



NOTICE TO THE INDUSTRY

CRD-05-01

United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Farm Service
Agency

Kansas City
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Date: November 10, 2004

To: Exporters who are authorized participants in the Upland Cotton User Marketing Certificate Program and/or the Special Competitiveness Provisions for Extra Long Staple Cotton

Subject: Through Bills of Lading from the Port of Memphis, Tennessee

This notice clarifies the documentation exporters must submit to the Kansas City Commodity Office and the documentation that exporters must maintain in their files to substantiate the date of export for barge shipments from the Port of Memphis, Tennessee on a through bill of lading.

Recently, it has come to our attention that certain steamship lines are offering through-service from the Port of Memphis, Tennessee directly to foreign destinations. It has been determined that these shipments will not be considered intermodal as defined in Section C3 of your Exporter Agreement(s) with Commodity Credit Corporation.

Under the provisions of both Agreements the exporter must furnish certain documentation with each application for payment. For valid exports from the Port of Memphis, Tennessee, the exporter must submit a bill of lading (or sea waybill) showing the foreign port of discharge, and must include the Destination Control Statement found at 15 CFR 758.6 to wit:

These Commodities were exported from the United States in accordance with the Export Administration Regulations. Diversion contrary to U.S. law is prohibited.

In addition, the exporter is required to maintain in their files a Shippers Export Declaration (U.S. Census Bureau Form 7525-V) to support the date of export. This documentation must be made available for on site reviews and, if required, forwarded to our office.

This procedural change applies only to barge shipments from the Port of Memphis, Tennessee. Similar barge service originating from other interior points will be evaluated on a case-by-case basis. All other through shipments (air, rail and road) will be considered intermodal, and date of export will be determined by the on-board bill of lading



for the ocean going vessel. Inquiries may be directed to the Financial Review Branch at the address listed in Section A-8 of your Agreement, or by phone at (816)926-6663 or by facsimile at (816)823-1805.

/s/

George W. Aldaya
Director