per pound
Mohair	\$4.20 per pound
Ungraded Wool	\$0.40 per pound

Note: Crop year specific loan rates will be announced each crop year by press release and an LP notice.

The loan rates, premiums, and discounts will be national rates. See Exhibit 67 for the--* most current crop year specific loan rates.

B Final Availability Date

The final availability date to request:

- a mohair or wool loan or LDP is **January 31** of the year following the year in which the applicable commodity is sheared
- an LDP for unshorn pelts is **January 31** of the year following the year in which the unshorn lamb is slaughtered.

1515 Basic Provisions (Continued)

C Announcing Posted Prices

--Prices for wool and mohair, if applicable, will be announced each Tuesday at --
3:00 p.m., e.t. until further notice. The posted prices will become effective Wednesday at
12:01 a.m. e.t.

* * *

Note: In the event the posted prices are not announced as scheduled, the last posted prices announced will remain in effect until the next rate changes are announced. Therefore, a producer will receive the rate in effect on the day of the request.

D Availability

Loans and LDP's are available to eligible producers in any area in the U.S. and Puerto Rico where the applicable commodity is produced.

E Requesting Loans and LDP's

Requests for loans and LDP's shall be made on or before the final availability date for requesting loans and LDP's.

F Final Disbursement Date

The disbursement date shall not be later than 30 calendar days after the final loan availability date. When the final loan availability date falls on a nonworkday, the final date shall be extended to the next workday.

State Offices may grant extensions in 15-day increments, as applicable.

G Crop Year

The crop year applicable to mohair, unshorn pelts, and wool is the calendar year beginning January 1 and ending December 31.

1516 Acreage Reports**A Producers Associated With a Farm**

To be eligible for a nonrecourse MAL or LDP producers who are associated with a farm that has cropland are required to complete and submit an acreage report of all those cropland acres on FSA-578 on applicable farms where the eligible commodity is produced according to 2-CP.

B Producers Not Associated With a Farm

Eligible producers who are not associated with a farm and do not have cropland are **not** required to complete an acreage report on FSA-578.

C Disbursing Benefits

Acreage report deadlines for different commodities vary throughout the crop year. Certain commodities are produced all year long and planting intentions may not be known for the cropland at the time of the loan or LDP request. Therefore, producers are not required to file an acreage report before a loan or LDP is approved and disbursed for the following:

- mohair
- unshorn pelts
- wool.

Producers are required to file an accurate acreage report for all their cropland acres with the appropriate County Office by the deadline dates applicable to the planted crop. Producers who do not accurately certify acreage according to 2-CP will be required to repay any market loan gain realized for mohair, unshorn pelts, or wool or refund any LDP received.

Note: County Offices must perform end-of-year file reviews on each producer to ensure that producers with cropland acres have filed acreage reports as required. For multi-county producers, the administrative county shall contact all other counties to ensure all applicable cropland has been reported.

***--1517 AGI and Payment Limitation**

A AGI Provisions

A person or legal entity shall **not** be eligible to receive a market loan gain or LDP benefits during the **2014 through 2018** crop years if the average AGI exceeds \$900,000.

See paragraph 34 for additional AGI provisions.

B Payment Limitation Provisions

Crop year 2014 through 2018 market loan gains, LDP's, combined with PLC and ARC are subject to a payment limit. See subparagraph 34 A for additional information.

There was **not** a payment limitation for market loan gains and LDP's for the 2008 through 2013 crop years.--*

1518 Beneficial Interest

A Applicability

General beneficial interest provisions provided in paragraph 227 applies to the following:

- mohair
- unshorn pelts
- wool.

1527 CCC-633WM, Wool and Mohair Loan Quantity Certification and Worksheet (Continued)

A Completing CCC-633WM (Continued)

Item	Instructions
21	Enter date the lien search was completed as indicated on documentation in the County Office.
22	Enter date the County Office forwarded UCC-1 or UCC-1F to the applicable recording official to be recorded.
23A	County Office shall sign for CCC.
23B	County Office shall date for CCC.
24	Enter the following: <ul style="list-style-type: none"> • farm number or numbers where the commodity for the loan was produced • additional information from other items if necessary.

B Example of CCC-633WM

The following is an example of CCC-633WM.

*--

This form is available electronically.

CCC-633WM (05-08-14) U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation

1. COUNTY FSA OFFICE NAME AND ADDRESS
Tom Green County FSA Office
3514 Devonian Dr., Suite A
San Angelo, TX 76903
Telephone No. (Area Code):

WOOL AND MOHAIR LOAN QUANTITY CERTIFICATION AND WORKSHEET

See Page 2 for the Privacy Act and Public Burden Statement.

2A. NAME AND MAILING ADDRESS OF PRODUCER
John Smith
123 Main Street
Anytown, TX 77856
Telephone No. (Area Code):

3. STORING FACILITY NAME AND ADDRESS OR LOCATION OF FARM WHERE STORED
ABC Wool Warehouse
Route 4
San Angelo, TX 76903

4. CROP YEAR
2014

5. COMMODITY (If Wool grade is checked, complete Item 11)
 Wool (graded)
 Wool (non-graded)
 Mohair

6. ST. & CO. CODE & LOAN NO. (FOR FSA USE ONLY)
48/451

7. LIENHOLDERS (If no liens, enter "NONE" and initial)
None

8. CURRENT HERD SIZE
300 head

9. LOT NUMBER	10. YEAR SHORN	11. TYPE (For Wool grade only, enter the micron and yield obtained from the core test result)	12. NUMBER OF HEAD SHORN	13. NUMBER OF BAGS	14. TOTAL QUALITY FOR LOAN (LBS.)	9. LOT NUMBER	10. YEAR SHORN	11. TYPE (For Wool grade only, enter the micron and yield obtained from the core test result)	12. NUMBER OF HEAD SHORN	13. NUMBER OF BAGS	14. TOTAL QUALITY FOR LOAN (LBS.)
54	2014	19.6 Mic/533 yields	200	2	1,200						
15. GRAND TOTAL QUANTITY:											

16. PRODUCER'S CERTIFICATION
The undersigned producer(s) ("Producer") requests a farm-stored Commodity Credit Corporation (CCC) loan on the commodity identified in Item 3 with respect to the quantity specified in Item 14. The Producer certifies that, (1) the Producer has beneficial interest in the quantity of the commodity shown in Item 14; (2) the commodity is eligible to be pledged as collateral for a CCC loan; (3) the Producer has retained control of the commodity at all times; (4) the quantity of the commodity shown in Item 14 above was produced and shorn in the year indicated in Item 10; (5) the quantity of the commodity shown in Item 14 above is in existence and is stored as noted in Item 3 above; (6) the commodity is in storable condition and such condition will be maintained; (7) the structure will safely store the commodity through the loan period; and (8) the commodity on which the loan is requested or which serves as collateral for a loan made to the producer is free and clear of all liens, security interest, and encumbrances, except as shown above. The Producer further agrees that upon request from CCC, to supply CCC with a list of all wool and mohair in which the producer has an interest and where it is currently located. The Producer further agrees to (1) maintain the identity of any wool and mohair which serves as collateral for the loan; and (2) not move or commingle any wool or mohair which serves as collateral for the loan with any other quantity without prior written approval of CCC; and (3) provide a core test to CCC from a CCC approved testing facility for a loan on graded wool.
Additionally I certify this commodity (1) is not purchased wool or mohair; and (2) was produced and sheared from live sheep and goats of domestic origin in the United States for a period of not less than 30 days prior to shearing.

Are you or any co-applicant delinquent on any federal non tax debt? (If "YES", provide details in the remarks on Page 2). YES NO

17A. PRODUCER'S SIGNATURE (BY)
/s/ John Smith

17B. Title/Relationship (Individual Signing in the representative capacity)

17C. DATE (MM-DD-YYYY)
5/1/2014

17D. PRODUCER'S SIGNATURE (BY)
/s/ John Smith

17E. Title/Relationship (Individual Signing in the representative capacity)

17F. DATE (MM-DD-YYYY)

18. STORING FACILITY CERTIFICATION
The undersigned commissioned agent or representative of the storing facility certifies that: (1) the above listed commodity is stored on behalf of the producer requesting the loan, (2) the commodity is in a storable condition and such condition shall be maintained, (3) the structure will safely store the commodity through the loan period. The storing facility representative further understands that before the commodity is sold to a buyer, approval must be obtained from CCC.

