

**FSA**  
**HANDBOOK**

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## Loans and Loan Deficiency Payments for Honey

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To access the transmittal page click on the short reference.

### For State and County Offices

SHORT REFERENCE

2-LP Honey  
(Revision 11)

UNITED STATES DEPARTMENT OF AGRICULTURE  
Farm Service Agency  
Washington, DC 20250



UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency  
Washington, DC 20250

Loans and Loan Deficiency  
Payments for Honey  
2-LP Honey (Revision 11)

Amendment 9

Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

**A Reasons for Amendment**

Subparagraph 15 A has been amended to add CCC-770 LDP/eLDP and CCC-770 MAL policy to the 8-LP provisions.

Subparagraph 205 F has been amended to provide an example of the current version of CCC-633 EZ, Pages 1 and 2.

Subparagraph 660 D has been amended to add that for 2007 and subsequent calendar years, market gain earned from commodity certificate exchanges will be reported to IRS on CCC-1099-G.

Subparagraph 846 B has been amended to change the honey moisture testing fee rate from \$52 to \$62.

Page Control Chart		
TC	Text	Exhibit
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**Part 1 Basic Program Provisions**

**Section 1 Handbook Provisions**

**1 Handbook Purpose and Authority**

**A Purpose**

[7 CFR 1434] This handbook provides general instructions for administering loans and LDP's for honey.

Use this handbook with 8-LP, as applicable.

**B Sources of Authority**

Authority for the policies prescribed in this handbook are in:

- the Federal Security and Rural Investment Act of 2002
- 7 CFR Part 1434.

2 Administrative Responsibilities

A Responsibilities

The responsibilities of the administrative levels for loan and LDP programs are provided in the following table.

<b>IF the administrative level is...</b>	<b>THEN...</b>
National Office	<ul style="list-style-type: none"> <li>• the CCC Board and Executive Vice President shall determine policy and program provisions</li> <li>• the Executive Vice President, CCC, or designee, shall:                             <ul style="list-style-type: none"> <li>• make a determination on any question arising under this program</li> <li>• revise or rescind an incorrect determination made by COC, STC, KCCO, KCAO, or KCFO</li> </ul> </li> <li>• PSD shall administer loan and LDP programs under the general supervision and direction of DAFP.</li> </ul>
State Office	<p>STC shall:</p> <ul style="list-style-type: none"> <li>• determine State-wide policy according to this handbook, *--8-LP, and guidance received from the National Office--*</li> <li>• administer all phases of the program in the State through SED.</li> </ul> <p><b>Note:</b> STC may:</p> <ul style="list-style-type: none"> <li>• correct, or require COC to correct, any action taken that contradicts this handbook and other current policy</li> <li>• require COC to withhold taking any action that is not consistent with this handbook and other current policy.</li> </ul>



2 Administrative Responsibilities (Continued)

A  
Responsibilities  
(Continued)

IF the administrative level is...	THEN...
County Office	<p>COC shall:</p> <ul style="list-style-type: none"> <li>• determine policy according to this handbook and guidance from the State Office</li> <li>• administer the programs in the county through CED.</li> </ul>
	<p>the County Office shall:</p> <ul style="list-style-type: none"> <li>• determine that:               <ul style="list-style-type: none"> <li>• a producer is eligible for loans and LDP's, according to Part 2, Section 1</li> <li>• the commodity is eligible for loans and LDP's, according to Part 2, Section 2</li> <li>• the quantity offered for loan and LDP is reasonable based on producer's share of the honey</li> <li>• loan computations and disbursements and LDP computations and payments are based on handbook procedures</li> </ul> </li> </ul>

Continued on the next page

2 Administrative Responsibilities (Continued)

A  
**Responsibilities  
 (Continued)**

<b>IF the administrative level is...</b>	<b>THEN...</b>
County Office (Continued)	<ul style="list-style-type: none"> <li>• annually publicize provisions of the honey loan and LDP program <b>before:</b> <ul style="list-style-type: none"> <li>• the beginning of each crop year</li> <li>• making loans and LDP's for the current crop year.</li> </ul> </li> </ul> <p><b>Note:</b> At a minimum, publicity shall include:</p> <ul style="list-style-type: none"> <li>• a handout or newsletter mailed to all eligible producers before extracting begins for the first honey crop eligible for loans or LDP's</li> <li>• beneficial interest requirements</li> <li>• at the time the loan or LDP is made, a brief but complete explanation of the producer's required actions</li> <li>• a reminder to producers:               <ul style="list-style-type: none"> <li>• of the administrative actions that apply for loan and LDP violations</li> <li>• that it is the producer's responsibility to maintain the quality of the honey in farm storage through the term of the loan.</li> </ul> </li> </ul>

Continued on the next page

2 Administrative Responsibilities (Continued)

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**A**  
**Responsibilities**  
**(Continued)**

<b>IF the administrative level is...</b>	<b>THEN...</b>
KC-ITSTO	KC-ITSTO shall: <ul style="list-style-type: none"> <li>• certify and distribute reports of loan and LDP activities</li> <li>• maintain all required interfaces with accounting to reflect loan and LDP activity</li> <li>• provide automation support to implement loan and LDP program policies when requested by PSD.</li> </ul>

**B**  
**Nondiscrimination**  
**Responsibilities**

STC or COC shall **not**, on the basis of race, color, age, sex, national origin, disability, religion, or marital status, bar any producer from participation in, or otherwise subject any producer to discrimination with respect to any benefits resulting from its approval to participate in a loan or LDP program.

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**C**  
**Outreach**  
**Responsibilities**

STC and COC shall ensure that price support marketing assistance loan and LDP program information and awareness is communicated to underrepresented individuals, groups, and communities. Underrepresented individuals, groups, and communities may include, but are not limited to minority farmers and cooperatives.

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### 3 Signatures, Authorizations, and Approvals

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#### A Signatures

County Offices shall follow 1-CM for producers' signature and authorization provisions.

See 1-CM, Exhibit 80 for a list of forms for which FAX signatures are **not** acceptable.

Persons may sign loan or LDP documents, repay a loan, or act in a representative or fiduciary capacity **only** when evidence of authority is granted by completing 1 of the following and filing the document in the County Office:

- FSA-211
- CCC-502C signed by an officer.

**Exception:** A husband and wife may sign loan or LDP documents for each other, **unless** written documentation denying this authority is provided to the County Office.

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Continued on the next page

3 Signatures, Authorizations, and Approvals (Continued)

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**B**  
**Redelegation of Authority by COC or CED**

The authority to approve all loan and LDP forms and documents prepared according to this handbook may be redelegated in writing:

- by COC to CED, except those in which CED has a monetary interest
- by CED to Federal and non-Federal County Office employees, except those in which the person approving has a monetary interest.

**Reminder:** Cross training in all applicable program areas shall be completed before redelegation of signing authority is made.

Follow this table for exceptions to redelegate authority for approval of loans and LDP's.

<b>IF the producer is...</b>	<b>THEN the approval authority shall be...</b>
a State, Federal, or County Office employee	CED.
COC member	
DD	
STC member	
SED	
CED	COC.

**Note:** Questionable cases may be referred to the next higher authority for determination.

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#### 4 Related Handbooks

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##### A

##### FSA Handbooks

FSA handbooks related to honey loan and LDP programs are listed in the following.

<b>Handbook</b>	<b>Purpose</b>
9-AO	Audits and investigations
1-APP	Program appeals
25-AS	Records operations at State and County Offices
1-CM	Common management and operating provisions
2-CM	Common farm and program provisions
3-CM	Alternative County Office (remote access) provisions
2-CP	Acreage and compliance determinations
4-CP	Failure to fully comply
6-CP	HELC and WC provisions
7-CP	Collections under the finality rule and misaction and misinformation provisions
1-FI	CCC-184's
3-FI	CCC deposits and refunds
6-FI	Accounting control
50-FI	Interest rates
58-FI	Managing FSA and CCC claims
61-FI	Prompt payments
62-FI	Reporting to IRS
63-FI	Assignments and joint payment system
8-LP	Additional provisions for loans and LDP's
1-PL	Payment limitations
12-PS	Automated price support procedures and common functions for grains, oilseeds, and rice

5-14 (Reserved)

Section 2 General Provisions

15 Loan and LDP Common Provisions

A 8-LP General Provisions Reference

8-LP provisions for general loans and LDP requirements are as follows.

8-LP	Provisions
Part 1, Section 2	<ul style="list-style-type: none"> <li>• Actions for overdisbursements, overpayments, and receivables</li> <li>• appeals</li> <li>• bankruptcy cases</li> <li>•*--CCC-770 LDP/eLDP and CCC-770 MAL policy--*</li> <li>• finality rule and IRS reporting</li> <li>• lobbying activities</li> <li>• misaction/misinformation</li> <li>• prompt payment.</li> </ul>
Part 4, Sections 1 and 2	Filing UCC-1's and CCC-10's.
Part 5, Section 3	Failure to provide production evidence.
Part 6	<ul style="list-style-type: none"> <li>• Administrative actions</li> <li>• violations.</li> </ul>
Part 9	<ul style="list-style-type: none"> <li>• Administrative actions</li> <li>• CCC-681-1's</li> <li>• CCC-697's</li> <li>• commodity certificates</li> <li>• general repayment.</li> </ul>

**16 Maturity Notification to Producers**

**A Preparing Loan Maturity Report**

County Offices shall prepare loans open after maturity report through APSS, according to 12-PS.

**B Loan Maturity Notification**

Send the notification letter to producers according to subparagraph D:

- with maturing honey crop loans
- at least 45 calendar days, but not more than 60 calendar days, before the loan maturity date.

**C Producer Options**

Producers with maturing honey crop loans may select either of the following options:

- redeem the loan collateral by repaying the loan
- settle the CCC honey loan at maturity.

\* \* \*



**16 Maturity Notification to Producers (Continued)**

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**D****Producer**

The following is an example of the producer notification letter.

**Notification****Letter**

\*--

Dear \_\_\_\_\_:

According to our records, you have a 20\_\_ crop year honey loan. (Month/day/year), is the loan maturity date. You may repay the loan on or before the maturity date. The only option available to you after the maturity date is to settle your loan with the Commodity Credit Corporation (CCC) through a local sale. If you have not already notified the FSA office of your intentions, please do so at once. If you intend to settle the honey to CCC, the following provisions will apply:

- you will be notified of the local sale and date to deliver the honey to the purchaser
- settlement is limited to the quantity of honey in the number of containers originally certified on the loan less the number of repaid containers
- you or your authorized agents must be at the storage location AT THE TIME OF SAMPLING to designate the lots by color and floral source, and to sign the necessary documents
- even though your containers may have been previously inspected, the FSA representative will make the final container eligibility
- your honey will be weighed by an FSA representative to determine the quantity delivered
- title to the container passes to the highest bidder at time of delivery
- you are responsible for inspection and testing fees.

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Continued on the next page

**16 Maturity Notification to Producers (Continued)**

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**D  
Producer  
Notification  
Letter  
(Continued)**

An FSA representative will sample the honey for color, moisture, and adulteration. Determinations will be made by AMS. The value of the settlement of your honey shall be the loan rate for the quality times the quantity to be settled adjusted by the applicable discounts. The following provision will apply:

- the settlement rate for positive adulteration or moisture content in excess of 18.5 is “zero”
- the color of honey will be determined according to AMS
- the FSA representative will not remove residue or defects on top of the honey before drawing samples
- you will be given 5 workdays after the date of notification to appeal the quality determination made by AMS, and you must pay for any expenses resulting from the appeal
- if the settlement value of the honey is less than the amount due on the loan, the amount of any deficiency and charges plus interest thereon shall be paid to CCC
- if the settlement value of the honey exceeds the amount due, CCC will provide you a check for the excess amount.

If you have any questions about any of the above provisions, please contact this office for more information.

Sincerely,

County Executive Director

17 **Beneficial Interest**

**A Applicability**

\*--[7 CFR 1421.6] To be eligible for a loan or LDP, the eligible producer, heirs of the--\* producer, or another producer who succeeds in interest to the farming unit, according to paragraph 100, **must**:

- have beneficial interest in honey
- be in compliance with HELC and WC provisions.

Honey produced on land owned by the Federal government is not eligible, if the land is occupied without lease, permit, or other rights of possession.

**B Definitions of Conditions for Beneficial Interest**

A producer is considered to have beneficial interest in the honey if **all** of the following remain with the producer:

- control of the honey
- \* \* \*
- title to the honey.

17 Beneficial Interest (Continued)

**B Definitions of Conditions for Beneficial Interest (Continued)**

The following table provides definitions of the conditions for beneficial interest.

Condition	Definition
Control of the commodity	A producer has <u>control of the commodity</u> if the producer keeps the ability to make all decisions affecting the honey. For example: <ul style="list-style-type: none"> <li>• moving or right to sell or pass title to the honey</li> <li>• pledging the honey for loan or requesting LDP</li> <li>•*--responsible for any loss or damage to the bees or honey.--*</li> </ul>
* * *	* * *
Title to the honey	A producer may be considered to have <u>title to the honey</u> if the producer has: <ul style="list-style-type: none"> <li>• always had title before honey was extracted</li> <li>• not sold or delivered the honey.</li> </ul>

**C Retaining Beneficial Interest**

For a producer to retain eligibility to obtain a loan or LDP, **any** contract signed by a producer must conform to **all** provisions for beneficial interest.

Beneficial interest must be retained by a producer continuously from extraction through:

- for LDP, the date LDP is requested
- for loan, the earlier of the following date:
  - the loan is repaid
  - CCC takes title to the commodity.

**17 Beneficial Interest (Continued)****D Losing Beneficial Interest**

If a producer sells the equity in the honey, the honey is immediately ineligible for a loan or LDP. If the honey has been pledged as honey for a loan or LDP has been made, immediate repayment of the loan principal and charges, plus interest, or LDP amount plus interest, as applicable, is required.

When beneficial interest in the honey is lost by the producer, the honey remains ineligible for loan or LDP even if the producer regains any of the following:

- control of the commodity
- \* \* \*
- title to the commodity.

The producer loses beneficial interest upon signing any contract that contains, but is not limited to, the following provisions:

- buyer has the option to require the producer to obtain loan or LDP
- requires producer to obtain permission from buyer to request a loan or LDP
- requires that casualty losses be paid to the buyer's account.

**E Transferring or Assigning Interest**

Interest in honey or the right to redeem honey under loan may **not** be transferred or assigned except by executing FSA-211.

18 Availability Date for Loan and LDP's

A Availability Dates

Honey loans and LDP's are available to producers according to the following table.

IF loans and LDP's are requested...	THEN...
before April 1 in the year the honey was produced and extracted <b>and</b> the loan rates have been announced	do <b>not</b> allow the producer to apply for loans and LDP's until April 1.
after April 1 in the year the honey was produced and extracted <b>and</b> the loan rates have <b>not</b> been announced	allow the producer to apply for loans and LDP's as soon as the loan rates are announced.
after April 1 in the year the honey was produced and extracted <b>and</b> the loan rates have been announced	allow the producer to apply for loans and LDP's.
on or before March 31 of the year after the year in which the honey was produced and extracted	<b>Note:</b> Loans shall be disbursed within 30 calendar days after the final loan availability date.
after March 31 of the year after the year in which the honey was produced and extracted  <b>Note:</b> If March 31 falls on a nonworkday for the County Office, the final date shall be the next workday.	do <b>not</b> accept a loan or LDP application.

**Note:** The final loan availability date for requesting loans or LDP's is March 31.

## 18 Availability Date for Loan and LDP's (Continued)

**B Maturity Dates**

Honey marketing assistance loans mature the earlier of the following:

- last day of the 9th calendar month after the month in which CCC-677 was approved by CCC
- date demanded by CCC.

**Note:** If the maturity date falls on a nonworkday for the County Office, the maturity date shall be the next workday.

**C Requesting Marketing Assistance Loans and LDP's**

Honey marketing assistance loans must be requested at the County Office that maintains the farm program records.

If a producer contacts a County Office other than the County Office where the farm records are maintained, the first County Office shall:

- accept requests
- process loans using the loan rate in the County Office where the commodity is stored
- send a copy of the loan documents to the County Office maintaining the farm records.

For LDP's, the request:

- may be received in a County Office other than the County Office maintaining the farm records
- must be submitted to the County Office where the farms records are kept for the farm on which the honey was produced, for processing and disbursement.

The request for a marketing assistance loan or LDP shall **not** be approved by CCC until all \*-producers having an interest in the honey sign CCC-677, CCC-633 EZ, or--\* CCC-633 (Honey).

18 Availability Date for Loan and LDP's (Continued)

**D Losses**

Beginning with the 2002 crop year, CCC will no longer assume losses for quantity or quality of loan collateral.

**E Posting List of Honey Buyers**

The names and addresses of honey buyers shall be posted in the County Office to be made available to honey producers marketing their honey.

The following table provides action to be taken when names and addresses of honey buyers are received.

Responsible Office	Action
State	Provide County Offices with a list of the names and addresses of all honey buyers who have specified an interest in acquiring honey.
County	Post, for public inspection, the list of all honey buyers: <ul style="list-style-type: none"> <li>• received from the State Office</li> <li>• who have specified an interest at the County Office in acquiring honey.</li> </ul> Do <b>not</b> : <ul style="list-style-type: none"> <li>• post individual honey buyer's advertisements for public display</li> <li>• assist honey buyers or honey producers in honey sales transactions.</li> </ul>

19-99 (Reserved)



**Part 2 Eligibility Requirements**

**Section 1 Producer Eligibility**

**100 Eligible Producer**

**A Producer Eligibility**

An eligible producer is a person who:

- produced honey in the United States during the calendar year for which the loan is requested and extracted the honey on or before December 31 of the applicable crop year
- for loans, has a continuous beneficial interest in the honey from the time the honey was extracted through the date of repayment of the loan
- is responsible for the risk of keeping the bees and producing the honey.

101 Ineligible Producer

A Ineligibility

Ineligible producers are producers who:

- have **not** reported acreage on FSA-578 for the current crop year according to 2-CP

**Note:** Acreage reports must be obtained before benefits are received **only** if the producer has cropland.

- \*--do **not** comply with and/or violate WC and HELC provisions according to 6-CP

**Note:** If a producer does **not** have cropland, the producer must write in AD-1026, item 13, "I am not associated with any specific farm" and sign and date AD-1026.--\*

- are convicted under Federal or State law of a controlled substance violation according to 1-CM, Part 38

- \*--have an unresolved delinquent non-tax debt to the Federal Government.--\*

**102 Market Loan Gain and LDP Payment Limitation**

**A Applicability**

[7 CFR 1421.29] A \$75,000 payment limitation for honey applies to:

- LDP's
- market loan gains from cash loan repayments at a rate less than the principal, plus interest.

See 1-PL, Part 2 for payment limitation procedures.

**B Filing Applicable Forms**

For payment limitation, the applicable CCC-502 must be filed according to 1-PL, and a determination made for:

- market loan repayments, before:
  - locking-in a repayment rate
  - repaying at a rate less than principal and charges, plus interest
- LDP's, before approving the payment.

Encourage producers who do not have an applicable CCC-502, approved according to 1-PL, to complete the appropriate forms before application for loan or LDP to allow sufficient time for a determination to be made.

**103 Monitoring Payment Limitation****A Basic Producer Information**

[7 CFR 1421.4] The following producer information is needed for each individual or entity requesting LDP or market loan gain:

- “person” determination
- “actively engaged in farming” status
- permitted entity share
- multiple-county status
- previously received benefits subject to limitation
- payment limitation balance
- market loan gain amount
- LDP amount
- \*--adjusted gross income.--\*

**B “Person” Determination**

The “person” determination is made according to 1-PL, including the combined entity status. Determine combinations by printing the combined entity report according to 1-PL.

**C “Actively Engaged in Farming” Status and Percent of Cropland Factor**

Determine the “actively engaged in farming” status and applicable percent of cropland factor for each farming operation from which the commodity was produced according to 1-PL.

**D Permitted Entity Share**

Determine the permitted entity share according to 1-PL.

103 Monitoring Payment Limitation (Continued)

---

**E**

**Benefits  
Previously  
Received**

APSS controls payment limitation automatically. Four market gain reports are available, according to subparagraph L, that will assist in monitoring benefits received by producers who are subject to payment limitation.

---

**F**

**Market Gain -  
Market Loan  
Gain Amounts**

The market loan gain applicable to the payment limitation is equal to the difference between the loan principal amount and the loan repayment amount.

---

**G**

**Market Gain -  
LDP Amounts**

The gross LDP is subject to payment limitation.

---

**H**

**Remaining  
Payment  
Limitation  
Balance**

The remaining payment limitation balance shall be the difference between:

- the payment limitation assigned to the producer in the county where benefits are being received
  - the sum of the following:
    - LDP amounts previously received in the applicable county
    - market loan gain amounts previously received in the applicable county
    - LDP and market loan gain amounts denied in the applicable county because of percent of cropland factor or permitted entity shares are less than 1.0000.
- 

Continued on the next page

103 Monitoring Payment Limitation (Continued)

---

**I**  
**Control County Office** Control payment limitations for multiple-county producers according to 1-PL. Do not establish a control County Office that is different from the control County Office established for other program purposes for LDP's and market loan gains.

---

**J**  
**Monitor Payment Limitation** Monitor payment limitation by using the market gain reports in subparagraph L.

---

**K**  
**When Payment Limitation Is Reached** When the payment limitation is reached, notify applicable producers that LDP's can no longer be made, and loans repaid with cash must be at the **lesser** of the following:

- loan principal plus interest
- **higher** of the following:
  - loan principal
  - CCC-determined repayment rate.

Loans may be settled to CCC.

---

Continued on the next page

**103 Monitoring Payment Limitation (Continued)**

**L**

**Market Gain Reports**

Four market gain reports are available to account for market gain transactions. The following reports can be accessed by selecting option 12 according to 12-PS, Part 14, Section 5:

- Denied Market Gain Report
- Total Market Gain Report
- Market Gain Report by Loan or LDP
- Market Gain Report by Producer.

Use the following table to determine the information available from the different market gain reports.

Type of Reports	Information Available in Report
Denied Market Gain	Total market gain for each producer ID with denied market gain for the selected crop year.
Total Market Gain	Total market gain for each producer ID with market gain for the selected crop year.
Market Gain by Loan or LDP	Each market gain transaction for each producer on the selected loan or LDP.
Market Gain by Producer	Each market gain transaction for the selected producer for the selected crop year.

**104-109 (Reserved)**





Section 2 Commodity Eligibility

110 Honey Eligibility

---

A

**Eligible Honey**

To be eligible for a 2002 through 2007 crop year honey loan, the honey must:

- have been produced by an eligible producer
- have been produced in the United States during the applicable calendar year
- be of merchantable quality deemed by CCC to be suitable for loan
- be stored in acceptable containers.

---

Continued on the next page

## 110 Honey Eligibility (Continued)

**B**  
**Eligible Floral**  
**Source**

The following table lists honey floral sources that are eligible for a nonrecourse marketing assistance loan and LDP.

<b>Table Class</b>	<b>Nontable Class</b>
Alfalfa	Aster
Apple	Athel
Basswood	Avocado
Bird's-foot Trefoil	Brazilian Pepper
Blackberry	Buckwheat
Blueberry	Cabbage Palmetto
Brazil Brush	Christmas Berry
Catsclaw	Cranberry
Chinese Tallow	Dandelion
Clover	Eucalyptus
Cotton	Goldenrod
Fireweed	Heartsease (Smartweed)
Gallberry	Horsemint
Huajillo	Kiawe
Knapweed (American)	Loosestrife
Lima Bean	Macadamia
Mesquite	Mangrove
Orange	Manzanita
Raspberry	Mint
Sage	Partridge Pea
Saw Palmetto	Rattan Vine
Snowberry	Safflower
Sourwood	Salt Cedar (Tamarix Gallica)
Soybean	Spanish Needle
Star Thistle (Barnaby's Thistle)	Spikeweed
Sunflower	Titi
Sweet Clover	Toyon
Tupelo	Tulip Poplar
Vetch	Wild Cherry
Western Wild Buckwheat	Yaupon
Wild Alfalfa	

Continued on the next page

**110 Honey Eligibility (Continued)****C Ineligible Floral Source**

Honey derived from the following floral sources is **not** eligible for a marketing assistance loan or LDP:

- andromeda
- bitterweed
- broomweed
- cajeput (melaleuca)
- carrot
- chinquapin
- desert hollyhock
- dog fennel
- gumweed
- mescal
- onion
- prickly pear
- prune
- queens delight
- rabbit brush
- snowbrush (ceanothus)
- snow-on-the-mountain
- spurge (leafy spurge)
- tarweed.

111 Container Eligibility

A Container Requirements

To be eligible for a loan, the honey must be packed in 5-gallon metal or plastic containers or plastic IBC’s steel drums that meet the following conditions:

- clean
- sound
- uncased
- free from appreciable dents or rust.

See subparagraph B for waiving eligible container requirements.

The following table provides additional requirements for specific types of containers.

Container	Requirement	Eligibility
5 gallon plastic or metal container	Shall: <ul style="list-style-type: none"> <li>• be a capacity of not less than 5 gallons or greater than 70-gallons</li> <li>• be equipped with a cover providing a tight seal</li> <li>• have handles strong enough to permit carrying a filled container</li> <li>• <b>not</b> be punctured or have been punctured and resealed by soldering</li> <li>• 5-gallon container must hold 60 pounds of honey</li> <li>• 30-gallon container must hold 360 pounds of honey (steel drums)</li> <li>• 55-gallon container must hold 660 pounds of honey (steel drums).</li> </ul> Five gallon plastic containers must be lined with a new plastic pail liner or plastic bag that is FDA-approved low-density polyethylene.	Meets eligibility requirements if <b>all</b> conditions are met.
*--Plastic IBC	Shall hold 275-300 pounds of honey.--*	

111 Container Eligibility (Continued)

A Container Requirements (Continued)

\*--

Container	Requirement	Eligibility
Steel drums	<p>Shall:</p> <ul style="list-style-type: none"> <li>• be open-end, fitted with gaskets that provide a tight seal</li> <li>• be filled no closer than 2 inches from the top of the drum</li> <li>• be new</li> </ul> <p><b>Exception:</b> If used, containers must be:</p> <ul style="list-style-type: none"> <li>• reconditioned inside and out</li> <li>• in suitable condition to adequately protect the storability and quality of the honey</li> <li>• free of appreciable dents and rust.</li> <li>• be clean and treated inside and outside to prevent rusting</li> <li>• have an inside food coating suitable for honey storage.</li> </ul>	Meets eligibility requirements if <b>all</b> conditions are met.
Severely dented drums	<p>That have any of the following characteristics:</p> <ul style="list-style-type: none"> <li>• sharp dents that that would crease the inside lining</li> <li>• dents affecting the upper or lower rims</li> <li>• dents that may leak</li> <li>• dents that would affect stacking capability.</li> </ul>	Containers having these characteristics are not eligible containers.
55-gallon steel drums	That have a tare weight of less than 26 pounds.	
30-gallon steel drums	That have a tare weight of less than 26 pounds.	

