commissions; agency fees; consular fees; stevedoring overtime; brokerage fees; dispatcher's fees; outport agent's services; freight forwarding fees; supervision fees and payments for expediting services.

(3) Suppliers shall report any such payment delivered to an agent, broker, or other representative of the importer or importing country even if the payment is not designated for the agent.

(c) Reporting. * * * Suppliers shall submit reports to the General Sales Manager, Foreign Agricultural Service, U.S. Department of Agriculture, Washington, D.C. 20250-1001. * *

10. Section 17.14 is amended by revising the introductory text of paragraph (d), removing the first sentence of the introductory text in paragraph (e), revising paragraph (e)(3), revising "95 percent" to read "100 percent" in the first sentence of paragraph (e)(4) and removing the second and third sentences of paragraph (e)(4), removing paragraph (e)(5) and redesignating paragraph (e)(6) as (e)(5), removing paragraph (k)(8), revising the heading of paragraph (1) revising paragraphs (l) (1) and (2), removing and reserving paragraphs (l) (3) and (4), revising paragraphs (l) (5) and (6), revising "95 percent" to read "100 percent" in the second sentence of paragraph (l)(7) and the first sentence of paragraph (1)(8), removing the second and third sentences of paragraph (1)(8), revising paragraph (m), and removing and reserving paragraph (n) to read as follows:

§17.14 Ocean transportation.

(d) Advice of vessel approval. USDA will give written approval of charters and liner bookings on Form CCC-106, Advice of Vessel Approval. The Form CCC-106 will state whether the vessel is approved as a dry cargo liner, dry bulk carrier, or tanker, and whether CCC will finance any part of the ocean freight. If CCC agrees to finance any portion of the ocean freight, the importing country or its agent shall forward a copy of the charter party or liner booking note immediately after execution to the Director, P.L. 480 Operations Division, FAS (or the Director, Kansas City FSA Commodity Office, for cotton), for review and approval prior to issuance of Form CCC-106-2. CCC may also require the supplier of ocean transportation to submit copies of lightening, stevedoring, or bagging contracts for any voyage for which CCC finances ocean freight or ocean freight differential. USDA will

issue Form CCC-106, Advice of Vessel Approval, as follows:

(e) Special charter party provisions required when any part of ocean freight is financed by CCC.

- (3) The ocean freight is earned and that 100 percent thereof is payable by the charterers when the vessel and cargo arrive at the first port of discharge, subject to paragraph (e)(4) of this section, and to the further condition that if a force majeure as described in paragraph (l)(7) of this section results in the loss of part of the vessel's cargo, 100 percent of the ocean freight is payable on the part so lost. This provision does not relieve the carrier of the obligation to carry to other points of discharge if so required by the charter party.
- (1) Reimbursement for ocean freight or ocean freight differential separately financed. (1) When the Form CCC-106 states that a notice of arrival is not required, CCC will reimburse 100 percent of the ocean freight or ocean freight differential, as appropriate, upon presentation of required documents.
- (2) When the Form CCC-106 states that a notice of arrival is required, CCC will reimburse up to 100 percent of the ocean freight or ocean freight differential, as appropriate, before the vessel arrives at the first port of discharge if the supplier has furnished CCC, as security, a letter of credit, acceptable in amount and form to CCC and issued by a U.S. bank.
 - (3) [Reserved]
 - (4) [Reserved]
- (5) The amount of security required by CCC under paragraph (2) of this section may be computed as follows: 100 percent of the ocean freight or ocean freight differential, as appropriate, on the basis of either:
- (i) The tonnage stated in the charter party (without tolerance), if the supplier does not furnish to CCC a copy of the ocean bill of lading, or
- (ii) The tonnage shown on the ocean bill of lading, times the ocean freight rate or ocean freight differential rate, as appropriate, shown on the related Form CCC-106, if the supplier furnishes to CCC a copy of the ocean bill of lading.
- (6) On receipt of an acceptable letter of credit, the Controller will waive the notice of arrival requirement established by § 17.18(d)(2).
- (m) Demurrage/Despatch. CCC will not finance demurrage and CCC will not share in despatch earnings. Owners and commodity suppliers will settle laytime accounts at load port(s) and owners and

charterers will settle laytime accounts at discharge port(s). Under no circumstances shall CCC be responsible for resolving disputes involving calculation of laytime or the payment of demurrage or despatch.

(n) [Reserved]

*

11. Section 17.15 is amended by revising the first sentence of paragraph (h)(1) to read as follows:

§17.15 Letter of commitment method of financing.

- (h) Issuance of letters of credit. * * *
- (1) General. The application or request for, and any agreement relating to, any letter of credit issued, confirmed, or advised in connection with a letter of commitment to a banking institution, may contain such provisions as the approved applicant and the banking institution may agree on, and the approved applicant and the banking institution may agree to any extension of the life of, or any other modification of, or variation from, the provisions of any such letter of credit: Provided, That such provisions and any such extension, modification or variance shall be in no respect inconsistent with or contrary to the provisions of the letter of commitment; in the event of any such inconsistency or conflict, the provisions of the letter of commitment shall prevail with respect to CCC financing: And provided further, That when a letter of credit provides for acceptance of time drafts, such letter of credit (or application therefor) shall specify that the discount and acceptance fees shall be for the account of the importer: And provided further, That commodity letters of credit must allow payment to the commodity supplier even if the bill of lading states that the vessel owner has placed a lien on the cargo. * * *

§17.18 [Amended]

- 12. Section 17.18 is amended by removing paragraph (d)(6) and redesignating paragraph (d)(7) as (d)(6).
- 13. Section 17.21 is revised to read as

§17.21 FSA Offices.

- (a) Kansas City Commodity Office, FSA, U.S. Department of Agriculture, P.O. Box 419205, Kansas City, Missouri 64141-6205.
- (b) Financial Management Division, FSA, U.S. Department of Agriculture, P.O. Box 2415, Washington, DC 20013.
- 14. Section 17.22 is revised to read as follows: