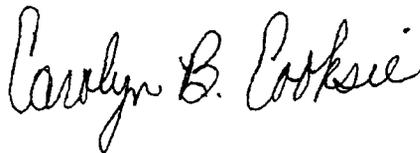


For: State Offices and Service Centers

**Guide Letters to Notify Applicants of Adverse Decisions**

Approved by: Deputy Administrator, Farm Loan Programs



**1 Overview**

**A  
Background**

FmHA Form 1900-1 is obsolete. FSA is no longer authorized to use this form. Notice FC-45, which expired May 1, 1997, instructed State Offices and Service Centers to continue to use FmHA Form 1900-1 when notifying applicants of adverse decisions until the form was revised or reissued.

**B  
Purpose**

This notice:

- informs State Offices and Service Centers to no longer use FmHA Form 1900-1 when notifying applicants of adverse decisions
- includes guide letters (Exhibits 1 through 8) with modifications needed to advise applicants of appeal rights in cases where adverse decisions are rendered
- ensures consistency among State Offices and Service Centers.

Continued on the next page

<b>Disposal Date</b>	<b>Distribution</b>
July 1, 1998	State Offices; State Offices relay to Service Centers

## Notice FC-128

### 1 Overview (Continued)

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#### C

#### Applicability

This notice applies only to decisions rendered in:

- direct loan making programs
- guaranteed loan making programs
- requests for subordination, partial release, consent and routine servicing actions; such as Limited Resource reviews, graduation, and release of security income.

**Note:** This notice does not apply to decisions rendered as a result of 1951-S servicing actions and subsequent servicing actions; such as, debt settlements, liquidations, and offsets. usc 1951-J-3

Nonprogram borrowers will be:

- serviced according to FmHA Instruction 1951-J
  - notified of adverse actions using 1951-J-3 instead of this notice.
- 

### 2 Action

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#### A

#### SED Action

SED shall:

- notify Service Centers that:
    - Form FmHA 1900-1 is obsolete
    - supplies of this form should be disposed of immediately
  - distribute guide letters (Exhibits 1 through 8) to all Service Centers
  - ensure that these guide letters are used when notifying applicants of adverse decisions covered by this notice.
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Continued on the next page

Notice FC-128

**2 Action (Continued)**

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**B**

**Service Center  
Action**

Service Centers shall:

- immediately dispose of supply of Form FmHA 1900-1
- stop using the guide letters issued in Notice FC-45
- replace the guide letters issued in Notice FC-45 with the guide letters issued with this notice.

**Note:** The heading of each guide letter indicates when that guide letter shall be used.

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**C**

**Contact**

Direct questions about this notice as follows:

- Service Centers shall contact the State Office
  - State Offices shall contact LMD, through the Area Office.
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**Letter for Notifying Applicants, Lenders, Holders, and Borrowers of Decisions Made by  
Ag Credit Teams When the Decision Is Appealable**

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Dear (insert name):

After careful consideration, we (were unable to take favorable action on your application or request for FSA assistance or are canceling or reducing the assistance you are presently receiving). The specific reasons for our decision are as follows:

(Insert the adverse decision and all specific reasons for the adverse action, with procedural references used in arriving at this decision).

If you believe this decision or the facts used in this case are in error, you may pursue your rights using the following options:

**Reconsideration**

If you have questions concerning this decision or the facts used in making it and desire further explanation, you may write to the County Office at (insert mailing address) to request reconsideration. This written request must be received in the County Office, or be postmarked, no later than 30 calendar days from the date of this letter. You must present any new information, evidence, or possible alternatives with the request. You may also bring a representative or legal counsel with you to any meeting that may result from the request for reconsideration. You may choose to skip this step in the informal process and select one of the following options. If you skip this step, you will automatically waive your right to reconsideration.

**Mediation**

*(Insert this paragraph in States with Certified Mediation Programs)*

You have the right to mediate the issues in this decision that are available for mediation under the (insert State name) Mediation Program. Informal mediation may enable us to narrow and resolve these issues by agreement. FSA will participate in this mediation. If you want to request mediation or need information to assist you in deciding whether to mediate our decision, you may contact the State Mediation Program by writing to (insert name, address, and fax number of the State Mediation Program). You must request mediation within 30 calendar days of the date of this letter. Send a copy of the request to (insert SED's name, address, and fax number). If mediation does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing. When mediation is concluded, you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation does not take the place of, or limit your right to, an appeal to the National Appeals Division (NAD). You may choose to skip mediation and request an NAD appeal hearing. However, in doing so, you will automatically waive your rights to mediation and reconsideration.