--\*

111 Container Eligibility (Continued)

A Container Requirements (Continued)

\*--

Container	Requirement	Eligibility
Other containers	<ul style="list-style-type: none"> <li>• bulk tanks</li> <li>• rusted drums with corroded areas that may affect the storage capability of the drum</li> <li>• used 5-gallon cans</li> <li>• closed-end, bung-type drums</li> <li>• drums containing removable liners</li> </ul>	Containers having these characteristics are not eligible.

--\*

B Waiver of Requirements

If the producer agrees to forgo a marketing assistance loan and request LDP, eligible container requirements are considered waived.

## 112 Storage Requirements

### A General Requirements

Marketing assistance loans will **only** be available on honey in eligible storage.

\*--County Offices **must** conduct visual pre-loan inspections, according to paragraph 127, before loan approval to ensure that the collateral is:--\*

- in existence
- being maintained.

Honey that is pledged as collateral for a loan or LDP must be segregated to preserve the identity of the honey securing each loan or LDP if the honey is located in a storage structure that:

- secures more than 1 loan or LDP
- stores honey **not** pledged as collateral for a loan or LDP.

### B Honey Stored on the Farm

Eligible farm storage shall consist of a storage structure located on or off the farm that provides safe storage for the honey collateral through the maturity date for the loan.

**Note:** The storage structure may be on or off the farm of the producer requesting the loan.

Honey stored outside in an open area or a temporary structure that does not protect the honey from natural elements will **not** be considered stored in eligible storage, even though the container requirements are met.

**112 Storage Requirements (Continued)****B Honey Stored on the Farm (Continued)**

The County Office representative must ensure that during the visual pre-loan inspection all containers have been properly identified and labeled by the producer with the following:

- producers name
- \*--type of honey (see Exhibit 4)--\*
- number of containers
- net weight.

**Reminder:** Requests shall **not** be approved for the following if COC has reason to question producer control of honey:

- loans stored at the location of the processor
- farm-to-farm transfer to the storage location of the processor.

**Exception:** If the producer is the processor, the loan request or transfer may be approved if:

- honey is segregated from other honey stored at that location and each lot is identified by name of producer, State and county code, loan number, and lot number
- all other requirements are met.

**113-119 (Reserved)**



## Part 3 Loanmaking Provisions

### 120 Basic Loan Provisions

#### A Basic Loanmaking Provisions

A marketing assistance loan is available for honey stored on the farm and will be:

- considered farm-stored loans
- made on CCC-677.

For honey stored on the farm, use CCC-633 (Honey) for producers to:

- request honey loans
- certify the following:
  - quantity
  - single predominant floral source
  - color.

Complete CCC-633 (Honey) according to paragraph 125.

Use the applicable crop year loan rate in Exhibit 16 to calculate the loan amount.

**Note:** Additional containers of honey shall not be added to lots of honey pledged as collateral at any time after the loan is disbursed.

Distribute the following to the contact producer:

- CCC-601
- the approved CCC-677
- copy of the transaction summary report.

#### \*--B 2002 Through 2007-Crop Honey Loan Rate

The national average loan rate for the applicable crop year honey is 60 cents per pound.

County Offices shall use 60 cents per pound to calculate initial disbursements, additional disbursements, and transfers for the applicable crop year honey.--\*

**120 Basic Loan Provisions (Continued)**

**C Initial Loan Requests**

Eligible producers may obtain a honey loan up to 100 percent of certified quantity stored in eligible containers and stored in approved farm storage.

**D Loan Number Register**

APSS will assign a loan number sequentially with LDP numbers for each crop year.

**Note:** If a manual loan is prepared for entry into APSS at a later date, assign a 90000 series number sequentially with the 90000 series LDP numbers obtained from CCC-676 for the applicable crop year.

**E Joint Loans and LDP's**

Loans and LDP's must be disbursed jointly if the honey is jointly owned or stored in the same eligible container.

**F Maturity Date**

The loan will mature 9 months after the month in which CCC-677 is approved by CCC.

**121 Loan Service Fee**

---

**A**

**Loan Service Fee Rates**

The loan service fee is the smaller of the following:

- \$45, plus \$3 for each lot over 1
- 1/2 of 1 percent multiplied times the gross loan amount.

The loan service fee is nonrefundable.

---

**122 Lien Searches**

---

**A**

**General Information**

A lien search, including Federal and State tax liens, shall be performed in the appropriate recording official's office according to State law for **all** loan requests, except for loans made to a producer who will immediately exchange the commodity certificate for loan collateral according to 8-LP, Part 9, Section 8.

For multi-county producers, the loanmaking County Office shall conduct or obtain the lien search at the appropriate location according to State law.

Contact the regional attorney, through the State Office:

- when assistance or advice is needed
- for assistance when any of the following conditions apply:
  - producer has farming operations in more than 1 State
  - commodity is stored in another State
  - commodity is moved to another State during the loan period.

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Continued on the next page

122 Lien Searches (Continued)

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**B**

**When to Perform  
Lien Searches**

The lien search shall be performed:

- **after** the loan request is filed and **before** the loan is approved
- when loan collateral will not be immediately exchanged with a commodity certificate for the entire loan quantity on the date of loan disbursement.

Do **not** perform the lien search **before** the request is filed.

Advise the producer that the loan cannot be disbursed until the lien search is completed and necessary lien waivers are obtained according to 8-LP, paragraph 404.

---

**C**

**Action After  
Lien Search  
Performed**

When a lien search is completed, the County Office shall:

- file the results of the search in the applicable loan folder
  - require the producer to provide CCC-679, according to 8-LP, paragraph 404, for each lienholder discovered on the lien search.
- 

**D**

**Paying Lien  
Search Fee**

Issue CCC-184, according to 1-FI, for the lien search fee.

---

**123 Filing or Recording Financing Statements**

---

**A**

**Provisions for Financing Statements**

File UCC's and complete CCC-10's according to 8-LP, Part 4, Sections 1 and 2.

---

**124 Repledging Provisions**

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**A**

**Repledging Eligible Honey Provisions**

Eligible producers may, before the final loan availability date, repledge a quantity of eligible honey that has previously been mortgaged to CCC as collateral.

The maturity date of repledged loans shall be the same as the original note and security agreement maturity date.

---

**B**

**Honey Not Eligible to be Repledged**

A quantity of honey having any of the following conditions is **not** eligible to be repledged for loan:

- honey loans repaid at an announced repayment rate
  - honey loans called because of:
    - incorrect certification
    - unauthorized disposition
    - unauthorized removal
  - honey for which LDP was received.
-

125 Recording Data on CCC-633 (Honey)

**A**  
**Preparing and Distributing CCC-633 (Honey)**

County Offices shall:

- prepare an original CCC-633 (Honey) and 1 copy for each loan request for honey stored on the farm or in an approved warehouse
- distribute copies of CCC-633 (Honey) as follows:
  - file the original in the producer’s loan folder
  - provide the copy to the contact producer.

**B**  
**Completing CCC-633 (Honey)**

County Offices shall complete CCC-633 (Honey) according to the following table.

Item	Action
1	Enter name, address, and telephone number of the FSA County Office where farm records are maintained.
2	Enter name and address of the individual producer, entity, partnership, joint venture, trust, estate, or corporation that is requesting the loan.
3	Enter the location where the honey is stored by entering a check mark in the box for “Farm”. Warehouse storage is not applicable.
4	Enter the crop year of the honey.
5	Enter State and county code, and loan number.
6	Entering a check mark in the box for “Table” or “Nontable”.
7	Enter the number of bee colonies that produced the honey for this loan.
8	Enter lien holder’s name and address if there are any liens on the commodity. If there are no liens against the commodity: <ul style="list-style-type: none"> <li>• ENTER “None”</li> <li>• initial.</li> </ul>

Continued on the next page

125 Recording Data on CCC-633 (Honey) (Continued)

**B Completing CCC-633 (Honey) (Continued)**

Item	Action
9	Enter the number associated with the first lot of honey pledged for this loan.
10	Enter the location where the commodity is stored (i.e., land description or other descriptions to indicate where the commodity is stored).
11	The quantity <b>must</b> be certified.
12	Enter the predominate source of vegetation used to produce this lot of honey.
13	Enter the number and size of containers in which the honey is being stored.
14	<p>Enter the estimated quantity in pounds in the containers entered in item 13, as certified by the producer. Quantities cannot exceed the following:</p> <ul style="list-style-type: none"> <li>• 60 pounds for 5-gallon metal containers</li> <li>• 360 pounds for 30-gallon metal containers</li> <li>• 660 pounds for 55-gallon metal containers</li> <li>• 3300 to 3960 pounds, as applicable, for IBC containers.</li> </ul>
15	<p>Enter the quantity in pounds that is pledged for this loan.</p> <p><b>Note:</b> Enter the information in items 9 through 15 for each additional lot of honey pledged for this loan.</p>
16	Enter the sum of the quantities for loan.
17	<p>Producers shall read the certification statement before signing this document.</p> <p>Contact the FSA County Office before signing and dating this document if there are any questions or concerns.</p>
18	Producers shall answer the question, “Are you or any co-applicant delinquent on any federal non tax debt?”
19 and 20	<p>Enter the signatures of the producers of the honey and the date signed.</p> <p><b>Note:</b> If mailing or FAXing this form, print the form and manually enter the signature. If this form is approved for electronic transmission and you have established credentials with USDA to submit forms electronically, use the buttons provided on the form for transmitting the form to the USDA servicing office.</p> <p style="text-align: center;">* * *</p>

125 Recording Data on CCC-633 (Honey) (Continued)

B Completing CCC-633 (Honey) (Continued)

\*--

NOTE: The authority for collecting the following information is Pub. L. 107-171. This authority allows for the collection of this information without prior approval mandated by the Paperwork Reduction Act of 1995. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form is available electronically.

<b>CCC-633 (Honey)</b> (07-21-03)		<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation			<b>1. COUNTY FSA OFFICE NAME AND ADDRESS</b> Monroe County FSA Office 1843 Wayson Rd Jersey, CA 13613 Telephone No. (Area Code): 555-223-1100				
<small>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is the Farm Security and Rural Investment Act of 2002. The information will be used to determine eligibility in accordance with the requirements of the regulation for applicants who are requesting Honey Nonrecourse Market Assistance Loans. Furnishing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for Honey Nonrecourse Marketing Assistance Loans. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative Tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001, 15 USC 714m, and 31 USC 3729, may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</small>									
<b>2. NAME AND MAILING ADDRESS OF PRODUCER</b> John Adams 123 Countryside Road Farmington, CA 13820  Telephone No. (Area Code):			<b>3. STORAGE LOCATION</b> <input checked="" type="checkbox"/> FARM <input type="checkbox"/> WAREHOUSE		<b>4. CROP YEAR</b> 200X		<b>5. ST. &amp; CO. CODE &amp; LOAN NO.</b> 30 129 1808		
			<b>6. CLASS OF HONEY</b> <input checked="" type="checkbox"/> TABLE <input type="checkbox"/> NONTABLE		<b>7. NUMBER OF COLONIES PRODUCING HONEY FOR THIS REQUEST</b> 8		<b>8. LIENHOLDER(S)</b> NONE		
<b>9. LOT NUMBER</b>	<b>10. LOCATION OF INDIVIDUAL LOT</b>	<b>11. BASIS OF QUANTITY DETERMINATION</b>		<b>12. FLORAL SOURCE</b>	<b>13. CONTAINERS</b> A. Number B. Size		<b>14. ESTIMATED QUANTITY (LBS.)</b>	<b>15. QUANTITY FOR LOAN (LBS.)</b>	
1	N.E. corner behind barn	Based on container size and weight		Alfalfa	6	55	3,862	3,862	
2	N.E. corner behind barn	Based on container size and weight		Alfalfa	4	55	2,568	2,568	
<b>17. PRODUCER'S CERTIFICATION</b> <small>The undersigned producer(s) ("Producer") requests a Commodity Credit Corporation (CCC) nonrecourse loan on the commodity identified in Item 6 with respect to the quantity specified in Item 15. The Producer certifies that, (1) the Producer produced the honey and has beneficial interest in the quantity of the honey shown in Item 15; (2) the honey is eligible to be pledged as collateral for a CCC nonrecourse loan; (3) the Producer has retained control of the commodity at all times; (4) the quantity of the honey shown in Item 16 above is in existence and is stored in the location noted; (5) the honey is in storable condition and such condition will be maintained; (6) the honey is stored in containers that meet the specifications of eligible containers; (7) the structure will safely store the honey through the loan period; and (8) the honey on which the loan is requested is free and clear of all liens, security interests, and encumbrances, except as shown above. The Producer further agrees to (1) identify each container with the crop year, loan number, lot number, and State and county code as instructed by CCC; (2) maintain the identity of the above identified honey; and (3) not move or commingle the honey with any other quantity without prior written approval of CCC.</small>							<b>16. TOTAL LOAN QUANTITY :</b>		6,430
<b>18. Are you or any co-applicant delinquent on any federal non tax debt? (If "YES", provide details:)</b> <input type="checkbox"/> YES <input type="checkbox"/> NO									
<b>19. PRODUCER'S SIGNATURE</b> /s/John Adams				<b>DATE (MM-DD-YYYY)</b> 02-01-200X		<b>22. LIEN SEARCH DATE (MM-DD-YYYY)</b> 02-01-200X		<b>23. DATE UCC-1/UCC-1 F FILED</b> 02-01-200X	
<b>20. PRODUCER'S SIGNATURE</b>				<b>DATE (MM-DD-YYYY)</b>		<b>24. FOR CCC BY:</b> /s/Sam Kelly, CED		<b>DATE (MM-DD-YYYY)</b> 02-03-200X	
<small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D. C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.</small>									

--\*



**126 Quantity Determination****A Loan Quantity Determinations**

Require the producer to certify the quantity for honey stored on the farm on CCC-633 (Honey).

For 2002 and subsequent crop years, the initial maximum quantity eligible for honey stored on the farm shall be 100 percent of the quantity certified by the producer.

**Exception:** If a producer-packer, at the time of loan request, provides a signed certification for the total loan quantity requested to be disposed of through bee feeding, personal sales for quantities packaged for retail, gifts, or personal use, process the request:

- \*--for 100 percent of the quantity indicated on CCC-633 EZ--\*
- as LDP. See Part 4.

**127 Pre-Loan Inspections**

**A Conducting Pre-Loan Inspections**

County Offices **must visually** conduct pre-loan inspections. Pre-loan inspections are performed to ensure that producers who applied for loans:

- have honey packaged in acceptable containers
- containers are properly labeled
- loan collateral is segregated from nonloan collateral.

All pre-loan inspections **must** be conducted:

- before loan disbursements
- documented on CCC-633 (Honey), in the remarks section.

**128-199 (Reserved)**

**Part 4 Loan Deficiency Payments****200 Basic LDP Provisions****A Definition of LDP's**

LDP's are payments made to producers who, although eligible to obtain a CCC loan, agree to forgo the loan in return for a payment on eligible honey.

**B General Provisions**

LDP's:

- will be processed through:
  - APSS
  - \*--eLDP web-based software--\*
- will be made in cash subject to assignment according to 63-FI
- will be issued by EFT or check, as applicable
- are subject to administrative offset according to 58-FI
- shall be subject to payment limitation
- must be approved when all eligibility requirements are met
- cannot be canceled or repledged once a request has been made or disapproved
- cannot be repaid to secure a subsequent loan or LDP on the same quantity
- are not subject to State commodity assessments
- are subject to spot check according to Part 5
- will be paid when approved.

Lien searches and lien waivers are not required.

**200 Basic LDP Provisions (Continued)**

**C Producer Eligibility Requirements**

Producers applying for LDP must:

- meet eligibility requirements in Part 2, as applicable
- agree to forgo obtaining a loan for the quantity on which LDP is requested.

**D No Storage Requirements**

\*--Approved storage requirements are waived for LDP's; however, all other MAL eligibility requirements **must** be met including beneficial interest, to receive LDP's instead of MAL's.--\*

**E CCC-676**

APSS will assign an LDP number sequentially with loan numbers for each crop year.

**F Filing LDP's**

LDP's shall be maintained in 1 of the following:

- separate LDP file for each request received
- 1 LDP file for each producer
- 1 LDP file for each producer by commodity.

**200 Basic LDP Provisions (Continued)**

**G LDP Amount Reported to IRS**

The amount of LDP is reported to IRS.

**H Denied LDP Amounts**

Part or all of a producer's calculated LDP amount shall be denied if any of the following apply:

- payment limitation is reached
- percent of cropland factor is less than 1.0000
- permitted entity share is less than 100 percent.

201 Requests for LDP's

A Request

LDP requests are complete when a County Office receives a completed and signed \* \* \* CCC-633 EZ.

LDP's must be requested:

- before beneficial interest is lost according to Part 1, Section 2
- on or before March 31 of the applicable crop year
- at the County Office where the farm records are kept for the farm on which the commodity was produced in person, by FAX, or eLDP's.

If the producer farms in more than 1 county, the County Office **first** contacted shall:

- accept requests
- contact other County Offices when either of the following applies:
  - the request covers eligible production from more than 1 farm and the farm program records are kept in more than 1 County Office
  - LDP's were received from more than 1 County Office
- FAX LDP requests to the applicable administrative County Office for completion.

**201 Requests for LDP's (Continued)**

**A Request (Continued)**

LDP requests must be:

- approved when all eligibility requirements are met
- \*--date-stamped when CCC-633 EZ, pages 1 and 2 are received in the County Office to indicate the request date.

Issue payments when the completed CCC-633 EZ is approved.--\*

**B Prompt Payment**

See 8-LP, paragraph 16 for the prompt payment due date.

**202 FAXed LDP Applications**

**A Acceptable FAXed LDP Applications**

Properly signed and dated FAXed LDP application requests are considered completely filed when \* \* \* CCC-633 EZ is:

- correctly completed by the producer, including all producer signatures
- received in the County Office, as applicable.

\* \* \*

**B Unacceptable FAXed LDP Applications**

FAXed LDP requests submitted on any form other than \* \* \* CCC-633 EZ are not acceptable.



202 FAXed LDP Applications (Continued)

C Incorrect FAXed LDP Requests

If \* \* \* CCC-633 EZ is not correctly completed by the producer according to paragraph \* \* \* 205, return the incomplete or invalid LDP request to the producer and explain the circumstances of the request denial. **If a request is denied for not providing information that is absolutely necessary to determine LDP**, the County Office **must** \*--provide the producer with written notification that:

- the request did not contain adequate information to process the request
- a new LDP rate will be established based on the date a new acceptable CCC-633 EZ, page 2, 3, or 4 is received in the County Office.--\*

\* \* \*

**Note:** Quantities included on LDP requests that are disapproved, cannot be requested for LDP or repledged.

**202 FAXed LDP Applications (Continued)**

**D Signatures**

Original copies are not required if \* \* \* CCC-633 EZ is FAXed.

**E Applications Requested But Not Received**

If a producer inquires about a FAXed LDP application that was transmitted, and the application was not received in the County Office, County Offices shall:

- require producer to submit documentation to verify the date and time of the FAXed transmission of \* \* \* CCC-633 EZ
- accept producer's completed LDP application
- document the date the LDP application was FAXed and the reason the FAX was not received
- use the LDP rate in effect on the date printed by the FAX machine on the original LDP request transmittal
- **not** accept or approve producer's LDP application unless the producer can provide verification of the actual FAXed date.

**203 LDP Rates**

**A Effective LDP Rate**

The LDP rate is the rate in effect on the day of the request.

The request date is the date \* \* \* CCC-633 EZ is received in the County Office. County Offices shall date-stamp \* \* \* CCC-633 EZ to verify the date the request is received.

If the FAXed \* \* \* CCC-633 EZ includes date and time printed by the FAX machine, a date-stamp is not required.

**B LDP Rate**

The LDP rate is determined by the amount the applicable commodity loan rate exceeds the CCC-determined value for where the commodity is stored for CCC-633 EZ.

The LDP rate will be announced on a monthly basis. Use the rate in effect until the next rate change.

\*--For eligible commodities stored or marketed out of the United States, determine the LDP--\* rate based on the County Office where LDP is requested.

**203 LDP Rates (Continued)**

**C Determining LDP**

LDP is calculated by multiplying the LDP rate times the LDP quantity requested.

**D LDP Rate for FAXed \*\*\* CCC-633 EZ's**

For \*\*\* CCC-633 EZ FAXed applications, the LDP rate is the rate in effect when \*\*\* CCC-633 EZ is received in the County Office, if the LDP request is completed.

204 Eligible Quantity

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**A**  
**Commodity**  
**Eligibility**  
**Requirements**

To be eligible for LDP, the quantity of commodity must:

- meet eligibility requirements in Part 2
- have been produced by an eligible producer
- not have been previously pledged as collateral for a loan and repaid with cash at a rate less than the principal, plus interest
- not have been previously requested or paid for LDP.

A quantity of a commodity eligible to be repledged for a nonrecourse loan is eligible for LDP.

---

**B**  
**Quantity**  
**Requested**

Eligible producers may request LDP quantities by:

- certifying the quantity
  - certifying date of delivery sale for quantities packaged for retail, gifts, or personal use
  - providing delivery evidence.
- 

Continued on the next page

204 Eligible Quantity (Continued)

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**C**  
**Certified**  
**Quantity**

Producers may request LDP by certifying the quantity. All certified LDP's are subject to spot check according to Part 5.

**Exception:** If a producer-packer, at the time of the LDP request, provides a signed certification for the total LDP quantity requested to be disposed of through bee feeding, personal sales for quantities packaged for retail, gifts, or personal use, process the LDP request according to subparagraph E.

---

**D**  
**Quantity**  
**Supported by**  
**Production**  
**Evidence**

If producers do not wish to certify to the quantity or date delivered, requests can be completed by providing production evidence according to Part 5, Section 2.

If production evidence is provided at time of payment request, LDP will not be subject to spot check.

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Continued on the next page

**204 Eligible Quantity (Continued)****E Producer-Packer Quantity**

A producer-packer may receive LDP for 100 percent of the quantity certified to and indicated on CCC-633 EZ, if **all** of the following conditions are met:

- a spot check is performed at the producer's expense **before** disbursement of LDP
- signed certification is provided as disposition evidence by the producer-packer who:
  - certifies to the quantity on CCC-633 EZ
  - packages and **will** dispose of the certified quantity of honey through bee feeding, personal sales for quantities packaged for retail, gifts, or personal use.

**F Production Evidence for Fed Quantities**

For fed honey, LDP's should be requested as direct LDP's according to paragraph 201.

The maximum quantity allowed is based on 4 pounds of honey fed to each colony on a monthly basis during the months of February, March, and April.

**Example:** Producer has 150 colonies, which were fed during February, March, and April. Producer will be eligible for 1800 pounds of fed honey.

**\*--Note:** If the feeding dates are within reason, use the LDP rate in effect for the date the producer certifies that the commodity was fed.--\*

**\*--205 Completing CCC-633 EZ**

**A Page 1**

Complete CCC-633 EZ, **page 1**, according to the following.

Item	Instructions
1	Enter the producer's name and address. This should be the name of the individual, joint operation, or entity for which benefits may be requested.
2	Enter the telephone/cell number, including area code, of the applicant.
3	Enter the last 4 digits of the applicant's Social Security or tax ID number of the producer or entity in item 1.
4	Enter the crop year for the commodities covered by the LDP agreement.
5	Enter the States and the counties where the applicant has an interest for the designated crop year.  <b>Note:</b> CCC-633 EZ covers interests in all eligible LDP commodities of the applicant listed in item 1. The County Office that first receives page 1, shall forward to other County Offices, as applicable, by FAX or mail.
<b>Part A – Terms and Conditions</b>	
All applicants requesting LDP shall review and understand the terms and conditions of this agreement.	
<b>Part B – Methods of Payment Request</b>	
All applicants requesting LDP shall review and understand the methods by which a payment request may be initiated under this agreement.	
<b>Note:</b> CCC-633 EZ, page 2 <b>must</b> be received in the County office before the final loan availability date for honey.	
<b>Part C – Producer Signature and Certification</b>	
6 and 7	After reading the certification statement, the applicant shall sign and date.  <b>Note:</b> Generally there will be 1 form per individual/joint operation/entity. Multiple signature lines are provided for cases where multiple signatures are required to act for the joint operation/entity. If additional signature lines are needed, the applicant shall use CCC-633 EZ, page 5, Part C.
<b>Part D – CCC Agreement (FSA Use Only)</b>	
8	Enter signature of authorized CCC Representative.
9	Enter title of authorized CCC representative.
10	Enter date of CCC representative's signature.
11	Enter additional information pertinent to the approval or disapproval of agreement.
12	Enter the name and address of the County FSA Office receiving and signing the original CCC-633 EZ, page 1. The County Office may enter their assigned State and county code in place of their name and address.

**Note:** CCC-633 EZ, page 2 **must** accompany all requests for payment. If additional information is needed to determine eligible producer, net quantity, and payment rate, then the request will not be paid until evidence is provided.--\*



\*--205 Completing CCC-633 EZ (Continued)

**B Page 2**

Complete CCC-633 EZ, page 2 according to the following.

Item	Instructions
<b>Part E – Request for LDP</b>	
13A and 13B	Enter the producer’s name, address, and telephone number, including area code. <b>Note:</b> This should be the same as in item 1.
14	Enter the last 4 digits of the applicant’s Social Security or tax ID number.
15	Enter the crop year for which LDP is requested.
16	Enter the State and county where the farm records are maintained
17	Check either “Yes” or “No” to the question, “Are you or any co-applicant delinquent on any Federal Non-tax debt?” If “Yes” is checked, explain in item 32.
18	<b>For FSA use only.</b> Enter the processing system assigned LDP number.
19	Enter the commodity for which LDP is requested along with the class, variety, or type, as applicable.  For sunflowers, ENTER “oil” or “other” as applicable.  If the commodity requested is wheat and the class is mix, producers must indicate the predominate class of wheat.
20	Enter the net quantity and unit of measure requested for this payment.

