

For: CMA's and State and County Offices

2002 Through 2007 Crop Year LDP Program for Unshorn Pelts

Approved by: Deputy Administrator, Farm Programs



1 Overview

A

Background

Section 1205(a)(2) of the Farm Security and Rural Investment Act of 2002 (the Act) provides that the Secretary may make LDP's available to eligible producers that produce nongraded wool in the form of unshorn pelts for 2002 through 2007 crop years.

Note: Unshorn pelts derived from an eligible loan commodity are **not** eligible for a marketing assistance loan.

B

Purpose

This notice provides general policies and procedures for:

- implementing the 2002 through 2007 crop year LDP program for unshorn pelts
- accepting LDP requests using the new CCC-709 PELT and CCC-633 PELT
- authorization to disburse LDP's for unshorn pelts.

| | |
|---|---|
| <p>Disposal Date</p> <p>December 1, 2003</p> | <p>Distribution</p> <p>State Offices; State Offices relay to County Offices and FAX to CMA's</p> |
|---|---|

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2 General Policies

A

General Policy Overview

Nongraded wool in the form of unshorn pelts are only eligible for an LDP. General LDP policies in 8-LP are applicable to LDP's for unshorn pelts.

Note: The policy included in this notice is specific to unshorn lamb pelts and will be incorporated as a subpart in 8-LP.

B

Producer Eligibility

To be eligible for an LDP for unshorn pelts, producers must:

- meet the definition of an eligible producer according to 8-LP
- comply with highly erodible land conservation (HELCS) or wetland conservation (WC) provisions according to:
 - 6-CP
 - regulations in 7 CFR Part 12
- have beneficial interest in the commodity, according to 8-LP, paragraph 129
- own the unshorn lamb for at least 30 calendar days before the date of slaughter
- sell the unshorn lamb for immediate slaughter or slaughter the unshorn lamb for personal use.

Note: Immediate slaughter is considered slaughter of the lamb within a 7 to 10 calendar day period after loss of beneficial interest. Personal use is considered slaughter for use of the pelt as clothing, shelter, or other personal use determined acceptable by COC.

Continued on the next page

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2 General Policies (Continued)

C

Ineligible Producers

The following producers are ineligible to request benefits on unshorn pelts produced from unshorn lambs purchased from eligible producers:

- lamb slaughter companies
- order buyers representing lamb slaughter companies
- processors.

Note: Producers who sell feeder lambs to a feeder lamb buyer are ineligible for an LDP on the unshorn pelt. However, the feeder lamb buyer is eligible if the feeder lamb buyer is an eligible producer according to subparagraph B.

D

Commodity Eligibility

To be eligible for an LDP, the unshorn pelt must:

- have been produced by an eligible producer
 - be produced from a live unshorn lamb of domestic origin in the United States at the time beneficial interest is lost.
-

E

Applicable LDP Forms

When requesting an LDP for unshorn pelts, producers must complete:

- CCC-709 PELT, according to paragraph 5, for field direct LDP's
 - CCC-633 PELT, according to paragraph 6, for basic LDP's.
-

F

Final Loan Availability Date

The final loan availability date to request an LDP for unshorn pelts is January 31 of the year following the year in which the unshorn lamb is slaughtered. **For the 2002 crop year only**, the final loan availability date to request an LDP for unshorn pelts has been extended to **March 31, 2003**.

For 2003 through 2007 crop years the final date to request an LDP for unshorn pelts will remain January 31 of the year following the year in which the unshorn lamb is slaughtered.

Continued on the next page

2 General Policies (Continued)

G

**Payment
Limitation**

LDP's received by a producer for unshorn pelts are included in one \$75,000 payment limitation per crop year for the following commodities:

- wool
 - mohair
 - peanuts
 - honey.
-

H

**Unshorn Pelt
Definition**

An unshorn pelt is the removed skin and attached wool from a slaughtered lamb that has never been shorn.

I

Standard Weight

LDP's for unshorn pelts will be based on a standard weight of 6.865 pounds per pelt.

