

### Use of Cotton Transfer Process for Certification

Effective immediately, the Commodity Credit Corporation (CCC) permits use of the loan-cotton transfer process for the purpose of replacing electronic warehouse receipts (EWR's) with certificated EWR's. This will allow loan bales to be deliverable (after they are redeemed from loan) under futures contracts of the Intercontinental Exchange, Inc. Under this process, a loan bale located at a contract delivery location may be issued a certificated receipt without being relocated.

Any transfer of loan cotton for the purpose of replacing original EWR's with certificated receipts is subject to the same terms and conditions as provided by CCC-699C, Cotton Transfer Agreement. Specifically, CCC will not be responsible for the resolution of any disputes, any losses of quantity, quality, or value or for any charges arising from the transfer or subsequent delivery complications. Also, any transfer for purposes of certification of the bales is considered equivalent to a physical relocation of the cotton and no subsequent relocation of the bales can be requested under CCC's transfer process. Subholders requesting transfers of cotton loan collateral are responsible for notifying the storing warehouse when issuance of certificated receipts are needed under such transactions.

Notice of this new transfer policy has been posted at the Farm Service Agency Price Support Website at: