

8. In § 1425.10, paragraph (b)(3) is revised to read as follows:

§ 1425.10 Financial condition.

* * * * *

(b) * * *

(3)(i) *The net worth of the cooperative.* The cooperative shall be considered to have a sufficient net worth if such net worth is equal to the product of an amount per unit for a commodity (as set forth in table 1) multiplied by the total number of such units of commodity for which the cooperative is approved, or requesting approval, to participate in price support and handled by the cooperative during the preceding marketing year, or, if the cooperative is in its first full marketing year of operations, the estimated quantity of such commodity that it will handle during such year.

(ii) (A) If the amount of the net worth of the cooperative is between 34 and 99 percent of the amount computed in accordance with paragraph (b)(3)(i) of this section and the cooperative is determined by CCC to be otherwise financially sound, CCC may determine that such cooperative meets the requirements of this section. Such a determination by CCC may be made if:

(1) The board of directors of the cooperative agrees to make a capital retain in the amount set forth in table 2 with respect to each unit of the commodity delivered to the cooperative until the net worth of the cooperative is at least equal to the amount computed in accordance with paragraph (b)(3)(i) of this section, and

(2) The cooperative agrees to deduct from pool proceeds the full amount of the estimated expenses of handling the commodities received by the cooperative.

(B) The failure to carry out such agreements shall be grounds for suspending a cooperative's approval.

TABLE 1

Commodity	Unit	Amount per unit
Barley	Bushel	0.13
Canola	Hundredweight ..	0.62
Corn	Bushel	0.13
Cotton	Bale	6.40
Flaxseed	Hundredweight ..	0.62
Honey	Hundredweight ..	1.90
Mustard Seed	Hundredweight ..	0.62
Oats	Bushel	0.13
Rapeseed	Hundredweight ..	0.62
Rice	Hundredweight ..	0.52
Rye	Bushel	0.13
Safflower	Hundredweight ..	0.62
Seed Cotton (lint basis).	Pound	0.008
Shorn Mohair	Pound	0.16
Shorn Wool	Pound	0.38

TABLE 1—Continued

Commodity	Unit	Amount per unit
Sorghum	Hundredweight ..	0.19
Soybeans	Bushel	0.43
Sunflower Seed .	Hundredweight ..	0.62
Wheat	Bushel	0.15

TABLE 2

Commodity	Unit	Amount per unit
Barley	Bushel	0.07
Canola	Hundredweight ..	0.32
Corn	Bushel	0.07
Cotton	Bale	3.20
Flaxseed	Hundredweight ..	0.32
Honey	Hundredweight ..	0.95
Mustard Seed	Hundredweight ..	0.32
Oats	Bushel	0.07
Rapeseed	Hundredweight ..	0.32
Rice	Hundredweight ..	0.26
Rye	Bushel	0.07
Safflower	Hundredweight ..	0.32
Seed Cotton (lint basis).	Pound	0.004
Shorn Mohair	Pound	0.08
Shorn Wool	Pound	0.19
Sorghum	Hundredweight ..	0.10
Soybeans	Bushel	0.22
Sunflower Seed .	Hundredweight ..	0.32
Wheat	Bushel	0.08

* * * * *

9. In § 1425.11, paragraph (c)(3) is revised to read as follows:

§ 1425.11 Operations.

* * * * *

(c) * * *

(3) Require that all proceeds from the marketing operation be distributed as provided in § 1425.18.

10. In § 1425.14, paragraph (c) is revised to read as follows:

§ 1425.14 Member business.

* * * * *

(c) The cooperative has a plan, approved by CCC, which CCC determines to be in the cooperative members' best interest and will bring the cooperative into compliance with the provisions of this section. Commodities purchased or acquired from CCC and processed products acquired from other processors or merchandisers shall not be considered in determining the volume of member or nonmember business.

§§ 1425.16–1425.21, 1425.22, 1425.23 [Redesignated as §§ 1425.17–1425.22, 1425.24, 1425.25]

11. Sections 1425.16 through 1425.21 and §§ 1425.22 and 1425.23 are redesignated as §§ 1425.17 through 1425.22 and §§ 1425.24 and 1425.25,

respectively, and a new § 1425.16 is added to read as follows:

§ 1425.16 Payment limitation.

Approved cooperatives shall monitor marketing loan gains, loan deficiency payments, and other payments they receive from CCC on behalf of their members and ensure that the sum of the amounts received for each member does not exceed the member's payment limitation determined in accordance with part 1497 of this title that, for purposes of administering such part, is assigned by CCC to the cooperative.

12. Redesignated § 1425.17 is amended by revising paragraphs (a)(2), (b)(1)(i), (b)(1)(ii), (b)(1)(iii), (b)(2), (c)(2), and adding paragraph (c)(5) to read as follows:

§ 1425.17 Eligible commodity and pooling.

(a) * * *

(2) Price support will be made available to approved cooperatives with respect to a quantity of an eligible commodity included in an eligible pool as provided in paragraph (c) of this section and the beneficial interest provisions of parts 1421, 1427, 1435, and 1468 of this chapter.

(b) * * *

(1) * * *

(i) All of the commodity included in the pool is eligible for price support, except as provided in paragraph (b)(2) of this section;

(ii) The eligible commodity in such pool was:

(A) Delivered to the cooperative for marketing for the benefit of the members of the cooperative, and

(B) Delivered by members who retain the right to share in the proceeds from the marketing of the commodity in accordance with § 1425.18.

(iii) Except with respect to a quantity of a commodity pledged as collateral for a price support loan and which is redeemed within 15 work days from the date the cooperative receives the proceeds from CCC, all of the commodity placed in such pool was delivered by members who have agreed to accept a payment of the initial advances made available to such producers by the cooperative with respect to such commodity in accordance with § 1425.18(a).

(2) If CCC determines that a cooperative has inadvertently included in a pool a quantity of commodity which is ineligible for price support because of grade, quality, bale weight or repacking in the case of cotton, or other factors, the remaining quantity of commodity shall remain eligible for price support.

(c) * * *