

§ 989.160

least 2 years, and permit representatives of the Committee and of the Secretary of Agriculture to examine all of his books and records relating to raisins and residual material.

(iii) Each such application shall also include a provision for liquidated damages wherein the handler, in consideration of the Committee approving his application, agrees that in the event any raisins or raisin residual material covered by the approved application should be shipped to points outside of the continental United States or to Alaska, or disposed of in other than eligible non-normal outlets, by any person, it will cause serious and substantial damage to the Committee, to producers, and to handlers of raisins and will be difficult, if not impossible, to prove the extent of such damage. Therefore, the handler shall pay to the Committee a sum equal to the established field price as liquidated damages for each ton so shipped or disposed of, such sum being a fair measure of damages and not a penalty.

(iv) The Committee shall notify the applicant in writing of its approval action. In acting on an application, the Committee may disapprove the application when: (a) The application is incomplete, or any required information has not been submitted; (b) the Committee has cause to believe that the raisins or raisin residual material covered by the application will not be shipped or disposed of in accordance with the application; or (c) the handler, or any of the parties involved in the proposed shipment or disposition, had shipped or made disposition or use of raisins or raisin residual material covered by a previously approved application inconsistent with that application. When the use or the name and address of the user or consignee are not known to the handler, the Committee shall not approve the application until it has been informed as to such use and user and consignee of the raisins or residual material.

(v) The Committee may, for cause, revoke any previously approved application of a handler if the handler, buyer, consignee or user covered by the application has shipped or made disposition inconsistent with any approved application. The Committee

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shall notify the handler in writing of such revocation.

(vi) The handler shall furnish the Committee with a copy of the shipping document or other documentary evidence of the disposition as may be satisfactory to the Committee and at such times as the Committee may direct.

(h) *Appeal inspection.* An appeal inspection on an original inspection may be obtained from the inspection service upon the request of any financially interested party and upon the payment of any fees assessed by the inspection service for such appeal inspection.

[27 FR 3112, Mar. 31, 1962, as amended at 30 FR 6906, May 21, 1965; 31 FR 16306, Dec. 21, 1966; 36 FR 13980, July 29, 1971; 38 FR 13012, May 18, 1973; 38 FR 20237, July 30, 1973; 42 FR 52377, Sept. 30, 1977; 49 FR 18731, May 2, 1984]

§ 989.160 Exemptions.

(a) Any processor may receive or acquire any raisins for use in eligible nonnormal outlets, and dispose of them for such use, without having them inspected and certified. Processors receiving or acquiring raisins under such exemption, or otherwise receiving or acquiring raisins which do not meet the applicable minimum grade and condition standards, shall not ship or otherwise dispose of any such raisins except in conformity with the provisions of § 989.159(g)(2). Processors shall report receipts and acquisitions and make such other reports as are or may be required pursuant to §§ 989.73 and 989.173.

(b) *Disposition of raisins produced in Southern California.* Raisins produced from grapes dried on the vine in the counties of Riverside, Imperial, San Bernardino, Ventura, Orange, Los Angeles, and San Diego, which are disposed of for use in distillation or livestock feed, shall be exempt from the provisions of this part.

[30 FR 6906, May 21, 1965, as amended at 38 FR 13013, May 18, 1973; 59 FR 44031, Aug. 26, 1994]

VOLUME REGULATION

§ 989.166 Reserve tonnage generally.

(a) *Set-aside obligations*—(1) *Natural (sun-dried) Seedless.* Handlers who acquire any lot of natural condition Natural (sun-dried) Seedless raisins which have been dipped in or sprayed with