19A. REPRESENTATIVE'S SIGNATURE
/s/ John Smith

19B. DATE (MM-DD-YYYY)
5/1/2014

20A. REPRESENTATIVE'S SIGNATURE

20B. DATE (MM-DD-YYYY)

FOR OFFICIAL USE ONLY

21. LIEN SEARCH DATE (MM-DD-YYYY)

22. DATE UCC-1/UCC-1F FILE (MM-DD-YYYY)

23A. APPROVED FOR CCC BY

23B. DATE (MM-DD-YYYY)

--*

1527 CCC-633WM, Wool and Mohair Loan Quantity Certification and Worksheet (Continued)

B Example of CCC-633WM (Continued)

*--

CCC-633WM (05-08-14) 24. Remarks	Page 2
<p>NOTE: The authority for collecting the following information is the Agricultural Act of 2014 (Pub. L. 113-333). This authority allows for the collection of information without prior OMB approval mandated by the Paperwork Reduction Act of 1995. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering the data needed and completing and reviewing the collection of information.</p> <p>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.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine eligibility for farm-stored loan program benefits.</p> <p>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 farm-stored loan 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). RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p> <p>The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited basis will apply to all programs and/or employment activities.) Persons with disabilities, who wish to file a program complaint, write to the address below or if you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).</p> <p>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.</p>	

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1529 Loss or Damage to Loan Collateral (Continued)

C Example of Notification Letter to Producer

The following is an example of a demand letter informing a producer with damaged or destroyed collateral of action required.

UNITED STATES DEPARTMENT OF AGRICULTURE
Somecounty, FSA Office
Sometown, USA 12345-1234
Phone: 123-456-7890

John A. Producer
123 Highway 456
Sometown, USA 12345-1234

Dear Mr. Producer:

--On September 16, 2013, we were notified by you that 5 bags of your 2013 wool loan number 25 and 2 bags of your 2013 mohair loan number 5 were either damaged or-- destroyed by fire at the Storage Packer Warehouse.

We are notifying you that your loan has been called and you must redeem the affected loan collateral at principal plus interest.

You have 30 calendar days from the date of this letter to redeem the affected loan collateral identified by the aforementioned loan numbers and repay the loan at principal plus interest. If you take no action, we will establish a receivable for the amount due in the settlement of your loan. The interest start date for the receivable is the 31st calendar day from the date of this letter.

Please contact this office if you have any questions regarding this matter.

Sincerely,

County Executive Director

1530 Farm-Stored Loans**A Approved Farm Storage**

Approved farm storage shall consist of a storage structure located on or off the farm, including the storage facility of a commissioned agent, according to subparagraph B that provides safe storage for the commodity through the maturity date for the loan.

Commodities stored according to the packaging requirements in paragraph 1528 may be eligible for loan if both of the following apply:

- COC determines CCC's interests are not at risk and that the bags provide safe storage
- the method of storage and the size of bags are normal for the commodity **and** in that county.

Note: COC, with STC concurrence, may waive this requirement on a case-by-case basis.

Commodities stored outside in an open area or temporary structure that does not protect the mohair or wool from natural elements will not be considered stored in eligible storage, even though the packaging requirements are met.

B Warehouse Commissioned Agents

Storing mohair and wool in a storage facility that receives payment for the storage of the mohair and wool at the time of sale to a buyer is:

- considered storage with a commissioned agent
- approved farm storage for a farm-stored loan
- not considered a warehouse.

Producers requesting certified farm-stored loans for mohair and wool stored with a commissioned agent will be required to obtain the following from the commissioned agent and provide to the County Office:

- mohair or wool weight ticket
- core test for graded wool
- name, address, and county of producers associated with commingled lot, if applicable.

1531 Warehouse-Stored Loans

A Approved Warehouse-Stored Loans

Warehouse-stored loans are **not** currently available for mohair and wool.

B Warehouse Commissioned Agents

See paragraph 1530 for warehouse commissioned agent provisions.

1532 Loan Maturity

A Loan Maturity Date

Loans mature on demand, but no later than the last day of the ninth calendar month after the month in which CCC-677 or CCC-678 is approved, according to paragraph 509.

B Maturity Notification to Producers

Refer to paragraph 797 for provisions on notifying producers of loan maturity.

C Producer Options

Producers with maturing mohair or wool crop loans may select either of the following options:

- redeem the loan collateral by repaying the loan
- settle the CCC mohair or wool loan at maturity.

D Settlement Letter

Send the letter in subparagraph E to producers with * * * loans:

- who have indicated they want to settle the mohair or wool to CCC
- who have **not** responded to the loan maturity notification letter
- not less than 15 calendar days before the loan maturity date.

1532 Loan Maturity (Continued)

E Producer Notification Letter

The following is an example of the producer notification letter for mohair or wool.

Dear _____:

According to our records, you have a 20__ crop year (*commodity type*) loan. The loan maturity date for your loan is (*month/day/year*). If you have not already notified the FSA office of your intentions, please do so at once. If you intend to settle the (*commodity type*) to the Commodity Credit Corporation (CCC), the following provisions will apply:

- you will be notified of the local sale and date to deliver (*commodity type*) to the purchaser
- settlement is limited to the quantity of (*commodity type*) originally certified on the loan less the quantity of any repaid portion
- you or your authorized agents must be at the storage location at the time of commodity inspection to sign the necessary documents
- even though your loan collateral may have been previously inspected, the USDA representative will determine final eligibility and quality factors
- your (*commodity type*) may be weighed and inspected by an FSA representative to determine the quantity delivered and the quality factors for applicable premiums and discounts
- title to the loan collateral passes to the highest bidder at the time of delivery

you are responsible for weighing, testing, and inspection fees, or any additional charges incurred by CCC to obtain quantity or quality grading factors to apply associated premiums and discounts for mohair or wool delivered to CCC.

Section 4 LDP Provisions**1535 LDP Requirements****A General LDP Provisions**

LDP requirements provided in this section are subject to the general provisions provided in Part 10, Section 1.

B Producer Eligibility Requirements

Producers applying for LDP must:

- meet eligibility requirements in Section 1, as applicable
- with the exception of unshorn pelts, agree to forgo obtaining a loan for the quantity on which LDP is requested.

C LDP Benefits

* * * CCC-633 EZ's shall be used to request LDP benefits for wool, mohair, and unshorn--* pelts. CCC-633 EZ has been developed to encompass both basic and field direct LDP's.

CCC-633 EZ is a 2-part LDP request consisting of multiple pages that allow producers to do both of the following:

- indicate their intentions to receive LDP benefits before losing beneficial interest in the eligible commodity using CCC-633 EZ page 1
- submit a request for an LDP benefit for wool, mohair, and unshorn pelts at any time during the loan/LDP availability period before or after losing beneficial interest in the commodity, using CCC-633 EZ page 4.

1535 LDP Requirements (Continued)**D Eligible Quantity**

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

- meet eligibility requirements in Section 1
- 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.

E LDP Common Provisions

The following provisions are common to nonrecourse MAL's and are also common to LDP's:

- beneficial interest
- final availability date
- assignments
- administrative offsets
- spot checks
- eligibility requirements

F Nonapplicable LDP Provisions

The following provisions common for loans are **not** required for LDP:

- lien searches
- lien waivers
- approved storage
- premiums and discounts
- State commodity assessments.

Section 7 Basic Loan Settlements**1575 Final Settlement Procedures****A Basic Provisions**

Because there are no approved CCC warehouses for mohair or wool, all nonrecourse MAL's not repaid by the loan maturity date must be disposed through local sales at the farm storage location within a 60-calendar-day period after maturity at **no** storage expense to CCC.

County Offices shall try to have local sales completed with the 60-calendar-day period.

B Premiums and Discounts

--See Exhibits 63 and 70 for the schedule of premiums and discounts applicable to mohair-- and wool applied in final settlement. The settlement value will be based on the following:

- for graded wool, according to applicable region:
 - micron range
 - offsorts
 - preparation (applicable to fleece wool only, not applicable to offsorts)
 - length (applicable to fleece wool only, not applicable to offsorts)
 - vegetable matter
 - damage/stain/mud/wet
 - non-merchantability
 - polypropylene contamination
- for ungraded wool, according to applicable region:
 - offsorts
 - length
 - polypropylene contamination
 - non-merchantability

1575 Final Settlement Procedures (Continued)**B Premiums and Discounts (Continued)**

- for mohair:
 - micron range
 - length
 - vegetable matter
 - kemp.

Note: Producers who elect to settle the mohair loan collateral to CCC in satisfaction of the loan amount due will be required, at the producer's expense, to obtain a core test report indicating the applicable micron and yield of the quantity offered for settlement.

