



United States  
Department of  
Agriculture

Farm  
Service  
Agency

Kansas City Commodity Office  
Post Office Box 419205  
Kansas City, Missouri 64141

Date: January 30, 2007

FAX NO. (816) 926-6381 or (816) 926-6767

## EXCHANGE NO. 02

The Commodity Credit Corporation (CCC) desires to exchange wheat as follows:

CCC seeks 25,000 metric tons (918,583 bushels) of U.S. No. 2 O/B Hard Red Winter wheat, minimum 11.5 percent protein on a 12.0 percent moisture basis, maximum 13.5 percent moisture, maximum 3.0 percent wheat of other classes, maximum 3.5 percent total defects, minimum 300 falling number, dockage not to exceed 0.6 percent for Mongolia. (Food for Progress)

Buyer	Metric Tons
Altan Taria	14,500
UB Flour	7,000
Dornod Flour	3,500

Separate documents are required for each buyer.

Shipment period: February 20 – 28, 2007

FOB vessel, bulk carrier/ocean going barge named U.S. berth approved under the Uniform Grain and Rice Storage Agreement (UGRSA), possible multi bottom, U. S. gulf, Pacific Northwest, East coast, West coast, or Great Lakes export berth location (stated in the offer).

CCC will give contractor at least ten days advance notice of vessel's estimated time of arrival.

Offers and any modifications or withdrawals of offers must be received in KCCO by 2:00 p.m., CST, February 7, 2007.

CCC will telephone notice of acceptance by: 11:00 a.m., CST, February 8, 2007.

All CCC-owned wheat is available for exchange. A list of Uniform Grain and Rice Storage Agreement warehouse names and locations together with the kind, quality and quantity of CCC-owned wheat is available at [http://www.fsa.usda.gov/Internet/FSA\\_File/wheat\\_list\\_p.pdf](http://www.fsa.usda.gov/Internet/FSA_File/wheat_list_p.pdf).

The contractor will bid for a quantity of wheat listed on the CCC-owned listing, designating a specific lot(s) in exchange for the quantity of wheat requested. In formulating the offer, the offeror should note that CCC-owned wheat will be received by the contractor instore, at storage locations specified in the CCC-owned wheat listing.

At least 50 percent of the quantity of CCC-owned wheat to be acquired by the contractor in this exchange (part one of the offer form) must be from wheat stored in one or more of the contractor's own facilities, if such quantity of wheat is available. If the contractor has a quantity of CCC-owned wheat instore, but less

than 50 percent of the quantity offered in part one of the offer form, the contractor must use the entire quantity of wheat stored in their own facilities. Contractors who are not currently storing CCC-owned wheat may disregard this requirement.

The content of an offer will include the lot number on which the offeror is bidding. Offers must be made on a lot by lot basis and not contingent on the acceptance of another lot. Only one split lot allowed.

If CCC fails to take delivery by the end of the delivery period for reasons beyond the control of the Contractor, CCC will pay carrying charges at the rate of 18 cents per metric ton per day beginning on the day following the end of the delivery period and continuing through the date the vessel presents the notice of readiness, unless such failure is for causes as such: (1) acts of God or of the public enemy, (2) acts of the Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions (7) strikes, (8) freight embargoes, and (9) unusually severe weather.

In the event all grain is not lifted, the balance will be sold to the contractor at the market price the day after the date of vessel bill of lading.

All costs for transportation/handling from interior to FOB vessel are for the contractor's account, even if warehouse receipts are issued under the terms specified elsewhere in this Exchange.

Title is to pass upon the simultaneous exchange of the following vessel documents (OFFER FORM A) that are to be provided to CCC at no additional cost:

- Official Weight and Clear White FGIS Grade Certificates
- Mates' receipt or bill of lading
- FGIS Protein Analysis Certificate
- FGIS Vomitoxin Certificate
- FGIS or private commercial laboratory certificate for falling number is required.
- Statement certifying commodity conforms to the provisions of the Federal Food, Drug, and Cosmetic Act
- FGIS Fumigation Certificate is required

**OR**

Title to pass upon simultaneous exchange of Warehouse Receipts or KC 228's claused with statement both In and Out charges are prepaid and the following documentation will be provided by the contractor at no expense to CCC. CCC will release grain within 4 business days of receipt of Warehouse Receipts or KC 228's. (OFFER FORM B).

