

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

**Processing Peanut Loan Transfers**

**Approved by:** Acting 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 the APSS transfer function does not have the capability to handle peanut loan transfers, County Offices shall process approved peanut transfers according to this notice.

**B Purpose**

This notice provides:

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

<p><b>Disposal Date</b></p> <p>November 1, 2011</p>	<p><b>Distribution</b></p> <p>Peanut State Offices; State Offices relay to applicable County Offices, CMA's, and DMA's</p>
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Notice PS-677

2 General Information on Transfers

A Determine the Original 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>

Additionally, County Offices shall determine if the original loan to be transferred has any repayments.

See:

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

## Notice PS-677

### 2 General Information on Transfers (Continued)

#### B Reversing the Original Loan

The loan correction/reversal will remove the loan from APSS and automatically create a receivable for the reversed loan in National Receipts and Receivable System (NRRS).

Reverse the **original** loan associated with the approved transfer according to this table.

Step	Action
1	<p>From the Price Support Main Menu PCA005, select option 7, "Correct a loan".</p> <p><b>Note:</b> The loan reversal will cancel the loan, including any repayments in APSS and automatically create a receivable for the amount of the original loan in NRRS. The data shall be transmitted with the AE7 file during the end-of-day process.</p>
2	<p>Verify that the receivable associated with the loan reversal has been established in NRRS <b>before</b> re-entering the <b>new</b> loan.</p> <p>See 64-FI for additional information.</p>

**Note:** If using EWR, ensure that the receipts associated with the quantity to be transferred is released using the code "4-Reconcentration/Split".

### 3 Re-entering the Loans in APSS

#### A General Procedures for Re-entering Loans

Before re-entering the **new** loan associated with the approved transfer in APSS, County Offices must review the original loan and the type of loan transfer to determine the procedures for re-entering the **new** loan(s).

**Note:** When using EWR, to re-enter the **new** loan, County Offices **must** download the EWR using 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-677

### 3 Re-entering the Loans in APSS (Continued)

#### B Full Loan Transfers

Re-enter the loan according to subparagraph E when the original loan is approved for transfer:

- to a single location
- has **no** repayments.

#### C Partial Loan Transfers

County Offices must separate the quantities/receipts approved for transfer before re-entering a **new** loan when:

- **only a portion** of the original loan is being transferred to a single location
- the original loan is approved for transfer to multiple locations.

**Note:** Each warehouse-stored loan must have the receipt from the same warehouse code.

Re-enter the new loans according the subparagraph E and apply the proceeds of the **new** loans to the receivable created in NRRS when the original loan was reversed. See the FI handbooks and notices for additional information.

#### D Loans With Partial Repayment

When the original loan has partial repayment, separate the quantities/receipts that were repaid from the outstanding quantities. Re-enter separate loans for the quantities/receipts that were repaid and the outstanding quantities/receipts being transferred.

Re-enter the new loans according to subparagraph E, and apply the proceeds from the re-entered loans to the receivable in NRRS according to FI procedures.

For quantities/receipts that have been repaid, record the loan repayment in APSS as manual action, using the same repayment type and date of repayment as the original loan repayment.

**Note:** The original collection associated with the quantities/receipts has already been recorded in NRRS. No additional action is needed on the repayment.

## Notice PS-677

### 3 Re-entering the Loans in APSS (Continued)

#### E Steps for Re-entering Loans in APSS

When the original loan is approved for transfer, re-enter the loan according to the following table.

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	<p>Follow these guidelines when entering the <b>new</b> loan information:</p> <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> </ul> <p><b>Note:</b> See Exhibits 1 and 2 for examples.</p> <ul style="list-style-type: none"> <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> bin quantity or warehouse receipt information associated with the loan being transferred in APSS.</li> </ul> <p><b>Note:</b> See Notices PS-666 and PS-670 and 12-PS, Part 4 for additional instructions.</p>
4	<p>Complete the <b>new</b> loan in APSS.</p> <p><b>Note:</b> The payment request will be transferred to NPS for further processing. See the FI handbooks and notices for additional information.</p>
5	<p>Use the proceeds from the new loan to offset the receivable resulting from the loan reversal.</p> <p><b>Note:</b> If the proceeds from the new loan is:</p> <ul style="list-style-type: none"> <li>• less than the receivable created during the reversal, the balance due will remain in NRRS until the receivable is fully paid</li> <li>• in excess of the receivable, issue the refund to the producer according to 64-FI procedures.</li> </ul>

## Notice PS-677

### 4 Repaying New Processed Warehouse-Stored Loans

#### A Loan Repayments

Process the loan repayments on the outstanding loan amounts in the normal manner according to 8-LP, Part 9 and 12-PS, Part 7.

When recording repayments for loans using EWR's, ensure that the receipts have been released according to Notice PS-671.

**Note:** See applicable FI handbooks and notices for additional instructions for handling price support repayment collections.

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

A producer requested a farm-stored certified peanut loan for 100 tons of peanuts on August 14, 2010, which was disbursed on August 14, 2010. On September 30, 2010, 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 May 31, 2011.

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>	
	<b>Enter Applicable Information</b>		<b>Enter Applicable Information</b>
<b>Information</b>	<b>Column 1</b>	<b>Information</b>	<b>Column 2</b>
Loan Application Date	8/14/10	Enter the same date as the <b>original</b> loan.	8/14/10
Date Documents Received	N/A	Enter the <b>actual</b> date all required loan documents for the <b>new</b> loan are received.	9/30/10
Date Receipt Issued	N/A	Enter the “Date Receipt Issued” from <b>new</b> receipt.	9/30/10
Storage Date	N/A	Enter the “Storage Date” from <b>new</b> receipt.	9/30/10
Storage Paid Through	N/A	Enter the “Storage Paid Through” from <b>new</b> receipt.	5/31/11
Disbursement Date	8/14/10	Enter the same date as <b>original</b> loan.	8/14/10
Date of Lien Search	8/12/10	Enter the same date as <b>original</b> loan.	8/12/10
Loan Approval Date	8/14/10	Enter the same date as <b>original</b> loan.	8/14/10
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. This receivable remains in NRRS.	\$1,027.64

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

A producer requested a warehouse-stored peanut loan for 100 tons of peanuts on August 30, 2010, which was disbursed on August 30, 2010. On October 1, 2010, 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, 2011.

The warehouse to which the loan collateral was delivered shall issue a new warehouse receipt and the producer shall complete 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>	
	<b>Enter Applicable Information</b>		<b>Enter Applicable Information</b>
<b>Information</b>	<b>Column 1</b>	<b>Information</b>	<b>Column 2</b>
Loan Application Date	8/30/10	Enter the same date as the <b>original</b> loan.	8/30/10
Date Documents Received	8/30/10	Enter the same date as the <b>original</b> loan.	8/30/10
Date Receipt Issued	8/30/10	Enter the same as <b>original</b> loan.	8/30/10
Storage Date	8/30/10	Enter the same as <b>original</b> loan.	8/30/10
Storage Paid Through	5/31/11	Enter the "Storage Paid Through" from <b>new</b> receipt.	5/31/11
Disbursement Date	8/30/10	Enter the same date as <b>original</b> loan.	8/30/10
Date of Lien Search	8/30/10	Enter the same date as <b>original</b> loan.	8/30/10
Loan Approval Date	8/30/10	Enter the same date as <b>original</b> loan.	8/30/10
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