3 Beneficial Interest Policies

A

2002 Crop Beneficial Interest Waiver for LDP's

Eligible producers of unshorn pelts who lost beneficial interest before the end of the 2002 crop year on December 31, 2002, are eligible to request an LDP based on the date beneficial interest was lost in the unshorn lamb(s). Producers are required to provide acceptable production evidence which indicates the date beneficial interest was lost with the LDP request. See subparagraph 4 E for acceptable production evidence requirements.

LDP requests for unshorn pelts must be submitted by the final LDP request date provided in subparagraph 2 F:

- on CCC-709 PELT for producers who:
 - lost beneficial interest during the 2002 crop year
 - slaughtered an unshorn lamb for personal use
- on CCC-633 PELT for producers who maintain beneficial interest in the unshorn pelt.

County Offices shall honor any LDP requests for unshorn pelts submitted to the County Office during the 2002 crop year if the request was made either:

- in writing
 - on existing CCC-633 LDP or CCC-709.
-

B

Direct Sell to Lamb Slaughter Companies

Eligible producers who sell unshorn lambs directly to a slaughter lamb company for immediate slaughter or have the unshorn lambs processed for meat will lose beneficial interest the earlier of the following:

- delivery to the slaughter lamb company
- receipt of any payment for the unshorn lambs.

Note: This determination should be used as a general business rule and should not take precedence over the terms of a contract between the buyer and seller that would cause beneficial interest to be lost at an earlier time.

Continued on the next page

3 Beneficial Interest Policies (Continued)

C

Lamb Auction Sells

Eligible producers who sell unshorn lambs through an auction or sell to an order buyer representing a slaughter lamb company will lose beneficial interest the earlier of the following:

- invoicing of the unshorn lambs
- delivery of the unshorn lambs to the order buyer
- receipt of any payment for the unshorn lambs.

Note: This determination should be used as a general business rule and should not take precedence over the terms of a contract between the buyer and seller that would cause beneficial interest to be lost at an earlier time.

D

Butcher Sells

Eligible producers who sell unshorn lambs directly to a butcher for immediate slaughter will lose beneficial interest the earlier of the following:

- invoicing of the unshorn lambs
- delivery of the unshorn lambs to the butcher
- receipt of any payment for the unshorn lambs.

Note: This determination should be used as a general business rule and should not take precedence over the terms of a contract between the buyer and seller that would cause beneficial interest to be lost at an earlier time.

E

Personal Use

Eligible producers who slaughter unshorn lambs for personal use will lose beneficial interest on the date the unshorn lamb is slaughtered. For unshorn pelts slaughtered for personal use, the producer must complete CCC-709 PELT, Part D, within 60 calendar days after the date of slaughter.

COC must determine reasonableness based on any of the following:

- herd certification on CCC-709 PELT, Part B
 - production evidence
 - feeding records/receipts
 - normal business practices of the producer
 - general COC knowledge.
-

Continued on the next page

3 Beneficial Interest Policies (Continued)

F

Retained Pelts

Producers who retain beneficial interest in an unshorn pelt produced from a slaughtered lamb may request an LDP on CCC-633 PELT, based on the date of request, if the unshorn pelt retained is:

- preserved
 - maintained
 - stored for future marketing or processing.
-

G

**Special
Beneficial
Interest
Exception**

Eligible producers of unshorn pelts produced from slaughtered lambs who lost beneficial interest during the 2003 crop year, between the period of January 1, 2003, through February 21, 2003, when the policy and procedure was not available to make a request for unshorn lambs, are eligible to request an LDP based on the date beneficial interest in the commodity was lost. LDP requests for this beneficial interest exception must be submitted no later than **March 31, 2003**.

Producers who lost beneficial interest between January 1, 2003, and February 21, 2003, must submit CCC-709 PELT by March 31, 2003.

Producers who retain beneficial interest must request LDP's in the normal manner according to normal beneficial interest rules provided in this notice.

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4 LDP Rates for Unshorn Pelts

**A
Effective LDP
Rate**

The LDP rate is the rate in effect on the day of:

- request, if beneficial interest is maintained on the date of request
- slaughter, if slaughtered for personal use
- delivery, if sold directly from the farm/ranch/feedlot location to a buyer.

