

***--Notice to a Non-Debtor Entity That Non-Centralized Administrative Offset, Including Internal Administrative Offset From an Entity Has Been Exercised and Will Continue**

Note: Exhibit 20 will be available in a fillable format at <http://intranet.fsa.usda.gov> under form name "2-FLP Exhibit 20".

**United States
Department of
Agriculture**

Farm and Foreign
Agricultural Services

Farm Service
Agency

[County Office
Name]

FSA Office

[Any Town, ST
XXXXX-XXXX]



**Notice to a Non-Debtor Entity That Non-Centralized Administrative Offset,
Including Internal Administrative Offset From an Entity Has
Been Exercised and Will Continue**

Dear [Non-debtor entity name] :

[Insert Name of debtor] , who is a member of your entity had a final loss claim(s) paid on their behalf in the amount of \$ [Amount] by the Farm Service Agency (FSA). FSA's payment makes this amount a Federal debt of your entity member. This letter notifies you that the debt is now delinquent. FSA has exercised and intends to continue to exercise non-centralized pro rata administrative offset of your entity member's percentage share of any payments that the entity is to receive from participation in any USDA program or contract (this includes any FSA program or contract). FSA used non-centralized administrative offset of [Percent] percent of the payments made to collect the debt owed to FSA until either the entity member pays the delinquent Federal debt in full, submits a repayment plan acceptable to FSA or you or the debtor successfully disputes the debt through an appeal before the National Appeals Division (NAD).

FSA has determined that offset must be exercised immediately against the delinquent member's percentage amount that is payable to the entity. This is because FSA has determined that there was insufficient time before payment or disbursement to the entity to allow for prior notice and opportunity for appeal. [Insert a narrative justification]
[Narrative continuation]

The payment collected was \$ [payment] that the entity member was to receive from [Insert payment source]. While you will not avoid immediate offset of the payment if you appeal, if you prevail on appeal, FSA will return the offset with interest and discontinue any future offsets unless you are re-notified.

FSA also intends to take the entity member's percentage share of any future entity payments or disbursements that the entity is to receive from any USDA program or contract until either the entity member pays the Federal debt in full, submits a repayment plan acceptable to FSA, or you or the entity member successfully disputes the debt through an appeal before the National Appeals Division (NAD). The amount due on the Federal debt will increase as interest accrues at the note

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.



USDA is an Equal Opportunity Employer

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***--Notice to a Non-Debtor Entity That Non-Centralized Administrative Offset, Including Internal Administrative Offset From an Entity Has Been Exercised and Will Continue (Continued)**

rate of the guaranteed loan on the date the final loss claim was paid ([Int. rate] %).
On [Date] the debtor was notified of the opportunity to inspect and copy Agency records related to the debt, propose a written agreement to repay the debt, and request an appeal before NAD.

You have the right to appeal this notice to NAD in accordance with regulations published at 7 C.F.R. part 11. The issues under appeal will be limited to the correctness of FSA's determination that there was insufficient time before the USDA payment to provide prior notice and the opportunity to appeal, the percentage share which the debtor has in your entity, and whether the percentage offset was correct.

If you appeal this notice, your written request for appeal must be postmarked no later than 30 calendar days from the date you receive this notice. Send the request for appeal to the office of the Area Supervisor, National Appeals Division, **[Insert NAD Address]**
[NAD address continued]

The request for appeal must include a copy of this letter and a statement explaining why you think the notice is incorrect. The request should include your name, address, and phone number. NAD will advise you of the time and place of any hearing and of any procedural requirements. A copy of your appeal and any attachments should be sent to this office.

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

USDA regulations prohibit discrimination in USDA programs because of your race, color, religion, sex, age, national origin, marital status, familial status, sexual orientation, disability; or because all or part of your income is derived from any public assistance program; or because you have filed a program complaint, participated in any program complaint proceeding, or opposed a prohibited practice.

If you believe you have been discriminated against for any of the reasons stated above, you may file a complaint with the Director, Office of Civil Rights, United States Department of Agriculture, Room 326-W, Whitten Building, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410.

Sincerely,

Farm Service Agency
United States Department of Agriculture

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