--\*

\*--205 Completing CCC-633 EZ (Continued)

B Page 2 (Continued)

Item	Instructions
<b>Part E – Request for LDP (Continued)</b>	
21	<p>Check the box from the following that corresponds with the source of the quantity in item 20:</p> <ul style="list-style-type: none"> <li>• “A”, “Certified”</li> <li>• “B”, “Measurement Service” (not applicable to honey MAL or LDP)</li> <li>• “C”, “Production Evidence”.</li> </ul> <p>If no acceptable production and/or sales evidence is provided at the time of payment request, check box “A”, “Certified”. Certified quantities are subject to spot-check and CCC may require production evidence to support the certification.</p> <p>If this request for payment is accompanied by production and/or sales evidence, check box “C”, “Production Evidence”. When acceptable production and/or sales evidence is provided at the time of payment request, no additional documentation will be required.</p>
22	<p>Enter the State (if necessary) and county, where the quantity in item 20 is stored. In addition, enter the location within the same county where the commodity is stored.</p> <p><b>Example:</b> Legal description and/or land description.</p> <p>A separate LDP request must be completed for quantities stored in a different county.</p>

--\*

\*--205 Completing CCC-633 EZ (Continued)

B Page 2 (Continued)

Item	Instructions
<b>Part E – Request for LDP (Continued)</b>	
23A And 23B	<p>Enter the date of this request, date BI was lost, or the date of delivery. If a request has multiple dates (such as date of feeding or sale) and production evidence or schedule/ledger that is provided shows when BI is lost, this item can be left blank.</p> <p>If page 2 is filed prior to delivery and the producer wants to use the “date of delivery” option, Box “B” must be checked.</p>
24	<p><b>For FSA use only.</b> Enter the LDP rate in effect according to the applicable date as provided in item 23. For multiple dates of delivery, ENTER “See Attached Production Evidence”.</p>
<b>Part F – Producer Certification</b>	
25 through 27	<p>At the time of completion for each request, the producer shall sign in item 25, enter the share percentage of the LDP quantity in item 26, and enter the date in item 27. This indicates the applicant’s intention to receive an LDP payment based on the applicable quantity and effective LDP rate.</p> <p><b>Note:</b> If additional signatures lines are needed, use CCC-633 EZ Continuation, page 5, Part F.</p> <p>If BI has <b>not</b> been lost, then the effective LDP rate will be based upon the time and date a properly completed request for payment is received in the FSA County Office.</p>
<b>Part G – CCC Approval</b>	
28	Enter signature of authorized CCC representative.
29	Enter title of authorized CCC representative.
30	Enter date of CCC representative’s approval.
31	FSA office will check either “Approved” or “Disapproved”.
32	Enter any additional information pertinent to the approval or disapproval of this payment request.

--\*

205 Completing CCC-633 EZ (Continued)

F Example of CCC-633 EZ

The following are examples of CCC-633 EZ, pages 1 and 2.

\*--

<p><b>This form is available electronically.</b></p> <p><b>CCC-633 EZ</b> (09/05/07)</p> <p><b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation</p> <p><b>LOAN DEFICIENCY PAYMENT (LDP) AGREEMENT AND REQUEST</b></p> <p>All eligible producers entering into this agreement <b>MUST</b> meet marketing assistance loan eligibility and have beneficial interest in the quantities covered by this agreement for the applicable crop year when signing this form. A producer is considered to have beneficial interest in the specified quantities if the producer has ALL of the following:</p> <ul style="list-style-type: none"> <li>• <b>title to the commodity</b></li> <li>• <b>control of the commodity</b></li> </ul> <p>File this form <b>BEFORE</b> loss of beneficial interest (title and control) to indicate your intentions to receive Loan Deficiency Payment (LDP) benefits for this crop year for all counties and all eligible harvested, sheared, or slaughtered commodities for the individual, joint operation, or entity identified in Item 1. The CCC-633 EZ - LDP Request (Page 2), Cotton LDP Request (Page 3), or Request for Wool, Mohair, or Unshorn Pelt LDP (Page 4) must be completed <b>BEFORE</b> the final loan/LDP availability date to receive LDP benefits.</p>		<p>Form Approved - OMB No. 0560-0129</p> <p>1. Name and Address of Producer (Include ZIP Code) (Please Print) Gladys Burns 501 Farmer Ave Gretna, PA 19502</p> <p>2. Telephone/Cell Number (Include Area Code): 555-803-8046</p> <p>3. ID Number (Last 4 Digits): 4. Crop Year: 200X</p> <p>5. State(s) and County(s) PA/Cook</p>			
<p><b>PART A - TERMS AND CONDITIONS</b></p> <ul style="list-style-type: none"> <li>• The LDP rate will be based on the earlier of: a) the date beneficial interest is lost as applicable to specific commodity provisions; or b) the LDP request date as submitted on the CCC-633 EZ (Page 2) Part E, or CCC-633 EZ (Page 4) for wool, mohair, and unshorn pelts. For cotton LDP's requested on CCC-633 EZ Cotton (Page 3), the LDP rate will be based on the information provided on Page 3.</li> <li>• Quantities covered by this agreement were produced by the producer and not purchased or acquired directly or indirectly from any other source or committed under a marketing agreement to a Cooperative Marketing Association (CMA).</li> <li>• As a condition of receiving an LDP, a producer (or members of a CMA) must first resolve delinquent federal non-tax debt(s). The debt(s) must be resolved <b>before</b> the final loan/LDP availability date.</li> <li>• CCC may request copies of contracts and supplemental documentation to determine eligible quantity and when beneficial interest was lost.</li> <li>• If a Marketing Assistance Loan (MAL) is disbursed for a quantity covered by this agreement and the MAL is repaid at a price less than principal and interest, this agreement becomes null and void for that specific quantity.</li> <li>• All producers with an interest in the quantity covered by this agreement must sign a CCC-633 EZ Part C, to obtain LDP benefits.</li> </ul>					
<p><b>PART B - METHODS OF PAYMENT REQUEST (Request must be submitted by final loan/LDP availability date.)</b></p> <ul style="list-style-type: none"> <li>• For quantities represented by verifiable production evidence under this agreement, submission of evidence in combination with Part E, Part N, or Part O of this form as applicable shall be considered a request for payment. Evidence must include sufficient data to determine producer and commodity eligibility and LDP rate.</li> <li>• For quantities for which verifiable evidence is unavailable (i.e., certified quantities, fed quantities, quantities used for seed, silage, etc.), the request for payment shall be initiated by recording a certification of quantity on Part E, Part N, or Part O of this form as applicable. Additional information may be requested by CCC to determine producer and commodity eligibility and LDP rate.</li> <li>• Submission of an eLDP shall be a request for payment. The CCC-633 EZ Part E is not required for that specific quantity.</li> <li>• <b>For Cotton Producers Only:</b> Producer agrees: a) any request for a module lock-in or post-ginning LDP is irrevocable and cannot be cancelled or revised unless the LDP is denied due to payment limitation; b) any request for a gin-direct LDP is irrevocable on or after the date of ginning; c) entry of information on Page 3 of this application constitutes an irrevocable application for the Adjusted World Price (AWP) to be locked in on the date an accurately completed application is submitted for an LDP based on gin-provided documentation identifying the bales produced from the module/storage unit for which the AWP lock-in applies.</li> </ul>					
<p><b>PART C - PRODUCER SIGNATURE AND CERTIFICATION (For additional signatures, complete CCC-633 EZ Continuation Part C)</b></p> <p>If we certify all information entered on this form is true and correct. By certifying to the terms and conditions in Part A, the producer(s) hereby enters into this agreement with CCC for all eligible commodities. The producer(s) agrees: 1) any false claim or false statement may lead to civil liability or criminal prosecution; 2) LDP's may be selected for spot-check and the producer will be required to provide supplemental documents to determine program eligibility; 3) to forgo a commodity loan on the quantity requested for LDP unless a quantity is denied LDP due to payment limitation; 4) not to refund any LDP amount in order to obtain a commodity loan; 5) this agreement and subsequent payment request is subject to CCC determination of producer and commodity eligibility subject to 7 CFR Parts 1421, 1425, 1427 and 1434; 6) that CCC shall require refund of LDP, plus interest, from the date of payment if producer(s) and/or commodity is later determined ineligible by CCC; 7) CCC shall assess administrative penalties and/or liquidated damages in accordance with 7 CFR Parts 1421, 1425, 1427 or 1434, as applicable, if producer(s) misrepresented the eligible quantity and/or commodity covered by this agreement; 8) the maximum eligible quantity and yield determinations must equal the quantity and yield determinations for disaster or crop insurance indemnity payments, when and if applicable; and 9) to submit the applicable CCC-633 EZ, Page 2, Page 3, Page 4 or an eLDP online request before obtaining LDP amounts.</p>					
6. Signature of Producer /s/ Gladys Burns	7. Date (MM-DD-YYYY) 06-01-200X	6. Signature of Producer	7. Date (MM-DD-YYYY)	6. Signature of Producer	7. Date (MM-DD-YYYY)
<p><b>PART D - CCC AGREEMENT (FOR CCC USE ONLY)</b></p> <p>8. Signature of CCC Representative /s/ Cordell Williams</p> <p>9. Title of CCC Representative County Executive Director</p> <p>10. Date (MM-DD-YYYY) 06/01/200X</p> <p>11. Additional Information</p> <p>12. Name and Address of County FSA Office or LSA or DMA Cook County FSA Office 533 Cornwall Drive Monroe, PA 19500</p>					
<p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is 7 CFR Parts 1421 and 1427. The information will be used to determine eligibility and the amounts of program benefits. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in determination of ineligibility for program benefits. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.</p> <p>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0129. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p>					

205 Completing CCC-633 EZ (Continued)

F Example of CCC-633 EZ (Continued)

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CCC-633 EZ (09/05/07)									
PART E - REQUEST FOR LDP									
13A. Contact Name and Address of Producer (Include Zip Code) (Please Print) Cook County FSA Office 533 Cornwall Drive Monroe, PA 19500				14. SSN (Last 4 Digits) or ID Number XX52	15. Crop Year 2006	17. Are you or any co-applicant delinquent on any federal non-tax debt? If "YES", explain in Item 32. <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
13B. Telephone/Cell Number (Include Area Code) (Optional). 555-803-8046				16. State and County where Farm Records are Maintained PA/Cook					
A completed CCC-633 EZ, Page 1 must be on file before beneficial interest (title and control) is lost in the requested quantity for this to be considered a valid request for payment. This request for payment, with acceptable production evidence (if applicable), must be submitted to the County FSA office that administers the farm records for the requested commodity and quantity.									
Complete Items 19 through 23 and sign/date below. Indicate in Item 21 if this is a certified LDP, request for measurement service, or indicate production evidence is attached, as applicable. When beneficial interest has been lost, indicate date of sale, fed, used for seed, etc, as applicable, in Item 23. If additional entries are needed, provide data on an additional CCC-633 EZ, Page 2.									
18. LDP No. (CCC Use Only)	19. Commodity Class, Variety, Type	*20. Net Quantity Requested and Unit of Measure (bu., tons, cwt., lbs., etc.)	21. Source of Quantity (Check one of the following)			22. Stored or Delivery Location, if applicable (State, County, Warehouse, or Bin Site)  Examples: Warehouse-Stored: Ohio, Athens Co., ABC Warehouse Farm-Stored: Texas, Webb Co., 30' Butler Bin, North of House	23. Effective Date of LDP Rate (MM-DD-YYYY)		24. LDP Rate (CCC Use Only)
			A. Certified	*B. Measurement Service	C. Production Evidence		A. Date of LDP Request or Date Beneficial Interest Was Lost	B. Date of Delivery	
	Table	1500 lbs.	<input checked="" type="checkbox"/>			Farm-Stored: S.W. corner behind barn	06-05-200X		
* If measurement service is requested, I agree to pay the required fee(s) and agree this request is irrevocable. The quantity determined by measurement service will be the maximum quantity eligible at the time of this request. Producer must enter in Item 20, a specific quantity or "ALL" for this LDP application to be valid.									
PART F - PRODUCER CERTIFICATION (For additional signatures, complete CCC-633 EZ Continuation, Part F)									
I certify all information entered on this form is true and correct. By completing Part E and signing and dating this form, I hereby make a request for payment from the Commodity Credit Corporation (CCC) for the commodity described above under the terms and conditions as provided on the CCC-633 EZ, Loan Deficiency Payment (LDP) Agreement and Request. I also understand that a CCC-633 EZ, Page 1 MUST be on file at the FSA County Office for this LDP request to be considered complete.									
25. Signature of Producer /s/ Gladys Barnes		26. % Share 100%	27. Date (MM-DD-YYYY)	25. Signature of Producer		26. % Share	27. Date (MM-DD-YYYY)		
PART G - CCC APPROVAL (FOR CCC USE ONLY)							32. Additional Information		
28. Signature of CCC Representative /s/ Cordell Williams		29. Title of CCC Representative County Executive Director		30. Date (MM-DD-YYYY) 06-05-200X	31. Action: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved				

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**206 Completing CCC-700 and CCC-700A**

**A Purpose**

CCC-700 and CCC-700A are APSS computer-generated forms used to provide producers LDP data.

When the computer is inoperable, manually prepare:

- CCC-700 and, when applicable, CCC-700A
- CCC-184 or EFT according to 1-FI.

COC or representative shall approve CCC-700, as applicable.

Distribute approved CCC-700 and CCC-700A as follows:

- maintain the original in the LDP folder
- provide a copy to the contact producer.

206 Completing CCC-700 and CCC-700A (Continued)

**B Completing CCC-700**

When the computer is inoperable, manually complete CCC-700 according to the following table.

Circle Number	Instructions
1	Enter contact producer's name and mailing address. <b>Example:</b> FS CER LDP, for farm certified.
2	Enter the applicable LDP type.
3	Enter State and county code and farm number.
4	Enter manually assigned 90000 series number, as applicable.
5	Enter crop year and commodity.
6	Enter applicable class code for the commodity.
7	Enter date payment is made to the producer.
8-10	Leave blank.
11	*--Enter LDP quantity from CCC-633 EZ.--*
12	Leave blank.

206 Completing CCC-700 and CCC-700A (Continued)

**B Completing CCC-700 (Continued)**

Circle Number	Instructions
13	Enter LDP amount applicable to the LDP quantity, which is LDP quantity times the applicable LDP rate.
14	Leave marketing assessment and origination fee blocks blank.
15	Enter the net LDP payment available.
16-18	Leave blank.
19	Enter the applicable LDP rate. This is the CCC-determined value.
20	Leave blank.
21	*--Enter the quantity from CCC-633 EZ or quantity requested for field direct--* LDP's.
22	Enter the result of circle number 19 multiplied times circle number 21.
23	Enter producer's name, ID number, and share applicable to LDP. Indicate if quantity is certified or based on evidence.
24	Obtain CCC representative's approval signature and date.
25	Enter County Office's name, address, and telephone number. Provide a copy to the contact producer.



206 Completing CCC-700 and CCC-700A (Continued)

**B**  
**Completing**  
**CCC-700**  
**(Continued)**

The following is an example of CCC-700.

<b>CCC-700</b> (08-18-94)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		Form CCC-700A is incorporated into this Form CCC-700 when this box is marked <input type="checkbox"/>	
<b>LOAN DEFICIENCY PAYMENT STATEMENT</b>					
Name and Mailing Address of Contact Producer			LDP Type	St. & Co. Codes & Farm No. Where Produced	
①			②	③	
The following Loan Deficiency Payment Statement is made according to forms CCC-666-LDP or CCC-709 filed by the producer(s) shown below.					
LDP No.: ④	Initial LDP Qty: ⑧	LDP AMOUNT: ⑬			
Crop Year: ⑤	Adjusted LDP Qty: ⑨	Marketing Assessment:			
Commodity: ⑥	Add'l/Reduced Qty: ⑩	Assessment: ⑭			
Class: ⑦	Total LDP Qty: ⑪	Origination Fee: ⑮			
Transaction Date: ⑦	Total LDP Amount: ⑫	Denied Market Gain: ⑯			
		NET LDP AMOUNT: ⑰			
		Additional Payment ( ) ⑰			
LOAN RATE - ⑰	LOAN REPAYMENT RATE = ⑱	LDP PAYMENT RATE + ⑲	RICE MARKETING CERTIFICATE RATE X ⑳	QUANTITY = ㉑	GROSS PAYMENT ㉒
PRODUCER ㉓			ID NUMBER		PRODUCER SHARE
APPROVED FOR CCC BY ㉔			DATE ㉔	NAME AND ADDRESS OF COUNTY FSA OFFICE ㉕	
TELEPHONE NO.					
<small>This program or activity will be conducted on a nondiscriminatory basis without regard to race, color, religion, national origin, age, sex, marital status, or disability.</small>					

207-399 (Reserved)



**Part 5 Compliance Provisions**

**Section 1 Spot Checking**

**400 Notification**

**A Contacting Producers**

When loans and LDP’s have been selected for spot check according to 8-LP, Part 5, Section 1, County Offices shall:

- notify the contact producer by telephone or memorandum, as applicable
- inquire if the honey has:
  - been sold
  - is still on the farm.

**B Initiating Loans and LDP’s Selected for Spot Check**

Determine how to proceed with the visual spot check as follows.

<b>IF the honey...</b>	<b>THEN...</b>
is still on the farm and a spot check has not been performed	Complete a farm visit according to paragraph 401. * * * The producer <b>must</b> provide production evidence by the earlier of the following: <ul style="list-style-type: none"> <li>• 15 calendar days after the honey has been sold</li> <li>• loan maturity date</li> <li>• the last day of the 9<sup>th</sup> calendar month after the month in which LDP was disbursed.</li> </ul> If production evidence has not been submitted by the due date, the producer * * * may have to refund the market gain or LDP amount.

400 Notification (Continued)

**B Initiating Loans and LDP's Selected for Spot Check (Continued)**

<b>IF the honey...</b>	<b>THEN...</b>
has been previously spot checked and the producer requests to use the spot checked quantity for production evidence	* * * no farm visit is required except for outstanding loans, as applicable.
has been sold	request delivery, sales, or other types of production evidence to verify the quantity and delivery dates of: <ul style="list-style-type: none"> <li>• certified LDP's</li> <li>• loan repayments when market gain was earned.</li> </ul> Review the loan for a violation according to paragraph 404 if loan is not repaid.

Require the producer to submit evidence on commodities **sold** within 15 calendar days from date of request.

401 On-Farm Visits

---

**A**

**When to Complete On-Farm Visits**

Complete on-farm visits if honey is still stored on the farm for:

- outstanding loans
  - outstanding loans and a market gain has been earned
  - certified LDP's.
- 

**B**

**Random Spot-Check Process**

At the storage site, the inspector shall complete the spot check by **visually** inspecting farm-stored quantities for all loans and LDP's **randomly** selected in APSS according to the following.

For **related** loans and LDP's selected in APSS, commodity inspector shall:

- visually inspect containers for signs of fermentation
- visually inspect only those that are located at the same storage site as each random selection
- determine that quantity and quality are being maintained
- when visual inspection indicates a significant quantity shortage or a quality problem, record results on CCC-677-1.

If the honey has been sold, request delivery, sales, or other types of production evidence to verify the quantity and delivery dates of:

- certified LDP's
- loan repayments when market gain was earned.

Review the loan for violation according to paragraph 404 if the loan is not repaid.

Require the producer to submit evidence on commodities **sold** within 15 calendar days from the date of request.

---

Continued on the next page



## 401 On-Farm Visits (Continued)

## C

**Reducing  
On-Farm Visits  
for LDP's**

For LDP's only, County Offices, **with State Office concurrence**, may elect to forgo the farm visit by sending the producer a notification letter that includes all of the following:

- identification of LDP selected for spot check, as applicable
- options to the producer for quantities still on the farm to provide production evidence by the earlier of the following:
  - 15 calendar days after the commodity is sold
  - the last day of the 9<sup>th</sup> month after the month in which LDP was disbursed
- the following statement, "Failure to provide acceptable production evidence may result in repayment of the entire LDP amount plus applicable interest."

County Offices shall:

- consider the spot check complete when the producer:
  - does **not** respond within 7 calendar days, thus agreeing to provide required production evidence by the deadlines
  - agrees to provide required production evidence by the deadline

**Note:** Complete the monthly spot check report according to this paragraph and 12-PS. **Do not** leave the monthly spot check report open until production evidence is received.

- monitor all letters and determine when production evidence is due
  - collect unearned LDP amounts, plus interest, according to 8-LP, paragraph 539.
-

402 Spot-Checking Storage Facility, Storage Containers, and Honey

---

**A**

**General Information**

Arrange for the producer or a representative to be present at the storage facility during the spot check. The CCC representative may spot-check the honey at any reasonable time.

**Note:** If the producer refuses to permit entry, contact the State Office for guidance.

Record spot check results on CCC-677-1 and only **if necessary**, provide additional information in the “Remarks” section on CCC-633 (Honey).

Advise the producer that acceptance of honey for loan does not alleviate the responsibility of delivering acceptable honey in eligible containers if the honey under loan is delivered to CCC.

**Note:** If the honey is **not** in eligible containers when a spot check is performed, see subparagraph C.

---

**B**

**Spot-Checking Storage Facility**

Determine whether the facility is eligible. An acceptable storage facility:

- shall provide safe storage and will protect the honey from natural elements
  - shall be under the producer's control if stored on the farm
  - may be in leased space
  - may be on or off the farm.
- 

Continued on the next page



402 Spot-Checking Storage Facility, Storage Containers, and Honey (Continued)

C Spot-Checking Outside of Containers

Make a visual spot check of containers.

To be eligible, the containers shall meet the following conditions for metal containers and IBC's:

- \*--be at least a 5-gallon but **not** greater than 330-gallon capacity--\*
- be suitable for use in contact with honey
- free from applicable dust or rust.

Reject the lot if at least 5 percent or more containers do not meet the requirements in this subparagraph.

Give producers an opportunity to transfer honey into eligible containers before continuing with the spot check.

Notify the producer that the lot of honey must be transferred into eligible containers within 15 calendar days from notification and follow this table.

<b>IF...</b>	<b>THEN...</b>
the producer does <b>not</b> transfer the lot of honey into eligible containers within 15 calendar days from notification	call the loan according to 8-LP, Part 6.
the producer transfers the lot of honey into eligible containers within 15 calendar days from notification	spot-check the containers to verify eligibility.

402 Spot-Checking Storage Facility, Storage Containers, and Honey (Continued)

C Spot-Checking Outside of Containers (Continued)

The following table provides additional requirements for specific types of containers.

Container	Requirement	Reject
5-gallon *--metal and plastic--* Containers	Shall: <ul style="list-style-type: none"> <li>• contain approximately 60 pounds of honey</li> <li>• be new (metal)</li> <li>• *--be lined with a plastic pail liner with FDA-approved low-density polyethylene (plastic)--*</li> <li>• be clean</li> <li>• be sound</li> <li>• be uncased</li> <li>• be free from appreciable dents and rust</li> <li>• be equipped with a cover providing a tight seal</li> <li>• have handles strong enough to permit carrying a filled container</li> <li>• <b>not</b> be punctured or have been punctured and resealed by soldering.</li> </ul>	* * * <ul style="list-style-type: none"> <li>• Used 5-gallon *--metal containers.--*</li> </ul>
IBC	Shall: <ul style="list-style-type: none"> <li>• contain approximately 3300 to 3960 pounds for honey</li> <li>• be clean</li> <li>• be sound</li> <li>• be uncased.</li> </ul>	

402 Spot-Checking Storage Facility, Storage Containers, and Honey (Continued)

C Spot-Checking Outside of Containers (Continued)

Container	Requirement	Reject
Steel drums (30-gallon) (55-gallon)	<p>Shall:</p> <ul style="list-style-type: none"> <li>• be open-end, fitted with gaskets that provide a tight seal</li> <li>• *--be filled about 2 inches from the top of the drum--*</li> <li>• be new</li> </ul> <p><b>Exception:</b> If used, producers must certify that containers:</p> <ul style="list-style-type: none"> <li>• have been reconditioned</li> <li>• are in suitable condition to adequately protect the storability and quality of the honey</li> <li>• are free of appreciable dents and rust.</li> </ul> <ul style="list-style-type: none"> <li>• be clean and treated to prevent rusting</li> <li>• have an inside food coating suitable for honey storage, as certified by the producer.</li> </ul> <p>Inspectors shall not open containers during the spot check procedure.</p> <p><b>Notes:</b> Thirty gallon steel drums must contain approximately 360 pounds of honey.</p> <p>Fifty-five gallon steel drums must contain approximately 660 pounds of honey.</p>	<ul style="list-style-type: none"> <li>• Severely dented drums that have any of the following:                             <ul style="list-style-type: none"> <li>• sharp dents that would crease the inside lining</li> <li>• dents affecting the upper or lower rims</li> <li>• dents that may leak or affect stacking capability.</li> </ul> </li> <li>• Rusted drums with corroded areas that may affect the storage capability of the drum.</li> <li>• Closed-end bung type drums.</li> </ul>

## 403 Completing Spot Checks

### A Reviewing Documentation

Once the site visit is complete or production evidence is submitted, County Offices shall:

- calculate the quantity provided on submitted documentation, as applicable
- **\*--Example:** One gallon of honey equates to 12 pounds of honey; therefore, the following calculations may be used:
  - 5-gallon metal container equals 60 pounds
  - 30-gallon steel drum equals 360 pounds
  - 55-gallon steel drum equals 660 pounds.--\*
- review the documentation submitted to ensure that all production evidence requirements are met.

### B Verifying Loan and LDP Quantity

County Offices shall:

- verify the quantity determined in subparagraph A
- compare the determined quantity to the:
  - outstanding loan quantity
  - market gain quantity
  - LDP quantity.

### C Tolerance Level

The tolerance level for loans and LDP's is 10 percent.

For spot-check shortages **within** the tolerance level, CED's have the authority to determine whether a violation occurred according to 8-LP, Part 6.