The request date is the date CCC-709 PELT is received in the County Office. County Offices shall date stamp CCC-709 PELT to verify the date the request is received.

The slaughter date is the date the unshorn lamb is slaughtered for personal use. CCC-709 PELT must be submitted to the County Office before slaughtering the unshorn lamb. The producer must complete CCC-709 PELT, Part D within 60 calendar days after slaughtering the unshorn lamb.

The delivery date is the date the unshorn lambs are delivered to a buyer, processor, etc., for field direct LDP's. CCC-709 PELT must be submitted by the producer before delivery or loss of beneficial interest in the unshorn lambs.

**B
LDP Rate**

The LDP rate is determined by the amount the nongraded wool loan rate exceeds the CCC-determined value in the applicable region where the farm records are maintained.

The nongraded (greasy) wool regional loan rates applicable to the 2002 and 2003 crop year of unshorn pelts are as follows.

| Region | Loan Rate |
|---------------|------------------|
| Region 1 | \$0.42 |
| Region 2 | \$0.40 |
| Region 3 | \$0.38 |

LDP is calculated by multiplying the LDP rate time the LDP quantity of unshorn pelts requested.

LDP rates for multiple deliveries will be based on procedure in 8-LP.

Continued on the next page

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4 LDP Rates for Unshorn Pelts (Continued)

C

**Announcing
Posted Prices**

The regional posted prices for nongraded (greasy) wool that are used to calculate the CCC-determined value to determine the LDP rate for unshorn pelts will be announced each Tuesday at 3:00 p.m., e.t until further notice. The posted prices will become effective Wednesday at 12:01 a.m. e.t

D

**Unshorn Pelt
LDP
Computation**

LDP for unshorn lamb pelts will be calculated by multiplying the effective LDP rate times the standard weight for an unshorn pelt of 6.865 pounds. The result of that computation is then multiplied by the quantity of unshorn pelts.

Example: \$0.29 (effective LDP rate)
 x 6.865 (standard weight)
 \$1.99 (payment per pelt)

| | |
|---------------------------|-------------|
| Payment per unshorn pelt | \$1.99 |
| Quantity of unshorn pelts | <u>x 10</u> |
| Payment | \$19.90 |

E

**Acceptable
Production
Evidence**

Determine requirements for acceptable production evidence used to determine the rate in effect when beneficial interest is lost according to 8-LP, paragraph 535. Other acceptable forms of production evidence specific to unshorn pelts includes, but are not limited to, the following:

- receipts for feed
 - kill sheets from the lamb slaughter company
 - veterinary records
 - IRS inventory records
 - farm credit balance sheets
 - private insurance documents.
-

Notice LP-1907

5 CCC-709 PELT

A

**Completing
CCC-709 PELT**

Producers of unshorn pelts shall complete CCC-709 PELT according to the following table.

Notes: The producer must complete items 1 through 24.

If the producer is requesting LDP in person, the County Office may assist the producer, as applicable.

Only producers sharing in the quantity requested for LDP must sign and initial as applicable.

| Item | Instructions |
|---------------------|---|
| 1 | Enter the contact producer's name, address, and telephone number. |
| 2 | Enter the contact producer's ID number. |
| 3 | Enter the crop year of the commodity for which the LDP is requested. |
| 4 through 12 | <p>All producers requesting this LDP shall:</p> <ul style="list-style-type: none"> • check (√) the applicable box to select either "YES" or "NO" in response to Part A, items 4 through 12 • enter initials in the applicable box for each of the items. <p>Note: All producers signing CCC-709 PELT must ensure that the information in Part A, items 4 through 12 is correct.</p> <p>If the response to items 6 through 8, and 10 is "NO", or if the response to item 12 is "YES", the producer may not be eligible for LDP. County Offices shall verify responses before disapproving the LDP request, as applicable.</p> |
| 13 | Enter the number of head of unshorn lambs in the current herd or flock. |
| 14 through 18 | Producers must read the certification statement. All producers requesting LDP must agree to the certification and sign, enter the percent share of the quantity requested in Part D, date of signature, and producer ID number. |

