

**SECURITY AGREEMENT  
INSTRUCTIONS FOR PREPARATION**

<b>Purpose:</b> This form is used by County Office when loan(s) are secured by chattel property.	
<b>Handbook Reference:</b> 3FLP, 4FLP, and 5FLP	<b>Number of Copies:</b> Original and Two
<b>Signatures Required:</b> Borrower signs original; when an entity is involved, refer to the applicable loan making regulations for additional signature requirements.	
<b>Distribution of Copies:</b> Original locked in fire resistant file; copy to Borrower's case file; and copy to borrower.	
<b>ADPS/DLS/FBP/GLS Related Transactions (complete this field only when needed and provide only the information required, i.e. ADPS Transaction 3K):</b> N/A	

***The Security Agreement (Chattels and Crops) is completed by FSA for the debtor(s). The debtor(s) will go to the FSA County Office to review the form. Debtor(s) MUST READ Items 2, 3, 4 and 5 before the form is signed in Item 6. A copy of the signed form will be given to the Debtor(s) for their records. Items 1 through 2(e) completed by FSA.***

<b>Fld Name / Item No.</b>	<b>Instruction</b>
1(a) Month and Day	Enter the month and day and year this agreement is signed (i.e. March 10, 2006).
1(b) Name of Debtor	Enter the legal name of the debtor(s).
1(c) Mailing Address	Enter debtor's complete mailing address, including zip code.
2(a) Description of Collateral	Enter a description of the collateral in the space provided.
2(b)(1) Farms/Other Real Estate Owner	Enter farm name or landowner name where all crops are or will be grown.
2(b)(2) Approximate Number of Acres	Enter the approximate number of acres for land listed in Item 2(b)(1).

<b>Fld Name / Item No.</b>	<b>Instruction</b>
2(b)(3) County and State	Enter the County and State where the farm(s) listed in Item 2(b)(1) are located.
2(b)(4) Distance and Directions from Nearest Town	Enter a brief description of approximate distance and directions from the nearest town or landmark to the farm(s) listed in Item 2(b)(1).
2(c)(1) State(s) Where Farm...	Enter the name of the State(s) where the farm and other equipment listed in Items 2(c)(2) through 2(c)(9) is located.
2(c)(2) Line Number	Enter a line number for each entry. Line numbers must be sequential, beginning with number 1.
2(c)(3) Quantity	Enter the quantity of each kind of equipment.
2(c)(4) Kind	Enter the kind of equipment.
2(c)(5) Manufacturer	Enter the manufacturer for each piece of equipment.
2(c)(6) Size and Type	Enter the equipment's size and type.
2(c)(7) Condition	Enter the condition for each piece of equipment (i.e. Excellent, Good, Fair or Poor).
2(c)(8) Year of Manufacture	Enter the year the equipment was manufactured.
2(c)(9) Serial or Model No.	Enter equipment serial and model number.
2(c)(10) Fixtures	Enter description of fixtures and the legal description of the associated real estate. If more space is needed, insert an additional page. This page should be initialed by the debtor.
2(d)(1) State(s) Where Livestock...	Enter the State(s) where the livestock or farm products listed in Items 2(d)(2) through 2(d)(9) are located.
2(d)(2) Line Number	Enter a line number for each entry. Line numbers must be sequential, beginning with number 1.
2(d)(3) Quantity	Enter the quantity of each kind of livestock listed.
2(d)(4) Kind-Sex	Enter the kind or sex for the animals listed.
2(d)(5) Breed	Enter the breed for the animals listed.

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2(d)(6) Color	Enter the color for the animals listed.
2(d)(7) Weight	Enter the approximate average weight for the animals listed.
2(d)(8) Age	Enter the age or age range for the animals listed.
2(d)(9) Brands or Other Identifi- cation	Enter description of any brands or other identifying marks for the animals listed.
2(e) List All Accounts	List all accounts, deposit accounts, goods, supplies, inventories, investment property, etc., that may serve as security.
5 Certification	Read Items 3 and 4 and the certification before signing the form.
6A Debtor Signature	Enter legal signature and date the document is executed.  <b>NOTE:</b> If applicable, the debtor(s) will affix their Seal to the form above their signature(s).
6B Debtor Signature	Enter legal signature and date the document is executed.  <b>NOTE:</b> If applicable, the debtor(s) will affix their Seal to the form above their signature(s).

Space provided for additional signatures.