C Mohair or Wool Inspection

Applicable premiums and discounts will be applied at loan settlement and based on the following:

- inspection of the delivered commodity by an AMS agent or other CCC-approved representative
- core test report from a CCC-approved testing facility for mohair and graded wool.

Note: Mohair delivered for settlement of an outstanding CCC loan will require a core test (Exhibit 40), at the expense of the producer, to determine quality factors.

1575 Final Settlement Procedures (Continued)

D Mohair Yield Adjustment

The mohair loan rate must be adjusted for yield **after** all mohair discounts have been applied. The mohair yield must be calculated using the Schlumberger yield obtained from the core test report of a CCC-approved testing facility to determine the final loan settlement rate.

To calculate the mohair yield adjustment, apply all premiums and discounts to the loan rate to determine the adjusted loan rate. Divide the adjusted loan rate by .75 and then multiply the resulting figure times the Schlumberger yield from the core test report, moving the decimal in the Schlumberger yield 2 places to the left, to determine the final loan settlement rate per pound of mohair forfeited to CCC.

E Mohair Yield Adjustment Example

The following is an example of a yield adjustment for mohair.

Producer A received a loan of \$4,200 for 1,000 pounds of mohair that he forfeits to CCC. The core test results from the forfeited mohair indicate that the mohair was average adult with a 35 micron, 3.5 length, 1.0 percent vegetable matter, 5.62 percent medulated fibers, 0.50 percent kemp fibers, and a Schlumberger yield of 73.6 percent.

From the \$4.20 loan rate initially disbursed to Producer A, deduct the following based on the mohair discounts in this paragraph, -\$1.52 for type of mohair and micron, -\$0.54 for length, -\$0.27 for vegetable matter, -\$0.27 for medulated fibers, -\$0.27 for kemp fibers to come up with an adjusted loan rate of \$1.33.

$$\$1.33 / .75 = \$1.77$$

$$\$1.77 \times .736 = \$1.31$$

\$1.31 per pound is the final settlement rate
x 1000 pounds of forfeited mohair
 \$1,310

\$4,200 original loan disbursement
- \$1,310 adjusted settlement value
 \$2,890

The producer owes CCC \$2,890 for the forfeited mohair.

1575 Final Settlement Procedures (Continued)**F Additional Expenses**

Any costs incurred by CCC to obtain quantity or quality grading factors to apply associated premiums and discounts for mohair and wool delivered to CCC shall be for the account of the producer and will be deducted from the loan settlement value, in addition to applicable deductions provided in subparagraph B. The producer is responsible for any loss in quantity or quality of the loan collateral.

Note: Producers are required, at their own expense, to have all mohair and wool loan quantities weighed and provide an acceptable weight receipt for mohair and wool loan quantities that will be settled with CCC through local sale.

AMS charges a fee of \$40.87 per hour for the required inspection of the mohair and wool loan collateral that will be settled by local sale.

G Settlement Value

Calculate the settlement value from the information on CCC-691, CCC-930, and the applicable crop year loan rate premiums and discounts in subparagraph B and

--Exhibits 63 and 70.--

Complete settlements according to 12-PS, Part 9, **after** receiving all of the following:

- CCC-691
- core test report for mohair and graded wool
- CCC-930 from AMS inspector (subparagraph L).

Settlement shall be made by CCC on the basis of the base loan rate:

- for the applicable region for wool only
- adjusted for applicable specific crop year premiums and discounts.

Reports, Forms, Abbreviations, and Delegations of Authority

Reports

None

Forms

This table lists the forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification		35, 200
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents	502	521, 617
CCC-25	Uniform Grain and Rice Storage Agreement (UGRSA)		318, 702
CCC-39	Request for Issuance of Duplicate Warehouse Receipt(s)	549	
CCC-156	Loading Order, Trust Order and Invoice for Charges		816
CCC-257	Schedule of Deposit		318, 702
CCC-258	Wire Transfer of Funds	720	
CCC-491	Beneficial Interest Certification Sheet	228	
CCC-500	Loan Payment Receipt	700	416, 718-720
CCC-500-1	Loan Payment Receipt Continuation Sheet		700
CCC-601	Commodity Credit Corporation Note and Security Agreement Terms and Conditions	Ex. 5	10, 410, 510
CCC-631	CCC Wool Testing Facility Certification and Application	1510	1509

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

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-633EW	Loan and LDP Eligibility Worksheet Commodities Harvested as Other Than Grain Determining Maximum Eligible Quantity	336	
CCC-633 EZ	Loan Deficiency Payment (LDP) Agreement and Request	1007	Text
CCC-633 GRAZING	Grazing Payment Program Application	1105	1102-1104
CCC-633WM	Wool and Mohair Loan Quantity Certification and Worksheet	1527	234
CCC-638	Confirmation of Sale	860	857
CCC-639	Competitive Bid Pricing Worksheet	859	858, 860
CCC-643	Request for Shipping Instructions	806	804
CCC-665	Agreement to Permit Assumption of a CCC Loan	527	600
CCC-666	Commodity Loan Request	524	Text
CCC-674	Certification for Contract, Grants, Loans, and Cooperative Agreements	28	1000
CCC-676	LDP and Loan Number Register		615
CCC-677	Farm Storage Note and Security Agreement		Text
CCC-677S	Farm Storage Note and Security Agreement (for sequestered 2013 loans)		Text
CCC-677-1	Farm Storage Loan Worksheet	Ex. 15	Text
CCC-678	Warehouse Storage Note and Security Agreement		Text
CCC-678S	Warehouse Storage Note and Security Agreement (for sequestered 2013 loans)		Text
CCC-679	Lien Waiver	505	30, 504, 510, 547, 607, 754
CCC-681	Authorization to Move Loan Collateral for Rotation or Transfer	614	613, 615, 619
CCC-681-1	Authorization for Delivery of Loan Collateral for Sale	743	Text
CCC-683	Commodity Loan Seal	Ex. 16	316, 523, 524
CCC-685	Authorization to Release Warehouse Receipts	770	
CCC-686	Application for Loan or LDP by Heirs (On a Commodity Produced by a Person Who Has Died)	205	200

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

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-687-1	Approval to Commingle or Move Loan Collateral	600	317, 526
CCC-691	Commodity Delivery Notice	801, 816, 817	Text
CCC-692	Settlement Statement		822, 862
CCC-697	Request to Lock In a Market Loan Repayment Rate	717	Text
CCC-699	Reconcentration Agreement and Trust Receipt	628	627, 629-631
CCC-770 LDP/eLDP	Loan Deficiency Payment (LDP) and eLDP Program Review Checklist	23	234
CCC-770 MAL	Marketing Assistance Loan (MAL) Processing Checklist	23	234, 501, 510
CCC-902	Farm Operating Plan		35, 200, 203
CCC-930	AMS Inspection Certificate of Quality Factors for Wool and Mohair	1575	
CCC-931C	Average Adjusted Gross Income (AGI) Certification and Consent to Disclose Tax Information (For Successors to Conservation Program Contracts and Agreements Only)		35, 200, 501, 1000, Ex. 2
CCC-933	Average Adjusted Gross Income (AGI) Certification and Consent to Disclose Tax Information (for 2013)		35, 200, 501, 1000, Ex. 2
CCC-941	Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information		35, 200, 501, 1000
CCC-1099-A	Report of Loan, Forfeiture, Settlement, and Abandonment to Producer		27
CCC-1099-A-2	Important Information About IRS Form 1099-A		27
CCC-1099-G	Report Payments to Producers (Reported to IRS)		27
CCC-1099-MISC	20XX Miscellaneous Income		27

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

Forms (Continued)

Number	Title	Display Reference	Reference
FSA-211	Power of Attorney		227, 770
FSA-321	Finality Rule and Misaction/Misinformation		318
FSA-409	Measurement Service Record		500, 524, 1002, 1005, 1008
FSA-578	Report of Acreage		201, 336, 501, 1102, 1103, 1105
KC-350 (Grain)	Warehouse Operator's Supplemental Certificate		Text
KC-350 (Oilseed)	Warehouse Operator's Supplemental Certificate		Text
KC-385	Merger of Locations Under a Single CCC Code Number		537
SF-LLL	Disclosure of Lobbying Activities	28	
SF-LLL-A	Disclosure of Lobbying Activities Continuation Sheet	28	
UCC-1	Financing Statement		502, 504, 521, 524
UCC-1F	Effective Financing Statement		524
WA-302	Examination Report		544

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviation	Term	Reference
F.O.B.	freight on board	228, 858, 859, 860, 862
HM	high moisture	Text, Ex. 2, 15
MB	Merchandising Branch	40, 605, 817, 826, 901
PCP	posted county price	3, 235, 720, 785, 786
PD	Procurement Division	41, 605, 817, 826, 901
RCP	regionally calculated price	235, 785, 786
SCB	Storage Commodities Branch	537, 800
SORS	State Office Reporting System	3, 37, 40
USWA	U.S. Warehouse Act	3, 522, 535, Ex, 2
WLED	Warehouse Licensing and Examination Division	40, 537, 800

Redelegations of Authority

Redelegation of authority is provided in paragraph 2.

