

Instructions for RD 4281-12

ASSIGNMENT GUARANTEE AGREEMENT

The lender uses this form to assign or sell all or part of the guaranteed portion of a loan.

An Assignment Guarantee Agreement should be issued for each guaranteed note the lender wishes to sell or assign.

If a loan is subsequently sold or assigned the Agency must be notified using any format, including that used by the Securities Industry and Financial Markets Association. The original Assignment Guarantee Agreement must be transferred to the new holder.

Lenders must complete all items identified in the following table.

Blanks on the form are unnumbered; however, they are numbered in the below table from left to right on each line and then by line from top to bottom of each page. There are three examples following the instruction language on the completion of the table and the paragraph immediately following the table.

Fld Name / Item No.	Instruction
Program	Indicate the applicable program
USDA's Borrower Unique Entity Identifier	Enter the USDA's Borrower Unique Entity Identifier which is either the GLS or CPAP borrower ID number as appropriate.
Line 1.	Enter the name of the lender
Line 2.	Enter the name of the borrower
Line 3.	Enter the principal amount of the loan
Line 4.	Enter the date the Promissory Note(s) were executed
Line 5.	Enter the percent of loan guarantee. Example: 80%.
Line 6.	Enter the dollar amount that equals the guaranteed portion of the loan(s). Example: For a \$2,000,000 loan with an 80% guarantee, enter \$1,600,000
Line 7.	Enter the total number of notes issued for the project
Table	Use the plus and minus signs to add or remove lines as needed from the table to provide one line to describe each

	promissory note (with the information in the next to be covered by this Assignment Guarantee Agreement.. The total number of lines in the table should equal the entry made in line 7 above.
Table - Lender's Identifying Loan Number	Enter the lender assigned number associated with each individual loan to the borrower
Table - Lender's Identifying Promissory Note Number	Enter the lender assigned promissory note number.
Table -Face Amount	Enter the face amount (<i>amount stated on note that borrower is obligated to pay</i>)
Table - Percent of Guarantee	Enter the percent of the loan guarantee.
Table - Amount Guaranteed	Face amount times percent of guarantee
Table - Total – Face Amount of Note	Add all “face amount of note(s)” and enter total. Total should equal “principal amount of loan” noted in Line 3 above
Table -Total – Amount Guaranteed	Add all “amount(s) guaranteed” and enter total. Total should equal entry in Line 6 above
Line 8.	Enter the Holder's name
Line 9.	Enter the percent of the guaranteed loan the holder desires to purchase
Line 10.	Enter the Promissory Note Number of the subject assignment
Item 1.	Enter the principal amount of the loan now outstanding
Item 1a.	Enter the percent of the guaranteed portion of the Promissory Note the lender assigns the holder (<i>Should match entry in Line 9 above</i>)
Item 1b.	Enter the dollar amount that equals the guaranteed portion of the loan assigned to holder
Item 2.	Read Only
Item 3. Servicing Fee	Enter the percent of the annual servicing fee the holder agrees the lender will retain
Item 4.	Read Only
Item 5.	Read Only
Item 6.	Read Only
Item 7.	Read Only

Item 8.	Read Only
Item 9.	Read Only
Item 10.	Read Only
Item 11.	Read Only
Item 12.	Read Only
Item 13: Line 1	Enter RBCS
Item 13: Line 2	Enter State in which the USDA Agency is initiating notices.
Item 13: Line 3	Enter the mailing address for Agency correspondence related to the Assignment Guarantee Agreement (<i>Typically, the state office address is used</i>)
Date	Enter the date this agreement is signed
By	Enter the name of the USDA approval official authorized to sign the Assignment Guarantee Agreement
Title	Enter the title of the USDA approval official authorized to sign the Assignment Guarantee Agreement
Lender	Enter the name of the lender
Address	Enter the address of the lender
By	Enter the lender representative Signature required
Title	Enter the title of the lender representative
Holder	Enter the name of the holder
Address	Enter the address of the holder
By	Enter the holder's signature
Title	Enter the holder's title

Example 1 (partial):

The lender closed the loan using a single. 100% of note #0002021001 in the face amount of \$2,000,000, with an 80% USDA guarantee is being assigned to LMN Financial.

