

To:

United States Department of Agriculture

NOTICE TO THE INDUSTRY

CRD-05-01

Farm and Foreign Agricultural Services

Date: November 10, 2004

Farm Service Agency

Exporters who are authorized participants in the Upland Cotton User Marketing Certificate Program and/or the Special Competitiveness Provisions for Extra Long Staple Cotton

Kansas City Commodity Office P.O. Box 419205 Stop 8758 Kansas City, Missouri 64141-6205

Subject: Through Bills of Lading from the Port of Memphis, Tennessee

Telephone:

This notice clarifies the documentation exporters must submit to the Kansas City Commodity Office and the documentation that exporters must maintain in their files to substantiate the date of export for barge shipments from the Port of Memphis, Tennessee on a through bill of lading.

816-926-6454 Fax: 816-823-1805

Recently, it has come to our attention that certain steamship lines are offering throughservice from the Port of Memphis, Tennessee directly to foreign destinations. It has been determined that these shipments will not be considered intermodal as defined in Section C3 of your Exporter Agreement(s) with Commodity Credit Corporation.

Under the provisions of both Agreements the exporter must furnish certain documentation with each application for payment. For valid exports from the Port of Memphis, Tennessee, the exporter must submit a bill of lading (or sea waybill) showing the foreign port of discharge, and must include the Destination Control Statement found at 15 CFR 758.6 to wit:

These Commodities were exported from the United States in accordance with the Export Administration Regulations. Diversion contrary to U.S. law is prohibited.

In addition, the exporter is required to maintain in their files a Shippers Export Declaration (U.S. Census Bureau Form 7525-V) to support the date of export. This documentation must be made available for on site reviews and, if required, forwarded to our office.

This procedural change applies only to barge shipments from the Port of Memphis, Tennessee. Similar barge service originating from other interior points will be evaluated on a case-by-case basis. All other through shipments (air, rail and road) will be considered intermodal, and date of export will be determined by the on-board bill of lading

for the ocean going vessel. Inquiries may be directed to the Financial Review Branch at the address listed in Section A-8 of your Agreement, or by phone at (816)926-6663 or by facsimile at (816)823-1805.

/s/ George W. Aldaya Director