

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Oregon State Office
7620 S.W. Mohawk Street
Tualatin, OR 97062-8121

**Oregon Notice
FLP-136**

For: County Offices

Preparation of Revised Form FSA 440-4A, "Security Agreement"

Approved By: Acting State Executive Director



LEF:LEV:lv

1 Overview

A Background

Page 3 of Procedure Notice No. 171 announces a revision in Form FSA 440-4A. A new covenant has been added at Section 4 E of the revised 03-19-03 version of Form FSA 440-4A that reflects the borrower's agreement not to be bound by any present or future State exemption laws. The revised 03-19-03 version of Form FSA 440-4A is electronically accessible on the FFAS Employee Forms Website at <http://intranet.fsa.usda.gov>.

The new covenant has not yet been added to the 06-29-01 version of Form FSA 440-4A generated by the Agency's Farm and Home Plan software. We have been advised by the Office of General Counsel (OGC) to discontinue use of the Farm and Home Plan software generated 06-29-01 version of Form FSA 440-4A without the new clause.

B Purpose

The purpose of this Oregon Notice is to:

- require discontinued use of the Farm and Home Plan software generated 06-29-01 version of Form FSA 440-4A without the new clause being added
- provide specific language for insertion in the Farm and Home Plan software generated 06-29-01 version of Form FSA 440-4A if employees wish to use this modified document in lieu of using the revised 03-19-03 version of Form FSA 440-4A that is electronically accessible on the FFAS Employee Forms Website.

C Contact

Direct questions concerning this Oregon Notice to Lynn Voigt in the State Office.

FILING: Preceding FSA Handbook 3-FLP, and FmHA Instructions 1941-B and 1962-A

Disposal	Distribution
October 1, 2004	STO, DD, COR, COC, COF - Including Farm Loan Programs

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2 Action

A Acceptable Forms FSA 440-4A

Acceptable alternatives for preparing Forms FSA 440-4A, listed in order of preference, are:

- download, save, complete, and then print the revised fillable .pdf version of Form FSA 440-4A (03-19-03) from the FFAS Employee Forms Website
- print out a completed Farm and Home Plan software generated version of Form FSA 440-4A (06-29-01), and then manually add the required language as a new clause IV L.

B Revised Form FSA 440-4A (03-19-03)

Use of the revised Form FSA 440-4A bearing a revision date of 03-19-03 is recommended and preferred. It contains all of the required language, and complies with the Agency's regulatory requirements without modification.

Note: The text listing of the machinery, equipment, and livestock found in the chattel appraisal portion of the automated Farm and Home Plan system *may* be able to be copied and dropped into the fillable .pdf version of Form FSA 440-4A (03-19-03).

C Modified Form FSA 440-4A (06-29-01)

Use of the Farm and Home Plan software generated version of Form FSA 440-4A bearing a revision date of 06-29-01 in its present form, without modification, is prohibited.

Use of a Form FSA 440-4A bearing a revision date of 06-29-01 that has been *modified* as follows, is not preferred, but is acceptable until the revised Form FSA 440-4A (03-19-03) is made available on updated automated Farm and Home Plan software. To make the Farm and Home Plan software generated 06-29-01 version of Form FSA 440-4A acceptable for use:

- print out and complete the Security Agreement as you normally would
- manually type in the following text *on the last page* as a new clause IV L in the space *below the existing text* of clause IV K and immediately *above the debtor's signature* lines:

L. Debtor agrees that the Secured Party will not be bound by any present or future State exemption laws. Debtor expressly waives the benefit of any such State laws.

Initials: _____

- have the borrower initial the inserted clause where indicated, as well as sign the modified Security Agreement at the time of execution.

Note: If the borrower has an exceptionally large list of machinery, equipment, or livestock, this less preferred alternative to preparing a Security Agreement would at least preclude having to re-enter the entire list of machinery, equipment, and livestock on a new fillable .pdf version of the revised Form FSA 440-4A (03-19-03).