

Commodity Credit Corporation, USDA

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(2) Require a county committee to withhold taking any action that is not in accordance with the regulations of this part.

(d) No provision or delegation herein to a State or county committee shall preclude the Executive Vice President, CCC, or a designee, from determining any question arising under the program or from reversing or modifying any determination made by a State or county committee.

(e) The Deputy Administrator for Farm Programs, Farm Service Agency, may authorize State and county committees to waive or modify deadlines and other program requirements in cases where timeliness or failure to meet such other requirements does not adversely affect the operation of the program.

(f) An approving official may execute loans and related documents only under the terms and conditions determined and announced by CCC. Any such document that is not executed in accordance with such terms and conditions, including any purported execution before the date authorized by CCC, shall be null and void unless affirmed by the Executive Vice President, CCC.

§ 1469.3 Definitions.

The definitions set forth in this section shall be applicable for all purposes of program administration. The terms defined in part 718 of this title shall also be applicable except where those definitions conflict with the definitions set forth in this section or in program instruments created under this part.

Administrator is the FSA Administrator.

Approving official is a representative of CCC who is authorized by the Executive Vice President, CCC, to approve loan documents prepared under this part.

CMA is a cooperative marketing association engaged in marketing mohair.

County office is the local FSA office.

FSA is the Farm Service Agency, United States Department of Agriculture.

Goat is an adult Angora goat or the kid of an Angora goat.

Loan is a recourse loan on mohair.

Loan quantity is the quantity on which the loan was disbursed, as shown on the note and security agreement.

Loan mohair is the quantity of mohair tendered by an eligible producer that is used in calculating the amount of the loan.

Mohair is the hair sheared from a live goat before applying any process that removes the natural oils or fats or produces a mohair product. Mohair does not include pelts or hides or grease mohair shorn from pelts or hides, scoured, carbonized, or dyed mohair or yarn, skeins or other mohair which is identified for marketing by terms which identify the mohair as being other than in its natural greasy state.

Non-loan mohair is mohair securing a loan made under this part that was not used in calculating the amount of a loan made under this part.

Ownership is control, title, risk of loss, and the right to make all decisions regarding the tender of mohair to CCC for a loan or for marketing.

Person is the individual, partnership, association, corporation, estate or trust, or other business enterprise or other legal entity and, whenever applicable a State, political subdivision of a State, or any agency thereof.

Program is the administration and issuance of a loan in accordance with the terms and conditions of this part and of any note and security agreement which must be executed by a loan recipient under this part.

Representative is a receiver, executor, administrator, guardian, or trustee representing the interests of a person or an estate.

State committee is the FSA committee so designated for the applicable state.

§ 1469.4 Eligibility.

(a) To be eligible to receive an individual or joint loan under this part, a person must:

(1) Own, other than through a security interest, mortgage, or lien, the goats that produced the mohair which is the basis for the loan sought under this part, which goats must be of domestic origin or imported for purposes other than for slaughter and which in all cases were located in the United States for a period of not less than 180

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calendar days (excluding days in quarantine if imported) prior to shearing, except that kids younger than 180 calendar days must be located in the United States from birth to shearing;

(2) Share in the risk of raising and shearing the goats;

(3) Comply with subsection (h) of this section;

(4) Store the mohair pledged as loan collateral in a warehouse:

(i) In standard burlap wool and mohair bags identified by signed and dated receipts provided by the warehouse and other warehouse records, in which the warehouse certifies to CCC the name of the person requesting the loan, lot number, number of bags in storage, and net weight; and

(ii) Which has certified to CCC that it carries insurance to cover the stored mohair or can provide some other type of financial assurance;

(5) Adequately protect the interests of CCC by providing security for a loan in accordance with the requirements in §§ 1469.5 and 1469.6 which is superior to all other security interests and by maintaining in good condition the mohair pledged as security for a loan;

(6) Be accurate and truthful and not make any misrepresentations with respect to any information provided to CCC concerning any activity covered by this part;

(7) Not have been convicted of a crime as provided in part 718 of this title; and

(8) Not have received a loan or incentive payment under the previous mohair loan or payment program for a quantity of mohair pledged as loan collateral covered by this part, unless the full amount is repaid to CCC.

(b) Loan mohair must be mohair of merchantable quality deemed by CCC to be suitable for a loan and must have been shorn in the United States and not shorn while the producing goat was in quarantine.

(c) Two or more applicants may be eligible for a joint loan if:

(1) The conditions in paragraphs (a) and (b) of this section are met with respect to the commingled mohair they are tendering for a loan; and

(2) The commingled mohair is not used as collateral for an individual loan that has not been repaid.

(d) Heirs who succeed to a beneficial interest in the mohair are eligible for a loan if they:

(1) Assume the decedent's obligation under a loan if such loan has already been obtained; and

(2) Assure continued safe storage of the loan mohair if such mohair has been pledged as collateral for a loan.

