

For: State and County Offices, CMA's, and LSA's

**Termination of Commodity Certificate Exchanges
Effective for 2010 Crop Loan Collateral**

Approved by: Deputy Administrator, Farm Programs



1 Termination of Commodity Certificate Exchanges for 2010 Crop MAL Collateral

A Background

The Food, Conservation, and Energy Act of 2008, Section 1607 provides that the purchase and exchange of commodity certificates for MAL collateral “terminates effective ending with the 2009 crop year”. The regulations for cotton at 7 CFR 1427.22 and for all other commodities at 7 CFR 1421.110(e) provide for commodity certificate redemptions to terminate effective with the ending of the 2009 crop year.

B Purpose

This notice clarifies that commodity certificates will continue to be exchanged for a 2009 crop MAL commodity up to the individual loan maturity date for that 2009 crop commodity. However, commodity certificates will **not** be available for exchange for any 2010 and subsequent crop MAL's.

The termination of commodity certificate exchanges by the crop year of the MAL collateral means that for some periods during calendar year 2010, commodity certificate exchanges may be processed for 2009 crop MAL's, but not for 2010 and subsequent crop year MAL's.

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.

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