

**For:** State and County Offices, Peanut CMA's, and DMA's

**Processing 2007 Crop Year (CY) Peanut Loans and LDP's Using APSS County Release No. 622**

**Approved by:** Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Marketing assistance loans (MAL's) and LDP's for peanuts can be requested until final loan availability date of January 31, of the year following the year peanuts are harvested.

County Release No. 622, being mailed **August 27, 2007**, includes the following APSS enhancements to handle peanut MAL and LDP processing for the 2007 and subsequent CY's:

- updated loan rates, premiums, and discounts for each type of peanuts
- modified warehouse-stored loanmaking process to:
  - discontinue payment of load-in charges
  - handle additional paper and electronic warehouse receipt (EWR) data fields
  - adjust the warehouse-stored loan rate to account for unpaid storage through loan maturity
  - increase the rate commodity assessment for Oklahoma to \$4 per ton
- discontinue the application of storage credit when repaying warehouse-stored MAL
- provide the ability to process additional cash disbursement when producer provides proof that warehouse charges have been paid for a period for which storage was previously deducted.

<b>Disposal Date</b>	<b>Distribution</b>
August 1, 2008	State Offices; State Offices relay to County Offices, Peanut CMA's, and DMA's

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### 1 Overview (Continued)

#### B Purpose

This notice provides general instructions to State and County Offices for processing peanut MAL's and LDP's for the 2007 CY.

### 2 Basic Peanut Loan and LDP Program Information

#### A General Information

County Offices shall refer to the following:

- 12-PS for general instructions about APSS
- 15-PS for general instructions about eLDP processing
- 8-LP for general policies and procedures about loans and LDP programs
- 1-CMA for CMA and DMA policies and procedures
- Notice LP-2073 for additional policies and procedures for loans and LDP's.

#### B Peanut Loan Rate for the 2007 CY

APSS will **automatically upload** the 2007 loan rates and rate per percent of the total sound mature kernels (SMK) for peanuts for each peanut type. The loan rates can be viewed by accessing the county-maintained tables and selecting the "Commodity Loan Rate Table" for peanuts.

Exhibit 1 shows the rates for peanut loan for the 2007 CY. Additional discounts for Seg. 1 peanuts are in Exhibit 2.

#### C Peanut Loan and LDP Processing

Process peanut loans and LDP's in APSS by selecting the applicable option from Price Support Main Menu PCA005. These options, which include the ability to use pre-processed files, are the same as the previous CY.

MAL's may be:

- farm-stored certified
- farm-stored measured
- warehouse-stored.

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### 2 Basic Peanut Loan and LDP Program Information (Continued)

#### C Peanut Loan and LDP Processing (Continued)

LDP's may be processed in APSS as:

- farm- or warehouse-stored certified
- farm-stored measured
- receipted warehouse-stored quantity
- load summary sheets or scale ticket quantities.

External LDP applicants and County Offices may also use eLDP according to 15-PS and applicable notices. The following eLDP options are currently available for peanuts:

- farm-stored certified
- field direct
- load summary.

**Note:** The eLDP system does **not** have the ability to automatically upload EWR data when processing an application. However, EWR's may be used as production evidence for eLDP applications.

#### D Other Peanut Loan and LDP Features

The following program features are the same as the 2006 CY:

- assignments
- commodity certificate exchange
- commodity code and peanut type abbreviation
- interest rate
- program codes for loans and LDP's
- service fees.

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**3 County-Maintained Table Files**

**A Updating the Peanut Offer Shipping Rate Table**

County Offices **must** update the Peanut Offer Shipping Rate Table in APSS with the 2007 rates of peanut warehouse charges according to the following.