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5 CCC-709 PELT (Continued)

**A
Completing
CCC-709 PELT
(Continued)**

| Item | Instructions |
|------|---|
| 19 | <p>If the producer requests payment and provides production evidence, check the box and attach production evidence to CCC-709 PELT.</p> <p>If the producer requests payment and production evidence is not provided, skip item 19 and proceed to items 20A and 20C.</p> |
| 20A | Producers must certify the dates of delivery, sale, or slaughter. |
| 20B | <p>Enter the LDP rate for the unshorn pelt based on the nongraded loan rate for the date in item 20A.</p> <p>Note: This item is for County Office use only.</p> |
| 20C | Producers must certify the number of unshorn pelts for which LDP is requested based on the date of delivery, sale, or slaughter certified in item 20A. |
| 21 | CCC representative shall sign for CCC if the LDP request is approved. |
| 22 | CCC representative shall sign for CCC if the LDP request is disapproved. |
| 23 | CCC representative shall enter the date of approval or disapproval. |
| 24A | CCC representative shall enter the name, address, and zip code of the FSA County Office. |
| 24B | CCC representative shall enter the telephone number of the FSA County Office. |
| 25 | CCC representative shall enter any remarks and reasons for disapproval, if applicable. |

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5 CCC-709 PELT (Continued)

B
Example of
CCC-709 PELT

The following is an example of CCC-709 PELT.

This form is available electronically.

| | | |
|---|--|--------------|
| CCC-709 PELT U.S. DEPARTMENT OF AGRICULTURE (02-13-03) Commodity Credit Corporation | 1. CONTACT PRODUCER'S NAME AND ADDRESS (including Zip Code) | |
| DIRECT UNSHORN PELT LOAN DEFICIENCY PAYMENT (LDP) CERTIFICATION AND APPLICATION | TELEPHONE NO. (Area Code): | |
| | 2. CONTACT PRODUCER'S ID NUMBER | 3. CROP YEAR |

NOTE: The authority for collecting the following information is Pub. L. 107-171. This authority allows for the collection of information without prior OMB 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.

The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is Section 1205(a)(2) of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171). The information will be used to determine eligibility and the amount of program benefits. 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, 541, 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.

Use this form **BEFORE** slaughter of unshorn lambs for personal use or delivery of unshorn lambs for slaughter to a lamb slaughter company or order buyer at a lamb sale representing a lamb slaughter company when you will lose title, control, and risk of loss (beneficial interest) at the time of the delivery or slaughter.

PART A - PRODUCER'S TERMS AND CONDITIONS: (Please check applicable "YES" or "NO" boxes below and Producer must initial for each response in Items 4 through 12).

| | YES | NO | INITIALS |
|---|-----|----|----------|
| 4. Will the unshorn pelts be stored on the farm that is not temporary storage for drying and preservation purposes? (If "YES", this agreement becomes null and void for that quantity only and you must request LDP on CCC-633 PELT before you lose beneficial interest.) | | | |
| 5. Does more than one producer have an interest in the quantity for this request? (If "YES", all producers must sign this request.) | | | |
| 6. Will all producers requesting this LDP have title, control, and risk of the loss (beneficial interest) in accordance with 7 CFR Part 1421 (1) at the time of delivery of the unshorn lamb for slaughter to a lamb slaughter company, (2) at the time of delivery of the unshorn lambs to an order buyer at a lamb sale or (3) at the time of slaughter for personal use? | | | |
| 7. Will the unshorn pelts be produced by all producers requesting this LDP? | | | |
| 8. Were the unshorn lambs that produced the unshorn pelts retained for at least 30 days before the date of slaughter? | | | |
| 9. With regards to the unshorn lambs, indicate which type of owner you are by checking the appropriate box below: <input type="checkbox"/> Original / first owner <input type="checkbox"/> Second owner <input type="checkbox"/> Other owner _____ | | | |
| 10. Will the unshorn lambs be sold for immediate slaughter to a slaughter lamb company or an order buyer representing a slaughter lamb company at a lamb sale? | | | |
| 11. Will the unshorn lambs be slaughtered for personal use? | | | |
| 12. Will the unshorn lambs be sold as feeder lambs to a feeder lamb buyer? | | | |

PART B - HERD CERTIFICATION

13. CURRENT HERD / FLOCK SIZE (Enter the number of head) _____

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, Written 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.