404 Spot-Check Review

---

**A**  
**Reviewing Spot**  
**Check Results**

County Offices shall:

- notify the producer of any discrepancies using the applicable notification letter, according to 8-LP:
    - paragraph 520 for:
      - storability problem
      - storage structure damage
    - Exhibit 4, subparagraph C for \* \* \* other conditions, as applicable
  - record spot check results in APSS according to 12-PS, Part 15.
- 

**B**  
**Reviewing**  
**County Office**  
**Spot Checks**

State Offices shall:

- establish controls to monitor County Office completion of spot checks
  - annually review County Office spot-check folders to ensure that:
    - spot checks are being performed in a timely manner
    - appropriate followup action is taken to correct problems detected
  - document the results of these reviews according to 8-LP, Exhibit 24
  - provide applicable reports according to 12-PS.
- 

Continued on the next page

404 Spot-Check Review (Continued)

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C

**Reviewing Loans Open After Maturity** State Offices shall monthly review the List of Loans Open After Maturity to ensure that matured or unsettled loans are being properly handled and, when applicable, transferred to claims on a timely basis.

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405-424 (Reserved)

## Section 2 Production Evidence

425 Requirements

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**A****Required  
Production  
Evidence**

Production evidence **is required** for loan quantity or LDP **selected for spot check** as follows:

- any honey loan repaid at a rate less than principal, plus interest, under the marketing loan provisions and only for the quantity repaid on which the producer earned a market gain
  - certified LDP's.
- 

**B****Production  
Evidence Not  
Required**

Production evidence is **not** required for any loan or LDP that is not selected for spot check.

Outstanding loans repaid under the CCC-681-1 provisions are not subject to spot check if delivery or production evidence was submitted at time of repayment.

LDP's are not subject to spot check if production evidence was submitted at time of LDP request.

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Continued on the next page

425 Requirements (Continued)

C

**Production Evidence Requirements** The following table describes the requirements for production evidence.

Type of Evidence	Requirement
<p><b>Acceptable</b> evidence shall be 1 of the following:</p> <ul style="list-style-type: none"> <li>• copies of sales documents that include the name and address of the processor or broker who is purchasing the honey</li> </ul> <p>***</p> <p><b>Note:</b> The seller shown on the evidence <b>must</b> be the producer.</p> <ul style="list-style-type: none"> <li>• signed certification for a quantity of honey provided by the producer-packer that the quantity of honey has been or will be disposed of through:                             <ul style="list-style-type: none"> <li>• bee feeding</li> <li>• personal sales for quantities packaged for retail</li> <li>• gifts or personal use.</li> </ul> </li> </ul> <p><b>Note:</b> A producer-packer shall provide sales evidence for a quantity of honey sold in bulk that is <b>not</b> packaged for retail sale.</p>	<p>The documentation <b>must</b> include enough information to provide County Offices with the following:</p> <ul style="list-style-type: none"> <li>• an accurate record of eligible quality and quantity of honey</li> <li>• net weight of quantity marketed</li> <li>• floral source and class</li> <li>• color</li> <li>•*--number and size of containers that were--* marketed</li> </ul> <p><b>Note:</b> The container is the eligible loan container certified on the loan or LDP.</p> <ul style="list-style-type: none"> <li>• date sales transaction completed</li> <li>• price received for quantity marketed.</li> </ul>

Continued on the next page



## 425 Requirements (Continued)

**D Production Evidence From Producer-Packer**

Evidence shall be submitted in the form of:

- signed certification by a producer-packer for a quantity of honey that **will be** or **has been** disposed of through 1 or all of the following methods:
  - bee feeding
  - gifts
  - personal use
  - quantities packaged for retail sale

**Notes:** The producer-packer shall indicate in the certification to the quantity and number of eligible containers for **each type** of disposition.

Disposition evidence submitted in this manner may be accepted without a sales price.

- acceptable sales documentation for a quantity of honey sold in eligible loan containers by a producer-packer.

**Note:** Signed certification by a producer-packer shall not be acceptable for honey sold in bulk.

## 425 Requirements (Continued)

**E Unacceptable Production Evidence**

Unacceptable production evidence may be documentation that:

- indicates someone other than the producer
- does **not** meet the requirements for acceptable production evidence.

If the producer submits production evidence with a different person/entity name, COC shall review the evidence thoroughly to verify whether the production is eligible. Different names on the production evidence should be reviewed to determine relationships to producer and other farming interests and to ensure that beneficial interest has been maintained.

These different person/entity names are, but not limited to, the following:

- spouse
- minor child
- church organizations
- other charitable entities
- owners.

County Offices:

- shall ensure that the quantity recorded on the documentation is consistent with the following:
  - \*--number of colonies recorded on CCC-633 (Honey) and indicated on CCC-633 EZ--\*
  - crop year production levels
- may require certified weights from a local scale, if practical.

**Note:** Producer shall provide the number of eligible loan containers and pounds for the disposition evidence submitted. This information shall **not** be estimated or calculated by the County Office.

425 Requirements (Continued)

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**F**  
**Production**  
**Evidence**  
**Voluntarily**  
**Submitted**

County Offices shall accept production evidence when producers **voluntarily** provide production evidence and were not selected for spot check.

If the quantity supported by production evidence is less than the market gain or LDP quantity, record and collect the shortage according to 8-LP, paragraph 518 or 519, as applicable.

Good faith determinations are necessary for any quantity that is **not** within tolerance.

---

**426 Dates for Submitting Evidence**

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**A****Final Dates to Submit Evidence**

Producers must submit production evidence for:

- sold quantities within 15 calendar days from date of request
  - commodities stored on the farm, the earlier of the following:
    - 15 calendar days of when the commodity has been sold
    - loan maturity date
    - the last day of the 9<sup>th</sup> calendar month after the month in which LDP was disbursed.
- 

**B****Production Evidence Not Submitted**

If producers have **not** submitted production evidence by the final date to submit evidence, County Offices shall notify applicable producers in writing that:

- production evidence must be submitted within 30 calendar days
- LDP's and market gains, plus interest, must be refunded to CCC if production evidence is not received in the County Office within 30 calendar days.

COC may accept production evidence **after** the deadline and rescind the demand for refund, if it is determined the delay in submitting production evidence resulted from circumstances beyond the producer's control.

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**427 Failure to Provide Acceptable Production Evidence**

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**A**

**Loan Provisions** County Offices shall follow the procedures in 8-LP, Part 5, Section 3 for market loan repayments when the producer receives a market gain and when:

- **no** acceptable production evidence is received in the County Office within 30 calendar days from date notified according to subparagraph 426 B
  - the total loan quantity is determined ineligible.
- 

**428-599 (Reserved)**



## Part 6 Repayments

## Section 1 Types of Repayments

600 Principal Plus Interest Repayments

---

## A

**General  
Repayment  
Provisions**

See 8-LP, Part 9, Section 1 for general repayment provisions.

---

## B

**Applicability of  
Repayment at  
Principal Plus  
Interest**

Producers:

- are required to repay loans at principal plus interest for the following reasons:
    - after 15<sup>th</sup> calendar day after expiration of CCC-681-1 for the quantity delivered
    - incorrect certification determination
    - loan has been called
    - quantity removed or disposed of without prior authorization
    - for any quantity delivered on CCC-681-1 after maturity
  - who have reached the payment limitation may repay the loan at a level that is the **lesser** of the following:
    - loan principal plus interest
    - the higher of the following:
      - loan principal
      - CCC-determined value.
-

**601 Marketing Loan Repayments**

---

**A**

**Cash Marketing  
Loan  
Repayments**

Market loan repayments with cash are at the **lesser** of the following:

- principal plus interest
- CCC-determined value.

The CCC-determined value, in some cases, may be higher than the loan rate, but less than the loan principal plus interest.

---

**B**

**Determining  
CCC-  
Determined  
Value**

The CCC-determined value for the day the repayment is received in the County Office that disbursed the loan shall be used in determining the repayment rate.

See paragraph 631 for locking-in repayment rates on CCC-697.

---

**C**

**Payment  
Limitation**

For honey, a separate \$75,000 payment limitation is applicable for 2002 and subsequent crop years.

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Continued on the next page



601 Marketing Loan Repayments (Continued)

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**D**

**Production Evidence Required**

For loans that are repaid under the marketing loan provisions **and** are selected for spot check, require the producer to submit production evidence to the County Office. See:

- Part 5 for:
    - determining acceptable production evidence
    - submitting production evidence
  - paragraph 425 and 12-PS, Part 7, Section 4 for recording production evidence.
- 

**E**

**Market Gain Reported to IRS**

The market gain is the difference between the loan principal that is liquidated and the amount needed for the marketing loan repayment, when the marketing loan repayment amount is less than the loan principal amount that is liquidated.

The amount of market gain is reported to IRS.

---

**F**

**Denied Market Gains**

Part or all of a producer's calculated market gain shall be denied if **any** of the following apply:

- payment limitation is reached
  - percent of cropland factor is less than 1.0000
  - permitted entity share is less than 100 percent.
-

602 Lump-Sum Repayments

---

**A**  
**When to**  
**Manually**  
**Calculate**  
**Lump-Sum**  
**Repayments**

County Offices shall manually calculate lump-sum repayments only when the following situations apply:

- computer is not working
  - to explain to producers how lump-sum repayments are calculated by APSS and attributed to applicable lots or containers under loan.
- 

**B**  
**Applying**  
**Lump-Sum**  
**Repayment**  
**Amounts**

The following table provides how repayment amounts are determined and applied by lot or container, for **each** lot or container included on a loan for which a lump-sum repayment is made.

Determine the following amounts, as applicable:

- principal
- interest
- quantity redeemed when a lump-sum repayment is used to repay a partial lot or container.

**Note:** Repay receivables and overdisbursements first. Apply any remaining amount as a lump-sum repayment.

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Continued on the next page

602 Lump-Sum Repayments (Continued)

**B**  
**Applying**  
**Lump-Sum**  
**Repayment**  
**Amounts**  
**(Continued)**

Step	Action		
1	Determine the number of days applicable at each interest rate for the lot or container being repaid.		
2	Multiply the number of days at each interest rate times outstanding principal amount for the selected lot or container.		
3	Add outstanding principal and calculated interest amounts for the selected lot or container to determine the payoff amount for the selected lot or container.		
4	<b>IF the lump-sum amount received is...</b>	<b>AND any remaining amount will be...</b>	<b>THEN...</b>
	equal to or greater than the amount determined in step 3	refunded to the producer or buyer, as applicable	<ul style="list-style-type: none"> <li>• complete the repayment using the amount determined in step 3</li> <li>• prepare a refund CCC-184 according to 1-FI.</li> </ul>
		applied to another lot or container	note the calculated lot or container repayment amount and go back to step 1 for the next selected bin.
			calculate a liquidation factor according to step 5.

Continued on the next page

**602 Lump-Sum Repayments (Continued)**

---

**B  
Applying  
Lump-Sum  
Repayment  
Amounts  
(Continued)**

Step	Action
5	To determine a liquidation factor for the selected lot or container, divide the lump-sum amount received by the amount determined in step 3. Round this factor to 9 decimal places.
6	Multiply the liquidation factor determined in step 5 times the outstanding quantity for the selected lot or container. Round any partial unit up to the next whole unit.
7	Multiply the quantity determined in step 6 times the loan rate for the selected lot or container to determine the principal amount to be repaid.
8	Subtract the amount determined in step 7 from the lump-sum amount received. The difference is the interest amount for the lump-sum repayment.
9	Complete the repayment and prepare a manual CCC-500 using the total repayment amounts calculated for all lots or containers selected for the lump-sum repayment.

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**603-609 (Reserved)**

## Section 2 Interest

610 Applicable Interest Rates

---

**A**  
**Interest**  
**Applicable to**  
**Loans**

The interest rate:

- applicable to CCC loans shall be:
  - equal to the interest rate plus 1 percent announced by CCC for the month in which the loan is disbursed
  - adjusted on January 1 to equal the interest rate announced for the month of January by CCC
- is assessed at the rate applicable to the loan, subject to January 1 adjustment, from the disbursement date to the **earlier** of the following:
  - second day before date of repayment for loans disbursed by EFT
  - repayment date for loans disbursed by CCC-184
  - settlement date.

See 50-FI for applicable interest rates.

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Continued on the next page

610 Applicable Interest Rates (Continued)

**B**

**Interest Applicable to Receivable, Overpayment, and Overdisbursement Amounts** For receivable, overpayment, and overdisbursement amounts, follow this table to determine the following:

- applicable interest rate
- time period for interest assessment.

IF...	THEN interest is assessed...
a receivable was created	<ul style="list-style-type: none"> <li>• at the rate applicable to CCC loans disbursed in the month that the receivable was created</li> <li>• from the date the receivable was created to the <b>earlier</b> of the following:                             <ul style="list-style-type: none"> <li>• date of repayment</li> <li>• 31<sup>st</sup> calendar day after the date of demand letter.</li> </ul> </li> </ul>
an LDP overpayment occurred	<ul style="list-style-type: none"> <li>• at the rate applicable to CCC loans, excluding the additional 1 percent, for the month in which LDP was made</li> <li>• from the date LDP was made to the <b>earlier</b> of the following:                             <ul style="list-style-type: none"> <li>• date of refund</li> <li>• 31<sup>st</sup> calendar day after the date of demand letter.</li> </ul> </li> </ul>
an overdisbursement occurred	<ul style="list-style-type: none"> <li>• at the interest rate applicable to the loan</li> <li>• from the loan disbursement date to the <b>earlier</b> of the following:                             <ul style="list-style-type: none"> <li>• date of repayment</li> <li>• 31<sup>st</sup> calendar day after the date of demand letter.</li> </ul> </li> </ul>

**Note:** After an interest rate is established for a receivable, overpayment, or overdisbursement, the interest rate will:

- **not** change on January 1
- remain in effect until the amount due is repaid or a claim is established on the 31<sup>st</sup> calendar day.

Continued on the next page

610 **Applicable Interest Rates (Continued)**

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**C**  
**Interest**  
**Applicable to**  
**Violations**

The interest rate for:

- loan violations is the interest rate applicable to the loan, according to subparagraph A
  - LDP violations is the interest rate applicable to CCC loans, excluding the additional 1 percent, for the month in which LDP was made.
-

**611 Manual Interest Calculations**

---

**A  
Manually  
Calculating  
Interest**

Interest is calculated by APSS for transactions processed through APSS. When APSS is inoperable, interest may be manually computed.

For regular loan repayments for loans:

- disbursed by CCC-184, interest is computed on a daily basis from the date of disbursement to, but not including, the date of repayment
- disbursed by EFT, interest is computed on a daily basis from the date of disbursement to, but not including, the second day before the date of repayment
- when different interest rates apply, interest is computed from:
  - date of disbursement to, but not including, the effective date interest changed
  - date of interest change to, but not including, date of repayment, or another rate change occurs.

**Note:** If the interest period includes February 29, include February 29 in the number of days computed, **but** divide the total number of days by **365** when computing the interest.

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Continued on the next page



## 611 Manual Interest Calculations (Continued)

**B****Total Aggregate Amount of \$500,000 or More**

Producers repaying a loan that has a total aggregate principal amount of **\$500,000 or more**, by:

- other than a wire transfer, shall be assessed interest beginning on the loan disbursement date **through the day after** the date of repayment
- wire transfer, shall be assessed interest beginning on the loan disbursement date up to the **second day before** the date of repayment.

**C****Farm-Stored Nonrecourse Loan Deficiencies**

For farm-stored nonrecourse loan deficiencies on settlements, determine applicable interest rate and time period for interest assessment as follows.

- Interest is assessed on the deficient principal amount:
  - at the interest rate applicable to the loan
  - for the period from the date of disbursement, subject to January 1 adjustment, up to the date the settlement is completed in APSS.
- The resulting receivable, created through the settlement process:
  - consists of deficient loan principal and applicable loan interest
  - shall be assessed interest, according to subparagraph 610 B, applicable to receivables.

612-619 (Reserved)



Section 3 Farm-Stored Loan Repayments

620 Farm-Stored Repayments

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**A**  
**Payment Before Movement** A producer shall make repayment **before** the loan collateral is moved, unless prior arrangements have been made.

---

**B**  
**Payment After Movement** A producer may request release of loan collateral for sale to a buyer and provide payment **after** movement of the commodity, according to CCC-681-1 provisions in 8-LP, Part 9.

---

**C**  
**Repaying Loan Quantity** A producer may repay a farm-stored loan in full or in part by paying an amount representing the quantity redeemed.

---

**621 Repayment Schedules**

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**A**

**Establishing a  
Repayment  
Schedule**

When the collateral will be fed to the producer's own bees, COC shall establish a repayment schedule with the producer to ensure repayment before:

- removal of the commodity to be fed
  - loan maturity.
- 

**622-629 (Reserved)**

## Section 4 CCC-681-1 Provisions

**630 Requesting Release of Farm-Stored Commodity Before Repayment**

---

**A****Purpose of  
CCC-681-1**

CCC-681-1 shall be used to:

- authorize the removal and delivery of the farm-stored loan collateral to a buyer for sale **if** the proceeds of the sale are used to immediately repay the loan
  - notify the buyer that CCC:
    - has a perfected security interest in the specified quantity
    - will **not** release CCC's security interest in the collateral sold until repayment is received.
- 

**B****When to Use  
CCC-681-1**

Producer may request that a commodity pledged as collateral for CCC farm-stored loan be released for delivery to a buyer before repayment because the sales proceeds are needed to repay the loan.

CCC-681-1 shall be issued **only** when a producer needs to deliver and sell the commodity to repay the loan.

See 8-LP, Part 9, Section 5 for CCC-681-1 provisions.

---

**631 Locking-In Repayment Rates**

---

**A**

**Locking-In on  
CCC-697**

Producers may lock in a repayment rate for 60 calendar days.

Lock-in rates:

- can be requested on disbursed loans **only**
- cannot be requested within 14 calendar days of loan maturity.

Loans that have been requested but not disbursed are not eligible for lock-in repayment requests.

---

**B**

**Expiration**

CCC-697 will expire on the earlier of the following:

- 60 calendar days from date of approval
- 14 calendar days before loan maturity.

If the expiration date falls on a nonworkday, the expiration date shall be the next workday.

See 8-LP, Part 9, Section 5 for CCC-697 provisions.

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**632-649 (Reserved)**

## Section 5 Calculating Alternative Repayment Rate (CCC-Determined Value)

### 650 General Information

#### A CCC-Determined Value

The alternative repayment rate (CCC-determined value) is the amount used to determine:

- LDP rates
- market loan repayment rates.

#### B LDP Rate

The LDP rate is determined by the amount the applicable commodity loan rate exceeds the CCC-determined value where the honey is either of the following:

- stored
- marketed.

See Part 4 for LDP's.

#### C Market Loan Repayment Rate

Market loan repayment rates are at the lesser of the following:

- principal plus interest
- the CCC-determined value.

Complete market loan repayments according to Section 1.

#### D Repayment Rate Announcement

All alternative repayment rates announced for honey will be available on the last day of each month at 3 p.m. EST and can be found on the FSA Internet at

**<http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=col-nl-hl>**;  
CLICK "View Monthly CCC Honey Survey Prices" located under "I Want To".

651-659 (Reserved)





**Section 6 Commodity Certificate for Commodity Exchanges**

**660 General Information**

**A Availability**

Producers may exchange outstanding loan collateral with commodity certificates.

**B Process**

The following table describes the process to exchange commodity certificates for loan collateral.

<b>Step</b>	<b>Function</b>
1	Producer or producer’s agent requests to acquire loan collateral using commodity certificates.
2	County Office identifies loan and loan quantity, and determines exchange value using CCC-694-1 (Reverse).
3	Producer purchases commodity certificate for the exact dollar value needed to acquire the loan collateral from the County Office.
4	Producer signs for the commodity certificate and uses it to acquire the loan collateral.
5	County Offices release the loan collateral.

**C Eligible Producer**

Eligible producers must:

- have an outstanding commodity loan, not past maturity, to purchase commodity certificates
- immediately exchange commodity certificates for loan collateral.

660 General Information (Continued)

**D Exchange Rate**

The commodity certificate exchange rate is the alternative repayment rate (CCC-determined value) calculated according to Part 6, Section 5.

If the CCC-determined value is equal to or greater than the applicable county loan rate, there will be no commodity certificate exchange available on that day.

**E Not Applicable to Commodity Certificate Exchanges**

The following table explains the specific topics that are not applicable to commodity certificate exchanges.

<b>Topic</b>	<b>Explanation</b>
Lock in repayment rates	A commodity certificate exchange must not be applied to any quantity for which an outstanding CCC-697 exists.
Payment limitation	Commodity certificate exchanges are not applicable to payment limitation.
IRS reporting	*--For 2007 and subsequent calendar years, market gain earned from commodity certificate exchanges for loan collateral will be reported by FSA to IRS on CCC-1099-G.--*
FAXed signatures	FAX forms or signatures are not authorized for purchasing commodity certificates or exchanging the certificate for a commodity.
Repledged commodities	Loan collateral exchanged with a commodity certificate is not eligible to be repledged.
Purchasing CCC-owned inventories	Commodity certificates may not be exchanged for CCC-owned inventory. Commodity certificates may only be exchanged for outstanding loan collateral.

660 General Information (Continued)

---

**F**

**Completing  
Commodity  
Certificate  
Exchanges**

See 8-LP, Part 9, Section 8 for:

- determining commodity certificate exchange value
  - purchasing commodity certificates
  - exchanging commodity certificates for loan collateral.
- 

661-699 (Reserved)

**Part 7 (Reserved)**

700-799 (Reserved)



**Part 8 Basic Loan Settlements**

**Section 1 Basic Provisions**

**800 Final Settlement Procedures**

**A Basic Provisions**

Because there are no approved CCC warehouses for honey, all nonrecourse marketing assistance loans not repaid by the loan maturity date must be disposed through local sales.

The value of the settlement for eligible honey shall be made on the basis of the color for unprocessed honey. Discounts will be applied in final settlement.

Calculate the settlement value from the information on CCC-691, FV-146, and the applicable crop year loan rate and discounts in paragraph 861 and Exhibit 40.

Complete settlements according to Part 9, **after** receiving all of the following:

- CCC-691
- FV-146 from AMS grading laboratory
- moisture test results
- adulteration test results.

**800 Final Settlement Procedures (Continued)****B State Office Action**

For all honey loans that will be settled by local sale, State Offices shall:

- instruct County Offices to immediately follow Section 3 for drawing samples, producers fees, etc.
- remind County Offices that producers are responsible for all expenses associated with the local sale, including sampling, weighing, and advertising.

**C County Office Action**

For all honey loans that will be settled by local sale, County Offices shall:

- immediately sample all honey nonrecourse marketing assistance loans according to Part 8, Section 3
- contact the AMS laboratory according to Exhibit 45, to receive instruction on processing samples
- remind producers that they are responsible for all expenses involved with conducting a local sale
- \*--complete, send, and attach CCC-169 to each sample drawn according to Exhibit 41 and mail to the designated AMS laboratory according to Exhibit 45--\*
- send each sample for color and moisture to the designated AMS laboratory according to Exhibit 45
- send sample or samples for adulteration only to the following:
 

Coastal Science Laboratory, Inc.  
6000 Mountain Shadows Drive  
Austin, TX 78735
- \*--immediately notify the producer of the AMS laboratory results by sending a copy of FV-146
- inform the producer that he or she has 5 calendar days to appeal the results.--\*

**800 Final Settlement Procedures (Continued)**

**D AMS Action**

Upon reviewing the submitted samples, AMS will return FV-146 to the County Offices which will display the official results from the laboratory.

**801-819 (Reserved)**





## Section 2 Local Sales

820 Local Sales Preparation

---

**A**  
**Authorizing**  
**Local Sales**

County Offices shall request authorization of a local sale from the State Office:

- **after** a claim has been established according to 58-FI
  - **before** announcing the sale.
- 

**B**  
**State Office**  
**Action**

The State Office shall:

- authorize all local sales **before** the County Office announces the sale
- maintain a register of assigned authorization numbers
- notify the County Office of the authorization number.

**Note:** The County Office shall enter the authorization number on:

- CCC-639
  - CCC-638
  - CCC-691, item 31.
- 

**C**  
**Sales to**  
**Employees**

FSA employees may purchase honey offered for local sale **only** when the sale of this honey is based on competitive bids.

No purchase may be made, either directly or indirectly, by:

- the employee who was formerly accountable for the commodity or who was in any way connected with its condemnation or sale
  - State Office employees without prior approval of SED
  - County Office employees without prior approval of the State Office representative.
-

**821    Announcement of Sale**

---

**A  
Announcing the  
Sale**

A formal announcement of sale is not required, but an informal announcement should be provided to as many of the known buyers in the area as possible.

See subparagraph B for an example of an informal announcement of sale.

Any other format must contain at least the information contained in the applicable examples.

Paid advertisements to publicize sale may be used, if authorized by SED.

Post a copy of the announcement in a prominent place in the County Office.

---

Continued on the next page

821 Announcement of Sale (Continued)

**B**

**Example**

The following is an example of an informal announcement of sale.

Reproduce locally.

**Announcement of Sale and Invitation to Bid on  
Commodity Credit Corporation Loan Collateral**

*Sweet County FSA Office  
P.O. Box 257  
Fredricksburg, VA*

Offer No. 1 Kind of Commodity HONEY

The Sweet County FSA Office at Fredricksburg, VA hereby announces the sale of honey and invites bids on the following lots of honey subject to the terms and conditions of this Invitation to Bid. Such disposition will be for domestic unrestricted use unless otherwise indicated below. Bids will be opened on January 27, 200X at 2:00 p.m. Bids will be considered only if received before such opening time.