<b>Step</b>	<b>Action</b>
1	On Price Support Main Menu PCA005, ENTER “9”.
2	On Menu PAA010, ENTER “3”.
3	On Menu PAA015, ENTER “1”.
4	On Menu PAA020, ENTER “3”.
5	On Menu PAA79000, ENTER “6”.
6	<p>On the Peanut Offer Shipping Rate Table:</p> <ul style="list-style-type: none"> <li>• ENTER “U” to update the table</li> <li>• Enter the warehouse code assigned to the warehouse</li> <li>• ENTER “7/01/07” as the Effective Date</li> <li>• ENTER “N” or “Y” to the question, “Is this a merged warehouse?”</li> <li>• Enter or verify the State and county codes where the warehouse is located.</li> </ul> <p><b>Note:</b> County Office shall update the Offer Shipping Rate Table for <b>each</b> storing warehouse. If the warehouse is not in the Name and Address File, the message, “Warehouse is not in the Name and Address File. Please correct or press Enter”, will be displayed. PRESS “Enter” and Screen PAA79035 will be displayed. Enter the warehouse information in the Other Name and Address file according to 1-CM, paragraph 931.</p>
7	<p>On Screen PAA79035, Enter the following CCC-approved warehouse rates for 2007 CY:</p> <ul style="list-style-type: none"> <li>• storage is \$2.71 per ton</li> <li>• load-out is \$8 per ton</li> <li>• in-handling is \$8 per ton.</li> </ul> <p><b>Important:</b> Beginning with the 2007 CY, CCC will <b>no longer</b> pay warehouse charges for warehouse-stored peanuts in the loan. The warehouse-stored loan amount shall be reduced by the amount of unpaid storage through loan maturity, if applicable. APSS shall use the CCC-approved rate to determine the amount of storage deductions.</p> <p>The in- and out-handling rates shall be used to determine the amount of warehouse charges paid by CCC on forfeited peanuts.</p>

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### 3 County-Maintained Table Files (Continued)

#### B Commodity Loan Rate Table

On Menu PAA020, ENTER “2” or “8” to verify that the loan rates were uploaded properly. Notice LP-2064 announced the peanut loan rates for the 2007 CY.

### 4 Warehouse-Stored Loan Processing in APSS

#### A General Warehouse-Stored Loan Information

When processing warehouse-stored loans, ensure that **each** loan has the same:

- date documents received date
- peanut type
- producer
- State where peanuts were inspected
- warehouse code.

#### B Warehouse Information

If a user enters a warehouse code on Screen PLC10000 that is **not** in the Other Name and Address file, the message, “Whse code not found. Please correct, or if approved code, press Enter”, will be displayed. **Stop** the process and:

- Enter the warehouse information in the Other Name and Address File according to 1-CM, paragraph 931
- update the Peanut Offer Shipping Rate Table according to subparagraph 3 A.

#### C Date Document Received and Inspection State

On Screen PLC10005, Enter the “Date Documents Received” date that shall be the actual date all required loan documents were received by the County Office. This shall be the later of the dates the following documents were received by the County Office:

- loan application
- the date when CCC becomes the holder of EWR

**Note:** County Offices shall download EWR’s as soon as requests for loan are received. If download does **not** occur on the day of loan request, make a note of loan request date on the EWR Peanut Receipt Detail List and use this date to compare with other loan documents when determining the “Date Documents Received” date.

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**4 Warehouse-Stored Loan Processing in APSS (Continued)**

**C Date Document Received and Inspection State (Continued)**

- other applicable documents, like lien waiver (excluding lien search).

**Note:** The “Date Documents Received” date for the DMA-prepared MAL shall be the date of DMA loan disbursement. FSA Service Centers shall process DMA loans using the same “Date Documents Received” date and “Disbursement Date” as the DMA-prepared loan.

On Screen PLC10005, Enter the 2-digit State code where the peanuts were inspected. This shall be the first 2 digits of the buying point number, if using paper receipts. If using EWR’s, the field will automatically be filled. Verify that the “State of Inspection” corresponds to what is shown on the EWR supplemental receipt list.

**D Peanut Warehouse Receipt Validation**

Screen PLC40000 shall have the information for each warehouse receipt. Enter the data manually, if using paper receipt, or verify the data displayed on the screen, if using EWR.

