

For: State and County Offices and LSA's

Using CCC-491, Beneficial Interest Certification for Loan and Loan Deficiency Payments

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

CCC-491 has been issued to replace using an example format previously provided by 8-LP and referenced in 7-CN. CCC-491 has already been issued in 7-CN, subparagraph 103 E.

B Purpose

This notice provides the purpose and instructions for completing CCC-491.

C Contact

For questions or information about this notice, State Offices shall contact Gene Rosera by either of the following:

- e-mail at gene.rosera@wdc.usda.gov
- telephone at 202-720-8481.

2 CCC-491

A Purpose of CCC-491

If County Office and LSA staff believe that a producer may have lost beneficial interest (BI) in a commodity for which a loan or LDP is requested, and BI must be determined for benefit eligibility, the County Office and LSA may request from producers:

- having a written contract that can be reviewed for BI provisions, a copy of the contract for review
- **not** having a written contract, a signed CCC-491.

| | |
|----------------------|--|
| Disposal Date | Distribution |
| June 1, 2010 | State Offices; State Offices relay to County Offices and LSA's |

Notice LP-2137

2 CCC-491 (Continued)

B Completing CCC-491

CCC-491 shall be completed according to the following. Producers will complete entries for items 1 through 9C. FSA may assist with completing items 1 through 4.

| Items | Instructions |
|-----------------|---|
| 1 through 4 | Enter the crop year, LDP or loan number, as applicable, and the FSA/LSA State/county code for the office where the loan/LDP is being processed. |
| 10A through 10C | FSA/LSA will sign, enter title, and date signed. |

Notice LP-2137

2 CCC-491 (Continued)

C Example CCC-491

The following is an example of a completed CCC-491.

This form is available electronically.

| | | | | | | |
|---|--|--|--|------------------------------|------------------------|----------------|
| CCC-491 (11-06-09) | | U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation | | 1. Crop Year | 2. LDP Number | 3. Loan Number |
| | | | | 2009 | | 90012 |
| BENEFICIAL INTEREST CERTIFICATION FOR LOAN AND LOAN DEFICIENCY PAYMENTS | | | | 4. FSA State and County Code | | |
| | | | | 26045 | | |
| <p>Note: <i>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246). The information will be used to certify that a producer does have a beneficial interest in the commodity which is the subject of the CCC loan or loan deficiency payment. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to file the beneficial interest certification.</i></p> <p><i>This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title I, Subtitle F - Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</i></p> | | | | | | |
| PART A – PRODUCER'S INFORMATION | | | | | | |
| 5. Producer Name and Address | | | 6. Telephone Number: (Include Area Code): | | 7. Crop | |
| Sam Jones Route 1, Box 6 Maricopa, CA 12345 | | | 306-567-3456 | | Upland cotton | |
| PART B – PRODUCER'S CERTIFICATION | | | | | | |
| <p><i>The undersigned producer(s) ("Producer") has requested a loan or loan deficiency payment (LDP) from the Commodity Credit Corporation (CCC). With respect to the commodity which will be the subject of such loan or LDP, the Producer certifies that; (1) the Producer has had beneficial interest in the commodity and has not lost such interest before filing for the LDP application or loan application; (2) the Producer did not enter into any written option to purchase or any written contract for sale, with respect to the commodity to sell, deliver, or market the commodity, before such loan or LDP was requested; (3) the Producer did not enter into a verbal option to purchase or verbal contract for sale, except as noted below; (4) no payment with regard to such commodity was received before such loan or LDP was requested. The Producer understands that this certification is subject to review by CCC to determine that no option to purchase, contract for sale, or payment was applicable to the commodity. If any option to purchase, contract for sale, or payment is later negotiated while the commodity is pledged for collateral for a loan, the producer agrees to notify the County FSA Office of such event and to provide a copy of such option or contract to the County FSA Office for review. Upon such notification, CCC shall review such option to purchase and contract for sale for a determination of the date beneficial interest would be considered to have been lost. By signing this certification, the Producer warrants and agrees that the making of any fraudulent representation may render the Producer subject to criminal prosecution under Federal law and will result in the refund by the producer of any amounts paid as the result of the fraudulent representation, plus interest.</i></p> | | | | | | |
| <p>8. <i>Terms and Conditions of Verbal Contract:</i></p> <p>We did not sign a paper sales contract but both parties agreed I would maintain title and control of the cotton up until the warehouse receipts were transferred, at which time the cotton would be considered sold.</p> | | | | | | |
| PART C – PRODUCER'S CERTIFICATION | | | | | | |
| 9A. Producer's Signature (By) | | 9B. Title/Relationship (Individual Signing in a Representative Capacity) | | | 9C. Date (MM-DD-YYYY) | |
| /s/ Sam Jones | | | | | 12-08-2009 | |
| 9A. Producer's Signature (By) | | 9B. Title/Relationship (Individual Signing in a Representative Capacity) | | | 9C. Date (MM-DD-YYYY) | |
| | | | | | | |
| PART D – CCC'S APPROVAL | | | | | | |
| 10A. Signature of CCC Representative | | 10B. Title of CCC Representative | | | 10C. Date (MM-DD-YYYY) | |
| /s/ John Brown | | County Executive Director | | | 12-15-2009 | |
| <p><i>The U.S. Department of Agriculture (USDA) prohibits discrimination in all of 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, political beliefs, genetic information, 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).</i></p> <p><i>To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.</i></p> | | | | | | |