(e) A representative may be eligible to receive a loan on behalf of a person or estate who or which meets the requirements in paragraphs (a), (b), (c), and (d) of this section, and the mohair tendered as collateral by the representative, in his capacity as a representative, shall be considered as tendered by the person or estate being represented.

(f) A minor who otherwise meets the requirements of this part for a loan shall be eligible to receive a loan only if the minor meets one of the following requirements:

(1) A court or statute has conferred the right of majority on the minor;

(2) A guardian has been appointed to manage the minor's property, and the applicable loan documents are signed by the guardian;

(3) Any note signed by the minor is cosigned by a person determined by the county committee to be financially responsible; or

(4) A surety, by furnishing a bond, guarantees to protect CCC from any loss incurred for which the minor would be liable had the minor been an adult.

(g) A CMA which the Executive Vice President, CCC, determines meets the requirements for CMA's in part 1425 of this title may be eligible to obtain a loan on behalf of those members who themselves are eligible to obtain a loan provided that:

(1) The beneficial interest in the mohair must always, until loan repayment or forfeiture, remain in the member who delivered the mohair to the eligible CMA or its member CMA's, except as otherwise provided in this part; and

(2) The mohair delivered to an eligible CMA shall establish eligibility for a loan if the member who delivered the mohair does not retain the right to share in the proceeds from the marketing of the mohair as provided in part 1425 of this title.

(h)(1) To be eligible to receive loans under this part a producer must have the beneficial interest in the mohair that is tendered to CCC for a loan. The producer must always have had the beneficial interest in the mohair unless, before the mohair was sheared, the producer and a former producer whom the producer tendering the mohair to CCC has succeeded had such an interest in the mohair. Mohair obtained by gift or purchase shall not be eligible to be tendered to CCC for loans. Heirs who succeed to the beneficial interest of a deceased producer or who assume the decedent's obligations under an existing loan shall be eligible to receive loans whether succession to the mohair occurs before or after shearing so long as the heir otherwise complies with the provisions of this part.

(2) A producer shall not be considered to have divested the beneficial interest in the mohair if the producer retains control, title, and risk of loss in the mohair including the right to make all decisions regarding the tender of such mohair to CCC for a loan, and the producer takes one of the following actions:

(i) Executes an option to purchase, whether or not a payment is made by the potential buyer for such option to purchase, with respect to such mohair if all other eligibility requirements are met and the option to purchase contains the following provision:

Notwithstanding any other provision of this option to purchase, title, risk of loss, and beneficial interest in the mohair, as specified in 7 CFR part 1469, shall remain with the producer until the buyer exercises this option to purchase the mohair. This option to purchase shall expire, notwithstanding any action or inaction by either the producer or the buyer, at the earlier of: (1) the maturity of any CCC loan which is secured by such mohair; (2) the date the CCC claims title to such mohair; or (3) such other date as provided in this option.

(ii) Enters into a contract to sell the mohair if the producer retains title, risk of loss, and beneficial interest in the mohair and the purchaser does not pay to the producer any advance payment amount or any incentive payment amount to enter into such contract except as provided in part 1425 of this chapter.

(3) If loans are made available to producers through an approved CMA in accordance with part 1425 of this chapter, the beneficial interest in the mohair must always have been in the producer-member who delivered the mohair to the CMA or its member CMA's, except as otherwise provided in this section. Mohair delivered to such a CMA shall not be eligible for loans if the producer-member who delivered the mohair does not retain the right to share in the proceeds from the marketing of the mohair as provided in part 1425 of this chapter.

(i) A producer may, before the final date for obtaining a loan for mohair, re-offer as loan mohair any mohair that has been previously pledged and redeemed as loan mohair.

(ii) [Reserved]

[64 FR 10930, Mar. 8, 1999, as amended at 65 FR 7960, Feb. 16, 2000]

§ 1469.5 Application, availability, disbursement, and maturity.

(a) The deadline for requesting a loan offered under this part is September 30, 1999, for FY 1999 and September 30, 2000, for FY 2000.

(b) Loans mature on demand but not later than the last day of the twelfth calendar month following the month in which the note and security agreement was approved. When the final maturity date falls on a non-workday for county offices, CCC shall extend the final date to the next workday.

(c) A producer must request loans on mohair at the county office serving the county where the headquarters of the producer's farm, ranch, or feed lot is located. If the producer has more than one farm, ranch, or feed lot, with headquarters in more than one county, separate non-duplicative applications for loans may be filed with the county office serving each such headquarters covering only the mohair at each such location. A CMA must request loans at the county office for the county in which the principal office of the CMA is located unless the State committee designates another county office. If the CMA has operations in two or more States, the CMA must file its loan applications at the county office for the county in which its principal office for each State is located.