Field	Descriptions	Explanation
Warehouse Receipt Number	Warehouse receipt number associated with the receipt	
Date Receipt Issued (mmddyy)	Date warehouse receipt was issued.	
Storage Date (mmddyy)	Date the storage starts to accrue.	
Storage Paid Through Date (mmddyy)	Date through which storage has been paid.  <b>Note:</b> If storage has not been paid through the calculated loan maturity date, the loan rate on the loan shall be reduced to provide storage through loan maturity date.	See subparagraph F for additional information on handling the Storage Paid Through date.
Net Tons	Net tons from warehouse receipt.	Tons of kernels, including SMK’s and SS’s, but excluding loose shelled kernels (LSK’s).
LKS Tons	LSK tons from warehouse receipt.	
Total Tons	Total tons from warehouse receipt.	Equal to net tons plus LSK’s.
Storage Charge Per Unit	CCC-approved storage rate per ton.	See subparagraph F for guidelines in determining the loan rate deduction for storage not provided for through loan maturity.
Prepaid In Charges	Prepaid in charges shown on the warehouse receipt. (optional)	Used to determine the amount of refund if the collateral is forfeited, if applicable.
Prepaid Out Charges	Prepaid out charges shown on the warehouse receipt. (optional)	

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**4 Warehouse-Stored Loan Processing in APSS (Continued)**

**E Calculating the Receipt Loan Amount**

For the 2007 and subsequent CY's, APSS shall determine the receipt loan amount of Seg. 1 peanuts by:

- calculating the kernel value of peanuts (excluding LSK) on the receipt
- applying additional discounts for quality factors in Exhibit 2
- reducing the loan rate applicable to the loan quantity (Net Tons and LSK Tons) to account for unpaid storage through loan maturity according to subparagraph F, if applicable.

The receipt loan value of Seg. 2 and Seg. 3 peanuts shall be the loan quantity times the Seg. 2 or Seg. 3 loan rate according to Exhibit 1, and further reduced to account for unpaid storage through loan maturity, if applicable.

The amount of deductions associated with unpaid storage shall be determined according to subparagraph F.

Screen PLC11000 describes the values used to calculate the receipt loan amount.

<b>Field</b>	<b>Description</b>
Receipt Number	Pre-filled.
Receipt Loan Quantity	Total tons.
Receipt Loan Amount	(Net Tons times Net Loan Rate) plus (LSK Tons times LSK rate minus Storage Deduction, if applicable).
Basic Loan Rate	(Total SMK Percent times Total SMK Rate) plus (Other Kernels (OK) Percent times OK Rate) plus (Extra Large Kernels (ELK) Percent times ELK Rate, if Virginia Peanuts).  <b>Note:</b> See Exhibit 1 for the rates for 2007 CY.
Total Premiums Amount	
Total Discounts Amount	Discounts for Percent Damaged, FM and SS according to Exhibit 2.
Storage Deduction	Deduction for unpaid storage through the calculated loan maturity date based on the CCC-approved storage rate.  <b>Note:</b> See subparagraph F for guidelines to determine the amount of storage deduction.
Net Loan Rate	Basic Loan Rate minus Total Discounts Amount minus Storage Deduction, if applicable.
LSK Rate	LSK rate shall be \$140 per ton.  <b>Note:</b> If storage deduction is applicable, LSK amount shall be determined by subtracting the amount of Storage Deduction from \$140 times LSK Ton.

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**4 Warehouse-Stored Loan Processing in APSS (Continued)**

**E Calculating the Receipt Loan Amount (Continued)**

Exhibit 3 shows examples of how the receipt loan amount is calculated.

It is highly recommended to screen print Screen PLC11000 and file the print in the loan folder for future reference.

**F Determining the Amount of Storage Deduction**

Beginning with the 2007 CY, the producer shall be responsible for storage charges on peanut warehouse-stored loans, through loan maturity date. The storage deduction shall be applied to the loan rates used to calculate receipt loan value.

APSS shall determine the amount storage deductions according to this table.