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5 CCC-709 PELT (Continued)

B
Example of
CCC-709 PELT
(Continued)

CCC-709 PELT (02-13-03) Page 2

PART C - PRODUCER'S CERTIFICATION

14. I certify that all information entered on this form is true and correct. By completing and reviewing Part A and Part B, and by signing this form the producer(s) ("Producer") hereby enters into this agreement with the Commodity Credit Corporation (CCC) with respect to the commodity described in this Part and agrees that the loan deficiency payment (LDP) rate in effect for the unshorn lamb pelt on the date of delivery of the unshorn lambs to the processor, buyer, warehouse, or cooperative if the unshorn lambs are delivered directly from the farm / feed lot / ranch, location to the processor, buyer, warehouse, or cooperative or agrees to the rate in effect on the date of slaughter if slaughtered for personal use. The producer further understands that with respect to the commodity described in this Part: (a) to receive payment for the unshorn lamb pelt, a request for payment must be made at the County FSA Office where the farm records are maintained; (b) the unshorn lamb that produced the unshorn pelt must have been alive and unshorn at the time beneficial interest was lost; (c) the payment will be based on a standard weight of 6.865 pounds per pelt; (d) that if the commodity is delivered to a farm storage, except for temporary storage or immediate drying, this agreement becomes null and void and a CCC-633 PELT for unshorn pelts must be requested before the producer loses beneficial interest in the commodity; (e) any false claim or statement made may lead to civil liability or criminal prosecution; (f) this LDP may be selected for spot check and the producer will be required to provide supplemental documents to determine program eligibility; (g) that slaughter lamb companies are ineligible for this benefit and this LDP request is not being submitted on behalf of a slaughter lamb company; (h) this agreement remains in force until such time it is revised or terminated on or before the earlier of the date of delivery or sale of the unshorn lambs for slaughter; (i) CCC may require copies of sales contracts for the production represented by this application; (j) CCC shall require the refund of the LDP amount, plus interest from the date of payment if the producer is later determined by CCC to be ineligible for the LDP; and (k) CCC shall assess liquidated damages in accordance with 7 CFR Part 1421 if the producer misrepresented the eligible commodity indicated above. I also understand that if the Producer sold unshorn lambs to a feeder lamb buyer for further feeding before slaughter that the feeder lamb buyer and NOT the producer who sold the unshorn lambs to the feeder lamb buyer is eligible to receive an LDP for the unshorn lamb pelts.

| | | | |
|------------------------------|---------------|-----------------------|--------------------------|
| 15. SIGNATURE OF PRODUCER(S) | 16. SHARE (%) | 17. DATE (MM-DD-YYYY) | 18. PRODUCER'S ID NUMBER |
| | | | |
| | | | |
| | | | |

PART D - PAYMENT REQUEST

19. CHECK THIS BOX AND ATTACH THE PRODUCTION EVIDENCE TO THIS FORM IF THE PRODUCER PROVIDES PRODUCTION EVIDENCE WHEN PAYMENT IS REQUESTED.