- Official Weight and Clear White FGIS Grade Certificates
- Mates' receipt or bill of lading
- FGIS Protein Analysis Certificate
- Certificate of Origin
- Phytosanitary Certificate
- FGIS Vomitoxin Certificate
- FGIS or private commercial laboratory certificate for falling number is required
- Statement certifying commodity conforms to the provisions of the Federal Food, Drug, and Cosmetic Act
- FGIS Fumigation Certificate is required

Any differences between quantity and quality of grain received by the contractor are to be settled between the storing warehouse operator and the contractor.

Wheat shall be tested for vomitoxin. Testing is to be performed by the Field Management Division, FGIS, by subplot. Shipments exceeding a level of 2 ppm or more by subplot shall be rejected to the contractor. FGIS vomitoxin certificate required to be furnished with invoice.

Stop storage date on lots released to the contractor will be 15 days after vessel completion date or as shown on the wire release, whichever comes first. Lots will be released in the order submitted.

Vessels shall be fumigated with an aluminum phosphide preparation in-transit. Contractor shall arrange and pay for in-transit fumigation performed by a certified applicator in accordance with the USDA, FGIS Fumigation Handbook (<http://151.121.3.117/reference-library/handbooks/fumigation/fumhb.pdf>). Fumigation shall be witnessed by FGIS, USDA, and the aluminum phosphide preparation shall be contained in packaging as described in the Fumigation Handbook. Dust retainers shall be used. For bulk carriers (including push mode integrated tug barges), the recirculation method of fumigation shall be used.

When the recirculation method is required, the contractor at the first port of loading shall be responsible for arranging fumigation for the entire vessel. When the surface method is required, the contractor at the last port of loading shall be responsible for arranging fumigation for the entire vessel.

For voyages of five days or shorter, aluminum phosphide fumigation shall be performed as provided by FGIS Program Notice FGIS-PN-05-02 found at: <http://151.121.3.117/reference-library/bulletins/pn05-02.pdf>.

Demurrage and despatch shall be provided for as defined in the Charter Party. Demurrage, when applicable, shall be paid directly to the vessel owner by the contractor. Despatch, when applicable, shall be paid directly to the contractor by the vessel owner. Laytime issues are to be settled directly between the vessel owner and the contractor. Laytime calculations, overtime, and trimmings are to be resolved in accordance with Addendum No. 1 of the North American Export Grain Association, Inc., (NAEGA), FOB Contract No. 2 (Revised as of May 1, 2000), Clause No. 1-10 inclusive. Further, the following modification to NAEGA, Addendum No. 1, shall apply:

In NAEGA, Addendum No. 1, anywhere the word "buyer" appears, the words "vessel owner" should be substituted in its place.

Under no circumstances shall the Government be responsible for the calculation of laytime or the payment of demurrage or despatch between the vessel owner and the contractor.

Any/all disputes between the vessel owner and the contractor arising out of this contract relating to the settlement of laytime and/or the payment of demurrage/despatch shall be arbitrated in New York subject to the rules of the Society of Maritime Arbitrators, Inc.

The following loading rate guarantee shall apply to all U.S. Government sponsored Food Aid and shall be based on the vessel contracted quantity, which is the total quantity contracted by the vessel charterer(s) to load onboard the vessel nominated by the Government to the contractor. The vessel contracted quantity may include separately contracted quantities that will be loaded by other contractors, and thus may be subject to a higher load rate guarantee. Notwithstanding any custom of the port to the contrary, Saturday shall not count as laytime at loading port or ports where stevedoring labor and/or grain handling facilities are unavailable on Saturday or available only at overtime and/or premium rates. In ports where only part of Saturday is affected by such conditions, as described above, laytime shall count until the expiration of the last straight time period.