<b>IF...</b>	<b>THEN...</b>
“Storage Paid Through Date” is <b>the same or later</b> than Loan Maturity Date	do not apply storage deduction.
“Storage Paid Through Date” is <b>earlier</b> than Loan Maturity Date	<ul style="list-style-type: none"> <li>• calculate the number of months/days of unpaid storage from the day after “Storage Paid Through Date” to loan maturity date</li> <li>• multiply the number of month/days of unpaid storage times the CCC approved storage rate.</li> </ul>
“Storage Paid Through Date” is not provided on the receipt	<ul style="list-style-type: none"> <li>• calculate the number of months/days of unpaid storage from the day after “Date Documents Received” date to loan maturity date</li> </ul> <p style="text-align: center;"><b>Note:</b> Screen PLC400000, “Storage Date” will be automatically filled with the “Date Documents Received” date.</p> <ul style="list-style-type: none"> <li>• multiply the number of months/days of unpaid storage times the CCC-approved storage rate.</li> </ul> <p><b>Note:</b> When peanuts are forfeited, APSS shall create a receivable for the amount of storage due through “Date Documents Received”.</p>

Exhibit 3 provides additional information on handling storage deductions on warehouse-stored loans.

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### 4 Warehouse-Stored Loan Processing in APSS (Continued)

#### G Discounts for Peanuts

Seg. 1 warehouse-stored peanuts shall have additional discounts based on the percent damaged, FM, and SS's, as indicated on the warehouse receipt. The manner of applying discounts shown in Exhibit 3 remains unchanged from the previous CY.

No additional discounts shall be applied to Seg. 2 and Seg. 3 peanuts.

#### H Determining Loan Quantity and Loan Amount

APSS shall determine the loan quantity (Total Tons) in the same manner as the previous CY's, which shall be the Net Tons (excluding LSK) plus LSK Tons.

The total loan amount shall be sum of the receipt loan amounts for all receipts included in the loan.

#### I Warehouse Receipt Summary for Peanuts Report

The Warehouse Receipt Summary for Peanuts Report contains data associated with each loan. Use the Warehouse Receipt Summary for Peanuts Report to verify the following:

- grade factors shown on the report match with the warehouse receipt information
- receipt loan amount and total loan amount are correct
- disbursement date in block 4 is correct
- warehouse code in block 5 is correct
- date document received in block 6 is correct
- load-in charge in block 8 is blank
- research and promotion fee is correct according to paragraph 5

**Note:** This amount should be the same as the "Marketing Assessment" amount printed on CCC-677 and CCC-678.

- assessments approved for the applicable State is correct according to subparagraph 5 B

**Note:** This amount shall be the same as the "Assessments" amount printed on CCC-677 and CCC-678.

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### 4 Warehouse-Stored Loan Processing in APSS (Continued)

#### I Warehouse Receipt Summary for Peanuts Report (Continued)

File a copy of the report in the producer's loan folder for future reference.

**Note:** Correct errors in the loan by reversing the loan using Menu PCA005, option "7", and re-entering the correct loan as a manual loan and on Screen PCA12000, answer "Y" that it is a re-entry of a corrected loan. See 12 PS, Part 11 for additional instructions on corrections.

### 5 Peanut Commodity Assessments

#### A General Information

APSS shall automatically calculate and deduct the authorized amount of assessment from MAL's at disbursement and display these deductions on Screens:

- PLC12000 and PLC12005 when completing warehouse-stored loans
- PLB13500 and PLB13505 when completing farm-stored loans.

#### B Assessment Deductions

The amount of assessment deductions shall be printed on CCC-677 and CCC-678 as:

- "Assessments" for authorized State commodity assessment
- "Marketing Assessments" for the national research and promotion fee.

**Notes:** DMA and CMA Service Centers must ENTER "0" in the Marketing Assessment Amount field when completing CMA and DMA loans in APSS.

Peanut DMA's and CMA's shall be responsible for collecting and remitting **all** authorized commodity assessments including the national research and promotion fee to the applicable entity.

### 6 Processing LDP's in APSS

#### A General Information

LDP's will be calculated in the same manner as the previous CY's. See [http://www.fsa.usda.gov/Internet/FSA\\_File/peanut.xls](http://www.fsa.usda.gov/Internet/FSA_File/peanut.xls) for LDP rates for peanuts.

**Note:** When using a receipt as production evidence, in the Net Tons field, use the "Total Tons" shown on the receipt when determining the quantity.

See 15-PS and applicable notices for instructions on processing eLDP's.