20. IF A CERTIFIED LDP REQUEST FOR PAYMENT AND PRODUCTION EVIDENCE IS NOT ATTACHED, COMPLETE ITEMS A AND C BELOW. NOTE: ITEM B IS COMPLETED BY CCC.

| A. DATE DELIVERED, SOLD, OR SLAUGHTERED (MM-DD-YYYY) | B. CCC - DETERMINED VALUE - LDP RATE (COUNTY FSA OFFICE USE) | C. NUMBER OF UNSHORN PELTS REQUESTED | A. DATE DELIVERED, SOLD, OR SLAUGHTERED (MM-DD-YYYY) | B. CCC - DETERMINED VALUE - LDP RATE (COUNTY FSA OFFICE USE) | C. NUMBER OF UNSHORN PELTS REQUESTED |
|--|--|---|--|--|---|
| | \$ | | | \$ | |
| | \$ | | | \$ | |
| | \$ | | | \$ | |
| | \$ | | | \$ | |
| | \$ | | | \$ | |
| | \$ | | | \$ | |

PART E - CCC'S DETERMINATION

| | | |
|---|--|--|
| 21. APPROVED FOR CCC BY: | 24A. COUNTY FSA OFFICE NAME AND ADDRESS (Including Zip Code) | 24B. COUNTY FSA OFFICE TELEPHONE NO. (Area Code) |
| 22. DISAPPROVED FOR CCC BY: | | |
| 23. DATE (MM-DD-YYYY) | | |
| 25. REMARKS AND REASONS FOR DISAPPROVAL, AS APPLICABLE: | | |

Notice LP-1907

6 CCC-633 PELT

A

**Completing
CCC-633 PELT**

Producers of unshorn pelts who retain beneficial interest shall complete CCC-633 PELT according the following table. The date used to determine the LDP rate will be the date CCC-633 PELT is requested for basic LDP's. The date of request is the date the correctly completed CCC-633 PELT is received in the County Office.

The producer shall complete the following:

- items 1 through 3
- Part A, items 11 through 16
- Part B, items 17 through 20
- Part C, items 21 through 26.

All producers sharing in the quantity for this LDP must sign, initial, and date CCC-633 PELT, as applicable.

If the producer is requesting LDP in person, the County Office may assist the producer with the applicable items in Part B. The producer must complete Parts A and C.

| Item | Instructions |
|-------------|---|
| 1A | Enter the contact producer's name, address, and telephone number. |
| 1B | Enter the contact producer's ID number. |
| 2 | Enter the crop year of the commodity for which the LDP is requested. |
| 3 | Enter the county where the unshorn pelts are stored. |
| 4 | County Office employee shall enter the name and address of the FSA County Office. |
| 5 | County Office employee shall enter the telephone number of the FSA County Office. |
| 6 | County Office employee shall enter the State and county codes for the administrative County Office. |
| 7 | County Office employee shall enter the producer's farm numbers, if applicable. Producer may enter farm number, if known. County Offices must verify, as applicable. |
| 8 | County Office employee shall enter the APSS-assigned LDP number. |

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6 CCC-633 PELT (Continued)

**A
Completing
CCC-633 PELT
(Continued)**

| Item | Instructions |
|---------------|---|
| 9 | County Office employee shall enter the LDP rate based on date the correctly completed CCC-633 PELT is received in the County Office. This date becomes the request date. |
| 10 | County Office employee shall enter the applicable CCC-determined value used to determine the LDP rate. |
| 11 through 16 | <p>All producers requesting this LDP shall:</p> <ul style="list-style-type: none"> • check (√) the applicable box to select either “YES” or “NO” in response to Part A, items 11 through 16 • enter initials in the applicable box for each of the items. <p>All producers, or their representative, signing CCC-633 PELT must ensure that the information in Part A, items 11 through 16 is correct. If the response to items 11, 13, or 15 is “NO”, the producer may not be eligible for LDP. County Offices shall verify responses before disapproving the request, as applicable. All other responses are self-explanatory.</p> |
| 17 | Producers, or their representative, shall enter the number of unshorn pelts for this LDP. |
| 18 | <p>The number of pelts can be certified if the unshorn lamb was slaughtered for personal use. All other quantities of pelts can be certified, or based on production evidence. Enter a check (√) in the applicable box for the verification type used ("certified" or "production evidence") for the pelts entered in item 17.</p> <p>If "certified" is checked, this LDP request is subject to spotcheck for future reference, as applicable.</p> |
| 19 | <p>Enter the location where the unshorn pelts are being stored, preserved, and maintained within the same county identified in item 3. For example, address, barn/shed location, and or land description.</p> <p>If the unshorn pelts are stored in a different county than identified in item 3 and the LDP rate is different, a separate LDP request must be completed.</p> |

