

**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.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
	1-27, 1-28 4-17 through 4-20 6-121, 6-122 8-95, 8-96	1, pages 1, 2



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.

\* \* \*

\*--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.

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205 Completing CCC-633 EZ (Continued)

F Example of CCC-633 EZ

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

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This form is available electronically. Form Approved - OMB No. 0560-0129

<b>CCC-633 EZ</b> (09/05/07)		<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation		<b>1. Name and Address of Producer (Include ZIP Code) (Please Print)</b> Gladys Burns 501 Farmer Ave Gretna, PA 19502	
<b>LOAN DEFICIENCY PAYMENT (LDP) AGREEMENT AND REQUEST</b>					
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:					
• <b>title to the commodity</b>			• <b>control of the commodity</b>		
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.					
<b>PART A - TERMS AND CONDITIONS</b>					
• 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.					
• 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).					
• 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.					
• CCC may request copies of contracts and supplemental documentation to determine eligible quantity and when beneficial interest was lost.					
• 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.					
• All producers with an interest in the quantity covered by this agreement must sign a CCC-633 EZ Part C, to obtain LDP benefits.					
<b>PART B - METHODS OF PAYMENT REQUEST (Request must be submitted by final loan/LDP availability date.)</b>					
• 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.					
• 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.					
• Submission of an eLDP shall be a request for payment. The CCC-633 EZ Part E is not required for that specific quantity.					
• <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.					
<b>PART C - PRODUCER SIGNATURE AND CERTIFICATION (For additional signatures, complete CCC-633 EZ Continuation Part C)</b>					
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.					
6. Signature of Producer		7. Date (MM-DD-YYYY)		6. Signature of Producer	
/s/ Gladys Burns		06-01-200X			
<b>PART D - CCC AGREEMENT (FOR CCC USE ONLY)</b>					
8. Signature of CCC Representative			10. Date (MM-DD-YYYY)		11. Additional Information
/s/ Cordell Williams			06/01/200X		
9. Title of CCC Representative			12. Name and Address of County FSA Office or LSA or DMA		
County Executive Director			Cook County FSA Office 533 Cornwall Drive Monroe, PA 19500		
<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 288, 289, 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 0560-0129. 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.					

Page 1

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (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 to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

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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 Barns	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		

Page 2

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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.



**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.

**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.--\*

## 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