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| *Notice of Approval, Terms and Conditions* *and* *Borrower Responsibilities* |
| **INSTRUCTIONS FOR PREPARATION** |
| **Purpose:**The form is used to provide the FSA applicant notification that their assumption request or request for a shared appreciation payment agreement has been approved and of the terms and conditions of that approval. This form also provides the borrower responsibilities as an FSA borrower. The applicant will review, sign and return the document to indicate their agreement with the loan terms and borrower responsibilities. |
| **Handbook Reference:**4-FLP, and 5-FLP | **Number of Copies:**Original and Two |
| **Signatures Required:**Original and copy signed by the Authorized Agency Official and borrower.  |
| **Distribution of Copies:**Send original and one signed copy to the borrower for signature. Suspense copy retained in case file. After the borrower signs the Acceptance and returns the form, the suspense copy can be destroyed. |
| **ADPS/DLS/FBP/GLS Related Transactions** **(complete this field only when needed and provide only the information required, i.e. ADPS Transaction 3K):** DLS/MAC  |

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| Fld Name /Item No. | Instruction |
| Date | Enter the date the Notice will be mailed. |
| Name and Address | Enter the name and address of the applicant for mailing purposes.  |
| Mail Information | This form should be sent certified. Certified mail information, including the tracking number can be entered in this section. The borrower must respond within 15 days and certified mailing will assist in making sure the borrower receives the notice. |
| Request Approval | Enter the type of request being approved, either loan assumption or shared appreciation payment agreement.  |
| Approval Date | Enter the date the request is approved. |
| **Part A – Terms and Conditions** |
| 1Amount | Identify either assumption or amortization and enter the amount of the assumption or amortization. |
| 2Purpose  | Enter the purpose of the request being approved. I.e., “Purchase of property through assumption of debt.” Individual identification of loans assumed can be clarified here - i.e., “Assumption of loan #XX-XX in the amount of $XXX,XXX, and loan #XX-XX in the amount of $XXX,XXX”Or “Shared Appreciation Payment Agreement” |
| Fld Name /Item No. | Instruction |
| 3Interest Rate | Identify either assumption or shared appreciation payment agreement and enter the interest rate. |
| 4Term | Enter the term of the new loan. |
| 5Collateral | Enter the collateral that is required for loan approval. |
| 6Insurance | No entry required. |
| 7Expiration | No entry required. |
| 8Additional Requirements and Comments | Enter any additional requirements or comments pertaining to the approval.  |
| **Part B- Borrower Responsibilities** |
| 1Changes in Operation | No entry necessary. |
| 2Record-keeping | No entry necessary. |
| 3Releases and Sales | No entry necessary. |
| 4Payments | No entry necessary. |
| 5Security | No entry necessary. |
| 6Graduation | This paragraph should be removed for non-program assumptions and shared appreciation amortizations. Neither loan is subject to the graduation requirements of the agency. |
| **Part C – Agency Approval** |
| 1Office name | Enter either “this office” or the specific office name. (I.e., Anytown FSA County Office) |
| 2County Office Address | Enter the county office address. |
| 3Agency Telephone Number | Enter the Agency telephone number. |
| Fld Name /Item No. | Instruction |
| 4AAuthorized Agency Official Name | Enter (type or print) the name of the authorized agency official approving the action. |
| 4BSignature | Enter the signature of the authorized agency official approving the action. |
| 4CTitle | Enter the title of the authorized agency official approving the action. |
| **Part D – Certification and Acceptance** |
|  | The applicant must select one of the optional statements on the Certification and Acceptance, either agreeing or disagreeing and requesting a meeting. If the applicant does not sign and return the Certification the request for assumption or amortization will be withdrawn. |
| 1A-4AName | Enter (type or print) the name of the applicant(s). |
| 1B-4BSignature | The applicant will enter their signature. |
| 1C-4CDate | Enter the date the applicant(s) sign the Certification. |

## Contact State Office if additional guidance is needed.