1. Quantity and Location of Honey

<u>Loan No.</u>	<u>Lot No.</u>	<u>Approximate Quantity</u>	<u>Location of Commodity</u>
51-177-12	1	1000 pounds	2 miles south of Fredricksburg, VA on Highway 6

2. All bids must be submitted in writing, signed by the bidder, and specify the price per pound and "as is" and "where is" basis.
3. Alternate or tie-in bids will not be accepted.
4. CCC reserves the right to accept or reject, in whole or part of, any or all bids, and in considering bids to take into account the financial responsibility of the bidder.
5. CCC does not warrant the grade/or quality of any honey in this lot(s) or the fitness of this honey for any particular use. The buyers may make arrangements to inspect any lots offered before bidding by making arrangements with the CED at the above named County FSA Office.
6. Quantities in the lots indicated are approximate. Buyer is responsible for all accrued charges not paid or provided for.
7. The sales proceeds due CCC shall be paid based on the **net** weight of the honey received by the buyer. Payment shall be cash, postal money order, certified check, or draft guaranteed by the banking institution on which shown, or if approved by the CED, uncertified personal or firm check.
8. Payment must be made at the time of delivery of the honey and **not** later than 5 business days after the date of the sale.
9. Delivery basis is by buyer's conveyance at the storage site.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice of TDD). USDA is an equal opportunity provider and employer.

822 Handling Bids

---

**A**  
**Receiving,**  
**Opening, and**  
**Accepting Bids**

Bids must be in writing and signed by the bidder.

County Offices shall:

- time and date-stamp bids upon receipt
- keep bids in a locked file until bids are opened
- allow at least 15 days, but no later than 30 calendar days, after the date the announcement before opening bids, unless the State Office specifically waives this requirement.

Record bids on CCC-639 at the time bids are opened.

Before acceptance of the successful bid, State Offices verbal approval is required.

**Note:** State Offices shall follow up with written approval within 3 calendar days after verbal approval is given.

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Continued on the next page

822 Handling Bids (Continued)

**B**  
**Completing**  
**CCC-639**

Complete CCC-639 according to the following table and keep in the County Office.

**Note:** Items not listed are self-explanatory.

Item	Instructions
1	Number serially by calendar year.
8	Use loan number.
11	Bid price will be on an “as is” and “where is” basis as provided for in the informal announcement.
12	Enter F.O.B. buyer and location of honey.
13-21	Leave blank.
22	Give local market price.
23	Enter information pertinent to the sale.

Continued on the next page

822 Handling Bids (Continued)

C  
Completing  
CCC-639

The following is an example of CCC-639.

REPRODUCE LOCALLY. Include form number and date on reproductions.

<b>CCC-639</b> U.S. DEPARTMENT OF AGRICULTURE (09-12-90) Commodity Credit Corporation  <b>COMPETITIVE BID          PRICING WORKSHEET</b>		1. ANNOUNCEMENT NO. 1	2. SALES NO.(S) 5	3. DATE 2-18-0X
		4. LOCATION OF COMMODITY T.M. Honey Farms LaPlata, ND	5. COUNTY Calvert, ND	
		6. COMMODITY Honey	7. TYPE OF SALE AS IS <input checked="" type="checkbox"/> GRADE BASIS <input type="checkbox"/>	

**PART A - BIDS RECEIVED** (If additional space is needed, use reverse side.)

8. LOT NO. (Include Loan No. or Bin No.)	9. NAME AND ADDRESS OF BIDDER (Check successful bidder(s))	✓	10. TIME AND DATE	11. BID PRICE (Per Unit)	12. DELIVERY BASIS (Location of Commodity)
14-127-23 Seal No. 38	Honey Farms Farm LaPlata, ND 58391		9:35 a.m. 2-20-0X	\$ 0.44	
14-127-27 Seal No. 67	Sweet Farms LaPlata, ND 58391		11:17 a.m. 2-20-0X	\$ 0.58	
14-127-33 Seal No. 80	William and Sons, Inc. Rte. 32 LaPlata, ND 58391		2:33 p.m. 2-21-0X	\$ 0.50	
14-127-38 Seal No. 96	Faith Johnson R.R. 3 LaPlata, ND 58391	X	1:15 p.m. 2-23-0X	\$ 0.53	

**PART B - ADJUSTED TERMINAL PRICE(S)**

13. Terminal Market					
14. Grade and Quality					
15. Terminal Market Price					
16. Terminal Marketing Charges and Weighing and Inspection <sup>1/</sup>					
17. Freight					
18. UGRSA Load Out Charge					
19. Constructed Cost (if applicable)					
20. Other (specify)					
21. Adjusted Terminal Price					
22. LOCAL MARKET INFORMATION					
23. REMARKS					

<sup>1/</sup> Do not deduct these charges if not borne by CCC in the commodity office area.  
 This program or activity will be conducted on a nondiscriminatory basis without regard to race, color, religion, national origin, age, sex, marital status, or disability.

Continued on the next page

822 Handling Bids (Continued)

**D  
Notifying  
Successful  
Bidders**

County Offices shall:

- complete CCC-638 according to the following table
- mail copy of CCC-638, or a similar letter, to the successful bidder on the opening day
- keep original CCC-638 in County Office.

Item	Instructions
1	Numbers shown on CCC-639, item 2.
2	ENTER "Informal".
5	All sales will be F.O.B. buyer where stored.
10 C	Enter F.O.B. buyer and location of commodity.
10 F	Enter price shown on applicable CCC-639, item 11.
10 H	Enter the results by multiplying items 10 B times 10 F.
11	Enter any information pertinent to the delivery of the commodity.
16	CED or designee shall sign.
17-22	Leave blank.

Continued on the next page

822 Handling Bids (Continued)

E  
Example of  
CCC-638

The following is an example of CCC-638.

This form is available electronically. Form Approved - OMB No. 0580-0087

<b>CCC-638</b> U.S. DEPARTMENT OF AGRICULTURE (04-13-98) Commodity Credit Corporation		1. SALES NUMBER 3	2. TYPE OF SALE Informal				
<b>CONFIRMATION OF SALE</b> <small>(See Privacy Act and Public Burden Statements on Page 2)</small>		3. STATE AND COUNTY CODES 14 127	4. DATE ISSUED (MM-DD-YYYY) 2-24-0X				
6. NAME AND ADDRESS OF BUYER Faith Johnson R.R. 3 LaPlata, ND 58039		5. DELIVERY POINT (Include bin site or warehouse number & location or name) C.M. Honey Farms, LaPlata, ND		7. WEIGH POINT (If other than delivery point) XBC Scales, LaPlata, ND			
		8. UNIT OF MEASURE BU. <input type="checkbox"/> CWT. <input type="checkbox"/>		9. COMMODITY Honey			
10. CCC agrees to sell the lot(s) described below to the buyer subject to the terms and conditions specified herein and any applicable regulations or announcements governing such sales.							
A LOT IDENTITY	B ESTIMATED QUANTITY	C DELIVERY BASIS	D QUALITY BASIS	E DELIVERY DATE	F CONTRACT PRICE	G ADVANCE PAYMENT	
14 127 38	212	PO3 Buyer: P.M. Honey Farms	"As Is"		\$ 0.53		
<b>H. TOTAL</b> ➔						\$ 112.36	
11. REMARKS Payment must be received within 5 calendar days after date issued. Contact this office at your earliest convenience for delivery arrangements.							
12. BUYER TO SIGN ORIGINAL AND RETURN TO COUNTY OFFICE <input checked="" type="checkbox"/>		13. BUYER SIGNATURE NOT REQUIRED <input type="checkbox"/>		14. NAME AND ADDRESS OF FSA COUNTY OFFICE Calvort County FSA Committee P.O. Box 7245 LaPlata, ND 58039			
15. SIGNATURE OF BUYER /s/ Faith Johnson		DATE (MM-DD-YYYY) 2-25-0X		16. FOR THE FSA COUNTY COMMITTEE (Signature) /s/ Sidney Watkins		DATE (MM-DD-YYYY) 2-26-0X	
17. SETTLEMENT INFORMATION							
A REFERENCE NUMBER	B NET PREMIUM OR DISCOUNT PER UNIT	C BIN EMPTYING CREDITS PER UNIT (Bin Sale Only)	D NET PRICE PER UNIT	E DOCK-AGE	F NET QUANTITY (In Units)	G NET PROCEEDS (In Dollars)	H FORM CCC-257 (Numbers and Amounts)
<b>I. TOTALS</b> ➔							
18. FORM 55 NO. (Bin sales only)		19. REFUND CHECK NUMBER		20. AMOUNT OF REFUND \$		21. TOTAL NET PROCEEDS ADJUSTED FOR DAMAGES \$	
22. FOR THE OFFICE MANAGER						DATE (MM-DD-YYYY)	

Continued on the next page



822 Handling Bids (Continued)

---

**F**

**Posting Bills**

When a sale is made:

- prepare a list showing the names of the bidders, bid, and successful bidder
- post the list in the County Office on the date that CCC-638 is mailed and leave posted for at least 5 calendar days.

The County Office shall retain CCC-638, CCC-639, and all bids successful and unsuccessful bids on file in the County Office for 5 years.

---

**G**

**Making Payment for Sales**

Payments for the sale of the honey must be:

- made by the successful bidder before or at the time of delivery
  - in cash or other acceptable remittance
  - received in the County Office within 5 calendar days after notification of the successful bid.
- 

**H**

**Applicable Charges**

The producer is responsible for applicable charges incurred as necessary to complete the sale of loan collateral.

**Examples:** Weighing, sampling, or grading.

Document all charges on CCC-691, Part C, as applicable. These charges shall be recorded as other charges when processing the local sale settlement in APSS.

---

Continued on the next page

822 Handling Bids (Continued)

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**I**  
**Applying Sale**  
**Proceeds**

The proceeds from the sale of the honey shall be applied to the CCC account.

Settlement with producers shall be based on the discounts applicable to the honey  
\*--samples submitted to AMS and the adulteration lab.--\*

The loan principal plus interest shall not be applied to the sales proceeds.

The sale proceeds shall be deposited according to 3-FI, using program code  
“COMMLOSA”.

---

823 **Completing Delivery**

---

**A**  
**Scheduling**  
**Delivery to**  
**Purchaser**

After the sale has been completed, the County Office shall:

- schedule delivery of the honey to the purchaser
  - issue CCC-691 to the producer, directing delivery to the purchaser F.O.B. purchaser conveyance at the storage location.
- 

**B**  
**Supervising**  
**Delivery**

The County Office representative shall:

- supervise the delivery, including weight and sampling, when applicable
  - draw a representative sample for :
    - color determination
    - adulteration
    - moisture
  - issue payment, as applicable.
- 

Continued on the next page

823 Completing Delivery (Continued)

C

**Determining Quantity** The FSA representative supervising honey delivery at local sale shall follow this table.

Step	Action
1	<p>Weigh all containers to ensure that accurate gross weight of the honey and containers is obtained for each lot of honey.</p> <p><b>Note:</b> Individual container weights are not required. However, for 5-gallon cans, if it is not practical to weigh the entire lot, do the following:</p> <ul style="list-style-type: none"> <li>• weigh at least 10 percent but not fewer than 25 cans</li> <li>• multiply the number of cans times the average per-can gross weight.</li> </ul>
2	<p>Determine the appropriate tare weight as follows:</p> <ul style="list-style-type: none"> <li>• 2.5 pounds for cans holding approximately 5 gallons of honey</li> <li>• 32 pounds for drums holding approximately 30 gallons of honey</li> <li>• 53 pounds for drums holding approximately 55 gallons of honey.</li> </ul> <p>*--Tare weight will vary for IBC containers; however, quantity cannot exceed 3300 to 3960 pounds.--*</p> <p><b>Exception:</b> A lower honey container tare weight may be used based on:</p> <ul style="list-style-type: none"> <li>• actual empty weight of containers or representative containers weighed by County Office personnel at the producer’s request</li> <li>• written certification from the producer, provided by a person or firm who: <ul style="list-style-type: none"> <li>• purchased honey from the producer</li> <li>• accepted the producer’s declared tare weight in making a settlement with the producer</li> <li>• has been contacted by the County Office to determine whether the transaction, using a lesser tare weight, was satisfactory.</li> </ul> </li> </ul> <p><b>Note:</b> Evidence of a lesser tare weight <b>must</b> be established before honey is delivered.</p>
3	<p>Calculate net weight by subtracting the correct tare weight from the gross weight.</p>

Continued on the next page

823 Completing Delivery (Continued)

D

**Determining Quality** The FSA representative supervising honey delivery at settlement shall follow this table.

Step	Action
1	<p>*--Draw honey samples from cans, drums, or IBC containers at the delivery point after producer has designated lots according to Section 3.</p> <p><b>Note:</b> Do <b>not</b> sample cans, drums, or IBC containers until producer has designated lots.--* Single containers do not constitute a lot for settlement purposes unless necessitated by color or floral source.</p>
2	Send samples to the applicable AMS laboratory according to Exhibit 45.
3	<p>Verify and approve AMS bills for inspection services for payment.</p> <p>* * *</p>
4	Deduct additional AMS fees from the producer's settlement transaction.
5	<p>Process the settlement through APSS, according to 12-PS, based on the actual quantity and quality of honey delivered:</p> <ul style="list-style-type: none"> <li>• based on AMS official grade</li> <li>• using the settlement values for the applicable crop year.</li> </ul>

824-844 (Reserved)



**Section 3 Grading, Testing, and Drawing Samples****845 AMS Prepared Specifications for Unprocessed Honey****A Introduction**

AMS prepared CCC specifications for unprocessed honey at FSA's request. These specifications have been prepared using AMS grammatical constructions.

These specifications will be used by:

- AMS laboratories for grading unprocessed honey delivered to CCC
- County Offices for information purposes only.

**B Scope, Purpose, and Classification**

The specifications listed in this section are for determining the following for unprocessed honey acquired by CCC:

- adulteration
- moisture content
- color designation.

Regulations governing CCC honey price support (7 CFR Part 1434) provide for determination of the quality of honey by the Processed Products Branch, Fruit and Vegetable Division, AMS.

**C Shipping or Delivering Samples**

Ship or deliver all samples using the best available service to the AMS grading laboratory serving the State. See Exhibit 45 for the appropriate AMS address.

**846 Sampling Schedule and Inspection Requirements**

**A Sampling Schedule and Inspection Charges**

The following table provides the schedule for the number of samples to be taken for adulteration test and grading, and the applicable inspection charge.

Number of Containers				Required Number of Samples for Adulteration Test	Required Number of Grading Samples
5 gallon	30 gallon	55 gallon	IBC		
1	1	1	1	1	1
2	2	2	2	1	2
3-151	3-25	3-13	3-7	1	3
152-607	26-101	14-55	8-124	1	6
608-1,974	102-329	56-179	125-265	2	13
1,975-4,253	330-709	180-386	266-401	3	21
4,254-7,341	710-1,224	387-667	402-559	3	29

**Note:** The maximum number of grading samples shall be 29 per lot. Divide lots when the number of containers exceed the maximum number required for 29 samples.

**B Moisture Testing Fees**

Approve charges for moisture tests based on the time required to determine the moisture content.

\*--AMS charges \$62 per hour for moisture tests.

**Example:** If the time required to conduct the moisture test is 1/2 hour, the applicable charge will be \$31.--\*



847 Drawing Honey Samples

---

**A**

**Drawing Samples** Draw samples from each lot according to the sampling schedule in paragraph 846.

Ensure that the samples are representative of each container sampled and the lot as a whole from which they are drawn. To obtain a representative sample, do **both** of the following:

- insert the sample trier through the top portion of the container
- obtain a core from a diagonal probe to the bottom on the opposite side of the container.

**Note:** It may be necessary to make a second or third probe, withdrawing cores from other portions of the container to extract a sufficient sample.

Draw approximately 1 pint from each container sampled. Place the sample in a pint glass or plastic jar. If containers are not locally available:

- County Offices shall contact State Offices for suitable plastic containers
  - State Offices shall contact PSD for assistance.
- 

**B**

**Identifying Samples**

Identify each sample with:

- State and county codes
  - loan and lot number.
- 

Continued on the next page

847 Drawing Honey Samples (Continued)

\*--C

**Spot-Check  
Schedule**

The following table provides the schedule for the number of containers to be checked when a spot check is performed.

Number of Containers in Lot				Number of Containers To Be Checked
5 gallon	30 gallon	55 gallon	IBC	
1	1	1	1	1
2	2	2	2	2
3-151	3-25	3-13	3-7	3
152-607	26-101	14-55	8-124	6
608-1,974	102-329	56-179	125-265	13
1,975-4,253	330-709	180-386	266-401	21
4,254-7,341	710-1,224	387-667	402-559	29
7,342-11,544	1,225-1,924	668-1,049	560-1,011	38
11,545-17,012	1,925-2,835	1,050-1,546	1,012-1,480	48
17,013-24,303	2,836-4,051	1,547-2,209	1,481-1,973	60

--\*

847 Drawing Honey Samples (Continued)

---

**D**

**Shipping or Delivering Samples**

Ship or deliver all samples using the best available service to the AMS grading laboratory serving the State. See Exhibit 45 for the appropriate AMS address.

---

**E**

**Trier for Liquid or Partially Crystallized Honey**

A satisfactory trier for liquid or partially crystallized honey is a 3/4 inch or 1 inch copper, aluminum, or stainless steel tube, stainless steel preferable, with a tight fitting plunger.

See subparagraph I for an example of a trier. The tube should be long enough to reach the bottom of the container to be sampled.

A satisfactory plunger is a piece of doweling 5/8 inch or 3/4 inch in diameter with a rubber stopper to fit snugly inside the tube attached to the end with a flat head wood screw. The plunger should be about 6 inches longer than the tube.

\*--If triers, probes, or plungers are not available, State Offices shall:

- contract the making of this instrument according to specifications in subparagraph I or J in the normal manner
  - provide triers to applicable County Offices.--\*
- 

**F**

**Drawing Sample of Liquid or Partially Crystallized Honey**

Draw a sample of liquid or partially crystallized honey according to the following table.

Step	Action
1	Insert the trier into the container with the plunger in a position flush with the end.  <b>Note:</b> Do <b>not</b> touch sides or bottom of container with trier.
2	As the tube is drawn out of the container, draw the plunger up the tube in the container.
3	Wipe off excess honey that accumulates on the outside of probe.
4	Pump sample into the sample bottle.

---

Continued on the next page



**847 Drawing Honey Samples (Continued)**

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**G  
Sampler for  
Crystallized  
Honey**

A satisfactory sampler for crystallized honey is an instrument similar to a butter trier.

The sampler is a spoon constructed by cutting in half longitudinally an even-tapered cylindrical metal tube, stainless steel preferable, with approximately 1 1/4 inch diameter on 1 end and approximately 1 inch on the other end.

- The top portion has a 1/2 circle cross section of approximately 1 1/4 inch diameter with a cross bar “T” handle.
- The tip end has a 1/2 circle cross section of approximately 1 inch diameter and has a lightly beveled edge.
- The leading longitudinal edge and tip are sharpened.

For sampling containers larger than 5-gallon cans, use an instrument similar to the 1 described in this subparagraph.

**Note:** Make sure the instrument is long enough to reach the bottom of the containers to be sampled.

---

Continued on the next page

847 Drawing Honey Samples (Continued)

---

**H**  
**Drawing Sample**  
**of Crystallized**  
**Honey**

Draw a sample of crystallized honey according to the following table.

Step	Action
1	Push trier directly to the bottom of container without rotating.
2	When reaching the bottom, rotate with trier at least once.
3	Remove the trier from the container with the tapered core.

To sample hard crystallized honey:

- use an instrument similar to the drill bit described in subparagraph J
- use a 1/2 inch heavy-duty electric drill to power the probe into the honey.

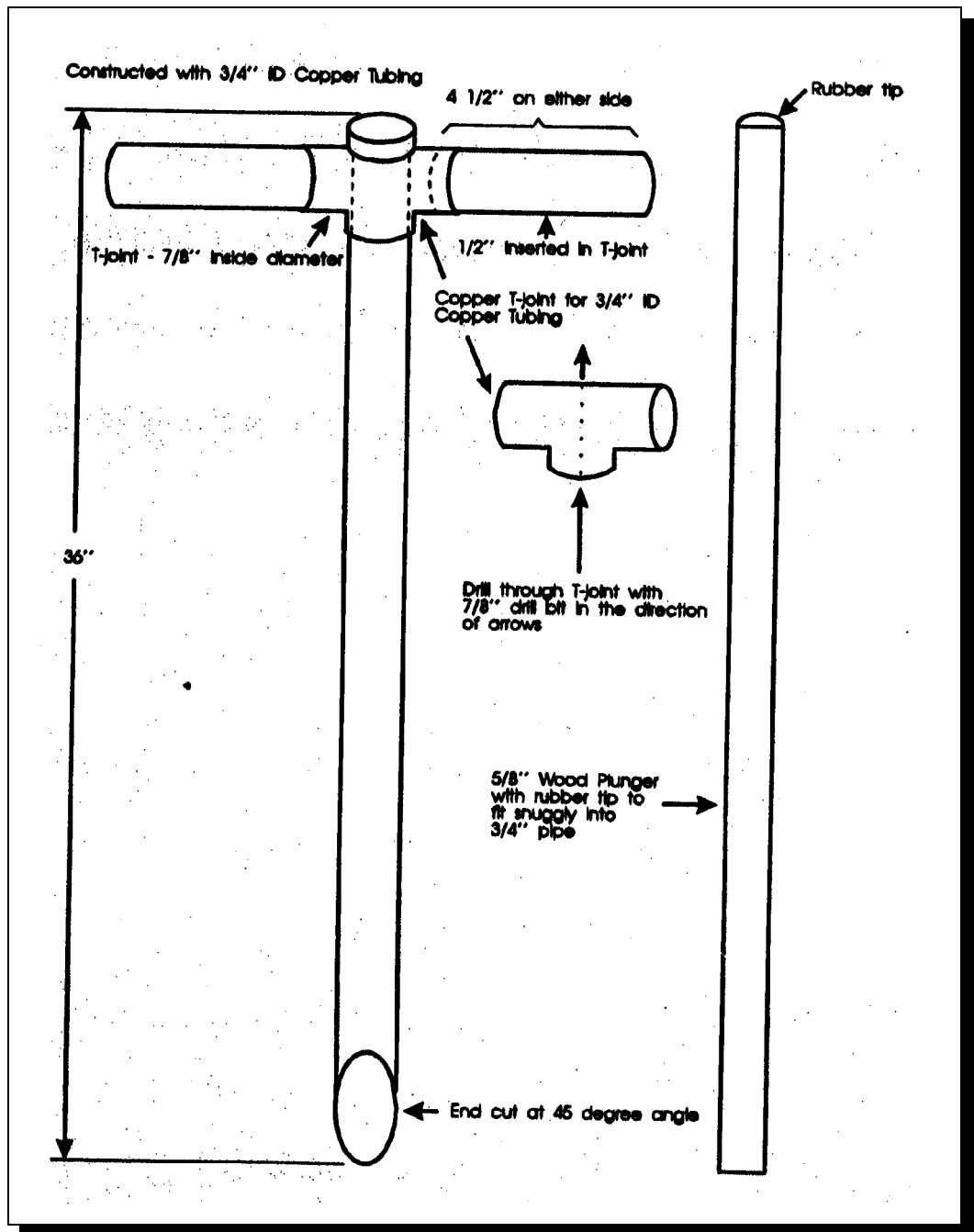
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Continued on the next page

847 Drawing Honey Samples (Continued)

I  
Satisfactory  
Trier

The following is a diagram of a satisfactory trier.

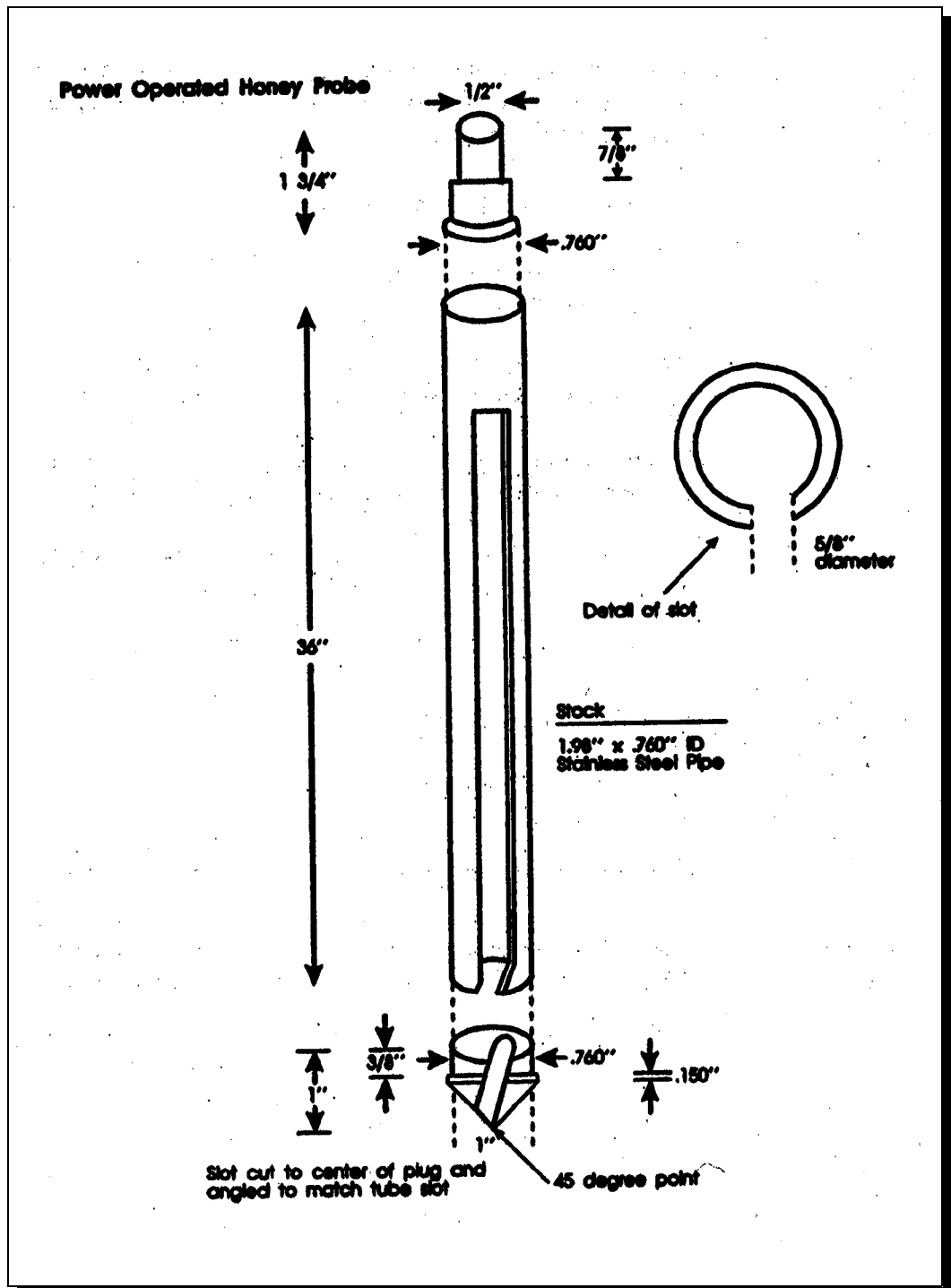


Continued on the next page

847 Drawing Honey Samples (Continued)

J  
Satisfactory  
Sampler

The following is a diagram of a satisfactory sampler.





