

**RAC Storage Bin Agreement:
Crop Year _____**

THIS AGREEMENT applies to all RAC storage bins that are: a) allocated to a packer based on reserve pool holdings, b) rented from the RAC, or c) stored for the RAC by the packer.

Terms and conditions for use of RAC bins:

1. RAC bins will only be used to receive, handle, or store California raisins.
2. RAC bins are first allocated to raisin packers to store reserve raisins. The RAC will allocate two (2) storage bins free of any rental charge for each ton of reserve raisins held beyond the crop year of acquisition by the packer on August 1. If there are not sufficient RAC bins (2 per reserve ton) available to store reserve raisins as of August 1, the RAC will compensate the packer in accordance with Section 989.401(c) at a rate of 20 cents per bin per day to a maximum of \$10.00 per bin per year. Payment will be made as soon as practicable, after January 31, in accordance to Section 989.66(f).
3. RAC storage bins in excess of those needed to store reserve raisins may be rented to a packer, based on the packer's percentage share of acquisitions in the industry. Remaining bins from packers who do not elect to rent their rental allocation, may be rented to other packers. The rental charge will be \$10.00 per bin for each bin the packer agrees to rent. Rental payments will be due within ten (10) days of invoice with interest assessed at prime rate plus two (2) percent for late payment. The packer authorizes the RAC to deduct unpaid RAC bin charges and interest from any RAC payments due the packer after January 31.
4. RAC bins in excess of the bins allocated for holding the reserve and those rented by the packer will be made available to the RAC within 5 days of request. The bins must be empty, clean and in good repair. A \$2 per bin assessment will be charged for bins delivered to the RAC that are not empty and clean. Excess RAC bins not made available by a packer - RAC will charge the packer for costs incurred in securing bins from another source plus a \$20 per bin rental fee.
5. RAC bins to be rented in excess of those at the packer's location will be picked up at a location designated by the RAC. The packer will be responsible for transportation costs.
6. RAC bins will not be released from handler locations to growers until the packer has signed an RAC Storage Bin Agreement with the RAC.
7. The packer agrees that all RAC bins issued to growers will be returned by March 31 to allow for proper accountability of bins and repairs if needed for the following crop year.
8. RAC bins needing repair are to be stacked separately and upon notification, the RAC field staff will make arrangements to have the bins repaired.
9. The packer shall provide the RAC with a monthly accounting of RAC bin inventory on Form RAC 9 – "RAC Bin Control Record."
10. Prior to July 31, packer staff, accompanied by RAC staff, will conduct a physical inventory of RAC bins held by the packer. (In-stack RAC bins may be estimated).

Misuse of RAC bins or failure to pay rental or other charges:

1. The RAC may deny use or rental of bins to a packer or require a bond or advance payment for bins if: bins have been improperly used; required reports are not submitted; or bin rental charges are not paid in a timely manner.
2. Normal "wear and tear" is considered to be 10% of bins allocated and rented. If a packer has damaged RAC bins in excess of this amount, they will be repaired at the packer's expense or the RAC will assess a replacement cost of \$55 per bin.
3. The packer will pay a replacement cost of \$55 per bin for RAC bins that are lost or negligently damaged beyond repair while under the packer's control. If a packer is unable to retrieve all bins it has allowed its producers to use, the \$55 per bin charge will be imposed on all missing bins. After March 31, if RAC staff informs a packer that RAC bins are at one of their producers, and the packer does not retrieve the bins, the RAC will retrieve the bins and bill the packer the \$55 per bin replacement cost.

RAC BIN ALLOCATION AND PACKER INVENTORY

RAC'S BIN OBLIGATION ON HOLDINGS AS OF AUGUST 1, _____

PACKER'S BIN RESPONSIBILITY _____

BINS TO BE MOVED IN OR (OUT) _____

PACKER'S ALLOCATION _____

QUANTITY PACKER AGREES TO RENT _____
(RENTAL FEE OF \$10 PER BIN) (PACKER INITIAL)

BINS TO BE DELIVERED TO OR (REMOVED) FROM PACKER _____
(PACKER INITIAL)

Packer: _____ Date: _____

Signature: _____ Title: _____

This report is required by law (7 U.S.C. 608(d), 7 C.F.R. 989.73 and 7 C.F.R. 989.173(g)(1)). Failure to report can result in a fine of \$1,100 for each such violation and each day during which such violation continues shall be deemed a separate violation.

The making of any false statement or representations in any matter within the jurisdiction of any agency of the United States, knowing it to be false, is a violation of Title 18, Section 1001, United States Code, which provides for a penalty of a fine of \$10,000 or imprisonment of not more than five years, or both.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0178. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S. W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.