Definitions of Terms Used in This Handbook**Administrative Actions**

Administrative actions mean punitive actions taken against a producer who incorrectly certifies a quantity or makes any fraudulent representation with respect to obtaining a loan or LDP, or removes or disposes of a farm-stored commodity pledged as collateral for a loan without authorization.

Administrative actions include:

- calling the loan
- requiring the producer to repay the outstanding loan principal and charges, plus accrued interest, with cash applicable to the loan quantity involved in the violation
- requiring repayment of LDP quantity involved in a violation
- requiring repayment of the entire LDP quantity
- assessing liquidated damages on the quantity involved in the violation
- denying the producer farm-stored loans, and LDP's without production evidence, up to 24 months after the violation is discovered
- assessing interest on storage payment refunds, if applicable.

Alternate Bid

Alternate bid means a bid that provides for an amount to be added to or deducted from the stated bid amount.

Authorized Commodities

Authorized commodities mean the following:

- barley
- corn
- grain sorghum, including dual purpose sorghum varieties as determined by CCC.
- honey

Definitions of Terms Used in This Handbook (Continued)**Authorized Commodities (Continued)**

- mohair

* * *

- oats
- oilseeds, including canola, crambe, flaxseed, mustard seed, rapeseed, safflower seed, sesame seed, soybeans, and sunflower seeds
- pulse crops, including large and small chickpeas, dry peas, and lentils
- rice, long and medium grain (medium grain includes short grain according to 2-LP Rice)
- wheat
- wool, graded and nongraded
- any of the commodities listed in this definition, mechanically harvested as other than grain, **excluding** hay or silage (paragraph 520).

Note: Hay, silage, and unshorn pelts are eligible for LDP **only** (paragraph 1020).

Authorized Warehouse Storage

Authorized warehouse storage means warehouses that are either of the following:

- Federally licensed under USWA
- if **not** Federally licensed, are either of the following:
 - in compliance with State laws in a State with an operating warehouse licensing program and issues warehouse receipts that meet the criteria for MAL's as specified in paragraph 545
 - located in a State without an operating warehoused licensing program and have entered into UGRSA with CCC.

Buyer

Buyer means the warehouse operator, broker, agent, or other person or entity the producer designates for issuing CCC-681-1.

Definitions of Terms Used in This Handbook (Continued)

Commodity Inspector

Commodity inspector means COC representative who does field work for the loan and LDP programs.

Commodity Loan

Commodity loan means a loan that can be nonrecourse or recourse.

Control of the Commodity

Control of the commodity means a producer keeps the ability to make all decisions affecting the commodity. For example:

- moving or right to sell or pass title to the commodity
- pledging the commodity for loan or requesting LDP.

Conversion

Conversion means the borrower removing a commodity under loan for sale or other use, with or without authorization.

Crop Year

Crop year means, for a commodity, the 12-month period that:

- begins on the first day of the eleventh calendar month before the month in which the final availability date for the applicable commodity falls
- ends on the final availability date for the applicable commodity.

Customary Delivery Point

Customary delivery point means the shipping point, location, or warehouse (elevator), as determined by the County Office, where the producer would normally deliver the commodities if sold on the market.

Note: This does **not** apply to producer's farm or sales to neighbors, as applicable.

*--DACO-Approved EWR Provider

DACO-approved EWR provider means a person or entity that is a disinterested third party authorized and approved by DACO to maintain a confidential and secure electronic EWR system.--*

Deficiency

Deficiency means the amount owed CCC when the settlement value of a farm-stored loan is less than the outstanding loan value.

Definitions of Terms Used in This Handbook (Continued)

DCIA

DCIA means the provision for barring delinquent debtors from obtaining additional Federal loans or loan insurance or guarantees. Delinquent debtor is determined as follows:

- **for farm program debts**, the debt is in delinquent status 90 calendar days after the date of the first demand letter; the notification is **not** the first demand letter
- **for FSFL's**, the debt is in delinquent status if not paid in full within 90 calendar days after the due date; however, if the installment principal balance is less than \$25, the farm storage facility loan is **not** considered delinquent.

Note: FLM's are responsible for informing County Office personnel of any farm loan delinquent debts, as applicable.

Delinquent Federal Nontax Debt

Delinquent federal nontax debt means a person owing a delinquent Federal nontax debt to the Federal Government.

According to DCIA, a person owing a delinquent Federal nontax debt to the Federal Government is ineligible for Federal financial assistance, including direct loans (other than disaster loans) or loan insurance or guarantees. DCIA defines delinquent Federal nontax debts as, but **not** limited to, the following:

- Federal:
 - unpaid loans, including educational loans
 - overpayments
 - duplicate payments made to Federal salary or benefit payment recipients
 - misused grant funds
 - unpaid fines, penalties, or fees assessed by Federal agencies
- child support.

Note: Producers owing **tax** debt to IRS are still eligible for an MAL or LDP as long as all other eligibility and program requirements are met.

Denied Market Gain

Denied market gain means the amount of market loan repayment or LDP determined ineligible because:

- percent of cropland or permitted entity share factor is less than 1
- AGI exceeded
- *--payment limitation exceeded.--*

Definitions of Terms Used in This Handbook (Continued)

Eligible Producer

Eligible producer means a person or legal entity that:

- has complied with annual program requirements including:
 - reporting acreage for applicable crops according to 2-CP
 - completing AD-1026 according to 6-CP
 - * * *
 - CCC-931C or CCC-933 for 2013 crop year
 - *--CCC-941 for 2014 crop year
 - completing applicable 902 according to 4-PL and/or 5-PL for both loans and LDP's--*
- Note:** CCC-902 is required for foreign person determination on both loans and LDP's.
See subparagraph 203 A.
- has a beneficial interest in the eligible commodity for which a loan or LDP is requested
 - shares in the risk of producing the applicable commodity.

The person or legal entity may be any of the following:

- landowner
- landlord or waterlord
- tenant
- sharecropper.

Excess Moisture Commodities

Excess moisture commodities mean loan commodities, listed in subparagraph 225 C, with moisture levels that exceed the applicable standard moisture levels, according to 2-LP Grains and Oilseeds, and are at or below the STC-established maximum moisture level for the applicable loan commodity.

Definitions of Terms Used in This Handbook (Continued)***--Electronic Warehouse Receipt (EWR)**

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

High Moisture (HM) Commodities

HM commodities mean corn and grain sorghum with moisture levels exceeding the STC-established maximum moisture levels that are only eligible for recourse loans (see paragraph 1210 for HM recourse loans for corn and grain sorghum).

Incorrect Certification

Incorrect certification means either of the following and is considered a violation:

- certifying a quantity of a commodity for the purpose of obtaining a farm-stored or warehouse-stored commodity loan or LDP exceeding the quantity eligible for loan or LDP
- making any fraudulent representation with respect to obtaining loans or LDP's.

Inspect

Inspect means to visually examine the commodity and storage structure to determine the suitability of the structure and storability of the commodity.

Intentional Removal or Disposition

Intentional removal or disposition means the deliberate removal or disposition of loan collateral.

Isolated Farm-Stored Lot

Isolated farm-stored lot means a remote structure storing a nonrecourse MAL where a UGRSA warehouse to accept delivery to CCC at maturity is a great distance away and it is not cost effective to pay excess haul.

LDP

LDP means a payment made to a producer who, although eligible to obtain a CCC commodity loan, agrees to forgo the loan in return for a payment on the eligible commodity.

LDP Amount

LDP amount means the difference between the county loan rate and CCC-determined value for the applicable commodity or class of commodity times the eligible quantity.

Eligible Grain Sorghum Varieties

A Determining Eligible Grain Sorghum Varieties

Each year, grain sorghum varieties are reviewed and updated to determine eligibility and yield information for loans and LDP's.

