

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

**Processing Peanut Loan Transfers**

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



**1 Overview**

**A Background**

8-LP, Part 8 and 12-PS, Part 5 provide policies and procedures for loan transfer functions. Peanut loans meeting the requirements may be transferred from:

- farm-to-warehouse
- warehouse-to-warehouse.

When loan transfers are processed in APSS, the system:

- creates a **new** loan with a new loan number
- maintains the same disbursement date and maturity date as the original loan.

Because County Offices **cannot** process peanut loan transfers in APSS, peanut loan transfers shall be processed according to this notice.

**B Purpose**

This notice provides:

- instructions for processing peanut loan transfers in APSS
- examples of worksheets for peanut loan transfers.

<b>Disposal Date</b>	<b>Distribution</b>
November 1, 2010	Peanut State Offices; State Offices relay to applicable County Offices, CMA's, and DMA's

## Notice PS-659

### 2 General Information

#### A Determining Loan Information

**Before** processing the loan transfer, County Offices **must** have the loan folder available. Take note of the following dates from the **original** loan **before** entering the data for the **new** loan associated with the quantities being transferred.

- loan application date
- disbursement date
- date of lien search
- loan approval date.

Other loan data shall be entered as follows.

IF processing a...	THEN...
farm-to-warehouse transfer	<ul style="list-style-type: none"><li>• “Date Documents Received” shall be the actual date all loan documents associated with the transfer are received</li><li>• “Date Receipt Issued” shall be the date shown on the <b>new</b> receipt</li><li>• “Storage Date” shall be the date shown on the <b>new</b> receipt</li><li>• “Storage Paid Through” shall be the date shown on the <b>new</b> receipt.</li></ul>
warehouse-to-warehouse transfer	<ul style="list-style-type: none"><li>• “Date Documents Received” shall be the same as the <b>original</b> loan</li><li>• “Date Receipt Issued” shall be the date on the <b>original</b> receipt</li><li>• “Storage Date” shall be the date on the <b>original</b> loan</li><li>• “Storage Paid Through” shall be the date shown on the <b>new</b> receipt.</li></ul>

See Exhibit 1 for an example of a completed farm-to-warehouse transfer worksheet and Exhibit 2 for an example of a completed warehouse-to-warehouse transfer worksheet.

**Note:** When using an electronic warehouse receipt (EWR), County Offices **must** download the EWR from the web-based EWR system and print the EWR data. This data shall be used to manually input the warehouse receipt information into APSS when processing the **new** loan. File this printout in the loan folder.

## Notice PS-659

### 2 General Information (Continued)

#### B Processing Transfers in APSS

County Offices shall process peanut loan transfers according to the following table.

Step	Action
1	Reverse the original loan approved for transfer according to subparagraph 3 A.  <b>Note:</b> The loan reversal will create a receivable for the amount of the original loan in the National Receipts and Receivables System (NRRS). The data shall be transmitted with the AE7 file during the end-of-day process.
2	Verify that the receivable associated with the loan reversal has been established. See Notice FI-2924 for additional instructions.
3	Process the <b>new</b> farm/warehouse-stored loan as a manual loan according to subparagraph 3 B. See Notice PS-653 for additional instructions.  <b>Note:</b> Proceeds from the <b>new</b> loan will offset the receivable associated with the producer according to the rules applicable to receivables in NRRS.
4	Process loan repayments in APSS in the normal manner, if applicable. See 3-FI and Notice FI-2924 for additional instructions on processing payments and collections.

#### C Partial Loan Transfers

To process peanut partial loan transfers, County Offices **must** separate the receipts to be transferred and re-enter separate loans when:

- quantities/receipts in the **original** loan will be transferred to more than 1 warehouse location
- the **original** loan has a partial repayment.

**Note:** If some of the quantities/receipts from the original loan have been repaid, record the repayments associated with the repaid quantities/receipts **after** processing the new loan.

**Notice PS-659**

**3 Processing Peanut Transfers in APSS**

**A Reversing the Original Loan in APSS**

County Office shall reverse the **original** peanut loan in the following manner.

Step	Action
1	On Price Support Main Menu PCA005, ENTER “7”, “Correct a Loan/LDP”.
2	Select the producer and the applicable loan number to be transferred.
3	On Screen PXA00005, place “Y” next to “Loan Making” transaction type.  <b>Note:</b> Correcting the loan will reverse all transactions, including repayments associated with the loan being reversed. Re-enter the applicable repayment after the <b>new</b> loan has been processed through APSS.
4	The system will return to the Price Support Main Menu PCA005, once the process is completed.

**B Processing the Manual Warehouse-Stored Loan in APSS**

County Office must check for the receivable resulting from loan reversal before processing the **new** warehouse-stored loan.