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### 6 Processing LDP's in APSS (Continued)

#### B LDP's for Green Peanuts and Peanuts for Hay

Green peanuts and peanuts for hay are eligible for certified LDP's **only**. On LDP Screen PGA10000, enter the following:

- Commodity field, ENTER "PNUT"
- Class/Variety field, ENTER "GRN" for green peanuts or "HAY" for peanuts for hay
- Crop Year field, Enter last 2 digits of the applicable CY
- the question, "Does this LDP have multiple producers?", will be displayed, ENTER "Y" or "N".

PRESS "Enter".

**Note:** An additional line will be displayed, titled, "Class/Variety", if other than grain. Enter the applicable peanut type according to the LDP application being processed. See Notice LP-2073 for additional information.

### 7 Processing Peanut Loan Repayment in APSS

#### A Loan Repayment Options

Screen PPD00000 will be displayed with the available loan repayment options. These are the same as the previous CY's. Select the type of repayment to be processed according to the following.

Menu Option	Description
"1"	"Regular Repayment", calculates repayments at principal plus interest (P+I).
"2"	"Commodity Certificate Repayment", calculates certificate exchange at CCC-determined value based on the National Posted Price (NPP) (alternative repayment amount).
"3"	"Market Price Repayment", calculates repayments at the lower of: <ul style="list-style-type: none"><li>• P+I</li><li>• CCC-determined value based on NPP (alternative repayment amount).</li></ul>

Beginning with the 2007 CY, storage credit shall no longer apply on warehouse-stored peanuts at repayment. See Exhibit 4 for examples.

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### 7 Processing Peanut Loan Repayment in APSS (Continued)

#### B Regular Repayment

APSS will calculate the interest applicable to the loan subject to January 1 adjustment. See 8-LP, Part 9 for general policies on repayments. Applicable interest is assessed at the earlier of the following:

- date of settlement
- repayment date for loans disbursed by CCC-184
- 2nd calendar day before date of repayment for loans disbursed by electronic funds transfer (EFT).

Use the regular repayment option for either of the following:

- to process **Seg. 2** and **Seg. 3** peanut repayments
- when specific instructions to use this option are issued.

See 12-PS, Part 7, Section 2 for additional APSS instructions.

#### C Commodity Certificate Repayment

Select the commodity certificate repayment option for outstanding loan collateral eligible for commodity certificate exchange. See:

- 8-LP, Part 9, Section 8 for policies on commodity certificate exchanges
- 12-PS, Part 7, Section 3 for additional APSS instructions.

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### 7 Processing Peanut Loan Repayment in APSS (Continued)

#### D Market Price Repayment

APSS will calculate market price repayment at the lower of the calculated P+I or the CCC-determined value based on NPP (alternative repayment amount).

Use the market price repayment option to process **Seg. 1** peanut repayments and when the loan will not be redeemed using a commodity certificate.

The following provides general information on market price repayment.

IF NPP is...	THEN...
equal to National loan rate (NLR)	<ul style="list-style-type: none"><li>• repay at the alternative repayment amount</li><li>• interest is forgiven</li><li>• market gain is <b>not</b> applicable.</li></ul>
less than NLR	<ul style="list-style-type: none"><li>• repayment is the alternative repayment amount</li><li>• interest is forgiven</li><li>• market gain is the difference between principal liquidated and alternative repayment amount.</li></ul>
greater than NLR	<ul style="list-style-type: none"><li>• repayment is P+I</li></ul> <p><b>Note:</b> Repayment shall <b>not</b> be greater than the alternative repayment amount.</p> <ul style="list-style-type: none"><li>• interest is partially forgiven, if P+I is greater than the alternative repayment amount</li><li>• market gain is <b>not</b> applicable.</li></ul>

See:

- 8-LP, Part 9, Section 2 for policies on market loan repayments
- 12-PS, Part 7, Section 4 for additional instructions on processing market loan repayments.

#### E Processing Additional Cash Disbursement

County Offices shall process additional disbursement for previously deducted storage when a producer provides proof that warehouse charges have been paid for the period for which storage was deducted from the original loan. Process additional cash disbursement according to 12-PS, paragraph 435.

**Note:** The amount of research and promotion fee due on the loan remains unchanged.

**Peanut Rates for 2007 CY**

The following provides peanut rates for the 2007 CY.