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6 CCC-633 PELT (Continued)

**A
Completing
CCC-633 PELT
(Continued)**

| Item | Instructions |
|---------------------|---|
| 20 | Enter the date of the LDP request. The date of the request is the date the correctly completed CCC-633-PELT is received in the County Office. |
| 21 | Enter the total number of unshorn pelts for the LDP request. Note: This should be the total number of unshorn pelts in item 17. |
| 22 | Enter the number of head of unshorn live lambs in the current herd or flock. |
| 23 through 27 | Producers must read the certification statement. All producers requesting LDP must agree to the certification and sign, enter their ID number, enter their share of the number of unshorn lambs, and date of signature. |
| 28 | CCC representative shall enter signature if the LDP request is approved. |
| 29 | CCC representative shall enter signature if the LDP request is disapproved. |
| 30 | CCC representative shall enter the date. |
| 31 | CCC representative shall enter title. |
| 32 | CCC representative shall enter a (√) in the applicable box to select either “YES” or “NO” in response to question. |
| 33 | CCC representative shall enter any remarks and reasons for disapproval, if applicable. |

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6 CCC-633 PELT (Continued)

B
Example of
CCC-633 PELT

The following is an example of CCC-633 PELT.

This form is available electronically.

| | | | |
|--|--|--|------------------------|
| CCC-633 PELT U.S. DEPARTMENT OF AGRICULTURE (02-13-03) Commodity Credit Corporation | | 1A. CONTACT PRODUCER'S NAME AND ADDRESS <i>(Including Zip Code)</i> | |
| UNSHORN PELT LOAN DEFICIENCY PAYMENT (LDP) CERTIFICATION AND APPLICATION | | TELEPHONE NO. <i>(Area Code)</i> : | |
| | | 1B. CONTACT PRODUCER'S ID NUMBER | |
| | | 2. CROP YEAR | 3. COUNTY WHERE STORED |

NOTE: The authority for collecting the following information is Pub. L. 107-171. This authority allows for the collection of information without prior OMB 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 may only be completed **AFTER** slaughter of an unshorn lamb and **BEFORE** losing title, control, and risk of loss in the number of unshorn pelts included in this request.

FOR COUNTY FSA OFFICE USE ONLY (ITEMS 4 THROUGH 10)

| | | | |
|---|--|--------------------------------|------------------------------|
| 4. Name and Address of County FSA Office <i>(Including Zip Code)</i> | 5. Telephone No. <i>(Including Area Code)</i> | 6. ST. & CO. Code | 7. Applicable Farm Number(s) |
| 8. LDP Number | 9. LDP Rate \$ | 10. CCC Determined Value \$ | |

PART A - PRODUCER'S TERMS AND CONDITIONS: *(Please check applicable "YES" or "NO" boxes below and Producer must initial for each response in Items 11 through 16).*

| | YES | NO | INITIALS |
|--|-----|----|----------|
| 11. Does more than one producer have an interest in the quantity for this request? <i>(If "YES", all producers must sign this request.)</i> | | | |
| 12. Do all producers requesting this LDP have title, control, and risk of loss (beneficial interest) in accordance with 7 CFR Part 1421 at the time of this LDP request? <i>(This excludes any applicable beneficial interest waiver for LDP's).</i> | | | |
| 13. Has any producer requesting this LDP entered into a contract or option to purchase either verbally or in writing? | | | |
| 14. Was the quantity of this request produced by all producers requesting this LDP? | | | |
| 15. Is this the only LDP requested for this quantity? | | | |
| 16. Are the unshorn pelts being preserved, maintained, and stored for future marketing or processing? | | | |

PART B - PRODUCER PAYMENT INFORMATION

| | | | | |
|---------------------------------------|-----------------------------|---------------------|---------------------|---|
| 17. Number of Unshorn Pelts Requested | 18. Check Verification Type | | 19. Stored Location | 20. Date Requested <i>(MM-DD-YYYY)</i> |
| | Certified | Production Evidence | | |
| | | | | 21. Total Number of Unshorn Pelts Requested |
| | | | | |

The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is Section 1205(a)(2) of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171). The information will be used to determine eligibility and the amount of program benefits. 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. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.