848 Adulteration Test

A Samples for Adulteration Test

The FSA representative supervising the delivery shall follow this table for preparing adulteration test samples.

Step	Action
1	<p>Draw at least 1 honey test sample from each lot. See paragraph 846 for the number of samples to draw for adulteration testing.</p> <p>Adulteration test samples shall be:</p> <ul style="list-style-type: none"> <li>• approximately 1/2 pint of honey</li> <li>• placed in glass or plastic containers, suitable for honey storage</li> <li>• drawn from any part of the container</li> <li>•*--requested for the protein test.--*</li> </ul>
2	<p>Mark test sample container with:</p> <ul style="list-style-type: none"> <li>• State and county codes</li> <li>• loan and lot number</li> <li>• a letter code, if more than 1 test sample is required per lot.</li> </ul> <p><b>Example:</b> 49 085 36 A.</p>
3	<p>Pack test samples for mailing.</p>
4	<p>Mail the test samples to the adulteration test laboratory:</p> <ul style="list-style-type: none"> <li>• as soon as possible</li> <li>• at the following address:</li> </ul> <p style="padding-left: 40px;">Coastal Science Laboratory, Inc. 6000 Mountain Shadows Drive Austin, TX 78735.</p> <p>*--Additional information for Coastal Science Laboratory is at <a href="http://www.csl-sira.com">www.csl-sira.com</a>.--*</p>

848 Adulteration Test (Continued)

A Samples for Adulteration Test (Continued)

Step	Action
5	Adulteration test laboratory will return test results to the loanmaking County Office.
6	After receiving bill for collection from adulteration testing laboratory, loanmaking County Offices shall: <ul style="list-style-type: none"> <li>• confirm and pay bill for adulteration charges</li> <li>• issue CCC-184, according to 1-FI, using program code “LAB”.</li> </ul>
7	If the honey fails the adulteration, then immediately notify the producer that the settlement rate is “zero”.

848 Adulteration Test (Continued)

**B**  
**Adulteration**  
**Test Results**

County Offices will receive the adulteration test results reported in 13 CPDB values from the adulteration test laboratory. The following is the format of the test results.

Loan and Lot Number	SCIRA Results in 13 CPDB Values
49 - 045 - 16 Lot # 2	- 23.2 0/00
49 - 045 - 17 Lot # 1	- 23.7 0/00

**C**  
**Eligibility Table**

Determine eligibility according to the following table.

SCIRA Adulteration Test Results in 0/00 Values	Eligibility
-22.9 0/00 or more positive	"Zero" settlement rate.
-23.0 0/00	
-23.1 0/00	
-23.2 0/00	
-23.3 0/00	

**849 Moisture Tests**

---

**A**  
**Excessive Moisture**                      AMS will test the moisture contents of each lot for excessive moisture.

---

**B**  
**Where to Submit**                      Send all moisture test samples to AMS grading laboratories according to Exhibit 45.

---

**C**  
**Moisture Test Results**                      AMS will notify the County Office with the official moisture test results.

---

**D**  
**Settlement Rate of Zero**                      Any honey with a moisture content in excess of 18.5 is “zero”.

---

**850-859 (Reserved)**

Section 4 Completing Producer Settlement

860 Completing CCC-691, Parts B and C

**A**  
**Completing**  
**CCC-691, Part B**

The FSA representative shall complete CCC-691, Part B:

- at the delivery sight
- at the time of delivery
- according to the following table.

Item	Action
A	Enter loan lot number.
B-I	Enter data, as applicable, from FV-146 received from AMS.
20	Enter date delivery was completed.
23	After delivery, the producer or the producer's authorized agent shall date and sign CCC-691 agreeing to the following: <ul style="list-style-type: none"> <li>• the quantity delivered</li> <li>• that a representative sample has been drawn for determining class and grading factors on which settlement will be based.</li> </ul>
24	FSA representative taking delivery shall: <ul style="list-style-type: none"> <li>• sign and date CCC-691</li> <li>• return the following to the County Office:                             <ul style="list-style-type: none"> <li>• CCC-691 for processing the settlement</li> <li>• all documentation received from AMS.</li> </ul> </li> </ul>

Continued on the next page

860 Completing CCC-691, Parts B and C (Continued)

---

**B**  
**Completing**  
**CCC-691,**  
**Part C**

Loanmaking County Offices shall complete item 31 \* \* \* according to 8-LP, Part 10 after inspection certificates have been received from AMS.

---

Continued on the next page

860 Completing CCC-691, Parts B and C (Continued)

C  
Completing  
CCC-691,  
Parts B and C

(See Reverse for Privacy Act and Public Burden Statements) Form Approved - OMB No. 0560-0087

<b>CCC-691</b> (04-23-98)		<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation <b>COMMODITY DELIVERY NOTICE</b>							
1. Farm Number 1284	3. Name and Mailing Address John Adams 123 Countryside Road Farmington, CA 13820	4. Crop Year 200X	5. Commodity Honey	6. ST & CO. Code 30 129	7. Loan No. 1000				
7. Weeds Control Discount is Applicable <input type="checkbox"/>		8. Voluntary Early Delivery Subject to Storage Deduction <input type="checkbox"/>		9. Outstanding Loan Quantity 1,335					
10. Balance To Be Settled \$ 883.17		11. Disbursement Date 8-13-0X							
<b>PART A - DELIVERY INSTRUCTIONS</b>									
If you have an outstanding CCC commodity loan, you must deliver to the storage point specified below, by the date specified below, a quantity of the eligible commodity specified above having a loan value equivalent to the amount specified above as "Balance to be Settled".									
12. Maximum Quantity for Delivery: <input checked="" type="checkbox"/> Pounds <input type="checkbox"/> Bushels <input type="checkbox"/> CWT <input type="checkbox"/> Bales <input type="checkbox"/> Other (specify):					13. Quantity 1,369				
14. Deliver to (Name, code number, and location of warehouse or other approved storage) Sweet Bees 3300 Swat Rd Jersey, CA 13613			15. Weighing Location Same		16. Final Date To Deliver 7/22/0X				
17. Commodity Credit Corporation Date by: /s/ Bobby Turner 7/07/0X			18. Name and Address of County FSA Office Morrice County FSA Office 1843 Wayson Rd Jersey, CA 13613						
<b>PART B - GRADE AND QUANTITY DETERMINATION (If additional space needed, use Form CCC-691-1)</b>									
19. The undersigned hereby certifies (1) that a representative sample was secured from each lot of the commodity described above at the time it was delivered, and (2) that it is mutually agreed such commodity is of the quantity, grade and quality delivered in the schedule below and on continuation sheets thereto. The undersigned warehouse operator further certifies (1) that they have received in their warehouse from the undersigned producer the quantity, grade(s) and quality of the commodity described in the schedule below and on continuation sheets thereto and, in the case of deliveries for local storage, that they will issue acceptable warehouse receipt(s) and, when requested, scale tickets for each commodity and (2) that the quantity of the commodity listed below was, in fact, delivered to the receiving warehouse, and does not include any quantities purchased from or already in store at the receiving warehouse and substituted without prior approval. The undersigned producer further certifies that (1) the commodity delivered by them is the commodity described in the schedule below and is free and clear of all liens and encumbrances, including landlord's liens except in favor of lienholders from whom waivers have been secured and that the commodity delivered is eligible for delivery by him/her under the applicable program regulations, (2) for all commodities, the quantity delivered does not exceed the quantity that was produced on the farm(s) listed on the original commodity loan agreement entered into with CCC. If the warehouse operator further certifies that all services involved including handling, weighing, grading, storage, or servicing were actually performed. The parties signing this certification understand that the making of any fraudulent representations shall render the parties subject to criminal prosecution under Federal law and may render the entire quantity ineligible for any loan benefits (see Part F on reverse of this document).									
If there is a disagreement as to grade or quality, the certification shall nonetheless be signed but the items as to which there is a disagreement in Part B shall be lined through. A representative sample of the lot, as to which there is disagreement, shall be submitted for an appeal determination in accordance with Part 2 (on reverse hereof). Such determinations shall be binding on all signatories to this part.									
A. Warehouse Receipt Number 2/	B. Grade, Class & Sub-Class	C. Test Weight (lb.)	D. Moisture %	E. FM (%; 3/)	F. Other Applicable Factors	G. Gross Weight (lb.)	H. Dock (%)	I. Net Weight (bu., cwt., lb.)	J. Storage Start Date
2/ If undesirable wheat variety, place an "X" following applicable lot identity. 3/ For corn, includes also B.C.									
20. Date Delivery Completed	21. Type of Delivery: Whse. Ctg. <input type="checkbox"/> Land Only <input type="checkbox"/> Sale <input type="checkbox"/> Dims <input type="checkbox"/> Track Load <input type="checkbox"/>			22. Loading Order Number					
23. Signature of Producer			24. Signature of Warehouse Representative						
<b>PART C - SETTLEMENT DATA</b>									
25. Reserve Storage Fee/Und			26. Reserve Credits (hauling, trackload, etc.)						
27. Excess Haul Total Miles			28. Excess Hauling Bu. Cents						
29. Reserve Storage Payment \$			30. Rate Basis (ST & CO. Code or terminal pt.)						
31. Authorization Number (if any)			32. Quantity Sold (bu., cwt., lb.)						
33. Rate \$			34. Amount \$						
35. CCC-257 Number									
<b>PART D - CERTIFICATION AND APPROVAL FOR COUNTY FSA COMMITTEE</b>									
36. Delivery of commodity in Part B has been completed subject to final settlement. Date									

COUNTY OFFICE COPY

Continued on the next page

C  
Completing  
CCC-691,  
Parts B and C  
(Continued)

**PART E - PROCEDURE WHEN THERE IS A DISAGREEMENT AS TO GRADE AND QUALITY**

(a) **Grade Determination by Federally Licensed Inspector.**

For all commodities, in case of disagreement on grade and quality determined by a Federally licensed inspector on lot(s) delivered, the determination may be appealed through the regular Federal Grain Inspection Service procedures. The producer will be responsible for all appeal expenses. The grade and quality determination resulting from the appeal shall serve as the basis for settlement.

(b) **Grade Determination by Other Than Federally Licensed Inspector.** In case of disagreement on grade or quality determined by other than a Federally licensed inspector on lot(s) delivered, the producer may appeal and shall assume the cost of tests. If delivery was to a warehouse, the representative sample of the lot in disagreement shall be sent to the county office with a remittance to cover the cost of test(s). The county office will forward the sample to a Federally licensed grain inspector for a determination which shall serve as the basis for settlement. If delivery was to other than an approved warehouse, the county office will send a portion of the representative sample of the lot(s) in disagreement to a Federally licensed inspector for a determination which shall serve as the basis for settlement.

**PART F - FRAUDULENT REPRESENTATION**

The making of any fraudulent representation by the producer in this instrument shall subject the producer (a) to liability under criminal and civil fraud statutes, and (b) to liability to CCC in the amount specified in the Farm Storage Note and Security Agreement. For the purpose of establishing the amount of such liability, the value of the commodity delivered to, or removed by CCC, shall be the market value, as determined by CCC, on the date of delivery or removal, or the sale price if the commodity is sold by CCC in order to determine its market value.

**NOTE:** The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. This information is issued to you according to the provisions of the CCC commodity loan program at 7 CFR Parts 1421, 1427, and 1435. The information is required in order to settle your outstanding loan. Failure to sign this document may delay settlement of your loan. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0087. The time required to complete this information collection is estimated to average 6 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.

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861 Completing Settlements

A Completing Local Sale Processing

The County Office shall:

- process local sale settlements through APSS according to Part 9
- enter weight, grade, sale information on CCC-691, Part B according to paragraph 860 and other applicable information received from AMS on FV-146

\* \* \*

- apply the following 2005-crop honey premiums and/or discounts based on the color test received from AMS:

Class	Premiums (cents/lbs.)	Discounts (cents/lbs.)
White	6.5	0
Extra Light Amber	0.5	0
Light Amber	0	-8.9
Amber and Nontable	0	-12.1

- \*--apply the following 2006-crop honey premiums and/or discounts based on the color test received from AMS:

Class	Premiums/Discounts (cents/lbs.)
White	4.7
Extra Light Amber	-0.9
Light Amber	-6.8
Amber and Nontable	-10.3

--\*

- **not** do either of the following:
  - reduce the settlement rate to less than zero
  - use the sale proceeds as the settlement value of the commodity.

**861 Completing Settlements**

**B Submitting Documents to KCFO**

County Offices shall submit local sale and settlement documents to KCFO at the following address:

FSA/KCFO/FOD/CO&AB  
STOP 8578  
PO BOX 419205  
KANSAS CITY, MO 64141-6205.

**862-900 (Reserved)**

## Section 5 Unusual Cases

**901 Ineligible Honey Inadvertently Placed Under Loan**

---

**A****Basic Provisions**

If ineligible honey is inadvertently placed under loan, immediately call the loan.

Send the producer a notification letter, according to 8-LP, Exhibit 4 informing the producer that the:

- outstanding loan principal, plus charges, and interest must be repaid
- loan may **not** be repaid at the announced repayment rate
- honey may **not** be delivered to CCC in satisfaction of the loan
- loan may **not** be repaid with commodity certificates.

**Note:** Do **not** issue CCC-691.

---

**B****No Response by  
Producer**

If the loan is **not** repaid within 15 calendar days after the date of the notification letter, and the producer has not appealed, send the demand letter according to 8-LP, Exhibit 4 informing the producer that:

- the loan principal, plus charges, and interest is due and payable within 30 calendar days after payment is demanded
  - if the loan is not repaid within 30 calendar days:
    - settlement proceedings will begin according to 8-LP, Part 10
    - a claim will be established, according to 58-FI, and interest start date is the 31st calendar day after payment is demanded
    - the claim may be reported to other Federal agencies for offset from amounts that may be due the producer.
- 

Continued on the next page

**901 Ineligible Honey Inadvertently Placed Under Loan (Continued)**

---

**C**

**Refusal to Repay** If the producer refuses to repay the called loan and CCC must foreclose by removing the honey, the settlement value shall be:

- zero
  - applied to the claim as a repayment of loan principal plus charges, and interest.
-

902 Abandonment Cases

---

**A**

**Action When  
Collateral  
Abandoned**

If the commodity securing a farm-stored loan is abandoned, call the loan immediately and begin the local sale process.

---

**B**

**Expenses  
Incurred**

The expenses incurred by the County Office in the settlement of the commodity shall be charged against the local sale.

---

903 Returning Unnegotiated CCC-184

A

**Returning Unnegotiated Loan CCC-184's** If unnegotiated CCC-184's for a loan disbursement are returned to the County Office, follow this table for proper action.

<p><b>IF all unnegotiated CCC-184's for a loan disbursement are...</b></p>	<p><b>THEN...</b></p>
<p>returned to the County Office and no repayments have been made on the loan</p>	<p>cancel the loan as follows:</p> <ul style="list-style-type: none"> <li>• use the correct a loan process, according to 12-PS, Part 11, to remove the loanmaking transaction</li> <li>• cancel CCC-184's during the loan cancellation process.</li> </ul> <p><b>Note:</b> LDP may be made on the quantity originally requested on the canceled loan, if eligibility requirements are met.</p>
<p><b>not</b> returned to the County Office</p>	<ul style="list-style-type: none"> <li>• use the correct a loan process, according to 12-PS, Part 11, to remove the loanmaking transaction</li> <li>• a receivable will be created</li> <li>• notify producer of the receivable amount due CCC</li> <li>• do <b>not</b> release any collateral until receivable is repaid.</li> </ul>

Continued on the next page

903 Returning Unnegotiated CCC-184 (Continued)

**B**

**Returning Unnegotiated LDP CCC-184's** If unnegotiated CCC-184's for an LDP are returned to the County Office, follow this table for proper action.

IF all unnegotiated CCC-184's issued for LDP are...	THEN...
returned to the County Office	<p>use the correction process to cancel LDP.</p> <p><b>Notes:</b> The same LDP quantity may <b>not</b> be pledged as collateral for a loan.</p> <p>However, if the producer later requests another LDP for the same LDP quantity, an LDP would be made:</p> <ul style="list-style-type: none"> <li>• for the original LDP quantity</li> <li>• at the same LDP rate in effect for the date the original LDP was requested.</li> </ul>
<b>not</b> returned to the County Office	<ul style="list-style-type: none"> <li>• use the correction process to cancel LDP</li> <li>• a receivable will be created</li> <li>• notify the producer of the receivable amount due CCC.</li> </ul>

904 Deceased Producers

---

**A**  
**Notification to Heirs**

When the County Office learns that a producer is deceased and has outstanding loans, the County Office shall:

- send a certified letter, drafted on the advice of the regional attorney, to the fiduciary representative, heirs, or other persons in charge of settling the estate that notifies them:
    - of the existing outstanding CCC loan
    - that the loan is covered by a security agreement or secured by pledged warehouse receipts
  - attach a copy of the letter to the loan papers on file in the County Office.
- 

**B**  
**Application for Loan or LDP by Heirs**

CCC-686 shall be completed for a deceased producer when:

- heirs want to obtain or continue a loan or request LDP
- there will be no administrator
- probate of the estate is closed.

If CCC-686 has **not** been executed by the appropriate party for a deceased producer who has outstanding loans, the:

- County Office shall immediately notify the State Office
  - State Office shall forward notification of deceased producers to the regional attorney for appropriate action.
- 

Continued on the next page



904 Deceased Producers (Continued)

**C**  
**Completing**  
**CCC-686**

Complete an original and 1 copy for each person signing CCC-686 according to the following table.

**Note:** Items not listed on this table are self-explanatory.

Item	Instructions
3	Enter current loan number, if applicable.
9 and 10	Enter name, address, and relationship of all persons inheriting the commodity, even though the persons are not related to the deceased.
11 and 12	Enter names and relationship of all persons assuming farming unit, even though the persons are not related to the deceased.
13-16	Enter name of any heir who is a minor or an incompetent. Enter name and address and capacity of the representative of this person.
17	Heirs, or representative of heirs, who have inherited the commodity and who are requesting a loan or LDP, must sign CCC-686.

**D**  
**Distributing**  
**CCC-686**

Distribute CCC-686 as follows:

- file the original in the County Office
- provide a copy to each person signing CCC-686.

Continued on the next page

904 Deceased Producers (Continued)

E  
Example of  
CCC-686

The following is an example of CCC-686.

Form Approved - OMB No. 0560-0087

REPRODUCE LOCALLY. Include form number and date on all reproductions.

<p><b>CCC-686</b> U.S. DEPARTMENT OF AGRICULTURE (08-09-96) Commodity Credit Corporation</p> <p style="text-align: center;"><b>APPLICATION FOR LOAN OR LOAN DEFICIENCY PAYMENT BY HEIRS</b> (On a commodity produced by a person who has died)</p>		<p>1. NAME AND ADDRESS OF COUNTY FSA OFFICE &amp; TELEPHONE NO.</p> <hr/> <p>2. ST. &amp; CO. CODE 20-109</p> <p>3. APPLICATION NO. 33</p> <p>4. CROP YEAR 19XX</p> <p>5. COMMODITY Wheat</p>	
--	--	---	--

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is 7 CFR Parts 718 and 1421. The information will be used to determine eligibility and the amount of program benefits. This data will be used when heirs of an estate wish to obtain or continue a loan or request an LDP. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in a determination of ineligibility for program benefits. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal Law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.

Federal Agencies may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM (OMB No. 0560-0087), STOP 7630, Washington, D.C. 20250-7630. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.

6. NAME OF DECEASED PERSON John Clay		7. DATE OF DEATH 08-29-0X	8. DEATH OCCURRED BEFORE HARVEST <input type="checkbox"/> AFTER HARVEST <input checked="" type="checkbox"/>	
---	--	------------------------------	--	--

9. PERSONS INHERITING COMMODITY (Name and address)		10. RELATIONSHIP TO DECEASED
Sally E. Clay RR 1, Oakley, KS 67582		Wife
Richard J. Clay RR 1, Oakley, KS 67582		Son
Mary R. Clay RR 1, Oakley, KS 67582		Daughter

11. NAMES OF PERSONS ASSUMING FARMING UNIT (Include heirs in item 9) (Address if not already listed in item 9)		12. RELATIONSHIP TO DECEASED OR CAPACITY
Sally E. Clay		Wife
Richard J. Clay		Son
Mary R. Clay		Daughter

If any person shown in item 9 or 11 above is a minor or incompetent, furnish the following:

13. NAME OF MINOR OR INCOMPETENT	14. NATURE OF DISABILITY (if any)	REPRESENTATIVE OF PERSON SHOWN IN ITEM 13	
		15. NAME AND ADDRESS	16. CAPACITY (Guardian, Custodian, Conservator, Liquidator, etc.)
Mary R. Clay	Minor	Sally E. Clay RR 1, Oakley, KS 67582	Natural Guardian

17. CERTIFICATIONS (To be certified to and by each person shown in items 9 and 11 or his/her representative shown in item 15 who is requesting a loan or LDP.)

The undersigned hereby certifies that 1

A. The person shown in item 6 died on the date shown and he/she produced the commodity identified above in the crop year shown.

B. The decedent and the commodity he/she produced were eligible for loan or LDP and that the persons shown in item 9 have inherited the decedent's interest in the commodity shown above.

C. (1) There has not been nor is it contemplated that there will be administration or probate of the estate or (2) administration or probate of the estate is closed.

D. The persons listed in items 9, 11, and, if applicable 13, are the only persons who have inherited or otherwise acquired an interest in the commodity and farming unit of the decedent described in this form.

E. Each of such persons requests that (1) a loan be continued or disbursed, or (2) an LDP be made.

SIGNATURE	DATE	SIGNATURE	DATE
/s/ Sally E. Clay	1-10-0X		
SIGNATURE	DATE	SIGNATURE	DATE
/s/ Richard J. Clay	1-10-0X		
SIGNATURE	DATE	SIGNATURE	DATE

18. CERTIFICATION OF COUNTY COMMITTEE

The undersigned certifies that each applicant whose signature appears above has the authority to act in the capacity indicated; that the right of the applicant(s) to file this application was determined in accordance with the regulations of the Department of Agriculture; and that the statements contained herein have been examined and are true and correct to the best of my knowledge and belief.

FOR THE COUNTY COMMITTEE

BY: /s/ Carl E. Davis DATE: 1-10-0X

1/ Section 15 (a) of the Commodity Credit Corporation Charter Act (82 Stat. 1070) provides a fine of not more than \$10,000 or not more than five years' imprisonment for making any statements knowing it to be false for the purpose of influencing the action of the Corporation or of obtaining money under any act applicable to the Corporation. This program or activity will be conducted on a nondiscriminatory basis without regard to race, color, religion, national origin, age, sex, marital status, or disability.

905-950 (Reserved)

Part 9 APSS

Section 1 General Provisions

951 Automated Procedures

---

**A**

**Automation Used  
in This  
Handbook**

Follow the instructions in this handbook when using APSS to accomplish the following types of loan activity:

- loanmaking
  - loan repayments
  - LDP's.
- 

**B**

**Location of  
Automation  
Instructions**

Throughout this handbook, automation guidelines and instructions immediately follow policy and procedures that require an automated process.

---

**952 County Office-Maintained Table Files**

---

**A**

**Introduction** County Offices shall maintain and update the table files in subparagraph B **before** beginning honey loan program processing.

---

**B**

**APSS Procedure** County Offices shall maintain table files according to the following table.

<b>Reference</b>	<b>Table File</b>	<b>Frequency</b>
12-PS, Part 14	Commodity Loan Rate	Yearly
	Offer Shipping Rate	Yearly or when changed

---

**953-955 (Reserved)**

Section 2 Producer Information

956 New Honey Producers

---

**A**  
**Establishing**  
**Honey Producers**

Follow procedure in 3-CM if an eligible honey producer is not:

- in Name and Address File
  - established in the Subsidiary File
  - associated with a farm number.
- 

**B**  
**Creating**  
**Subsidiary Files**

The subsidiary files will be created by KC-ITSDO after the County Office completes the following requirements:

- associates the producer with a farm number for the crop year
- adds component members to joint operations and/or entity file.

The end-of-day process creates new producers eligibility records that are transmitted to KC-ITSDO. The producer's multi-county and payment limitation records are created automatically by KC-ITSDO and can take up to 2 weeks before being downloaded to the County Office.

---

957 **Producer and Loan Identification**

**A**

**Purpose**

This paragraph provides procedure for identifying the correct producer and the correct loan for APSS loan functions.

**B**

**Procedure**

The following table provides procedure for correctly identifying a producer and loan.

Step	Action	Result
1	On every loanmaking function, after the function has been started, Screen PCA11000 will be displayed to identify the correct producer and correct loan.	If producer ID and loan number are: <ul style="list-style-type: none"> <li>• <b>not</b> known, go to step 2</li> <li>• known, or if only the loan number is known, go to step 3.</li> </ul>
2	On Screen PCA11000: <ul style="list-style-type: none"> <li>• enter producer last name</li> <li>• PRESS “Enter”.</li> </ul>	Screen FAX270-01 or PCA12500 will be displayed. Go to step 4.
3	On Screen PCA11000, enter either of the following: <ul style="list-style-type: none"> <li>• producer ID and loan number</li> <li>• loan number and crop year.</li> </ul> PRESS “Enter”.	Screen PCA12500 will be displayed.
4	On Screen FAX270-01 or PCA12500: <ul style="list-style-type: none"> <li>• enter the number that corresponds to the contact producer</li> <li>• PRESS “Enter”.</li> </ul>	Screen PCA12000 will be displayed.

