

| | | |
|---|---|----------------|
| USDA Form RD 1956-1 (Rev. 2-94) <h2 style="text-align: center;">APPLICATION FOR SETTLEMENT OF INDEBTEDNESS</h2> | ADVISE NUMBER _____ | |
| | TAXPAYER IDENTIFICATION NUMBER _____ | DATE 20 ____ |
| | STATE AND COUNTY OFFICE CODE _____ | CASE NO. _____ |
| | <input type="checkbox"/> COMPROMISE <input type="checkbox"/> ADJUSTMENT <input type="checkbox"/> CHARGE OFF <input type="checkbox"/> CANCELLATION | |

PART I GENERAL INFORMATION

A. I(We) _____ and _____
(Name) (Name)

of _____
(Address)

hereby request that my (our indebted described in Part II (A) below be considered for settlement pursuant to the pertinent law and regulations and certify that the following statements are true and correct to the best of my (our) knowledge and belief.

B. ARE OF: DEBTOR _____ YEARS; CO-DEBTOR _____ YEARS; DEPENDENT CHILDREN ____, ____, ____, ____, ____, ____,
 NAMES, AGE, AND RELATIONSHIP OF OTHER DEPENDENTS _____

PRESENT PHYSICAL CONDITION OF DEBTOR(S)
 GOOD
 FAIR
 POOR
(describe in PART VIII)

PART II DEBTS OWED TO THE DEPARTMENT OF AGRICULTURE

| LOAN CODE IDENTIFICATION <small>(1)</small> | FINAL DUE DATE <small>(2)</small> | ORIGINAL AMOUNT <small>(3)</small> | UNPAID BALANCE <small>(4)</small> | | |
|--|--------------------------------------|---------------------------------------|--------------------------------------|-----------|-------|
| | | | INTEREST | PRINCIPAL | TOTAL |
| (A) RURAL DEVELOPMENT DEBTS FOR WHICH SETTLEMENT IS REQUESTED: | | | | | |
| | | | | | |
| (B) OTHER DEBTS OWED RURAL DEVELOPMENT | | | | | |
| | | | | | |
| (C) DEBT OWED OTHER AGENCIES OF DEPARTMENT OF AGRICULTURE | | | | | |
| | | | | | |
| TOTALS | | | | | |

PART III INCOME AND EXPENSES OF APPLICANT FAMILY AND PAYMENTS MADE ON DEBTS

| (A) TOTAL GROSS INCOME LAST CALENDAR YEAR (20__) <small>(1)</small> | | ESTIMATED TOTAL GROSS INCOME PRESENT CALENDAR YEAR (20__) <small>(2)</small> | | ESTIMATED TOTAL GROSS INCOME NEXT CALENDAR YEAR (20__) <small>(3)</small> | |
|--|--------|---|--------|--|--------|
| SOURCE | AMOUNT | SOURCE | AMOUNT | SOURCE | AMOUNT |
| | | | | | |
| | | | | | |
| TOTALS | | | | | |

PRESENT PRINCIPAL EMPLOYMENT:

| (B) FAMILY LIVING EXPENSES DURING CALENDAR YEAR | | | (E) PAYMENTS MADE BY FAMILY DURING CALENDAR YEAR | | |
|---|---------|------|--|---------|------|
| | PRESENT | NEXT | | PRESENT | NEXT |
| Food | \$ | \$ | Real Estate Liens | \$ | \$ |
| Rent | | | Secured Chattel Debts | | |
| Personal Care | | | Unsecured Creditors | | |
| Household Operating | | | Rural Development | \$ | \$ |
| House & Household | | | Others | | |
| Appliance Repairs | | | TOTALS | \$ | \$ |
| School, Church & Recreation | | | (F) SUMMARY DURING CALENDAR YEAR | PRESENT | NEXT |
| Insurance: | | | 1. Total Income - (A) | \$ | \$ |
| Personal | | | 2. Total Expense (B) + (C) + (D) + (E) | | |
| Property | | | 3. Loans To be Received | | |
| Liability | | | 4. Total Available (1. -2. + 3.) | | |
| Other | | | 5. Capital Expenditures | | |
| TOTAL FAMILY LIVING EXPENSE | \$ | \$ | 6. Balance Available To Pay Debts (4. -5.) | | |
| (C) FARM OR BUSINESS OPERATING EXPENSE (Excluding Interest) | \$ | \$ | 7. Balance Available To Pay Rural Development Debt | \$ | \$ |
| (D) ALL TAXES | \$ | \$ | | | |

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 0575-0124. The time required to complete this information collection is estimated to average 30 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.