Step	Action
1	On Price Support Main Menu PCA005, ENTER “2”, “Perform Loan Making Functions”.
2	Complete the basic loan and producer identification screens.
3	Follow these guidelines when entering the <b>new</b> loan information: <ul style="list-style-type: none"> <li>• use the next available 90000 series loan number</li> <li>• ENTER “N” to the question, “Is this a re-entry of a corrected loan”</li> <li>• use the <b>same</b> disbursement date as the original loan</li> <li>• enter the loan information determined according to subparagraph 2 A, when entering the dates for the <b>new</b> loan</li> <li>• enter the <b>new</b> warehouse receipt information associated with the loan being transferred in APSS.</li> </ul> <b>Note:</b> See Notice PS-650 and 12-PS, Part 4 for additional instructions.
4	Complete the <b>new</b> loan in APSS.  <b>Note:</b> The payment request will be transferred to NPS for further processing. See Notices PS-653 and FI-2918 for additional information.

## Notice PS-659

### 4 Repaying New Processed Warehouse-Stored Loans

#### A Loan Repayments

Process the loan repayments in the normal manner according to 8-LP, Part 9 and 12-PS, Part 7. If the **original** loan that was reversed has partial loan repayments, record the repayments to the applicable quantity/receipt accordingly.

When recording repayments for loans using EWR's, ensure that the receipts have been released according to Notice PS-654.

**Note:** See Notice FI-2924 for additional instructions on handling loan repayments.

**Example of Peanut Loan Farm-to-Warehouse Transfer**

A producer applied for a farm-stored certified peanut loan for 100 tons of peanuts on August 14, 2009, which was disbursed on August 14, 2009. On September 30, 2009, the producer filed CCC-681, to transfer his farm-stored loan to a warehouse-stored loan. The County Office authorized the transfer of the loan collateral from a farm storage facility to a CCC-approved warehouse. Storage was paid through September 30, 2009.

After inspection and grading, the peanuts were delivered to the warehouse, and the producer was issued a warehouse receipt which he took to the County Office.

<b>Peanut Loan Farm-to-Warehouse Transfer</b>			
<b>Original Peanut Loan (Farm-Stored Loan)</b>		<b>New Peanut Loan (Warehouse-Stored Loan)</b>	
	Enter applicable information		Enter applicable information
<b>Information</b>	<b>Column 1</b>	<b>Information</b>	<b>Column 2</b>
Loan Application Date	8/14/09	Enter the same date as the <b>original</b> loan.	8/14/09
Date Documents Received	N/A	Enter the <b>actual</b> date all required loan documents for the <b>new</b> loan are received.	9/30/09
Date Receipt Issued	N/A	Enter the "Date Receipt Issued" from <b>new</b> receipt.	9/30/09
Storage Date	N/A	Enter the "Storage Date" from <b>new</b> receipt.	9/30/09
Storage Paid Through	N/A	Enter the "Storage Paid Through" from <b>new</b> receipt.	9/30/09
Disbursement Date	8/14/09	Enter the same date as <b>original</b> loan.	8/14/09
Date of Lien Search	8/12/09	Enter the same date as <b>original</b> loan.	8/12/09
Loan Approval Date	8/14/09	Enter the same date as <b>original</b> loan.	8/14/09
Original loan disbursement	\$35,440.00	New loan disbursement.	\$34,412.36
<b>Note:</b> A receivable for the amount of loan reversed will be established in NRRS.		<b>Note:</b> Use the proceeds from this loan to offset the outstanding receivable.	
		Additional Amount Owed CCC	\$1,027.64

**Example of Peanut Loan Warehouse-to-Warehouse Transfer**

A producer applied for a warehouse-stored certified peanut loan for 100 tons of peanuts on August 30, 2009, which was disbursed on September 1, 2009. On October 1, 2009, the producer filed CCC-699, to transfer his warehouse-stored loan to another warehouse. The County Office authorized the transfer of the loan collateral from a CCC-approved warehouse to another CCC-approved warehouse. Storage was paid through May 31, 2010.

The warehouse to which the loan collateral was delivered issues a new warehouse receipt and the producer completes the warehouse-to-warehouse transfer at the County Office.

<b>Peanut Loan Warehouse-to-Warehouse Transfer</b>			
<b>Original Peanut Loan (Warehouse-Stored Loan)</b>		<b>New Peanut Loan (Warehouse-Stored Loan)</b>	
	Enter applicable Information		Enter applicable Information
<b>Information</b>	<b>Column 1</b>	<b>Information</b>	<b>Column 2</b>
Loan Application Date	8/30/09	Enter the same date as the <b>original</b> loan.	8/30/09
Date Documents Received	8/30/09	Enter the same date as the <b>original</b> loan.	8/30/09
Date Receipt Issued	8/30/09	Enter the same as <b>original</b> loan.	8/30/09
Storage Date	8/30/09	Enter the same as <b>original</b> loan.	8/30/09
Storage Paid Through	5/31/10	Enter the "Storage Paid Through" from <b>new</b> receipt.	5/31/10
Disbursement Date	9/1/09	Enter the same date as <b>original</b> loan.	9/1/09
Date of Lien Search	9/1/09	Enter the same date as <b>original</b> loan.	9/1/09
Loan Approval Date	9/1/09	Enter the same date as <b>original</b> loan.	9/1/09
Original loan disbursement	\$34,457.36	New loan disbursement	\$35,000.00
<b>Note:</b> A receivable for the amount of loan reversed will be established in NRRS.		<b>Note:</b> Use the proceeds from this loan to offset the outstanding receivable.	
		Additional Disbursement due Producer	\$542.64