<b>Seg. 1 Peanuts</b>		
<b>Peanut Type</b>	<b>NLR Per Ton</b>	<b>Rate Per Percent Total SMK's</b>
Virginia	\$355.32	\$4.926
Runner	\$355.19	\$4.829
Spanish – SW	\$347.61	\$4.805
Spanish – SE	\$347.61	\$4.805
Valencia	\$355.32	\$5.190
<b>All Peanut Types</b>		
LSK's	\$140	
OK		\$1.40
ELK – Virginia Only		\$ .35
<b>Seg. 2 and Seg. 3 Peanuts</b>		
Virginia	\$124.36	No additional premiums and discounts based on quality factors.
Runner	\$124.32	
Spanish – SW	\$121.66	
Spanish – SE	\$121.66	
Valencia	\$124.36	

**Table Peanut Discounts**

<b>Damage</b>	
<b>Percent</b>	<b>Deduction</b>
1	
2	\$3.40

<b>FM</b>	
<b>Percent</b>	<b>Deduction</b>
1	
2	
3	
4	
5	\$1
6	\$2
7	\$3
8	\$4
9	\$5
10	\$6
11	\$7
12	\$8.50
13	\$10
14	\$11.50
15	\$13
Above 15 percent	\$13 + \$2 for each percent over 15 percent.

<b>SS</b>	
<b>Percent</b>	<b>Deduction</b>
1	
2	
3	
4	
5	\$0.80
6	\$1.60
7	\$2.40
8	\$3.20
9	\$4.00
10	\$4.80
11	\$5.60
12	\$6.40
13	\$7.20
14	\$8.00
15	\$8.80
Above 15 percent	\$8.80 + \$0.80 for each percent over 15 percent.

## 2007 CY Loan Calculations

The following data is based on 2007 loan rates, premiums, and discounts and 2007 CY storage rate.

Item	Name	Description	Full Storage Paid	Partial Storage Paid
<b>Warehouse Receipt Data</b>				
1	CY	2007		
2	Total Tons (Loan Quantity)	143.80		
3	Net Tons	141.42		
4	LSK Tons	2.38		
5	Date Receipt Issued	11/13/2007		
6	Date Commodity Received	11/5/2007		
<b>Storage Charges</b>				
7	Storage Charge Per Ton (2007 CY rate)	\$2.71	\$2.71	\$2.71
8	Date Storage Paid Through		9/30/2008	6/15/2008
9	In-Charges Per Ton	\$30.00	\$0.00	\$0.00
10	Prepaid In-Charges	\$8.00	\$0.00	\$0.00
11	Out-Charges (2007 CY rate)	\$8.00	\$0.00	\$0.00
12	Prepaid Out-Charges	\$8.00	\$0.00	\$0.00
<b>Grade Factors</b>				
13	Peanut Type	Runner		
14	Segregation	1		
15	FM Percent	3.29		
16	Moisture Percent	9.27		
17	SS Percent	3.20		
18	Total SMK Percent	63.10		
19	Damaged Kernels (DK) Percent	0.00		
20	OK Percent	8.30		
21	Hulls Percent	28.59		
22	Total Kernels (KNL) & Hulls Percent	99.99		
23	ELK Percent - Virginia Only	N/A		
<b>Loan Making - Seg. 1 Peanuts</b>				
24	Disbursement Date/Approval Date	12/8/2007		
25	Date Documents Received	11/15/2007		
26	Loan Maturity Date	9/30/2008		
27	Basic Commodity Loan Rate	(Total SMK x Total SMK Rate) + (OK x OK Rate) + ELK x ELK Rate, if applicable)	\$316.33	\$316.33
28	LSK Rate	\$140 per Ton	\$140.00	\$140.00
29	Adjusted LSK Rate	LSK Rate – Storage Deduction Per Ton, if applicable	\$140.00	\$130.5150
30	Net Loan Rate (less DK,FM, SS-Storage Deduct)	Basic Loan Rate - (DK, FM, SS from Discount Table, if applicable) - Storage Deductions/Ton, if applicable	\$316.33	\$306.8450
31	Storage Deductions Per Ton	(See Exhibit 4)	\$0.00	\$9.4850
32	Amount of Net Tons	Net Loan Rate x Net Tons	\$44,735.39	\$43,394.02
33	Amount of LSK Tons	LSK Rate - Storage Deductions, if applicable x LSK Tons	\$333.20	\$310.63
34	Value of Receipt (Before storage deduction.)	Basic Loan Rate - (DK, FM, SS from Discount Table) x Net Tons + (LSK Rate x LSK Tons)	\$45,068.59	\$45,068.59
35	Receipt Loan Amount (After storage deduction.)	Amt. of Net Tons + Amt. of LSK Tons	\$45,068.59	\$43,704.65
<b>Loan Making - Seg. 2 Or 3 Peanuts</b>				
36	Disbursement Date/Approval Date	12/8/2007		
37	Date Documents Received	11/15/2007		
38	Loan Maturity Date	9/30/2008		
39	Loan Rate	Seg. 2 or 3 Loan Rate	\$124.32	\$124.32
40	Storage Deduction Per Ton	(See Exhibit 4)	\$0.00	\$9.4850
41	Adjusted Loan Rate	Seg. 2 or 3 Loan Rate – Storage Deductions	\$124.32	\$114.8350
42	Value of Receipt (no storage deduct)	Loan Rate x Total Tons	\$17,877.22	\$17,877.22
43	Rcpt Loan Amount (after storage deduct)	Adjusted Loan Rate x Total Tons	\$17,877.22	\$16,513.27