Grain sorghum varieties are as follows:

- dual purpose, having a yield potential equal to 100 percent of hybrid varieties
- dual purpose, having a yield potential equal to 80 percent of hybrid varieties
- sterile varieties
- photo-period sensitive varieties
- ineligible varieties.

The following categories will be used to determine eligibility of grain sorghum (dual purpose varieties) for MAL's and LDP's.

- **Category I** - Non-Tannin Sorghum for grain or silage/hay **is eligible** regardless of parentage or grain yield.
- **Category II** - Tannin Sorghum for grain or silage/hay **is eligible** regardless of parentage or grain yield, but if harvested, grain **must** be identity-preserved and reported.
- **Category III** - Tannin Sorghum used for pasture **is not eligible** for LDP's or any programs.

B Assigning Yield Guidelines

COC's shall assign yield for grain sorghum (dual purpose variety), harvested as other than grain, to:

- be equivalent to the potential whole grain yield for that crop
- reflect disaster conditions, as applicable.

Producers **must** provide documentation, such as seed tickets and invoices, for grain sorghum (dual purpose varieties) harvested as other than grain to substantiate the variety planted and harvested.

Eligible Grain Sorghum Varieties (Continued)

C Methods for Assigning the Yield

COC's shall use the following methods to assign the yield if the variety of grain sorghum (dual purpose variety) is eligible for LDP.

IF the producer harvested...	THEN assign the yield based on...
some dual purpose acreage of the crop on the farm for grain	the acreage of dual purpose grain sorghum harvested as grain.
dual purpose acreage of the crop on the farm as other than grain	regular hybrid grain sorghum harvested on the farm adjusted according to paragraph D. Note: If no grain sorghum is harvested for grain on the farm, COC establishes a yield based upon COC judgment and knowledge of practices and growing conditions in the county; this must be documented in the COC minutes.

Notes: The yields assigned by COC shall **not** exceed the actual yield for farms in the area with similar management practices that harvested the crop and variety for grain.

Assigning yields based on 3 similar farms is no longer authorized.

D Dual Purpose Grain Sorghum Varieties With 100 Percent Yield Potential

The dual purpose grain sorghum varieties listed in the following table have yield potential equal to 100 percent of hybrid varieties. County Offices shall:

- make LDP eligibility determinations
- advise seed companies, who believe they have eligible varieties **not** listed in the following table, to contact the State Office and provide information about plant characteristics and forage and grain yield potentials.

Note: Assign a yield of 100 percent of the grain yield using the methods in subparagraph C.

Company/Variety	Company/Variety	Company/Variety	Company/Variety	Company/Variety
Ag Venture	Alta Brand (Advanta)	Alert Agri Distributors	AR-B Seeds, Inc.	Arrow Seed Co., Inc.
FS111D Silo Milo	AF7401 26837	BMR 103	AS781	Beefmaster BMR Canex BMR 310 Pheasant Acres Silo Mor Silo+Plus BMR Silobuster

Eligible Grain Sorghum Varieties (Continued)

D Dual Purpose Grain Sorghum Varieties With 100 Percent Yield Potential (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Asgrow Seed BBT	AVA Seeds AVA 7100 AVA 7102 AVA 7102A AVA 7103 AVA 7103A AVA 7105 AVA 7110 AVA 7111	B-H Genetics BH 312 FBD	Barkley Seed Grass Roots 90HS
Boomerange BMR 6 Silage Master DP1 Silage Master BMR	Byrons Seed Silage Supreme	Channel Bio Corp SugarGold	Crosbyton Seed Company GW 3072 F GW 8528 F BMR GW 9530 GWX3023FBMR Silo-N-Feed
Curtis & Curtis Triple Gainer 31 BMR	Dakota's Best Seed Pheasant Acres Ringneck Roost Sweet Chop BMR	Dodge City Coop Sweet Feed BMR 802	Drussel Seed and Supply DSS Dividend BMR DSS 73862
Eastern Colorado HP 101 BMR HP 120 BMR	Fontanelle Hybrids F-310 F-310C F-315 F-315C F320SS	Forage First BMR 106 BMR 108 Leafy HT-110 HT-555 HY-Grow 77 5909	Frontier Hybrids Garst 320 Silmaker 5500 Silmaker 5700 Silmaker 6000 Silmaker 6500 Silmaker 7000
Garrison & Townsend BMR 100 BMR 101 Sile-ALL Silo-Milo Sweet T	Garst Seed Co. Ex Chpr X Hi-Energy II N-322-X N-340X R 332 x 1020F 320 320F 325 331-X 333 344 BMR 344F	Golden Acres Genetics, LLC FS466 Ton-A-Milk	Golden Harvest J C Robinson Seed Si-Gro H-44 Si-Gro H-45 Si-Gro H-46

Eligible Grain Sorghum Varieties (Continued)

D Dual Purpose Grain Sorghum Varieties With 100 Percent Yield Potential (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Hawkeye Seeds HFS 1770	Helena Chemical Forager BMR	Hoegemeyer Hybrids BMR 1 591F 602F	Hyttest Seeds HT 110 HT 110 BMR HT 111 HT 555 HY-Grow 77
Kaystar Seed Forari IV	Kelly Green Seeds, Inc. Silamaster Silamax BMR	Kings Agri Seed Silage Supreme	Land O Lakes Croplan Hikane II Croplan NK300 Forage First DKS59-09
Legend Seed Company LFS-501	MMR Genetics MMR 304/24 MMR 381/73 73366X 105392X	Mycogen Seeds 1F700BMR	NC+ Hybrids NC+ 965 Nutri-Choice Nutri-Choice II Nutri-Ton Nutri-Ton II
Ohlde Seed O-114	Patriot Seed, Inc. BMR 101	PGS Hybrids Silage Maker Sweet Dairy BMR Sweet Ensile BMR	Phillips Seed BMR 61 BMR 1000 Silo Fil Sweet Sil
Producers Hybrids Chaps Chaps II HF 346 BMR Rodeo	Production Plus Silobuster Silobuster S Silo Plus BMR	Purdue University PU 8165X	Richardson Seed, Inc. CW7700 Dairy Master BMR Eversweet Silo 600D Silo 700D Silomaster Silomaster D Sweet R X50701 X50711 X50714
Roth Seed Company Rocky Top BMR Hi-Low	Scott Seed BMR Gold 100 Great Scott BMR	Seed Exchange Pheasant-Hunt-Red	Seed Resource, Inc. BMR 100 BMR 106 Fame FS 515 HQ
Sharp Brothers Seed Co. Canex BMR 208 Canex BMR 310 Canex BMR 328	Sorghum Partners HiKane II KF 429 NK 300	Star Seed, Inc. SF3373 Silo Plus Silo Plus BMR Star Elite BMR	Taylor Seed Green Valley 1 BMR

Eligible Grain Sorghum Varieties (Continued)

D Dual Purpose Grain Sorghum Varieties With 100 Percent Yield Potential (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Triumph Seed Company, Inc. Super Sile 20 Super Sile 22 Super Sile 30 Super Sile SH26	UAP Seed Dixie Lee	United Agri Products Dyna-Gro DG 710F	Valley Feed and Seed Udder Buster BMR Udder Max
Walter Moss Seed Co. Millenium BMR	Warner Seed Inc. Husky 2-Way 2-Way BMR 2-Way F-103 2-Way F-104 2-Way F-105 2-Way F-145 2-Way SRS	Watley Seed Company BMR 6150	Wilbers Seed Solutions Sweet-N-Low

Note: This list will be supplemented with additional varieties based upon field trials conducted by the National Grain Sorghum Producers Association.

E Dual Purpose Grain Sorghum Varieties With 80 Percent Yield Potential

The dual purpose grain sorghum varieties listed in the following have yield potential equal to 80 percent of hybrid varieties. County Offices shall:

- make LDP eligibility determinations
- advise seed companies, who believe they have eligible varieties **not** listed in the following table, to contact the State Office and provide information about plant characteristics and forage and grain yield potentials.

Note: Assign a yield of 80 percent of the grain yield using the methods in subparagraph C.

State Offices shall consult with PSD to make determinations of dual purpose varieties eligible at the 80 percent level that are not included in the following table, based on information received from seed companies. If more information is needed to make a determination, contact the National Institute of Food and Agriculture or universities, as applicable.

