



**United States
Department of
Agriculture**

NOTICE TO THE TRADE

BCD – 91

Farm and
Foreign
Agricultural
Services

Date: February 10, 2005
To: All Warehouse Operators Approved Under the Uniform Grain and Rice Storage Agreement (UGRSA)

Farm Service
Agency

Subject: Selling Additional Wheat from the Bill Emerson Humanitarian Trust

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

Background

On December 3, 2004, then Secretary Veneman authorized the release of wheat from the Bill Emerson Humanitarian Trust (BEHT) for use under Public Law 480, Title II. The U. S. Agency for International Development (USAID) indicated it would need 200,000 metric tons (MT) (7,348,668 bushels) of Soft White wheat to meet its program needs for Sudan.

The Commodity Credit Corporation (CCC) made the first 100,000 MT available to USAID on January 14, 2005. The Kansas City Commodity Office (KCCO) has received a request from USAID for the second 100,000 MT.

General Provisions

To meet USAID's current request, CCC will conduct buy/sell transactions. CCC has issued Invitation No. 733 offering to purchase 100,000 MT of Soft White wheat. Accordingly, CCC will sell a corresponding quantity of BEHT Soft White wheat stocks.

CCC is making all Soft White wheat stocks available for sale through negotiated sales. CCC-owned Soft White wheat inventory information is available at www.fsa.usda.gov/catalogs. CCC will not issue specific wheat listings for the sale.

Warehouse operators have the exclusive right to purchase any or all of the CCC-owned Soft White wheat stored in their locations from 9:00 a.m. CT on February 11, 2005 through 4:30 p.m. CT on February 15, 2005. CCC will sell wheat to any interested party beginning at 9:00 a.m. CT on February 16, 2005. 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 KCCO at 816-926-3816. The bidder must supply the following information: Lot number(s), warehouse code, location (city, county, and State), and instore flat price bid. Lots must be bid on in their entirety, except one partial lot will be permitted to achieve the maximum quantity at each warehouse code. CCC reserves the right to accept or reject any and all bids.

Beginning February 16, 2005, the following provisions are applicable to all interested parties:

- Calls will be returned in the order they are received;
- A company may not have multiple entries on the call back list;



- Bids will be limited to three separate warehouse codes per call; and
- Maximum quantity KCCO will sell per telephone call is 551,150 bushels.

For the 200,000 MT release, the maximum quantity that will be sold at a particular location, based on the CCC warehouse code, is 35 percent of the CCC-owned Soft White wheat stored at that warehouse code as of December 3, 2004. This will be inclusive of any quantity purchased by the storing warehouse operator. However, CCC will allow a storing warehouse operator to purchase a quantity of wheat in excess of the 35% maximum level, provided the additional quantity does not result in total sales in excess of the 200,000 metric tons that CCC has offered to sell. Potential bidders may review Attachment 1, to identify the maximum quantity that remains available for sale at each warehouse location (as of February 10, 2005).

If it is determined that attempts are being made to circumvent bid limits through prearranged third party sales, both parties involved in the suspected transaction will be referred to the Office of Inspector General (OIG) for investigation.

Prior to submitting a bid, interested 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.

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

When CCC transfers title of 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 7.5 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 date of sale. 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 to:

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 to:

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/

George W Aldaya
Director



Maximum Quantities (Bushels) of CCC-Owned Soft White Wheat Available for Sale.

Warehouse Name / City / State	Code	Quantity Available
Almira Farmers, Almira WA	81203	185,506.34
Davenport Union, Davenport WA	81276	282,384.83
Columbia County Grain, Dayton WA	81283	8,827.14
Central Washington Grain, Coulee City WA	81299	1,912,831.76
Inland Empire MLG, St. John WA	81321	13.74
Genesee Union, Johnson WA	81387	4,778.47
Union Elev & Whse Co, Lind WA	81409	327,250.03
Central Washington Grain, Krupp WA	81438	38,560.81
Odessa Union Whse Coop, Odessa WA	81465	610,453.41
Palouse Grain Growers, Palouse WA	81481	15,212.55
Pomeroy Grain Growers, Central Ferry WA	81505	8,044.98
Reardan Grain Growers, Reardan WA	81528	543,595.28
Ritzville Warehouse, Ritzville WA	81539	75,079.30
CHS Inc., Rockford WA	81540	65,658.24
Horse Heaven Grain, Roosevelt WA	81545	39,257.63
Cooperative Agri Producers, Rosalia WA	81546	4,531.25
Uniontown Coop Assn, Uniontown WA	81617	6,586.78
Northwest Grain Growers, Prescott WA	81625	734,118.96
Northwest Grain Growers, Wallula WA	81628	0.59
Central Washington Grain, Wenatchee WA	81652	10,262.96
CHS Inc., Kennewick WA	81655	59,882.65
Wilson Creek Un Gr, Wilson Creek WA	81671	2,759.58
Mid Columbia Producers, Biggs OR	82213	83,983.18
Morrow County Grain, Hogue-Warner OR	82175	16,573.05
Morrow County Grain, Lexington OR	82293	426,455.58
Pendleton Grain Growers, McNary OR	82329	324,711.95
Columbia County Grain, Lyons Ferry WA	82362	0.00
Reardan Grain Growers, Sprague WA	82366	71,163.16
Pendleton Grain Growers, Alicel OR	82404	19,295.05
Arco Feed & Fertilizer, Arco ID	83253	9,304.51
Columbia Grain Intl Inc, Port of Wilma WA	83277	0.00
Osgood Grain Inc, Bassett Siding ID	83597	20,184.00
Lewis-Clark Terminal, Lewiston ID	83618	6,511.98
Weiser Feed & Storage, Weiser ID	83960	8,240.97