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.

Continued on the next page

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6 CCC-633 PELT (Continued)

B
Example of
CCC-633 PELT
(Continued)

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PART C - PRODUCER'S CERTIFICATION

22. Current Herd / Flock Size: _____

23. *I certify that all information entered on this form is true and correct. By completing and reviewing Part A and Part B, and by signing this form the producer(s) ("Producer"), hereby makes a claim for payment from the Commodity Credit Corporation (CCC) with respect to the commodity described in Part B and agrees to accept the loan deficiency payment (LDP) rate in effect for the unshorn pelt for the county where the unshorn pelts are stored and the rate in effect as of the date of this LDP request when all signatures are obtained. The producer further understands that with respect to the commodity described in Part B: (a) to receive payment for the unshorn lamb pelt, a request for payment must be made at the County FSA Office where the farm records are maintained; (b) the unshorn lamb that produced the unshorn pelt must have been alive and unshorn at the time beneficial interest was lost; (c) the payment will be based on a standard weight of 6.865 pounds per pelt; (d) any false claim or statement made may lead to civil liability or criminal prosecution; (e) this LDP may be selected for spot check and the producer will be required to provide supplemental documents to determine program eligibility; (f) that slaughter lamb companies are ineligible for this benefit and this LDP request is not being submitted on behalf of a slaughter lamb company; (g) CCC may require copies of sales contracts for the production represented by this application; (h) this application is subject to determination by CCC of the producer's eligibility to receive LDP, and this application and CCC's determination are subject to 7 CFR Part 1421, as applicable; (i) CCC shall require the refund of the LDP amount, plus interest from the date of payment if the producer is later determined by CCC to be ineligible for the LDP; and (j) CCC shall assess liquidated damages in accordance with 7 CFR Part 1421 if the producer misrepresented the eligible commodity indicated above. I also understand that if the Producer sold unshorn lambs to a feeder lamb buyer for further feeding before slaughter that the feeder lamb buyer and NOT the producer who sold the unshorn lambs to the feeder lamb buyer is eligible to receive an LDP for the unshorn lamb pelts.*

| 24. SIGNATURE OF PRODUCER(S) | 25. SHARE (%) | 26. DATE (MM-DD-YYYY) | 27. PRODUCER'S ID NUMBER |
|------------------------------|---------------|-----------------------|--------------------------|
| | | | |
| | | | |
| | | | |

PART D - CCC'S DETERMINATION

28. APPROVED FOR CCC BY: _____

29. DISAPPROVED FOR CCC BY: _____

30. DATE (MM-DD-YYYY) _____

31. TITLE _____

32. IS THE QUANTITY FOR THIS LDP REASONABLE?
 YES NO

33. REMARKS AND REASONS FOR DISAPPROVAL, AS APPLICABLE:

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7 Disbursement Authorization

A

Authorization to Issue Unshorn Pelt LDP's

County Offices are authorized to disburse LDP's for unshorn pelts according to subparagraph 6 B, as soon as the software is available.

B

Software

APSS software to process LDP's for unshorn pelts is tentatively scheduled for release to State and County Offices on March 6, 2003, in County Release No. 506.

8 State and County Office Action

A

State Office Action

State Offices shall:

- publicize the contents of this notice immediately to the maximum extent possible
 - instruct County Offices to notify all producers immediately of the contents of this notice using all available resources
 - inform County Offices that they are authorized to issue LDP's for unshorn pelts according to subparagraph 6 B, upon the availability of the software.
-

B

County Office Action

County Offices shall:

- notify producers immediately of the contents of this notice using all available resources
 - accept LDP requests for unshorn pelts from producers according to this notice
 - disburse LDP's according to this notice and:
 - 8-LP
 - regulations in 7 CFR Part 1421.
-