Company/Variety	Company/Variety	Company/Variety
AgriBioTech, Inc. BMR 100 FS-555	Alta Brand (Advanta) AF7101 AF7201 23419	Arkansas Valley Seed Solutions Honey Sweet BMR

Eligible Grain Sorghum Varieties (Continued)

E Dual Purpose Grain Sorghum Varieties With 80 Percent Yield Potential (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Arrow Seed Co., Inc. 1 st Choice BMR	Asgrow Seed Beefbuilder T Titan R	AVA Seeds AVA 7000 AVA 7109 FT AVA 7120 ST	Barkley Seed Grass Roots 5150
B-H Genetics BH 380 F BH 390 F	Boomerange Silage Master MS BMR Silage Master ST BMR	Browning Seed, Inc. Silage Master	Byrons Seed Silage Supreme MS BMR
Casterline & Sons Seed Duro Silo Plus	Coffey Forage Seeds, Inc. Centurion BMR HS II HS IV	Coop Seed, Inc. SSF-550 SSF630 SSF660	Crosbyton Seed Company GW 8228 BMR GW 9110F GWX 3172F
Dakota's Best Seed Bundle & Chop Early Sumac Grace N Honey BMR Mega Ton Waconia	Delta and Pine Land Co. 102F	Douglass King Co. K-100	Drussel Seed and Supply FS120199
DynaGro Seed DG 710F 712F	Eagle Seed Genetics Digest BMR	Eastern Colorado EX HP 08 DW HP BMR DW HP 120 BMR DW HP 95 BMR Kane N Honey BMR	Fontanelle Hybrids F292 BMR
Forage First BMR 90 BMR 105 FS-5 XF 1101	Garrison & Townsend BMR Exp 2201 BMR Exp 2202 SG BMR 80 Silo Milo + 24213 24219 27681 991005 991005 BMR 991021 992003 BMR	Garst Seed Co. BMR 348 EX 2211 EXP 2211X N318-X T-E Milk-A-Lot 311 318	Gayland Ward Seed Co., Inc. Ensile Master

Eligible Grain Sorghum Varieties (Continued)

E Dual Purpose Grain Sorghum Varieties With 80 Percent Yield Potential (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Giant Seed Company Classic Hay One BMR Razin Feed Razin Kane Razin Kane GM Razin Silage	Golden Acres Genetics, LLC T-E Greenchopper T-E Milk-A-Lot T-E Milkmaker T T-E Silomaker	Golden Harvest J C Robinson Seed EX 47 Si-Gro H-47	Greenbush Seed & Supply Chop-N-Milo Hygrachop
Hawkeye Hybrids SS1740	Hoegemeyer Hybrids Bale All BMR F Bale-All III 691 F 692 F	Hyttest Seeds HT 90 BMR HT 105 BMR	Kelly Green Seeds, Inc. 2-Way F-190 BMR
Kings Agri Seed Silage Supreme MS BMR	Land O Lakes Croplan Silo-Plus Croplan Silo-Plus BMR Croplan Sucrosorgo 405 Forage First FS-5	Legend Seed Company LFS 601	Mallard Seed Company Mallard Rine AAA
Midland Genetics Dual Sil Silo-Fill II	MMR Genetics MMR327M/438BMRxMMR MMR 366/23 BMR MMR 366/35 BMR MMR 392/88 23392X 88366X 88392X 110381X 111310X 111381X	Mycogen Seeds T-E Milk-A-Lot 1F-700	NC + Hybrids NC+BMR77F X718228F X X825528F X
Ohlde-Midwest Seed Genetics Daisy Su Evergreen Sugar Cane 110D 111F 112F	Ottilie Seed RO 219	Pennington Seeds Penn 02 BMR	Phillips Seed BMR 60D BMR 64 BMR 4001 Sweet-Bal W/P Top Notch BMR
Pioneer Hi Bred International 819F 849F 81T91 84B52 838F 931 839F 947 840F 956 841F	Producers Hybrids Roper BMR	Production Plus MS505 DS BMR x Red Top Plus	Purdue University PU 8167 X PU 8168 X PU 8204 X PU 8206 X

Eligible Grain Sorghum Varieties (Continued)

E Dual Purpose Grain Sorghum Varieties With 80 Percent Yield Potential (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Rainbow Seeds FS-45	Resource Seeds Sorgomax FS 403 Sorgomax FS 425	Richardson Seeds, Inc. Bundle King II Bundle King IV Silo 700D BMR Sugar Red Sugar King Sweeter N Honey BMR 9500	Roth Seed Company Chopper Stopper Chopper Stopper II Sugar Loaf Sugar Loaf II
Scott Seed Co. BMR Gold BMR Gold 1 GS9 Rush S. S. Silage Sugar Daddy	Seed Exchange Pheasant Hunt - White	Seed, Inc. 101F	Seed Resource, Inc. FS-555 FS-575
Sharp Brothers Seed Canex BMR 248 Grazex BMR 750 Mixed Red Silex BMR 520	Sorghum Partners SS 304 X907 SS 405 X910 SS 506 X911 Sucrosorgo 405 X912 X901 X913 X905 X915 X906 X916	Star Seed, Inc. Magnum LDP Magnum Ultra+BMR LDP	Syngenta Seeds 318 340BMR 350FS Si-Gro H-44
Triumph Seed Company, Inc. SuperSile BMR42	UAP 727F	United Agri Products Dyna-Gro DG 727F	Valley Feed and Seed Supreme Chief BMR Sweet Kane Red Sweet Kane Red BMR
Walter Moss Seed Co. Desperado BMR F-17 M-1024-DPW	Warner Seed, Inc. Moo Chow W Red Top Kandy Sucrosse 6-R BMR Sweet Bee	Watley Seed Company BMR 6250	Wilbur-Ellis Co Integra F10175
Miscellaneous Varieties/Company Unknown			
39-30-S Amber Atlas Atlas BMR Coes Collier	Colman Dairy D Early Sumac Ellis Fremont Hegari	Improved Orange Kansas Orange Kansas Sourless Landsaver Leoti Red McLean	Norkan Rancher Red Amber Red Top Rox Orange Royal RS-301F RP 30F RP 40F RS 301 Sil-X Sumac Tricker Waconia Amber Waconia Orange White Amber X-SDR6

Eligible Grain Sorghum Varieties (Continued)

F Sterile Grain Sorghum Varieties

Sterile varieties of grain sorghum are listed in the following table. The producer **must** provide documentation to COC that shows the crop was planted with a pollinator and that 90 percent or more of the plants could produce a grain that would be classified as grain sorghum using the Official United States Standards for Grain.

Assign a yield based on 80 percent of the yield determined by using the methods in subparagraph C. County Offices shall:

- make LDP eligibility determinations
- advise seed companies, who believe they have eligible varieties **not** listed in the following table, to contact the State Office and provide information about plant characteristics and forage and grain yield potentials
- notify the State Office of any varieties **not** listed in this table that may be sterile.

Company/Variety	Company/Variety	Company/Variety	Company/Variety
AgriBioTech, Inc. Brand Hybrid Forage Pik Nik II Sug-R-Cane	Alta Brand (Advanta) AF7301	AR-B Seed AR-B Hay N Graze AR-B Sweet Choice BMR AR-B Sweet N Mor	Arrow Seed Co., Inc. Canex Canex II Red Top+Plus BMR Sweet N Red Sug-R-Bale
Asgrow Seed Titan MS	AVA Seeds AVA 7108ST AVA 7109ST	B-H Genetics BH 304 FB	Browning Seed, Inc. Bundel King
Casterline & Sons Seeds Sucane	Coffey Forage Seed, Inc. AML 74-2 BMR 6810 Centurian EXP 6810X MS 7445 MS 7469 MS 85 MSCA 27469	Crosbyton Seed Company Goldmaker GW 7828 F BMR GW 9530 F GW 9430 F Mor Bane II	Dakota's Best Seed Bundle & Chop Sterile Canex Cattleman's Supreme BMR
Dodge City Coop Value Plus with Pollinator	DynaGro Seed DG 727F ST	Eastern Colorado HP1010BMR HP1010BMRMS Kane N Honey	Fontanelle Hybrids F-300
Forage First BMR 105 Honey Kane	Frontier Hybrids Mucho Sweet		

Eligible Grain Sorghum Varieties (Continued)