Example of Storage Calculation

Item	Calculation
1	<p>Calculate number of elapsed months.</p> <p><b>Example:</b> Storage Paid Through Date is 6/15/2008 and Maturity Date is 9/30/08. Months of unpaid storage is 3 (month 9 minus month 6).</p>
2	<p>Calculate storage deduction for elapsed months.</p> <p><b>Example:</b> Storage rate is \$2.71. Month deduction is 8.130000 (3 times 2.71).</p>
3	<p>Calculate number of elapsed days as number of days in Storage Paid Through Date “month” minus Storage Paid Through Date “day”.</p> <p><b>Example:</b> Storage Paid Through Date is June 15th. Days of unpaid storage is 15 (30 minus 15).</p>
4	<p>Calculate storage deduction for elapsed days.</p> <p><b>Example:</b> Storage Paid Through Date is June 15th. Calculated daily rate is storage rate (\$2.71) divided by number of days in Storage Paid Through Date month; result is 0.090333. Result times elapsed days (15 times .090333) equals elapsed days storage deduction for example in Exhibit 3 is 1.354995.</p>
5	<p>Combine month deduction in Item 2 with days deduction in Item 4 (8.130000 plus 1.354995). Result 9.484995 is rounded to 3 decimals positions: 9.4850.</p>

**2007 CY Loan Calculations**

For 2007 and subsequent CY's, CCC will discontinue payment of warehouse charges.

**Note:** This example illustrates using Seg. 1 loan in Exhibit 3.

	<b>Full Storage Paid</b>	<b>Partial Storage Paid</b>
<b>Repayment - Seg. 1 Peanuts</b>		
Repayment Date	4/15/2008	4/15/2008
Interest Rate (rate at disbursement is January's interest rate)*	6.000%	6.000%
<b>P+I Repayment:</b>		
Principal Liquidated	\$45,068.59	\$43,704.65
Interest Amount (Disbursed by direct deposit for 126 calendar days.)	\$933.48	\$905.23
Storage Credit (Not applicable after 2006 CY.)	N/A	N/A
<b>Total Amount Due</b>	<b>\$46,002.07</b>	<b>\$44,609.88</b>
<b>Market Price/Certificate</b>		
Loan Rate by Peanut Type	\$355.43	\$355.43
NPP	\$350.00	\$350.00
Principal Liquidated	\$45,068.59	\$43,704.65
Interest Amount	\$0.00	\$0.00
Storage Credit (not applicable after CY 2006 )	N/A	N/A
Market Gain	\$780.83	\$780.83
Waived Interest	\$933.48	\$905.23
<b>Total Amount Due</b>	<b>\$44,287.76</b>	<b>\$42,923.82</b>

\*Loan disbursed by EFT with 2 calendar days of forgiven interest.

**Note:** Seg. 2 and 3 loans shall be repaid at P+I.