Continued on the next page

957 Producer and Loan Identification (Continued)

**B**  
**Procedure**  
**(Continued)**

Step	Action	Result
5	<p>On Screen PCA12000:</p> <ul style="list-style-type: none"> <li>• ENTER “Y” or “N” to the question, “Is this the correct producer?”</li> </ul> <p><b>Note:</b> If the question, “Is this a recording of a manually made action?”, is displayed, ENTER “Y” or “N”. Screen PCA14000 will be displayed. Go to step 7.</p> <ul style="list-style-type: none"> <li>• PRESS “Enter”.</li> </ul>	<p>If:</p> <ul style="list-style-type: none"> <li>• “Y”, Screen PCA13000 will be displayed. Go to step 6</li> <li>• “N”, Screen PCA11000 will be displayed. Go to step 1.</li> </ul>
6	<p>On Screen PCA13000:</p> <ul style="list-style-type: none"> <li>• enter the number that corresponds to the applicable loan number</li> <li>• PRESS “Enter”.</li> </ul>	<p>Screen PCA14000 will be displayed.</p>
7	<p>On Screen PCA14000:</p> <ul style="list-style-type: none"> <li>• ENTER “Y” or “N” to the question, “Is this the correct loan?”</li> <li>• PRESS “Enter”.</li> </ul>	<p>If:</p> <ul style="list-style-type: none"> <li>• “Y”, use instructions for the applicable process</li> <li>• “N”, Screen PCA11000 will be displayed.</li> </ul> <p>Go to step 3.</p>

958-965 (Reserved)





Section 3 Loanmaking

966 Honey Loanmaking Transaction

A Preparation

Verify that the offer shipping rate table, loan rates, and other tables are correctly entered into the computer according to subparagraph 952 B.

B APSS Procedure

Process honey loans according to the following table.

Step	Action	Result
1	On Menu PCA005: <ul style="list-style-type: none"> <li>• ENTER "2"</li> <li>• PRESS "Enter".</li> </ul>	Screen PCA1100 will be displayed.
2	On Screen PCA11000, enter the following: <ul style="list-style-type: none"> <li>• either the producer's last name or the producer's ID and type</li> <li>• the crop year</li> <li>• "N" for the loan number.</li> </ul> PRESS "Enter".	If: <ul style="list-style-type: none"> <li>• Screen PCA12000 is displayed, go to step 4</li> <li>• Screen MACR04-01 is displayed, go to step 3.</li> </ul>
3	On Screen MACR04-01: <ul style="list-style-type: none"> <li>• enter the number for the desired producer</li> <li>• PRESS "Enter".</li> </ul>	Screen PCA12000 will be displayed.

966 Honey Loanmaking Transaction (Continued)

B APSS Procedure (Continued)

Step	Action	Result	
4	<p>On Screen PCA12000, ENTER “Y” or “N”, as applicable, to the following questions:</p> <ul style="list-style-type: none"> <li>• “Is this the correct producer?”</li> <li>• “Is this the re-entry of a corrected loan?”.</li> </ul> <p>PRESS “Enter”.</p>	<p><b>IF the producer is...</b></p>	<p><b>THEN...</b></p>
		<p>correct and this is <b>not</b> a re-entry of a corrected loan</p>	<p>Menu PLA000 will be displayed. Go to step 6.</p>
		<p><b>not</b> correct</p>	<p>Screen PCA11000 will be redisplayed. Return to step 2.</p>
		<p>correct, but this a re-entry of a corrected loan</p>	<p>Screen PCA12000 will be redisplayed. Go to step 5.</p>
5	<p>On Screen PCA12000:</p> <ul style="list-style-type: none"> <li>• enter the crop year and loan number of the original loan</li> <li>• PRESS “Enter”.</li> </ul>	<p>Menu PLA000 will be displayed.</p>	
6	<p>On Menu PLA000:</p> <p>ENTER “1” “Farm Stored Regular Certified”.</p> <p><b>Note:</b> Option “1” is the only option available for Honey Loans.</p>	<p>Screen PLB10000 will be displayed.</p>	

966 Honey Loanmaking Transaction (Continued)

B APSS Procedure (Continued)

Step	Action	Result
7	<p>On Menu PLB10000, enter the following:</p> <ul style="list-style-type: none"> <li>• commodity “Honey”</li> <li>• class/variety                             <ul style="list-style-type: none"> <li>• “T” for table</li> <li>• “N” for nontable</li> </ul> </li> <li>• crop year</li> </ul> <p>PRESS “Enter”.</p>	Menu PLB10005 will be displayed.
8	<p>On Screen PLB10005, ENTER:</p> <ul style="list-style-type: none"> <li>• “Y” or “N”, as applicable, to the following questions:                             <ul style="list-style-type: none"> <li>• “Does this loan have multiple producers?”</li> <li>• “Is a spot check required for this loan?”.</li> </ul> </li> <li>• the loan application date (MMDDYY)</li> <li>• “Y”, as applicable, to the question, “Is this a repledged loan?”</li> </ul> <p><b>Note:</b> The system defaults to “N”.</p> <p>PRESS “Enter”.</p>	Screen PLB10010 will be displayed.
9	<p>On Screen PLB10010:</p> <ul style="list-style-type: none"> <li>• enter the location where the commodity is stored</li> <li>• PRESS “Enter”.</li> </ul>	Screen PLB11005 will be displayed.

966 Honey Loanmaking Transaction (Continued)

B APSS Procedure (Continued)

Step	Action	Result
10	<p>On Screen PLB11005, enter the following:</p> <ul style="list-style-type: none"> <li>• seal number</li> </ul> <p><b>Note:</b> This number has been preassigned by the system, enter new number to manually assign.</p> <ul style="list-style-type: none"> <li>• floral source (alpha-code)</li> <li>• estimated quantity (pounds)</li> <li>• number of containers (numeric)</li> <li>• size of containers (gallons).</li> </ul> <p>PRESS “Enter”.</p>	<p>Screen PLB11015 will be displayed.</p>
11	<p>On Screen PLB11015:</p> <ul style="list-style-type: none"> <li>• the following fields are system generated:                             <ul style="list-style-type: none"> <li>• seal number</li> <li>• certified quantity for loan</li> <li>• maximum percent eligible for loan</li> <li>• maximum loan quantity</li> </ul> </li> <li>• enter the following:                             <ul style="list-style-type: none"> <li>• new percentage</li> <li>• new loan quantity</li> <li>• “Y” or “N”, as applicable, to the question “Additional lots?”.</li> </ul> </li> </ul> <p>PRESS “Enter”.</p>	<p>Screen PLB13000 will be displayed.</p>

966 Honey Loanmaking Transaction (Continued)

**B**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
12	<p>On Screen PLB13000, the following information will be displayed:</p> <ul style="list-style-type: none"> <li>• seal number</li> <li>• mortgaged quantity</li> <li>• loan quantity</li> <li>• loan rate</li> <li>• total loan amount.</li> </ul> <p>PRESS "Enter".</p>	<p>Screen PLB13500 will be displayed.</p>
13	<p>On Screen PLB13500, the following information will be displayed:</p> <ul style="list-style-type: none"> <li>• mortgaged quantity</li> <li>• loan quantity</li> <li>• loan amount</li> <li>• service fees.</li> </ul> <p>PRESS "Enter".</p>	<p>Screen PLB13505 will be displayed.</p>
14	<p>On Screen PLB13505, the following information will be displayed:</p> <ul style="list-style-type: none"> <li>• gross loan amount</li> <li>• total loan amount</li> <li>• service fees.</li> </ul> <p>PRESS "Enter".</p>	<p>Screen PLB13510 will be displayed.</p>

Continued on the next page

## 966 Honey Loanmaking Transaction (Continued)

**B**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
15	<p>On Screen PLB13510, the following information will be displayed:</p> <ul style="list-style-type: none"> <li>• mortgaged quantity</li> <li>• loan quantity</li> <li>• loan amount</li> <li>• disbursement amount.</li> </ul> <p>PRESS "Enter".</p>	Menu PLA005 will be displayed.
16	<p>On Menu PLA005:</p> <ul style="list-style-type: none"> <li>• enter the applicable option number</li> <li>• PRESS "Enter".</li> </ul>	Screen PLA13005 will be displayed.
17	<p>On Screen PLA13005, enter the following:</p> <ul style="list-style-type: none"> <li>• UCC-1 or chattel mortgage filing date</li> <li>• date of lien search</li> <li>• original loan approval date</li> <li>• "Y" to the question, "Do you wish to complete this process?".</li> </ul> <p>PRESS "Enter".</p>	Screen PCA97000 will be displayed.

Continued on the next page

966 Honey Loanmaking Transaction (Continued)

**B**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
18	On Screen PCA97000: <ul style="list-style-type: none"> <li>• enter the printer ID to print forms and reports</li> <li>• PRESS "Enter".</li> </ul>	CCC-677 will be printed and Screen PCE52010 will be displayed.
19	On Screen PCE52010, ENTER "Y" or "N" to the question, "Do you want to reprint this form?".	If: <ul style="list-style-type: none"> <li>• "Y", CCC-677 will be reprinted and Screen PCE52010 will be redisplayed. Repeat this step.</li> <li>• "N", CCC-677 will be printed.</li> </ul>
20	The Accounting-Checkwriting procedure will begin.  See 1-FI for Accounting-Checkwriting procedure.	After Accounting-Checkwriting procedure is completed, Menu PCA005 will be redisplayed. Return to step 1.

967-969 (Reserved)





Section 4 Repayments

970 Honey Loan Repayments

A

APSS Procedure Process honey loan repayments according to the following table.

Step	Action	Result
1	On Menu PCA005: <ul style="list-style-type: none"> <li>• ENTER “4”</li> <li>• PRESS “Enter”.</li> </ul>	Screen PCA12000 will be displayed.
2	On Screen PCA12000, ENTER “Y” or “N”, as applicable, to the following questions: <ul style="list-style-type: none"> <li>• “Is this the correct producer?”</li> <li>• “Is this a recording of a manually made action?”.</li> </ul> PRESS “Enter”.	Screen PCA14000 will be displayed.
3	On Screen PCA14000, ENTER “Y” or “N”, as applicable, to the following questions: <ul style="list-style-type: none"> <li>• “Is this the correct loan?”</li> <li>• “Do you wish to see bin/receipt information for this loan?”.</li> </ul> PRESS “Enter”.	Menu PPD00000 will be displayed.
4	On Menu PPD00000: <ul style="list-style-type: none"> <li>• enter the applicable repayment type</li> <li>• PRESS “Enter”.</li> </ul>	Menu PPD01000 will be displayed.

Continued on the next page

970 Honey Loan Repayments (Continued)

A  
APSS Procedure  
(Continued)

Step	Action	Result
5	On Menu PPD01000: <ul style="list-style-type: none"> <li>• enter the applicable repayment option</li> <li>• PRESS “Enter”.</li> </ul>	Screen PPD11200 will be displayed.
6	On Screen PPD11200, enter the following: <ul style="list-style-type: none"> <li>• repayment date</li> <li>• “Y” or “N”, as applicable, to the following questions:                             <ul style="list-style-type: none"> <li>• “Is this a wire transfer?”</li> <li>• “Was this loan disbursed entirely by direct deposit?”.</li> </ul> </li> </ul> PRESS “Enter”.	Screen PPD13800 will be displayed.
7	On Screen PPD13800: <ul style="list-style-type: none"> <li>• the following information will be displayed:                             <ul style="list-style-type: none"> <li>• repayment date</li> <li>• maturity date</li> <li>• cost per pound</li> <li>• principal remaining</li> <li>• principal liquidated</li> <li>• quantity remaining</li> <li>• quantity liquidated</li> <li>• total amount</li> </ul> </li> <li>• ENTER “Y” or “N”, as applicable, to the question, “Do you wish to complete the repayment?”.</li> </ul> PRESS “Enter”.	Screen PPD98000 will be displayed.

Continued on the next page

970 Honey Loan Repayments (Continued)

A  
 APSS Procedure  
 (Continued)

Step	Action	Result
8	On Screen PPD98000: <ul style="list-style-type: none"> <li>• enter the “Amount Received”</li> <li>• PRESS “Enter”.</li> </ul>	Screen PCA97000 will be displayed.
9	On Screen PCA97000, enter the following: <ul style="list-style-type: none"> <li>• printer ID to print forms and reports</li> <li>• number of copies to be printed.</li> </ul> PRESS “Enter”.	Screen PCE50010 will be displayed.
10	On Screen PCE50010, CCC-500 will be printed.  ENTER “Y” or “N” to the question, “Do you want to reprint this form?” and PRESS “Enter”.	Screen AGK00500 will be displayed.
11	The Accounting procedure will begin.	After the Accounting procedure has been completed, Menu PCA005 will be redisplayed. Return to step 1.

971-975 (Reserved)



Section 5 LDP's

976 Honey LDP's

A

APSS Procedure Process honey LDP's according to the following table.

Step	Action	Result
1	On Menu PCA005: <ul style="list-style-type: none"> <li>• ENTER "13"</li> <li>• PRESS "Enter".</li> </ul>	Screen PCA12020 will be displayed.
2	On Screen PCA12020, ENTER "Y" or "N", as applicable, to the following questions: <ul style="list-style-type: none"> <li>• "Is this the correct producer?"</li> <li>• "Is this a recording of a manually made action?"</li> </ul> PRESS "Enter".	Menu PGA000 will be displayed.
3	On Menu PGA000: <ul style="list-style-type: none"> <li>• ENTER "1"</li> <li>• PRESS "Enter".</li> </ul>	Screen PGA10000 will be displayed.
4	On Screen PGA10000, enter the following: <ul style="list-style-type: none"> <li>• commodity (alpha-code)</li> <li>• class/variety</li> <li>• crop year (numeric)</li> <li>• "Y" or "N", as applicable, to the question, "Does this LDP have multiple producers?"</li> </ul> PRESS "Enter".	Screen PGA10010 will be displayed.

Continued on the next page

976 Honey LDP's (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
5	On Screen PGA10010, enter the following: <ul style="list-style-type: none"> <li>• CCC determined value</li> <li>• LDP approval date</li> <li>• LDP percentage.</li> </ul> PRESS "Enter".	Screen PGA10500 will be displayed.
6	On Screen PGA10500: <ul style="list-style-type: none"> <li>• enter the location where the commodity is stored</li> <li>• PRESS "Enter".</li> </ul>	Screen PCA42000 will be displayed.
7	On Screen PCA42000: <ul style="list-style-type: none"> <li>• ENTER "Y" or "N" to the question, "Is the percent of cropland factor correct for each producer"</li> <li>• PRESS "Enter".</li> </ul>	Screen PGA13000 will be displayed.

Continued on the next page

976 Honey LDP's (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
8	<p>On Screen PGA13000, enter:</p> <ul style="list-style-type: none"> <li>• lot number</li> </ul> <p><b>Note:</b> This number has been preassigned by the system, enter new number to manually assign.</p> <ul style="list-style-type: none"> <li>• floral source (alpha-code)</li> <li>• estimated quantity (pounds)</li> <li>• number of containers (numeric)</li> <li>• size of containers (gallons)</li> <li>• “Y” or “N”, as applicable, to the following questions:                             <ul style="list-style-type: none"> <li>• “Do you wish to delete this receipt?”</li> <li>• “Are there additional lots/receipts?”.</li> </ul> </li> </ul> <p>PRESS “Enter”.</p>	<p>Screen PGA14000 will be displayed.</p>
9	<p>On Screen PGA14000, the following information will be displayed:</p> <ul style="list-style-type: none"> <li>• lot number</li> <li>• total quantity</li> <li>• LDP quantity</li> <li>• LDP rate</li> <li>• LDP amount.</li> </ul> <p>PRESS “Enter”.</p>	<p>Screen PGA15005 will be displayed.</p>

Continued on the next page

976 Honey LDP's (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
10	<p>On Screen PGA15005:</p> <ul style="list-style-type: none"> <li>• the following LDP summary information will be displayed:                             <ul style="list-style-type: none"> <li>• initial LDP quantity</li> <li>• LDP amount</li> <li>• denied market gain</li> <li>• net LDP amount</li> </ul> </li> <li>• ENTER “Y” or “N”, as applicable, to the question, “Do you wish to print a TSR Report?”.</li> </ul> <p>PRESS “Enter”.</p>	<p>Market Gain Transaction Summary Report will be printed and Screen PCE83010 will be displayed.</p>
11	<p>On Screen PCE83010, ENTER “Y” or “N”, as applicable, to the question, “Do you wish to reprint this form?”.</p> <p>PRESS “Enter”.</p>	<p>If:</p> <ul style="list-style-type: none"> <li>• “Y”, Market Gain Transaction Summary Report will be reprinted</li> <li>• “N”, Screen PGA17005 will be displayed. Go to step 12.</li> </ul>

Continued on the next page



976 Honey LDP's (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
12	On Screen PGA17005, ENTER "Y" or "N", as applicable, to the question, "Do you wish to complete this process?".  PRESS "Enter".	Screen PCA9700 will be displayed.
13	On Screen PCA9700, enter the following: <ul style="list-style-type: none"> <li>• printer ID to print forms and reports</li> <li>• number of copies to be printed.</li> </ul> PRESS "Enter".	Loan Deficiency Payment Statement will be printed and Screen PCE72010 will be displayed.
14	On Screen PCE72010, ENTER "Y" or "N", as applicable, to the question, "Do you want to reprint this form?".  PRESS "Enter".	If: <ul style="list-style-type: none"> <li>• "Y", Loan Deficiency Statement will be reprinted</li> <li>• "N", Accounting-Checkwriting procedure begins. Go to step 15.</li> </ul>
15	After Accounting-Checkwriting procedure is completed, Menu PCA005 will be redisplayed. Return to step 1.	

977-979 (Reserved)



Section 6 Manual Honey Loans

980 Processing Manual Honey Loans

A

APSS Procedure Complete a manual honey loanmaking procedure according to the following table.

Step	Action	Result	
1	On Menu PCA005, ENTER "2" and PRESS "Enter".	Screen PCA1100 will be displayed.	
2	On Screen PCA11000: <ul style="list-style-type: none"> <li>• enter:                             <ul style="list-style-type: none"> <li>• either the producer's last name or the producer's ID and type</li> <li>• the crop year</li> <li>• "90000" series number for the loan number</li> </ul> </li> <li>• PRESS "Enter".</li> </ul>	<b>IF...</b>	<b>THEN go to...</b>
		Screen MACR04-01 is displayed	step 3.
		Screen PCA12000 is displayed	step 4.
3	On Screen MACR04-01: <ul style="list-style-type: none"> <li>• enter the number for the desired producer</li> <li>• PRESS "Enter".</li> </ul>	Screen PCA12000 will be displayed.	
4	On Screen PCA12000: <ul style="list-style-type: none"> <li>• ENTER "Y" or "N", as applicable, to the following questions:                             <ul style="list-style-type: none"> <li>• "Is this the correct producer?"</li> <li>• "Is this a recording on a manually made action?"</li> <li>• "Is this the re-entry of a corrected loan?"</li> </ul> </li> <li>• PRESS "Enter".</li> </ul>	<b>IF the producer is...</b>	<b>THEN...</b>
		correct and this is <b>not</b> a re-entry of a corrected loan	Menu PLA000 will be displayed. Go to step 6.
		<b>not</b> correct	Screen PCA11000 will be redisplayed. Return to step 2.
		correct, but this a re-entry of a corrected loan	Screen PCA12000 will be redisplayed. Go to step 5.

Continued on the next page

980 Processing Manual Honey Loans (Continued)

A  
APSS Procedure  
(Continued)

Step	Action	Result
5	On Screen PCA12000: <ul style="list-style-type: none"> <li>• enter the crop year and loan number of the original loan</li> <li>• PRESS “Enter”.</li> </ul>	Menu PLA000 will be displayed.
6	On Menu PLA000: <ul style="list-style-type: none"> <li>• ENTER “1”</li> <li>• PRESS “Enter”.</li> </ul>	Screen PLB10000 will be displayed.
7	On Screen PLB10000: <ul style="list-style-type: none"> <li>• enter the following:                             <ul style="list-style-type: none"> <li>• commodity code</li> <li>• class/variety</li> <li>• crop year</li> </ul> </li> <li>• PRESS “Enter”.</li> </ul>	Screen PLB10005 will be displayed.
8	On Screen PLB10005: <ul style="list-style-type: none"> <li>• ENTER “Y” or “N”, as applicable, to the following questions:                             <ul style="list-style-type: none"> <li>• “Does this loan have multiple producers?”</li> <li>• “Is a spot check required for this loan?”</li> </ul> </li> <li>• ENTER the loan application date (MMDDYY)</li> <li>• ENTER “Y”, as applicable, to the question, “Is this a replugged loan?”</li> </ul> <p style="margin-left: 40px;"><b>Note:</b> System is defaulted to “N”.</p> <ul style="list-style-type: none"> <li>• PRESS “Enter”.</li> </ul>	Screen PLB10010 will be displayed.

Continued on the next page

980 Processing Manual Honey Loans (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
9	On Screen PLB10010: <ul style="list-style-type: none"> <li>• enter the location where the commodity is stored</li> <li>• PRESS “Enter”.</li> </ul>	Screen PLB11005 will be displayed.
10	On Screen PLB11005: <ul style="list-style-type: none"> <li>• enter:                             <ul style="list-style-type: none"> <li>• seal number</li> </ul> <p><b>Note:</b> This number has been pre-assigned by the system, enter new number to manually assign.</p> <ul style="list-style-type: none"> <li>• floral source (alpha-code)</li> <li>• estimated quantity (pounds)</li> <li>• number of containers (numeric)</li> <li>• size of containers (gallons)</li> </ul> </li> <li>• PRESS “Enter”.</li> </ul>	Screen PLB11015 will be displayed.

Continued on the next page

980 Processing Manual Honey Loans (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
11	<p>On Screen PLB11015:</p> <ul style="list-style-type: none"> <li>• the following fields are system generated:                             <ul style="list-style-type: none"> <li>• seal number</li> <li>• certified quantity for loan</li> <li>• maximum percent eligible for loan</li> <li>• maximum loan quantity</li> </ul> </li> <li>• ENTER:                             <ul style="list-style-type: none"> <li>• new percentage</li> <li>• new loan quantity</li> <li>• “Y” or “N”, as applicable, to the question, “Additional lots?”</li> </ul> </li> <li>• PRESS “Enter”.</li> </ul>	Screen PLB13000 will be displayed.
12	<p>On Screen PLB13000:</p> <ul style="list-style-type: none"> <li>• the following information is displayed:                             <ul style="list-style-type: none"> <li>• seal number</li> <li>• mortgaged quantity</li> <li>• loan quantity</li> <li>• loan rate</li> <li>• total loan amount</li> </ul> </li> <li>• PRESS “Enter”.</li> </ul>	Screen PLB13500 will be displayed.

Continued on the next page

980 Processing Manual Honey Loans (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result
13	On Screen PLB13500:  1. the following information is displayed:  2. mortgaged quantity 3. loan quantity 4. loan amount 5. service fees  6. PRESS "Enter".	Screen PLB13505 will be displayed.
14	On Screen PLB13505:  7. the following information is displayed:  8. gross loan amount 9. total loan amount 10. service fees  11. PRESS "Enter".	Screen PLB13510 will be displayed.
15	On Screen PLB13510:  • enter:  • disbursement date • loan amount • disbursement amount  • the following information will be system-displayed:  • mortgaged quantity • loan quantity  • PRESS "Enter".	Menu PLA005 will be displayed.

Continued on the next page

980 Processing Manual Honey Loans (Continued)

**A**  
**APSS Procedure**  
**(Continued)**

Step	Action	Result	
16	On Menu PLA005: <ul style="list-style-type: none"> <li>• enter the applicable option number</li> <li>• PRESS “Enter”.</li> </ul>	Screen PLA13005 will be displayed.	
17	On Screen PLA13005: <ul style="list-style-type: none"> <li>• enter:                             <ul style="list-style-type: none"> <li>• UCC-1 or chattel mortgage filing date</li> <li>• date of lien search</li> <li>• original loan approval date</li> <li>• “Y” to the question, “Do you wish to complete this process?”</li> </ul> </li> <li>• PRESS “Enter”.</li> </ul>	Screen PCA97000 will be displayed.	
18	On Screen PCA97000: <ul style="list-style-type: none"> <li>• enter the printer ID to print forms and reports</li> <li>• PRESS “Enter”.</li> </ul>	CCC-677 will print and Screen PCE52010 will be displayed.	
19	On Screen PCE52010, ENTER “Y” or “N” to the question, “Do you want to reprint this form?”	<b>IF...</b>	<b>THEN...</b>
		“Y”	<ul style="list-style-type: none"> <li>• CCC-677 will be reprinted</li> <li>• Screen PCE52010 will be redisplayed; repeat this step.</li> </ul>
		“N”	CCC-677 will be printed.
20	The Accounting-Checkwriting procedure will begin. See 1-FI for Accounting-Checkwriting procedure.	After Accounting-Checkwriting procedure is completed, Menu PCA005 will be redisplayed. Return to step 1.	

981-986 (Reserved)



## \*--Section 7 Honey Loan Settlements

## 987 Processing Honey Loan Settlements

## A APSS Procedure

Process honey loan settlements according to the following table.

Step	Action	Result
1	On Menu PCA005: <ul style="list-style-type: none"> <li>• ENTER "5"</li> <li>• PRESS "Enter".</li> </ul>	Screen PCA11000 will be displayed.
2	On Screen PCA11000: <ul style="list-style-type: none"> <li>• ENTER producer last name</li> <li>• ENTER crop year</li> <li>• ENTER loan number</li> <li>• PRESS "Enter".</li> </ul>	Screen MACR04-01 will be displayed.
3	On Screen MACR04-01: <ul style="list-style-type: none"> <li>• select the number for the name of the correct producer</li> <li>• PRESS "Enter"</li> </ul>	Screen PCA12000 will be displayed.
4	On Screen PCA12000: <ul style="list-style-type: none"> <li>• ENTER "Y" or "N" to the question, "Is this the correct producer?"</li> <li>• PRESS "Enter".</li> </ul>	Screen PCA14000 will be displayed.
5	On Screen PCA14000, ENTER "Y" or "N" to the questions: <ul style="list-style-type: none"> <li>• "Is this the correct loan?"</li> <li>• "Do you wish to see bin/receipt information for this loan?"</li> </ul> PRESS "Enter".	Screen PSA10000 will be displayed.
6	On Screen PSA10000, enter: <ul style="list-style-type: none"> <li>• amount to be settled</li> <li>• maximum quantity for delivery</li> <li>• final date for delivery (MMDDYY)</li> <li>• "Y" or "N" to the question, "Is this a partial delivery?"</li> </ul> PRESS "Enter".	Screen PSA10005 will be displayed.
7	On Screen PSA10005: <ul style="list-style-type: none"> <li>• enter applicable "Delivery Option Number"</li> <li>• PRESS, "Enter".</li> </ul>	Screen PSA11015 will be displayed.