Where six or more hours of work are performed at normal rates, Saturday shall count as a full lay day.

**BULK CARRIERS:**

<u>VESSEL CONTRACTED QUANTITY</u>	<u>LOADING RATE GUARANTEE</u>
0 - 9,999.99 MT	4,000 MT Per Day
10,000 - 19,999.99 MT	5,000 MT Per Day
20,000 - 29,999.99 MT	6,000 MT Per Day
30,000 - 39,999.99 MT	7,500 MT Per Day
40,000 - 49,999.99 MT	10,000 MT Per Day
50,000 MT and above	12,000 MT Per Day

**TANKERS:**

<u>VESSEL CONTRACTED QUANTITY</u>	<u>LOADING RATE GUARANTEE</u>
0 - 9,999.99 MT	4,000 MT Per Day
10,000 - 19,999.99 MT	5,000 MT Per Day
20,000 - 29,999.99 MT	6,000 MT Per Day
30,000 MT and above	7,500 MT Per Day

**TWEEN-DECKERS:** The load guarantee shall be 3,000 MT per day.

**LASH/SEABEE BARGES:** The load guarantee shall not apply.

The loading of ocean going barges shall be paid at the same rate as bulk carrier. No wharfage or loadout charges shall be paid by the Government.

The grade, class, subclass, all individual quality factors, protein content (if applicable), and quantity of the commodity delivered shall be established by official FGIS analysis at the time of loading to the vessel and officially certified by the FGIS on clear white grade certificates and weight certificates. The definitions, grades, and grading factors will be those contained in the Official United States Standards for Grains/Milled Rice issued by FGIS and in effect at the time of purchase by the Government. The standards are available at: <http://151.121.3.117/reference-library/standards/standards.htm>

Any actual damages suffered by CCC resulting from any failure or refusal of contractor to perform, shall be for the account of the contractor. Such actual damages shall include, but not be limited to: vessel demurrage, handling, wharfage charges, storage, fumigation costs, and excess replacement costs.

**SUBMISSION OF OFFERS**

Bids shall be submitted by regular mail, express mail, facsimile, or hand delivered. Bids shall be addressed to the contracting officer indicated below, Attn: Commodity Management Division Bid Box. Facsimile Numbers are 816-926-6381 or 816-926-6767. Facsimile bids shall be addressed to contracting officer, Kansas City Commodity Office, Attn: Commodity Management Division Bid Box. For assistance contact KC Administrative Office Communications Center at 816-823-1012.

For express mail:

Kansas City Administrative Office

Attn: Stop 8748

6501 Beacon Drive

Room G-42A

Kansas City, MO 64133-4676

CCC reserves the right to refuse to consider an offer if the Kansas City Commodity Office does not have adequate information to determine the responsibility of offeror, financially or otherwise. First time CCC bidders, for agricultural commodity contracts, should notify CCC prior to submission of an offer.

Retain one copy of the submitted offer form for your use. The envelope must be plainly marked:

"Do Not Open Until 2:00 p.m., CST, February 7, 2007, Wheat Exchange No. 2," is to be placed in the lower left corner of the envelope.

If overnight/express service is utilized, the above statement must be printed clearly on the outer express envelope, not the mailing label.

Additional blank copies of original offer form may be obtained from the Kansas City Commodity Office or duplication of attached offer form is permitted.

The time recorded by the facsimile as offeror's transmission time will be used to determine the time of receipt by CCC. **OFFERORS ARE RESPONSIBLE FOR THE TIMELY RECEIPT OF OFFERS AND AMENDED MARKET PRICE CHANGES.** No offers, modifications, or withdrawals will be accepted by telephone.