F Sterile Grain Sorghum Varieties (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Garrison & Townsend 23402 Bale-All II Bale-All III	Gayland Ward Seed Co., Inc. GW 2120S GW-400BMR	Golden Acres Genetics, LLC T-E Goldmaker T-E Goldmaker - S T-E Goldmaker - T	Golden Harvest J C Robinson Seed Si-Gro H-1
Greenbush Seed & Supply Sweetall Sterile	Hoegemeyer Hybrids 612 F 613 F 625F	Hyttest Seeds Honey Kane	J.C. Robinson Seed Co., Inc. Si-Gro-H-1
Kelly Green Seeds, Inc. Lucky Leaf	MMR Genetics 36392X MMR 366/31 BMR MMR 366/36 BMR	Moews Seed Co. Moews Chop 1	Mycogen Seeds T-E Goldmaker T-E Goldmaker II
NC+ Hybrids NC 305 F Nutri-Cane II	Otilie Seed 210 A RO219A	Phillips Seed Sweet Bale	Production Plus Cane-Maker Cane-Maker II Red Top Plus Sweet-N-Red Ultra+Cane BMR
Richardson Seeds, Inc. Bundle King BMR	Roth Seed Company Cattle King Cattle King II Rocky Top	Scott Seed Co. BMR Gold X Sugar Cube	Seed, Inc. Big Crop 101FS
Seed Resource, Inc. Brand Hybrid Forage Pik Nik II Sugar-R-Cane Sweet-N-Tall	Sharp Brothers Seed Co. Canex Canex II Canex 50/50 Canex BMR 402 Canex BMRX402 Canex BMR 403 Canex BMRX403 Silex BMR 501 Silex BMR 502 Value Plus With Pollinator	Sorghum Partners X 909-NK	Star Seed, Inc. Magnum Surcane
United Agri Products Dyna-Gro DG 711F ST Dyna-Gro DG 727F ST	Valley Feed and Seed Kane King	Walter Moss Seed Co. F-18 BMR	Warner Seed, Inc. Sweet Bee Sterile Sweet Bee Sterile II
Wilbers Seed Solutions Sweet-N-Tall	Wilbur-Ellis Co. Integra F10165		
Miscellaneous Varieties/Company Unknown			
Crop Guard			

Eligible Grain Sorghum Varieties (Continued)

G Photo-Period Sensitive

Photo-period sensitive varieties of grain sorghum are listed in the following table. Contact the State Office for assistance with establishing maximum eligible quantity if the crop was planted south of a line from El Paso to Abilene to Dallas (Interstate 20), Texas. Assign a yield based on 80 percent of the yield determined by using the silage factor.

For any photo-period sensitive variety planted north of the line, assign a yield of zero. County Offices shall:

- make LDP eligibility determinations
- advise seed companies, who believe they have eligible varieties **not** listed in the following table, to contact the State Office and provide information about plant characteristics and forage and grain yield potentials
- notify the State Office of any varieties **not** listed in this table that may be photo-period sensitive.

Company/Variety	Company/Variety	Company/Variety
Delta and Pine Land Co. G-1990	Forage First Greentreat 128	Garrison & Townsend 22053 BMR
Gayland Ward Seed Co., Inc. GW-PS500	Hyttest Seeds HT-311 HT-311 BMR PPS	Legend Seed Company LFS-801
MMR Genetics 336/70 BMR	Pioneer Hi Bred International 811 F	Richardson Seeds, Inc. Megagreen Pacesetter BMR Pacesetter BMR Red X70400
Seed Resource, Inc. Green Graze Extra	Sorghum Partners 1990	Valley Feed and Seed Sweet Chief BMR PPS
Walter Moss Seed Co. 4-EverGreen 4-EverGreen BMR	Warner Seed, Inc. 2-Way 199PS Nutrigreen BMR	

Eligible Grain Sorghum Varieties (Continued)

H Ineligible Varieties

Ineligible grain sorghum, Category III varieties are listed in the following.

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Ag Venture SS 88	AR-B Seed AR-B AS4530 AR-B Sweet II AR-B Sweet King Sweet King BMR	Arrow Seed Co., Inc. Energizer Energizer BMR Grazex BMR 727 Grazex II Hay N Graze Honey Graze BMR Honey Graze IV Honey Graze LS Nutri + BMR Sweet Sunny Sue	AVA Seeds 7080 BMR
Blue River Hybrids Black Hawk 12 Hawk 12 Hawk BMR	Boomerange BMR 6 DH	Browning Seed, Inc. Cadon 10/10 Cadon 10/50 Cadon 99B Exp Hybrid OOX Farmers Favor Hayzer Tridan Uron Brand	Byrons Seed Summer Supreme
Channel Bio Corp Sugar II BMR	Cropland Genetics Green Treat +	Coffey Forage Seeds, Inc. Maxi Grain Maxi Grain BMR Sugar Graze 2000 Sugar Graze 3000 Sugar Graze II Sugar Graze III Sugar Graze Ultra Sugar Queen Sugar Queen III Sugar ST	Crosbyton Seed Company 2816 G BMR 7616 G BMR ST Graz-N-Gain Graz-N-Gain ST GW x 7181 G BMR GW x 7191 G BMR GW 7816 G BMR GW 9110 G
Curtis & Curtis, Inc. Wonder Graze	Dakota's Best Seed Cow Chew Cow Chew II Cow Chew BMR	DeLange Seed Hi Gain II	Dodge City Coop Grazer BMR 272 Sweet Kelly Sweet Kelly II Samson
Douglass King Co. Hay Day King 61 DR Sugar Sweet II Val-u-Graze	Drussel Seed and Supply Bonus DSS Bonus BMR DSS Bonus-R BMR	Dyna-Gro Seed 71F10 Danny Boy BMR Dynagraze Dynagraze BMR	Eagle Seed Genetics Hemi BMR

Eligible Grain Sorghum Varieties (Continued)

H Ineligible Varieties (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
East Texas Seed Company Green Graze Planter's Pride	Eastern Colorado HP 300 BMR	Forage First Greentreat Plus	Frontier Hybrids Champ BMR Champ I Champ II Nutri Plus BMR
Garrison & Townsend BMR 201 BMR 301 BMR 302 Gainer Graze All Graze All III Sugar Dan	Garst Seed Co. 750 BMR 753 BMR 753 BMR+ 757 EX 32007 Graze-N-Bale + N 765 BMR X R 723 BMR X Tastemaker III	Gayland Ward Seed Co., Inc. Super-Sugar Vita-Cane	Golden Acres Genetics, LLC FP-5 T-E Evergreen T-E Haygrazer T-E Haygrazer II
Golden Harvest J C Robinson Seed ReGro 34 RE-GRO EX 33 RE-GRO H-22B	Hoegemeyer Hybrids 650S Sugar Dan	Hyttest Seeds HT 211 BMR	Johnson Genetics Hidan 36 Millex 32 Sardan 79 Trudan 8 Trudan 10
Johnston Seed Company Sweet Grazin Triple Treat	Kelly Green Seeds, Inc. 4-FPS 4-Most 4-S 4-S BMR 4-X 4-XPS Lucky Su	Kings Agri Seed Summer Queen	Kirkland Seed Company Sweet Chow
Land O Lakes Croplan Drip-O-Honey Croplan Drip-O-Honey BMR Croplan Greentreat BMR Croplan Greentreat IV Croplan Greentreat-Plus Croplan Highland Sweet Plus Croplan Sordan 79 Croplan Sordan Headless Croplan Trudan 8 Croplan Trudan Headless Forage First SX-17	Legend Seed Company German LPM Preferred LSS 405 LSS 410 Manta	Mallard Seed Company Mallard SSG Mallard Sweet Miracle	McCormick Seed, Inc. Honey Sweet

Eligible Grain Sorghum Varieties (Continued)

H Ineligible Varieties (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Midland Genetics Super Sioux Sweet Graz	Mission Ag Mission Magic	MMR Genetics 336/67 BMR MMR 366/82 MMR 327/38	Mycogen Seeds IF 655 TE Haygrazer
NC+ Hybrids NC+ 800HS NC+ BMR 44S NC+ Sweetleaf II	Ottillie Seed Sorgox Sudangrass 666	PGS Hybrids Sweet Sorghum-Sudangrass Sweet Sorghum-Sudangrass BMR	Phillips Seed BMR 63 BMR 3001 Sweet Graz 55
Pioneer Hi Bred International 855F 877F 979	Producers Hybrids Lariat	Production Plus Dairymen's Dream Dry Stalk Dry Stalk BMR Go-Man-Go Hi-n-Dri Nutri Plus BMR Nutri Plus DS Nutri + Plus BMR Red Top Plus BMR Special Effect Special Effort Ster-M-Up Sweet Sunny Sue	Richardson Seeds, Inc. Honey Graze BMR Honey Graze IV Honey Pasture Pace setter Pacesetter Plus Piper Sweeter-n-Honey Sweeter-n-Honey BMR Sweeter-n-Honey BMR Red Tri Sweet X38400
Scott Seed Co. BMR 300 BMR Gold 200 BMR Gold 300 BMR Gold II BMR Gold III Honey Sweet Hay Preferred Stock Premium Stock Premium Stock LS Scott Grazer Sweet-N-Sterile	Seed, Inc. Big Crop Ribbon Grazer Big Crop Thrifty Grazer	Seed Resource, Inc. Att-A-Graze I Att-A-Graze II BMR 200 BMR 204 BMR 206 Cattle Grazer Dine a Mite Domor Forage King Green Graze Supreme Green Grazer V Green Pasture II MS 202 BMR PS-210 BMR S 222 S 333 SS 200 BMR Sugar Beef Sugar Beef III Sugar Beef IV Sugar Beef V Super Su 22 Xtra Sweet SS	Sharp Brothers Seed Co. Buffalo Brand Grazex II Grazex II W Grazex BMR 16 Grazex BMR 718 Grazex BMR 719 Grazex BMR 727 Grazex BMR 737 Grazex BMR 771 Grazex BMR 782