--\*

Continued on the next page

**\*--987 Processing Honey Loan Settlements (Continued)**

**A APSS Procedure (Continued)**

Step	Action	Result
8	On Screen PSA11015, enter: <ul style="list-style-type: none"> <li>• date delivery completed</li> <li>• gross pounds</li> <li>• net weight (bu., cwt., lb.)</li> <li>• warehouse code of nearest approved warehouse</li> <li>• total quantity sold</li> <li>• amount received from proceeds</li> <li>• local sale authorization number.</li> </ul> PRESS "Enter".	Screen PSA19000 will be displayed.
9	On Screen PSA19000, enter: <ul style="list-style-type: none"> <li>• lot number</li> <li>• class</li> <li>• quality</li> <li>• number of containers</li> <li>• container size</li> <li>• certificate number</li> <li>• color</li> <li>• floral source</li> <li>• moisture</li> <li>• adulteration.</li> </ul> PRESS "Enter".	Screen PSA21000 will be displayed.
10	On Screen PSA21000, calculated settlement rate will be displayed.  If the calculated rate shown is <b>not</b> acceptable, special rate. See 8-LP, paragraph 1020.  PRESS "Enter".	Screen PSA21000 (Cont) will be displayed.
11	On Screen PSA21000, ENTER "Y" or "N" as applicable to the following: <ul style="list-style-type: none"> <li>• are storage charges for early delivery applicable?</li> <li>• is storage credit over 60 days applicable?</li> <li>• if loan was called, enter required settlement date? (MMDDYY)</li> <li>• do you have additional receipts/lots to process?</li> </ul> PRESS "Enter".	Screen PSA24000 will be displayed.

--\*

Continued on the next page

**\*--987 Processing Honey Loan Settlements (Continued)**

**A APSS Procedure (Continued)**

Step	Action	Result
12	<p>On Screen PSA24000, enter any of the following if applicable:</p> <ul style="list-style-type: none"> <li>• hauling</li> <li>• shelling</li> <li>• weighing</li> <li>• grading</li> <li>• other charges.</li> </ul> <p>PRESS "Enter".</p>	Screen PSA25000 will be displayed.
13	<p>On Screen PSA25000:</p> <ul style="list-style-type: none"> <li>• producer owes CCC-print this screen and use to create a demand letter</li> <li>• the following information will be displayed:                             <ul style="list-style-type: none"> <li>• charges</li> <li>• credits</li> <li>• value of delivery</li> <li>• outstanding principal</li> <li>• settlement balance</li> </ul> </li> <li>• PRESS "Enter".</li> </ul>	Screen PCA97000 will be displayed.
14	<p>On Screen PCA97000, enter the following:</p> <ul style="list-style-type: none"> <li>• printer ID to print forms and reports</li> <li>• number of copies to be printed.</li> </ul> <p>Local Sales Report will be printed.</p> <p>PRESS "Enter".</p>	Screen PCE60010 will be displayed.
15	<p>On Screen PCE60010, CCC-692 will be printed.</p> <p>ENTER "Y" or "N" to the question, "Do you want to reprint this form?"</p> <p>PRESS "Enter".</p>	Main Menu PCA005 will be redisplayed.

--\*



Reports, Forms, Abbreviations, and Delegations of Authority

Reports

None

Forms

This table lists the forms referenced in this handbook.

Number	Title	Display Reference	Reference
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents		15, 123
CCC-169	Honey Sampling Worksheet		800
CCC-184	CCC Check		Text
CCC-500	Loan Repayment Receipt		602, 970
CCC-502	Farm Operating Plan for Payment Eligibility Review		102
CCC-502C	Farm Operating Plan for Payment Eligibility Review for Corporations, Limited Partnerships or Other Similar Entities		3
CCC-601	Commodity Credit Corporation Note and Security Agreement Terms and Conditions		120
CCC-633 (Honey)	Honey Nonrecourse Market Assistance Loan Certification and Worksheet	125	Text
CCC-633 EZ	Loan Deficiency Payment Certification and Application	205	Text
CCC-638	Confirmation of Sale	822	638, 820
CCC-639	Competitive Bid Pricing Worksheet	822	639, 820

## Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

## Forms (Continued)

Number	Title	Display Reference	Reference
CCC-676	LDP and Loan Number Register		120
CCC-677	Farm Storage Note and Security Agreement		18, 120, 966, 980
CCC-677-1	Farm Storage Loan Worksheet		401, 402
CCC-679	Lien Waiver		122
CCC-681-1	Authorization for Delivery of Loan Collateral for Sale		15, 425, 600, 620, 630
CCC-686	Application for Loan or Loan Deficiency Payment by Heirs (On a Commodity Produced by a Person Who Has Died)	904	
CCC-691	Commodity Delivery Notice	860	800, 820, 822, 823, 861, 901
CCC-692	Settlement Statement		987
CCC-694-1 (Reverse)	CCC-Determined Value and Commodity Certificate Worksheet		660
CCC-697	Request to Lock in a Market Loan Repayment Rate		15, 601, 631, 660
CCC-700	Loan Deficiency Payment Statement		206
CCC-700A	Loan Deficiency Payment Statement (Continuation of CCC-700)		206
CCC-770 LDP/eLDP	Loan Deficiency Payment (LDP) and eLDP Program Review Checklist		15
CCC-770 MAL	Marketing Assistance Loan (MAL) Processing Checklist		15
CCC-1099-G	Report of Loan Forfeiture, Settlement, and Abandonment to Producer		660

## Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

## Forms (Continued)

<b>Number</b>	<b>Title</b>	<b>Display Reference</b>	<b>Reference</b>
FSA-211	Power of Attorney		3, 17
FSA-237	Facsimile Signature Authorization and Verification		201, 202, 205
FSA-578	Report of Acreage		101
FV-146	Certificate of Quality and Condition (Processed Foods)	Ex. 40	800, 860, 861
UCC-1	Financing Statement		15, 980

## Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

### Abbreviations Not Listed in 1-CM

This table lists abbreviations not listed in 1-CM.

<b>Approved Abbreviation</b>	<b>Term</b>	<b>Reference</b>
CO&AB	Cash Operations & Analysis Branch, FOD, KCFO	861
CPDB	Carbon Pee Dee Belemnite	848
DMA	Designated Marketing Association	205
EFT	electronic funds transfer	200, 610, 611
F.O.B.	free on board	822, 823
FOD	Financial Operations Division, KCFO	861
HELC	highly erodible land conservation	17, 101
IBC	Intermediate Bulk Container	111, 402
MAL	marketing assistance loan	200, 205, Ex. 16
SCIRA	Stable Carbon Isotope Ratio Analysis	848
WC	wetland conservation	17, 101

### Delegations of Authority

Delegation authority is provided in 8-LP.



## Definitions of Terms Used in This Handbook

### \*--Alternative Repayment Rate

The alternative repayment rate is the rate for honey loans that is determined and--\* announced by CCC.

The repayment amount could be greater than the loan rate but less than principal plus interest.

### Beneficial Interest

Beneficial interest in the honey must:

- be in the producer tendering the honey as security for a loan
- always have been in the producer before this honey was extracted.

### Class

Class is the rating of honey based on quality.

Eligible honey shall be segregated into 2 classes for FSA purposes:

- table
- nontable.

## Definitions of Terms Used in This Handbook (Continued)

### Crop Year

The crop year is the calendar year in which honey is extracted.

The loan season starts April 1 and continues through March 31 of the following year.

**Example:** Honey extracted:

- \*--in January, February, and March 2007 is not eligible for loan until April 1, 2007, and is considered 2007 crop honey
- by December 31, 2006, is eligible for loan through March 31, 2007, and is considered 2006 crop honey.--\*

### Extracted Honey

Extracted honey is honey which has been physically removed from the honeycomb.

### LDP

LDP's are payments made to producers who, although eligible to obtain a CCC loan, agree to forgo the loan in return for a payment on eligible honey.

### Lot

A lot is defined as honey offered 1 time by the applicant, in 1 container size, of 1 declared color, of 1 declared floral source, and stored at 1 location.

### Lot Number

The lot number is the number assigned by the County Office that:

- begins with "1" and continues serially for each loan or LDP
- designates specific lots within a loan or LDP.

**Definitions of Terms Used in This Handbook (Continued)**

---

**Nontable Honey**

Nontable honey is honey that:

- has a predominant flavor of limited acceptability for table use
  - may be considered suitable for table use in areas in which it is produced.
- 

**Producer-Packer**

A producer-packer is a producer who packages a quantity of honey for retail sale. The same producer may also sell part of the honey production in eligible loan containers. This producer would still be considered a producer-packer.

---

**Settlement Value**

Settlement value is the value of the honey determined by AMS certifications for color, moisture, and adulteration.

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Continued on the next page

**Definitions of Terms Used in This Handbook (Continued)**

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**Table Honey**

Table honey is honey that:

- has a good flavor of a predominant floral source
  - can be readily marketed for table use in all parts of the United States.
- 

**Third Party**

A third party is a person or firm, other than CCC or the producer, that has control of a facility containing honey pledged as collateral for a price support loan.

---

**Unauthorized Disposition**

Unauthorized disposition is the disposing of collateral under loan without prior written authorization from CCC.

---

**Unauthorized Removal**

Unauthorized removal is the movement of honey loan collateral:

- from the storage structure in which the honey was stored when the loan was approved to any other storage structure, whether or not this structure is located on the producer's farm
  - without prior written authorization from CCC.
-

**Floral Sources and Applicable Codes**

**Exhibit 4  
(Par. 110, 980)**

\*--

<b>Table Honey</b>		<b>Non Table Honey</b>	
<b>Predominant Floral Source</b>	<b>Code</b>	<b>Predominant Floral Source</b>	<b>Code</b>
Alfalfa	ALFA	Aster	ASTE
Apple	APPL	Athel	ATHE
Basswood	BASS	Avocado	AVOC
Bird's-Foot Trefoil	BIRD	Brazilian Pepper	BRPE
Blackberry	BLAC	Buckwheat	BUCK
Blueberry	BLUE	Cabbage Plametto	CABB
Brazil Brush	BRBU	Christmas Berry	CHRB
Catsclaw	CATS	Cranberry	CRAN
Chinese Tallow	CHIN	Dandelion	DAND
Clover	CLOV	Eucalyptus	EUCA
Cotton	COTT	Goldenrod	GOLD
Fireweed	FIRE	Heartsease (Smartweed)	HEAR
Gallberry	GALL	Horsemint	HORS
Huajillo	HUAJ	Kiawe (Algaroba)	KIAW
Knapweed (American)	KNAP	Loosestrife	LOOS
Lima Bean	LIMA	Macadamia	MACA
Mesquite	MESQ	Mangrove	MANG
Orange	ORAN	Manzanita	MANZ
Raspberry	RASP	Mint	MINT
Sage	SAGE	Partridge Pea	PART
Saw Palmetto	SAWP	Rattan Vine	RATT
Snowberry	SNOW	Safflower	SAFF
Sourwood	SOUR	Salt Ceder (Tamarix Gallica)	SALT
Soybean	SOYB	Spanish Needle	SPAN
Star Thistle (Barnaby's Thistle)	STAR	Spikeweed	SPIK
Sunflower	SUNF	Titi	TITI
Sweet Clover	SWEE	Toyon	TOYO
Tupelo	TUPE	Tulip Poplar	TULI
Vetch	VETC	Wild Cherry	WICH
Western Wild Buckwheat	WEST	Yaupon	YAUP
Wild Alfalfa	WIAF	Other Non Table	OTHN
Other Table	OTHT		

--\*



**2002-2007 Support Rates for Honey Loans**

**A 2002-2007 Crop Loan Rate and Survey Price**

The national average loan rate for the applicable crop year honey is 60 cents per pound.

County Offices shall use 60 cents per pound to calculate initial disbursements, additional disbursements, and transfers for the applicable crop year honey loans.

Monthly CCC honey survey prices for MAL's can be found on the FSA Internet at <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=col-nl-hl>; CLICK "View Monthly CCC Honey Survey Prices" located under "I Want To".

**\*--B 2006 and 2007 Crop Settlement Values**

The following tables list the premiums and discounts that shall be applied to the national average loan rate to calculate settlements of delivered loan collateral to CCC for 2006 and 2007 crop--\* honey.

\* \* \*

<b>Class</b>	<b>Premiums/Discounts for 2006 Crop (cents/lbs.)</b>
White	4.7
Extra Light Amber	-0.9
Light Amber	-6.8
Amber and Nontable	-10.3

\*--

<b>Class</b>	<b>Premiums/Discounts for 2007 Crop (cents/lbs.)</b>
White	2.8
Extra Light Amber	0.5
Light Amber	-3.5
Amber and Nontable	-5.2


--\*





FV-146 Example

The following is an example of FV-146 completed by AMS.

UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE		Please refer to this certificate by number and inspection office.																
<b>CERTIFICATE OF QUALITY AND CONDITION (PROCESSED FOODS)</b>		<b>A-</b> 774368  DATE February 3, 1989																
This certificate is receivable in all courts of the United States as prima facie evidence of the truth of the statements therein contained. It does not excuse failure to comply with any applicable Federal or State laws. <b>WARNING: Any person who knowingly falsely make, issue, alter, forge, or counterfeit this certificate, or participate in any such action, is subject to a fine of not more than \$1,000 or imprisonment for not more than one year, or both (7U.S.C. 1622 (h)).</b> The conduct of all services and the licensing of all personnel under the regulations governing such services shall be accomplished without discrimination as to race, color, religion, sex, or national origin.																		
APPLICANT TSA	ADDRESS Dawson County FSA Office Box 310 Lexington, Nebraska 68820																	
RECEIVER OR BUYER	ADDRESS																	
SOURCE OF SAMPLES Submitted by TSA	PRODUCT INSPECTED UNPROCESSED HONEY																	
CODE MARKS ON CONTAINERS	WAREHOUSE LOT NO. 1968019 ACCOUNTING NO. 31 047 309																	
PRINCIPAL LABEL MARKS	Unlabeled																	
	<table border="0"> <tr> <td>Floral Source</td> <td>- Sunflower</td> </tr> <tr> <td>Moisture</td> <td>- 16.9 to 16.8 percent</td> </tr> <tr> <td>Average Moisture</td> <td>- 16.3 percent</td> </tr> <tr> <td>Type</td> <td>- Partially Crystallized</td> </tr> <tr> <td>Color</td> <td>- 1 sample unit - Extra Light Amber (D) - 2 sample units - Extra Light Amber (D)</td> </tr> <tr> <td>Color of the Lot as a whole</td> <td>- Extra Light Amber (C)</td> </tr> <tr> <td>Flavor</td> <td>- Level 1</td> </tr> <tr> <td>Defects</td> <td>- Level 1</td> </tr> </table>		Floral Source	- Sunflower	Moisture	- 16.9 to 16.8 percent	Average Moisture	- 16.3 percent	Type	- Partially Crystallized	Color	- 1 sample unit - Extra Light Amber (D) - 2 sample units - Extra Light Amber (D)	Color of the Lot as a whole	- Extra Light Amber (C)	Flavor	- Level 1	Defects	- Level 1
Floral Source	- Sunflower																	
Moisture	- 16.9 to 16.8 percent																	
Average Moisture	- 16.3 percent																	
Type	- Partially Crystallized																	
Color	- 1 sample unit - Extra Light Amber (D) - 2 sample units - Extra Light Amber (D)																	
Color of the Lot as a whole	- Extra Light Amber (C)																	
Flavor	- Level 1																	
Defects	- Level 1																	
GRADE:	MEETS Level 3 Requirements of CCO Specifications for Unprocessed Honey dated April 30, 1985.																	
REMARKS:	The FSA Honey Sampling Worksheet shows there are 3 55-gal. drums (1,2325 pounds) in the lot. Product packed in metal drums. Samples drawn from lot located at Howard Halbacachs, Rt. 2, Box 73A, Cloud, NE 69130. Producer is Edward Halbacachs, Rt. 2, Box 73A, Cloud, Ne. 69130.																	
Pursuant to the regulations issued by the Secretary of Agriculture under the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621-1627), governing the inspection certification of the product designated herein, I certify that the quality and condition of the product as shown by samples inspected on the above date were as shown, subject to any restrictions specified above.																		
 ADDRESS OF INSPECTION OFFICE 749 E. Fond du Lac Street Ripon, Wisconsin 54971		SIGNATURE OF INSPECTOR in charge  <i>/s/ Leo R. Bethke</i>																
FV-146CS (11-01) (Previous edition dated 09-00 may be used.)																		



**Example of CCC-169**

The following is an example of CCC-169.

**This form is available electronically.**

<b>CCC-169</b> U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation (07-21-05)		1. CROP YEAR  200X		2. ACCOUNT NUMBER A. ST. CODE      B. CO. CODE      C. NO. 05                      024                      363		
<b>HONEY SAMPLING WORKSHEET</b>						
3A. NAME AND ADDRESS OF PRODUCER  Bobby Lewis Rt. 6 Box 18 Honeytown, PA 55221			4A. COUNTY OFFICE AND ADDRESS  Honeytown County FSA Office 600 Bee Drive Honeytown, PA 55221			
3B. PRODUCER'S TELEPHONE NUMBER  522-123-8777			4B. COUNTY OFFICE TELEPHONE NUMBER  522-123-6060			
5. LOT NUMBER	6. FLORAL SOURCE	7. CONTAINERS		8. NET WEIGHT OF LOT (lbs.)	9. NUMBER OF SAMPLES	
		A. NUMBER	B. SIZE (Gallons)			
08	Blackberry	100	5	6000	6	
10. REMARKS  Container Condition: Good						
11A. SIGNATURE OF FSA REPRESENTATIVE  <i>/s/ Cordell A. Smith</i>		11B. TITLE  <b>County Executive Director</b>		11C. DATE (MM-DD-YYYY):  <b>5-14-200X</b>		

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**AMS Grading Laboratories**

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**A**

**Selecting  
Appropriate  
Laboratory**

Select the laboratory that serves the appropriate State. If there is doubt about the correct laboratory, contact 1 of the laboratories in the appropriate area before submitting samples.

Mail samples to the following:

Officer In Charge  
Processed Product Branch  
F&V Division  
USDA, AMS Inspection Office.

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Continued on the next page

**AMS Grading Laboratories (Continued)**

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**B**

**Eastern Region**      The following is a list of field locations for the eastern region.

<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Winter Haven, Florida</b></p> <p>Ann S. Pinner, Officer in Charge            Clyde Thornhill, Assistant Officer in Charge            98 Third St., SW            Winter Haven, FL 33880-2905            Phone: 863-294-7416            FAX: 863-294-4219            Hours: 8:00 to 4:30 e.t.</p>	<p>Lincoln Square Bldg.            18441 N.W. 2<sup>nd</sup> Ave., Suite 103            Miami, FL 33169-4517            Phone: 305-999-3350            FAX: 305-652-1765            Hours: 8:00 to 4:30 e.t.</p>
<p><b>East Point, Georgia</b></p> <p>1651 Phoenix Blvd., Suite 1            East Point, GA 30349            Phone: 707-909-6780            FAX: 707-909-7540            Hours: 8:00 to 4:30 e.t.</p>	
<p><b>South Bend, Indiana</b></p> <p>4318 Technology Drive            South Bend, IN 46628-9752            Phone: 219-287-5407            Hours: 8:00 to 4:30 e.t.</p>	<p>c/o Vroom Cold Storage            Russell Road            Hart, MI 49420-0113            Phone: 616-873-5654            Hours: 8:00 to 4:30 e.t.</p>

Continued on the next page

**AMS Grading Laboratories (Continued)**

**B**  
**Eastern Region**  
**(Continued)**

<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Hunt Valley, Maryland</b></p> <p>Hunt Valley Professional Bldg. 9 Schilling Road Hunt Valley, MD 21031-8604 Phone: FTS : 410-584-9008 Comm: 410-527-0400 or 410-527-0401 FAX: 410-527-0402 Hours: 8:00 to 4:30 e.t.</p>	<p>Defense Personnel Support Center/USDA 700 Robbins Ave. Bldg. 5D South, Room 5D308 Philadelphia, PA 19111 Phone: 215-737-2598 FAX: 215-737-7965 Hours: 8:00 to 4:30 e.t.</p>
	<p>102 Maryland Avenue Easton, MD 21601-3409 Phone: 410-822-3383 FAX: 410-822-9069 Hours: 8:00 to 4:30 e.t.</p>
<p><b>Portland, Maine</b></p> <p>165 Lancaster Street Portland, ME 04101-2406 Phone: 207-772-1588 FAX: 207-780-3243 Hours: 8:00 to 4:30 e.t.</p>	
<p><b>North Brunswick, New Jersey</b></p> <p>Park Plaza Professional Bldg., Suite 304 622 Georges Road North Brunswick, NJ 08902-3377 Phone: 732-545-0939 FAX: 732-545-1909 Hours: 8:00 to 4:30 e.t.</p>	<p>Genesee Valley Regional Market 900 Jefferson Road, Room 110 Rochester, NY 14623-3289 Phone: 716-424-2096 or 716-424-2092 FAX: 716-424-2169 Hours: 8:00 to 4:30 e.t.</p>

Continued on the next page

**AMS Grading Laboratories (Continued)**

**B**  
**Eastern Region**  
**(Continued)**

<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Puerto Rico</b></p> <p>Federal State Inspection Service General Service Administration Center 651 Federal Drive, Suite 103-05 Guaynabo, Puerto Rico 00965-1030 Phone: 787-783-2230 or 787-783-4116 FAX: 787-782-3768 Hours: 8:00 to 4:30 e.t</p>	
<p><b>Weslaco, Texas</b></p> <p>3622 Moreland Drive Weslaco, TX 78596-9131 Phone: 956-514-5562 or 956-514-5439 FAX: 956-825-7296 Hours: 8:00 to 4:30 c.t.</p>	<p>716 South 2nd Street, Suite 106 Stillwell, OK 74960-4806 Phone: 918-696-6333 FAX: 918-696-5568 Hours: 8:00 to 4:30 c.t.</p>
	<p>2320 La Branch Street Federal Building, Room 1011 Houston, TX 77004-1036 Phone: 713-659-3836 Hours: 7:00 to 3:30 c.t.</p>

Continued on the next page



AMS Grading Laboratories (Continued)

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**B**  
**Eastern Region**  
**(Continued)**

<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<b>Richmond, Virginia</b>  No. 1 North 14th Street, Room 332 Richmond, VA 23219-3601 Phone: 804-786-0930 FAX: 804-786-7130 Hours: 8:00 to 4:30 e.t.	
<b>Ripon, Wisconsin</b>  742 East Fond du Lac Street Ripon, WI 54971-9555 Phone: 920-748-2287 FAX: 920-748-5828 Hours: 8:00 to 4:30 e.t.	2126 Hoffman Road Mankato, MN 56001-5863 Phone: 507-387-6101 FAX: 507-387-3201 Hours: 8:00 to 4:30 e.t.

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Continued on the next page

**AMS Grading Laboratories (Continued)**

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**C**

**Western Region**      The following is a list of field locations for the western region.

<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Covina, California</b></p> <p>720 East Arrow Highway, Suite F Covina, CA 91722-2103 Phone: 626-732-9178 FAX: 626-732-0159 Hours: 7:30 to 4:00 p.t.</p>	<p>45691 Monroe Street, Suite 3 Indio, CA 92201-3440 Phone: 760-347-1057 FAX: 760-775-3935 Hours: 7:30 to 4:00 p.t. (March 1 through August 31) 8:30 to 5:00 p.t. (September 1 through February 28)</p>
<p><b>Fresno, California</b></p> <p>2202 Monterey Street, Suite 102-A Fresno, CA 93721-3129 Phone: 209-487-5210 Hours: 8:00 to 4:30 p.t.</p>	<p>17850 Moro Road, Suite C Salinas, CA 93907-8564 Phone: 831-663-6221 FAX: 831-663-5764 Hours: 8:00 to 4:30 p.t.</p>
<p><b>Stockton, California</b></p> <p>5635 Stratford Circle, Suite 11 Stockton, CA 95207-5055 Phone: 209-946-6301 FAX: 209-476-8919 Hours: 8:00 to 4:30 p.t.</p>	

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**AMS Grading Laboratories (Continued)**

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**C**  
**Western Region**  
**(Continued)**

<b>Laboratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Honolulu, Hawaii</b></p> <p>State of Hawaii Dept. of Agriculture P.O. Box 22159 Honolulu, HI 96823-2159 Phone: 808-832-0700 FAX: 808-832-0683 Hours: 7:45 to 4:30 h.t.</p>	
<p>State of Hawaii Dept. of Agriculture 1851 Auiki St. Honolulu, HI 96819-3100 Phone: 808-832-0700 FAX: 808-832-0683 Hours: 7:45 to 4:30 h.t.</p>	
<p><b>Salem, Oregon</b></p> <p>340 High Street, NE Salem, OR 97301-3631 Phone: 503-399-5761 Hours: 8:00 to 4:30 p.t.</p>	

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**AMS Grading Laboratories (Continued)**

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**C**  
**Western Region**  
**(Continued)**

<b>Labratory</b>	<b>Inspection Points or Suboffice</b>
<p><b>Yakima, Washington</b></p> <p>32 North 3rd Street, Room 212 Yakima, WA 98901-2791 Phone: 509-575-5869 FAX: 509-575-5881 Hours: 8:00 to 4:30 p.t.</p>	<p>1184 East Main Street, #2 Burley, ID 83318 Phone: 208-677-2216 FAX: 208-677-2325 Hours: 8:00 to 4:30 m.t.</p>
	<p>111 South Main Street Milton-Freewater, OR 97862-1342 Phone: 541-938-3251 FAX: 541-938-7678 Hours: 8:00 to 4:30 p.t.</p>
	<p>1193 Royvonne Ave., S.E., Suite 16 Salem, OR 97302-6502 Phone: 503-399-5761 FAX: 503-399-5846 Hours: 8:00 to 4:30 p.t.</p>

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