UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
P.O. Box 2415
Washington, DC 20013-2415

Notice FC-41

1940-L

For: State and County Offices

FY 1996 Guaranteed Operating With Interest Assistance Loan Funds

Approved by: Acting Deputy Administrator, Farm Credit Programs

1 Overview

A Background

Unobligated FY 1996 allocations of Guaranteed Operating With Interest Assistance loan funds will be pooled from each State Office. This pooling action ensures that all available loan funds are used before the end of the FY.

B Purpose

This notice provides:

- date pooling action will be accomplished
- information on disposition of pooled loan funds.

2 Pooling of Guaranteed Operating With Interest Assistance Loan Funds

A Unobligated Allocations

Effective COB on May 14, 1996, unobligated allocations of non-targeted Guaranteed Operating With Interest Assistance loan funds will be pooled.

Continued on the next page

Disposal Date	Distribution
April 1, 1997	State Offices; State Offices relay to County Offices

FmHA Instruction 1951-S, Exhibit A Attachments for Offering Buyout at Market Value (Continued)

Following is a copy of FmHA Instruction 1951-S, Exhibit A, Attachment 5-A, page 6.

FmHA Instruction 1951-S
Exhibit A to Subpart G
Attachment 5-A
Page 6

Time Limit. If you are eligible and want to buy out your ~~loan(s)~~ FSA debt at the ~~recovery~~current market value, you must pay FSA~~FmHA~~ within 90 days from the date you received this letter. You must pay FSA~~FmHA~~ in cash, money order, or certified check.

If you appeal FSA~~FmHA~~'s adverse decision, the 90-day period to buy out at ~~recovery value~~ will not start until all of the appeals are completed. Check box #3 on the "Response Form" if you want to buy out at recovery value.

5) **Consideration for Homestead Protection~~, Farmland Leaseback/Buyback~~ and Debt Settlement.**

~~If you do not~~ appeal, or ~~if you do not~~ win your ~~appeal and~~ you do ~~not buy~~ out the loan ~~at recovery value~~, After all appeals are concluded and your time to buyout, if eligible, has expired, FSA~~FmHA~~ will automatically consider you for Homestead protection if your home is mortgaged to FSA~~and farmland leaseback/buyback~~. [You applied for these programs when you applied for primary loan servicing (debt restructuring).] FSA~~FmHA~~ will notify you that it will be considering you for ~~these~~ programs and will request some additional information when the time comes to consider you. If you applied for Debt Settlement by returning Form FmHA 1956-1, will also consider you for this option now at this time. If you did not apply for Debt Settlement before, you may apply now. Copies of Form FmHA 1956-1 are available at your FSA~~FmHA~~ County Office.

VII. **WHAT HAPPENS IF YOU DO NOT RESPOND~~CURE THE DEFAULT OR BUYOUT~~?**

If you do not ~~cure the default or buyout, or if~~ you do not respond to this letter by completing and returning the enclosed Attachment 6-A, "Response to ~~Notice of Intent~~ to ~~Accelerate or Continue~~ with ~~Acceleration and~~ Notice of Borrowers ~~Rights~~," FSA~~FmHA~~ will accelerate or continue with acceleration of your FSA~~FmHA~~ debts. This is a very severe action. FSA~~FmHA~~ will take any of the actions listed in Section V above to collect on your debt.

The Right Not to Be Discriminated Against

Federal law does not allow discrimination of any kind. You cannot be denied a loan because of your race, color, religion, national origin, sex, marital status, handicap, or age (if you can legally sign a contract). You cannot be denied a loan because all or part of your income is from a public assistance program. If you believe you have been discriminated ~~against~~ for any of these reasons, you can write the Secretary of Agriculture, Washington, D.C. 20250.