



FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

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Loan Repayment by Wire Transfer

Overview

A wire transfer is a financial transaction that producers or other entities make through their bank. It authorizes the bank to wire funds electronically from their account to a Commodity Credit Corporation (CCC) account in a Federal Reserve Bank. The use of wire transfers can speed up the release of warehouse receipts held by the CCC as loan collateral.

A wire transfer may be used for repaying one or more Farm Service Agency (FSA) loans or portions of loans by a variety of payment methods including cash, check, or bank wire transfer, provided that all loans are serviced at the same FSA county office. Requests for wire transfer repayment must be made at the FSA county office where the loan originated.

When requesting a wire transfer, please provide FSA county staff with the following information:

- name, phone, and fax number of the entity or person requesting the wire transfer of funds;
- the loan number to which the transfer of funds will be applied;
- the requested repayment date by wire transfer (which is used to calculate the repayment amount).

How to Make Loan Payments by Wire Transfers

To make a wire transfer, payers are required to complete and sign a Wire Transfer of Funds form CCC-258, authorizing their bank to automatically debit a bank account of their choice in a specific amount.

Forms can be obtained by contacting the FSA county office that services the loan. The CCC-258 form must be completed and signed before an outgoing wire transfer can be initiated.

Once the CCC-258 form is completed and signed, the payer sends it to their designated bank. Payers must request their bank to send a copy of the wire transfer receipt to the FSA county office that services the loan. Payers must also inform their bank of the routing number of the Federal Reserve Bank to which the payment should be sent, CCC's account number at the Federal Reserve, and the required payment amount.

FSA county offices are able to accept a commercial bank's receipt of a wire transfer of funds as a form of payment. County office staff will wait for confirmation of the wire transfer receipt from the Federal Reserve Bank before releasing any warehouse receipts. Failure to provide FSA county office staff with receipt of wire transfer of funds will result in a delay in crediting your account. Please keep the receipt of your wire transfer for

future references.

For repayment of commodity loans, CCC must receive funds equal to the full repayment amount before warehouse receipts will be released.

Loan Repayment Calculation

Payers may provide the county office staff with the estimated amount needed for the loan payment. The county office staff may accept this calculation and enter it onto form CCC-258 to speed up the transfer of funds. In some cases, or if requested by the payer, the county office staff may calculate the repayment amount.

County office staff reserves the right to calculate the repayment amount for entry onto form CCC-258.

FSA Procedures for Wire Transfers

County office staff maintains a log of wire transfer numbers that are entered on form CCC-258 to match wired payments to the correct loan.

Upon receiving a request for a wire transfer of funds, county office staff completes item numbers 3, 8, 11, 14, and 15 on form CCC-258 and returns the form to the payer to complete, sign, and send to the bank.

Banks can fax the wire transfer receipts directly to an FSA county office. Upon receipt of evidence of the loan repayment, the county

office staff will record the loan repayment and release any warehouse receipts associated with the loan.

Any bank fee for processing a wire transfer of funds is paid by the sender. Account holders should know the bank's procedures, including related fees, its policy for providing receipts, and the time needed to process wire transfer of funds.

NOTE: Due to workload, FSA county office staff may not be able to process wire transfer of funds requests immediately after requests are submitted. All requests, regardless of the type, are processed in the order in which they were received.

Explanation of Entries on CCC-258

All circled items (item numbers 1, 5, 6, 7, and 9) on form CCC-258 are supplied by the payer's bank for informational purposes.

Item #1: This item is completed at the option of the bank and is not required by CCC.

Item #2: This notifies the payer that interest is calculated to the date entered in Item #3.

Item #3: The requested repayment date. The wire transfer of funds must occur no later than the requested repayment date for the transfer of funds to be sufficient to repay the loan. The payer may request the repayment date. If not specified by the payer, county office staff will enter the date corresponding to the amount entered in Item #8.

Item #4: This entry is preprinted and is the bank's routing number for the FSA account. Nothing further needs to be entered in this section. CCC's account number is also imbedded in the pre-printed entry of Item #11.

Item #8: County office staff computes the repayment amount and enters the payment amount estimated by the payer. Although the payer's estimate may be used for the transfer of funds, the final loan repayment amount applied is the amount determined by CCC.

Item #10: This entry is preprinted and nothing further needs to be entered in this section.

Item #11: This item contains an alpha/numeric code entered by the county office staff that includes its log number for matching the wire transfer of the loan.

Example:

BAN=/AC -4992 OBI=CCC/1/
XXXXXX/SCH#xxxx/

- AC-4992 OBI=CCC contains the CCC account number
- XXXXXX is the State and County codes and check digit, and
- xxxx is the 4-digit log number.

Item #14: This contains the voice and fax number for the county office. This is the fax number to which the wire transfer receipt can be faxed.

Item #15: The county office representative signs Form CCC-258.

For More Information

Further information on this and other FSA programs is available from local FSA offices or on FSA's Web site at: www.fsa.usda.gov.