

ASSIGNMENT OF GUARANTEE
INSTRUCTIONS FOR PREPARATION

Purpose: This form is used by lenders when the guaranteed portion of the FSA guaranteed loan is assigned to a secondary market purchaser or holder.	
Handbook Reference: 2-FLP	Number of Copies: Original and two copies
Signatures Required: Lender, Agency Official and Holder Representative.	
Distribution of Copies: Original retained by lender, copy retained by holder and FSA servicing office.	
Automation-Related Transactions: Finance Office	

Lenders must complete Part A Items 1 through 11 and Part G Items 1 through 4.

Holders must complete Items G9 through G12.

Part A - Background Information - Items 1-11

Fld Name / Item No.	Instruction
1 Lender's Name and Mailing Address	Enter the lender's name and mailing address.
2 Agency's Name and Mailing Address	Enter name and mailing address of FSA office servicing the loan.
3 Holder's Name and Mailing Address	Enter holder's name and address to whom the guarantee will be assigned.
4 Borrower Name	Enter the borrower's name as it appears on the promissory note.
5 Loan Type	Enter loan type, as stated on FSA-2235.
6 FSA Account Number	Enter the number assigned to the borrower by FSA. Enter the state and county code and borrower's system generated FSA ID number.
7 Original Loan Amount	Enter the original total amount of the loan. This amount should correspond with the promissory note.

Fld Name / Item No.	Instruction
8 Date Promissory Note Executed	Enter the date the promissory note was executed.
9 Amount of Principal Outstanding	(a) Enter the amount of principal outstanding on the entire loan as of the date in (b). (b) Insert the date that the assignment is effective.
10	(a) Enter percent of the loan guaranteed by FSA. (b) Enter the percentage of guaranteed portion being assigned. If all of the guaranteed portion is being assigned on this form write 100. Insert appropriate smaller percentage if the guarantee is being assigned to multiple holders. (c) Enter the appropriate dollar amount determined by multiplying 9(a) x 10(a) x 10(b). Example: A lender assigning the entire remaining guaranteed portion of a \$100,000 loan with a 90 percent guarantee and an outstanding balance of \$80,000. (80,000 X 90% X 100% = \$72,000). The guarantee has been issued for 90% of the original loan amount. The holder agrees to purchase, and the lender assigns 100% of the guaranteed portion of the loan representing \$72,000 of such loan now outstanding.
11 Servicing Fee	(a) Enter amount of servicing fee to be retained by the lender if it is a set dollar amount. (b) If the entire guaranteed portion is being assigned by this form, servicing fee may be entered as a percentage of average outstanding principal to be collected.

Part B Lender Certification

To be read by the lender. Holders may also wish to read this part for informational purposes.

Part C Repurchase of Loan from Holder

To be read by the lender and holder.

Part D Government Notices to Holder and Lender

To be read by the lender and holder.

Part E Holder Certification

To be read by the lender and holder.

Part F Holder Rights

To be read by the lender and holder.

Part G - Signatures (to be completed by the Lender)

Fld Name / Item No.	Instruction
1 Lender's Representative Name	Print lender's representative name.
2 Title	Print the lender's representative title.
3 Lender's Representative Signature	Enter the lender representative's signature.
4 Date	Enter the date the form is signed.

Items 5-8 are to be completed by FSA.

Part G - Signatures (to be completed by the Holder)

Fld Name / Item No.	Instruction
9 Holder's Representative name	Print the holder's representative name.
10 Title	Print holder's representative title.
11 Holder's Representative signature	Enter holder's representative signature.
12 Date	Enter the date that the form is signed by the holder's representative.