Add/ Remove	<u>Lender's Identifying Note Number</u>	<u>Face Amount</u>	<u>Percent of Total Loan Amount</u>	<u>Amount Guaranteed</u>
	00020210001	\$2,000,000.00	80%	\$1,600,000
Total:		\$2,000,000.00		\$1,600,000

LMN Financial (Holder) desires to purchase from Lender **100** percent of the guaranteed portion of Promissory Note Number **00020210001**. Copies of Borrower's Promissory Note(s) and Loan Promissory Note Guarantee are attached hereto as a part hereof. Upon execution, a copy of all Assignment Guarantee Agreements associated with a Promissory Note will be attached to the original Promissory Note to be physically retained by original Lender. The original of the Assignment is retained by the Holder. Holder's rights to payments are listed herein.

All terms not otherwise defined have the definitions given to them in the 7 CFR part 5001.3.

NOW, THEREFORE, THE PARTIES AGREE:

1. The principal amount of the Promissory Note now outstanding is **\$ 2,000,000**. Lender hereby assigns to Holder **100** percent of the guaranteed portion of the Promissory Note representing **\$1,600,000** of such loan now outstanding in accordance with all of the terms and conditions hereinafter set forth. The Lender and USDA certify to the Holder that the Lender has paid and USDA has received the guarantee fee in exchange for the issuance of the Loan Promissory Note Guarantee and any applicable fees.

Example 2 (partial):

The lender closed the loan using multiple notes. 100% of note #0002021002 in the face amount of \$500,000, with an 80% USDA guarantee is being assigned to LMN Financial.

<i>Add/ Remove</i>	<i>Lender's Identifying Note Number</i>	<i>Face Amount</i>	<i>Percent of Total Loan Amount</i>	<i>Amount Guaranteed</i>
	00020210001	\$1,000,000.00	80%	\$800,000
	00020210002	\$500,000	80%	400,000
	00020210003	\$500,000	80%	400,000
Total:		\$2,000,000.00		\$1,600,000

LMN Financial (Holder) desires to purchase from Lender **100** percent of the guaranteed portion of Promissory Note Number **0002021002**. Copies of Borrower's Promissory Note(s) and Loan Promissory Note Guarantee are attached hereto as a part hereof. Upon execution, a copy of all Assignment Guarantee Agreements associated with a Promissory Note will be attached to the original Promissory Note to be physically retained by original Lender. The original of the Assignment is retained by the Holder. Holder's rights to payments are listed herein.

All terms not otherwise defined have the definitions given to them in the 7 CFR part 5001.3.

NOW, THEREFORE, THE PARTIES AGREE:

1. The principal amount of the Promissory Note now outstanding is **\$ 500,000**. Lender hereby assigns to Holder **100** percent of the guaranteed portion of the Promissory Note representing **\$400,000** of such loan now outstanding in accordance with all of the terms and conditions hereinafter set forth. The Lender and USDA certify to the Holder that the Lender has paid and USDA has received the guarantee fee in exchange for the issuance of the Loan Promissory Note Guarantee and any applicable fees.

Example 3 (partial):

The lender closed the loan using multiple notes. 50% of note #0002021003 in the face amount of \$500,000, with an 80% USDA guarantee is being assigned to LMN Financial.

Add/ Remove	<i>Lender's Identifying Note Number</i>	<i>Face Amount</i>	<i>Percent of Total Loan Amount</i>	<i>Amount Guaranteed</i>
	00020210001	\$1,000,000.00	80%	\$800,000
	00020210002	\$500,000	80%	400,000
	00020210003	\$500,000	80%	400,000
Total:		\$2,000,000.00		\$1,600,000

LMN Financial (Holder) desires to purchase from Lender **50** percent of the guaranteed portion of Promissory Note Number **0002021003**. Copies of Borrower's Promissory Note(s) and Loan Promissory Note Guarantee are attached hereto as a part hereof. Upon execution, a copy of all Assignment Guarantee Agreements associated with a Promissory Note will be attached to the original Promissory Note to be physically retained by original Lender. The original of the Assignment is retained by the Holder. Holder's rights to payments are listed herein.

All terms not otherwise defined have the definitions given to them in the 7 CFR part 5001.3.

NOW, THEREFORE, THE PARTIES AGREE:

1. The principal amount of the Promissory Note now outstanding is **\$ 500,000**. Lender hereby assigns to Holder **50** percent of the guaranteed portion of the Promissory Note representing **\$200,000** of such loan now outstanding in accordance with all of the terms and conditions hereinafter set forth. The Lender and USDA certify to the Holder that the Lender has paid and USDA has received the guarantee fee in exchange for the issuance of the Loan Promissory Note Guarantee and any applicable fees.