



United States
Department of
Agriculture

Farm and Foreign
Agricultural Services

Farm Service
Agency

Kansas City
Commodity Office
P.O. Box 419205
Kansas City,
Missouri
64141-6205

BCD-89

Notice to the Trade

DATE: January 25, 2005

TO: All Warehouse Operators Approved Under the Uniform Grain and Rice Storage Agreement (UGRSA)

SUBJECT: Sale of Warehouse Received Commodity Credit Corporation (CCC)-Owned Durum Wheat

Background

CCC currently owns approximately 1,449,656 bushels of Durum wheat, which is now available for sale to all interested parties in the manner described below. Of this quantity, more than 1,416,814 bushels are receipted as grading U.S. No. 1 or U.S. No. 2, and about 32,842 bushels are receipted as grading U.S. No. 3 or U.S. No. 4.

General Provisions

CCC is making all Durum wheat stocks available for sale through negotiated sales, at 10:00 a.m. CST on January 27, 2005. CCC-owned Durum wheat inventory information is available at <http://www.fsa.usda.gov/catalogs>. CCC will **not** contact storing warehouse operators for right of first refusal on any third party bids.

Sales Provisions

All interested parties must submit bids by calling the Kansas City Commodity Office (KCCO) at 816-926-3816. The bidder needs to supply the: Lot number(s), warehouse code, location (city, county, and State), and instore flat price bid.

Lots must be bid on in their entirety. CCC reserves the right to:

- accept or reject any and all bids,
- contact any interested parties to negotiate sales.

Prior to submitting a bid, interested third parties are:

- advised to check with the storing warehouse operator regarding applicable loadout rates, scheduling, quality and location of grain, and
- strongly urged to work with storing warehouse operator to establish premium and discount schedules in cases of quality or location discrepancies.

Note: Any differences must be settled between the buyer and the storing warehouse operator.

When CCC transfers title of Durum wheat instore to a third party, the storing warehouse operator is expected to load out for the third party the number of bushels per day specified in the UGRSA, including unit train load out rates applicable to CCC.

Title and risk of loss will transfer from CCC to the contractor at the time CCC transmits delivery notification (wire release) to the storing warehouse operator. The warehouse receipts will be mailed within two business days after notification of payment. If payment has not been made within 5 business days after the date of the contract, interest at the rate of 7.0 percent per annum will start for the account of the buyer from the first calendar day after the date of the contract through the date payment is received by CCC.

CCC will pay storage through the date of the transfer of title but no later than five business days after the contract date. Storing warehouse operators are obligated to maintain the CCC storage and load out rates after CCC transfers title, in accordance with Part 2 of the UGRSA.

The buyer must remit payment to CCC by check at the following address, within five business days after the date of the contract:

Kansas City Finance Office
Attn: DMD/DCAB
P.O. Box 419205
Kansas City, Missouri 64141-6205
(Include the contract number on payment)

-Or-

The buyer must remit payment to CCC by wire transfer at the following address, within five business days after the date of the contract:

Federal Reserve Bank New York City, ABA# 0210-3000-4,
BNF=/AC – 00004992
OBI=CCC/KCCO, Contract Number & Company Name

The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 1014, 15 USC 714m: and 31 USC 3729, may be applicable to the information provided to CCC in conjunction with the CCC commodity sales process.

/s/
Steven P. Miteff
Acting Director