Further information on this Exchange for Offers may be obtained by contacting:

Kansas City Commodity Office  
Commodity Management Division  
6501 Beacon Drive, Stop 8748  
Kansas City, Missouri 64133  
Telephone (816) 926-6444

/s/ Todd Shuck

Contracting Officer

Enclosure

IN ACCORDANCE WITH WHEAT EXCHANGE NO. 2, DATED, JANUARY 30, 2007, THE  
UNDERSIGNED OFFERS THE FOLLOWING:

FIRM  
NAME\_\_\_\_\_

ADDRESS\_\_\_\_\_

CONTACT  
NAME\_\_\_\_\_

PHONE NO.\_\_\_\_\_ FAX NO.\_\_\_\_\_

PART ONE - CCC DELIVERS TO OFFEROR:

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_  
(City) (State) (UGRSA Warehouse Code)

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELS\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

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LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

TOTAL BUSHEL OFFERED \_\_\_\_\_

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PAGE 2 OF 2

PART TWO - CCC RECEIVES FROM OFFEROR:

TOTAL QUANTITY CCC IS TO RECEIVE: 25,000 METRIC TONS

QUALITY: U.S. NO. 2 O/B HARD RED WINTER WHEAT

SHIPMENT PERIOD: FEBRUARY 20 – 28, 2007

U. S. BERTH & UGRSAWAREHOUSE CODE \_\_\_\_\_

NAMED BERTH RESTRICTIONS ARE MAXIMUM:

LOA (LENGTH):\_\_\_\_\_ AIR DRAFT:\_\_\_\_\_

BEAM (WIDTH):\_\_\_\_\_ WATER DRAFT:\_\_\_\_\_

SIGNATURE 1/\_\_\_\_\_

TITLE\_\_\_\_\_

OFFER FORM B

IN ACCORDANCE WITH WHEAT EXCHANGE NO. 2, DATED, JANUARY 30, 2007, THE  
UNDERSIGNED OFFERS THE FOLLOWING:

FIRM NAME\_\_\_\_\_

ADDRESS\_\_\_\_\_

CONTACT  
NAME\_\_\_\_\_

PHONE NO.\_\_\_\_\_ FAX NO.\_\_\_\_\_

PART ONE - CCC DELIVERS TO OFFEROR:

LOT NO.\_\_\_\_\_ BUSHELs\_\_\_\_\_

LOCATION\_\_\_\_\_

(City) (State) (UGRSA Warehouse Code)

LOT NO.\_\_\_\_\_ BUSHELs\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELs\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELs\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO.\_\_\_\_\_ BUSHELs\_\_\_\_\_

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LOT NO.\_\_\_\_\_ BUSHELs\_\_\_\_\_

LOCATION\_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

LOT NO. \_\_\_\_\_ BUSHEL \_\_\_\_\_  
LOCATION \_\_\_\_\_

TOTAL BUSHEL OFFERED \_\_\_\_\_

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PAGE 2 OF 2

PART TWO - CCC RECEIVES FROM OFFEROR:

TOTAL QUANTITY CCC IS TO RECEIVE: 25,000 METRIC TONS

QUALITY: U.S. NO. 2 O/B HARD RED WINTER WHEAT

SHIPMENT PERIOD: FEBRUARY 20 – 28, 2007

U. S. BERTH & UGRSA WAREHOUSE CODE

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NAMED BERTH RESTRICTIONS ARE MAXIMUM:

LOA (LENGTH): \_\_\_\_\_ AIR DRAFT: \_\_\_\_\_

BEAM (WIDTH): \_\_\_\_\_ WATER DRAFT: \_\_\_\_\_

SIGNATURE 1/ \_\_\_\_\_  
TITLE \_\_\_\_\_

The following statements are 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 is 7 CFR, Chapter 14, 1496, Subchapter B and C. The information will be used to assess Bulk Grain Procurement Offers. Furnishing the requested information is required to be a responsive offer. Failure to furnish the requested information will result in a nonresponsive offer. 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.

Federal agencies may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 15 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. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U. S. Department of Agriculture, Clearance Officer, OIRM (OMB No. 0560-0177), Stop 7630, Washington, D.C. 20250-7630.

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.