

**Notice of Approval, Terms and Conditions  
and  
Borrower Responsibilities**

**INSTRUCTIONS FOR PREPARATION**

<b>Purpose:</b> 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.	
<b>Handbook Reference:</b> 4-FLP, and 5-FLP	<b>Number of Copies:</b> Original and Two
<b>Signatures Required:</b> Original and copy signed by the Authorized Agency Official and borrower.	
<b>Distribution of Copies:</b> 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.	
<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> DLS/MAC	

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.
<b>Part A – Terms and Conditions</b>	
1 Amount	Identify either assumption or amortization and enter the amount of the assumption or amortization.
2 Purpose	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
3 Interest Rate	Identify either assumption or shared appreciation payment agreement and enter the interest rate.
4 Term	Enter the term of the new loan.
5 Collateral	Enter the collateral that is required for loan approval.
6 Insurance	No entry required.
7 Expiration	No entry required.
8 Additional Requirements and Comments	Enter any additional requirements or comments pertaining to the approval.
<b>Part B- Borrower Responsibilities</b>	
1 Changes in Operation	No entry necessary.
2 Record-keeping	No entry necessary.
3 Releases and Sales	No entry necessary.
4 Payments	No entry necessary.
5 Security	No entry necessary.
6 Graduation	No entry necessary.
<b>Part C – Agency Approval</b>	
1 Office name	Enter either “this office” or the specific office name. (I.e., Anytown FSA County Office)
2 County Office Address	Enter the county office address.
3 Agency Telephone Number	Enter the Agency telephone number.

Fld Name / Item No.	Instruction
4A Authorized Agency Official Name	Enter (type or print) the name of the authorized agency official approving the action.
4B Signature	Enter the signature of the authorized agency official approving the action.
4C Title	Enter the title of the authorized agency official approving the action.
<b>Part D – Certification and Acceptance</b>	
	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-4A Name	Enter (type or print) the name of the applicant(s).
1B-4B Signature	The applicant will enter their signature.
1C-4C Date	Enter the date the applicant(s) sign the Certification.

**Contact State Office if additional guidance is needed.**