Eligible Grain Sorghum Varieties (Continued)

H Ineligible Varieties (Continued)

Company/Variety	Company/Variety	Company/Variety	Company/Variety
Sorghum Partners Sordan 79 Sordan Headless Trudan BMR Trudan 8 Trudan 10 Trudan Headless Trudan Headless BMR X921 X922 X999	Southern States SS120 SS211 SS220 SS220 BMR Unigraze II	Star Seed, Inc. Excel MSDS Nutri-Max Nutri+Plus BMR	Syngenta Seeds, Inc Graze-n-Bale +
Taylor Seed WC Sweet Graze III PS	Terral Seed, Inc. Terrall TV 357	Timken Seed Farms Inc. NB-280-g	Triumph Seed Co., Inc. Sooner Sweet Sooner Sweet 5 SSII Super Sweet 10 Super Sweet 12 SuperSweet ST15 Sweet BMR 40
UAP Seed Danny Boy BMR Dynagrazer	Valley Feed and Seed Super Chief Sweet Chief X-tra Sweet Chief X-tra BMR	Walter Moss Seed Co. 38 Special BMR Century BMR Mega Green Mega Green BMR SU-2-LM SU-2-LM BMR	Warner Seed, Inc. Circle W Gro-N-Graze 8493 Gro-N-Graze Dream GTW-1 Sooper Su Sucrosse 3R Sucrosse 5R BMR Sucrosse 9-R-PS Sucrosse S1 Sucrosse S2 WXF-03451
Wilbur Ellis Integra 31F20 WE Grow BMR	Miscellaneous Varieties Companies Unknown African Millet		

Eligible Grain Sorghum Varieties (Continued)

H Ineligible Varieties (Continued)

The following are ineligible sweet sorghum varieties used for sugar purposes **only**:

- Brandes
- Della
- Keller
- Ramada
- Rio
- Roma
- Smith (MN 1500)
- Sugar Drip
- Texas Ribbon
- Texas Ribbon Cane
- Tracy
- White Ribbon
- Wiley
- Wray.

--Premiums and Discounts for 2014 and Subsequent Crop Year Wool--

A Ungraded Wool Discounts for Offsorts

The following provides national CCC discounts for ungraded wool offsorts. Subtract the per pound discount from the applicable loan rate.

Factor/Type/Description	National Discount Per Pound
Bellies	\$0.20
Black Wool	\$0.36
Blackface	\$0.20
Crutchings	\$0.30
Locks/Tags	\$0.30
Pieces	\$0.20

B Ungraded Wool Discounts for Length

The following provides national CCC discounts for ungraded (greasy) wool based on the length of the wool below the 3 inch minimum. Subtract the per pound discount from the applicable loan rate.

Length in Inches	National Discount Per Pound
2.76 to 2.99	\$0.10
2.51 to 2.75	\$0.15
2.00 to 2.50	\$0.20
Under 2	\$0.25

Length discounts for ungraded wool apply to fleece wool **only**. Length discounts do **not** apply to offsorts that consist solely of lots or bags of the following:

- bellies
- pieces
- locks/tags
- crutchings.

C Miscellaneous Discounts for Ungraded Wool

The following provides national CCC discounts based on miscellaneous factors. Subtract the per pound discount from the applicable loan rate.

Factor/Description	National Discount Per Pound
Polypropylene Contamination	\$0.40
Unmerchantable	\$0.40

Mohair and Wool Loan Rates

--A 2014 Crop Year Loan Rates for Wool and Mohair--

Loan rates applicable to 2014 crop year eligible mohair and wool are as follows.

Commodity	Micron	All Regions Loan Rate (\$/lb.)
Graded (Clean)Wool	<18.6	\$3.88
	18.6 - 19.5	\$3.38
	19.6 - 20.5	\$2.94
	20.6 - 22.0	\$2.72
	22.1 - 23.5	\$2.56
	23.6 - 25.9	\$2.33
	26.0 - 28.9	\$1.78
	29.0 and over	\$1.38
Nongraded (Greasy) Wool		\$0.40
Mohair		\$4.20

--Premiums and Discounts for 2014 Crop Year Mohair--

A Mohair Grade Acronyms

The following grade acronyms are used in this handbook to designate the different type grades of mohair.

Acronym	Meaning
FK	Fine Kid
GK	Good Kid
AK	Average Kid
FYG	Fine Young Goat
AYG	Average Young Goat
FA	Fine Adult
AA	Average Adult

B Mohair Premiums and Discounts for Micron

The following are premiums and discounts according to the type of mohair and specific micron range obtained from a core test report from a CCC-approved testing facility. Add or subtract, as applicable, the per lb. premium or discount from the \$4.20 loan rate according to the specific micron range obtained from the core test results.

Type/Grade	Micron	Premium	Discount
FK	< 26	\$4.30	
GK	26.1-28	\$3.07	
AK	28.1-30	\$2.54	
FYG	30.1-32	\$0.64	
AYG	32.1-34		
FA	34.1-36		\$1.48
AA	> 36		\$1.52

--Premiums and Discounts for 2014 Crop Year Mohair (Continued)--

C Mohair Length Discounts

The following provides discounts for mohair based on the length of the mohair. Subtract the per lb. discount from the \$4.20 loan rate according to the specific micron range obtained from the core test results.

Length in Inches	Discount Per Lb. According to the Applicable Micron Range						
	<26	26.1-28	28.1-30	30.1-32	32.1-34	34.1-36	Over 36
Under 3	\$8.50	\$7.27	\$6.74	\$4.84	\$4.20	\$2.72	\$2.68
3.00-3.99	\$1.70	\$1.45	\$1.35	\$0.97	\$0.84	\$0.54	\$0.54
Over 6	\$1.28	\$1.09	\$1.01	\$0.73	\$0.63	\$0.41	\$0.40

D Mohair Vegetable Matter Discounts

The following provides discounts for mohair based on the vegetable matter content of the mohair. Subtract the per lb. discount from the \$4.20 loan rate according to the specific micron range obtained from the core test results.

Vegetable Matter (%)	Discount Per Lb. According to the Applicable Micron Range						
	<26	26.1-28	28.1-30	30.1-32	32.1-34	34.1-36	Over 36
1 - 1.9%	\$0.85	\$0.73	\$0.67	\$0.48	\$0.42	\$0.27	\$0.27
2 - 4%	\$2.13	\$1.82	\$1.69	\$1.21	\$1.05	\$0.68	\$0.67
Over 4%	\$4.25	\$3.64	\$3.37	\$2.42	\$2.10	\$1.36	\$1.34

(Continued)

E Mohair Discounts for Kemp

The following provides discounts for mohair based on the kemp content of the mohair. Subtract the per lb. discount from the \$4.20 loan rate according to the specific micron range obtained from the core test results.

Medullated Fibers (%)	Discount Per Lb. According to the Applicable Micron Range						
	<26	26.1-28	28.1-30	30.1-32	32.1-34	34.1-36	Over 36
5.0 - 6.9%	\$0.85	\$0.73	\$0.67	\$0.48	\$0.42	\$0.27	\$0.27
7.0 % and Over	\$2.13	\$1.82	\$1.69	\$1.21	\$1.05	\$0.68	\$0.67
Kempy Fibers (%)							
0.5 - 0.69%	\$0.85	\$0.73	\$0.67	\$0.48	\$0.42	\$0.27	\$0.27
0.7% and Over	\$2.13	\$1.82	\$1.69	\$1.21	\$1.05	\$0.68	\$0.67