If the decision contained above in this form results in denial, reduction or cancellation of Rural Development assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

| PART IV BALANCE SHEET (INDIVIDUALS) | | | | | | | | | |
|---|----------------|-----------------|----------------|----------|---|----------|-----------|-------------------|-----------|
| CURRENT FARM ASSETS | | | | \$ VALUE | CURRENT FARM LIABILITIES | | | | \$ AMOUNT |
| Cash: Savings: (\$) | | Checking: (\$) | | | Accounts and Notes Payable (Creditor & Due Date) | | | Past Due | |
| Other Invest: (Time Cert \$) | | (Other \$) | | | | | | | |
| Accounts and Notes Receivable | | | | | | | | | |
| Crops and Feed | Units | Value Per Unit | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Livestock to be sold | Units | Unit Weight | Value Per Unit | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | CCC Loan: (Security) (Due Date) | | | | |
| | | | | | Current Portion of Principal Due on: | | | | |
| | | | | | Intermediate Liabilities | | | | |
| | | | | | Long Term Liabilities | | | | |
| Growing crops | Acres | Cost/Acre | | | Accrued Interest on: | | | | |
| | | | | | Accounts and Notes Payable | | | | |
| | | | | | Intermediate Liabilities | | | | |
| | | | | | Long Term Liabilities | | | | |
| | | | | | Accrued Taxes | | | | |
| Supplies & Prepaid Expenses | | | | | Income Tax & Social Security | | | | |
| Leases | | | | | Other (judgments, liens, etc.) | | | | |
| Other | | | | | Accrued Rent/Lease Payments | | | | |
| TOTAL CURRENT FARM ASSETS | | | | | TOTAL CURRENT FARM LIABILITIES | | | | |
| INTERMEDIATE FARM ASSETS | | | | | INTERMEDIATE FARM LIABILITIES (portion due beyond 12 months) | | | | |
| Accounts & Notes Receivable beyond 12 months | | | | | Creditor | Due Date | Int. Rate | Amount Delinquent | |
| Breeding Livestock | Units | Value Per Unit | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Machinery, Equipment, Vehicles | | | | | | | | | |
| Cash Value, Life Ins. (Face Amt. \$) | | | | | CCC Grain Reserve | | | | |
| CCC Grain Reserve: (Qty.) (Value/Unit) | | | | | Facilities Pmt. \$ | | | | |
| Coop Stock | | | | | Loan Secured by Life Insurance | | | | |
| Other | | | | | Other | | | | |
| TOTAL INTERMEDIATE FARM ASSETS | | | | | TOTAL INTERMEDIATE FARM LIABILITIES | | | | |
| LONG TERM FARM ASSETS (Farm Real Estate) | | | | | LONG TERM FARM LIABILITIES (portion due beyond 12 months) | | | | |
| Total Acres | Date Purchased | Cost | | | Creditor | Due Date | Int. Rate | Amount Delinquent | |
| | | | | | | | | | |
| | | | | | | | | | |
| Coop Stock | | | | | | | | | |
| Equity in Partnerships/Corporations/joint Operations/Cooperatives | | | | | | | | | |
| Other | | | | | Other | | | | |
| TOTAL INTERMEDIATE FARM ASSETS | | | | | TOTAL LONG TERM FARM LIABILITIES | | | | |
| TOTAL FARM ASSETS | | | | | TOTAL FARM LIABILITIES | | | | |

PART VI DEBTOR'S OFFER AND CERTIFICATION (continued)

(E) In making this offer of settlement, I (we) understand and agree that (1) the amount offered will be deposited in the United States Treasury and held in suspense pending consideration of the offer, (2) if the offer is accepted I (we) will be notified, and (3) if the offer is rejected, I (we) will be notified and the amount offered will returned in the form of a United States Treasury check.

(F) All of the debts referred to in Part II (A) have been discharged in bankruptcy. Yes No

(G) Witness: _____
Address: _____
Witness: _____
Address: _____

Debtor: _____
Debtor: _____

(H) This application for debt settlement has been adopted by the _____ of the _____ and caused to be executed by the officers below on this _____ day of _____, 20____.

Attest: _____
Title: _____ (SEAL)

By: _____
Title: _____

PART VII RURAL DEVELOPMENT COUNTY COMMITTEE RECOMMENDATION

To the best of our knowledge and belief the statements made by the debtor(s) in this application are true; we know of no assets or income of the debtor(s) which are not disclosed in the application, and we recommend that the proposed settlement be accepted rejected.

_____, 20____
(Date)

(Signature)

(Signature)

(Signature)

PART VIII RECOMMENDATION AND APPROVAL

I find from the statements and disclosures of the debtor(s) that the requirements of the pertinent law and regulations have have not been satisfied.

I recommend the acceptance rejection of the application of the debtor(s) as set out in Part VI hereof.

REMARKS: (Use a separate sheet, if necessary)

_____, 20____

County Supervisor/District Director

(Address)

This settlement is recommended approved rejected under the authority contained in pertinent law and regulations.

State Director

Date

This settlement is approved rejected under the authority contained in pertinent law and regulations.

Administrator

Date