

Request to Cancel Undisbursed Loan Funds

INSTRUCTIONS FOR PREPARATION

Purpose: This form is used by the borrower to request cancellation of undisbursed funds associated with the borrower's loan.	
Handbook Reference: 4-FLP	Number of Copies: Original plus 3 copies.
Signatures Required: Borrower and approval Agency Official.	
Distribution of Copies: The original should be faxed to FLOO. Once faxed the original will be retained in the borrower's official agency case file.	
Automation-Related Transactions: (Instructions for writers: provide only the information required, i.e. ADPS TC 3K. If no automation actions are required, insert N/A) N/A	

The original FSA-2425 with borrower's signature is stapled to the promissory note in the locking-type, fire-resistant file cabinet. Place a copy in the borrower's case file with the ADPS unclosed screen print and one copy to the borrower after completion of the deobligation by FO.

Borrower must complete Part A, Items 1-10. FSA approving official must complete Part B, Items 11-15.

Borrower must complete Part A, Items 1-7. PART B Items 8-14 will be completed by FSA.

Items 1-7

Fld Name / Item No.	Instruction
1 Borrower Exact Full Legal Name	Enter borrower's full legal name.
2 Address	Enter borrower's address.
3 Amount	Enter the amount of the undisbursed funds to be cancelled. Note: Enter same amount as Item 7 of RD-1940-10.
4 Loan Number	Enter the loan number.
5 Date	Enter the date of the note.
6 Signature of Borrower	The borrower signs. Note: ALL borrowers who signed on the Promissory Note are required to sign.

Fld Name / Item No.	Instruction
7 Date	Enter the date the borrower signs the form.

Item 8-14 is completed by FSA.

Item 8-14

Fld Name / Item No.	Instruction
8 FSA's Decision	Check appropriate box to indicate FSA's decision. Approving official check the appropriate box.
9 Approval Official	Enter the name of the approval official.
10 Approval Official Title	Enter the title of the approval official.
11 Approval Official Signature	Signature of the approval official.
12 Date	Enter the date the approval official signed the form.
13 Original Amount	Enter the original amount of the Promissory Note.
14 Cancelled Amount	Enter the amount to be cancelled.