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Continued on the next page

**Letter for Notifying Applicants, Lenders, Holders, and Borrowers of Decisions Made by Ag Credit Teams When the Decision Is Appealable (Continued)**

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*(Insert this paragraph in States without Certified Mediation Programs)*

You have the right to request mediation, or other form of alternative dispute resolution (ADR), of the issues in this decision. Informal mediation or ADR may enable us to narrow and resolve these issues by agreement. If you request mediation or ADR, and resources are available, FSA will participate in the mediation or ADR process. To request mediation or ADR, notify the State Executive Director (SED) by writing to (insert SED's name, address and fax number). The written request must be postmarked, faxed, or otherwise received no later than 30 calendar days after the date of this letter. SED will tell you the extent to which resources are available for mediation or ADR, and the procedures and other information concerning mediation and ADR. If mediation or ADR does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing. When mediation or ADR is concluded you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation and ADR do not take the place of, or limit your rights to, an appeal to the National Appeals Division (NAD). You may choose to skip mediation or ADR and request an NAD appeal hearing. However, in doing so you will automatically waive your rights to mediation or ADR, and reconsideration.

**Request an Appeal**

You may request an appeal hearing by NAD rather than reconsideration or mediation.

You have the right to appeal this decision in accordance with regulations published in 7 CFR Part 11. In order to successfully challenge this decision, you must show why the decision is in error. If you wish to appeal this decision, your written request for appeal must be received, or be postmarked, no later than (insert 30 calendar days from the date of this letter.) Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address), \_\_\_\_\_ (city, State, and ZIP Code). The request for appeal must contain a copy of this letter and a statement explaining why you believe the decision is erroneous. A copy of your appeal and attachments should be sent to this office. The request should include your name, address, and phone number, and the name and address of the decision maker. NAD will advise you of the time and place of any hearing and of any procedural requirements.

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 may write the Secretary of Agriculture, Washington, DC 20250.

You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for enforcing this law is the Federal Trade Commission, Washington, DC 20580.

Sincerely,

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Signature of Decision Maker

**Letter to Notify Applicants, Lenders, Holders, and Borrowers of Decisions Made by COC  
When the Decision Is Appealable**

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Dear (insert name):

After careful consideration, the County Committee (COC) was unable to take favorable action on (your application or request for FSA assistance). The specific reasons for their decision is as follows:

(Insert the adverse decision and all specific reasons for the adverse action, with all procedural references used in arriving at this decision.)

If you believe this decision or the facts used in this case are in error, you may pursue your rights using the following options:

**Reconsideration**

If you have questions concerning this decision or the facts used in making it and desire further explanation, you may write to the County Office at (insert mailing address) to request reconsideration by COC. This written request must be received in the County Office, or be postmarked, no later than 30 calendar days from the date of this letter. You must present any new information, evidence, or possible alternatives with your request. You may also bring a representative or legal counsel with you to any meeting that may result from your request for reconsideration. You may choose to skip this step in the informal process and select one of the following options. If you skip this step, you will automatically waive your right to reconsideration by COC.

**Mediation**

(Insert this paragraph in States with Certified Mediation Programs)

You have the right to mediate the issues in this decision that are available for mediation under the (insert State name) Mediation Program. Informal mediation may enable us to narrow and resolve these issues by agreement. FSA will participate in this mediation. If you want to request mediation, or need information to assist you in deciding whether to mediate our decision, you may contact the State Mediation Program by writing to (insert name, address, and fax number of the State Mediation Program). You must request mediation within 30 calendar days of the date of this letter. Send a copy of the request to (insert SED's name, address, and fax number.) If mediation does not result in resolution of these issues, you will have the right to continue with a request for an appeal hearing. When mediation is concluded, you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation does not take the place of, or limit your rights to, an appeal to the State Committee (STC) or National Appeals Division (NAD). You may choose to skip mediation and request an appeal hearing. However, in doing so, you will automatically waive your rights to mediation and reconsideration.

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**Letter to Notify Applicants, Lenders, Holders, and Borrowers of Decisions Made by COC  
When the Decision Is Appealable (Continued)**

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*(Insert this paragraph in States without Certified Mediation Programs)*

You have the right to request mediation, or other form of alternative dispute resolution (ADR), of the issues in this decision. Informal mediation or ADR may enable us to narrow and resolve these issues by agreement. If you request mediation or ADR, and resources are available, FSA will participate in the mediation or ADR process. To request mediation or ADR, notify the State Executive Director (SED) by writing to (insert SED's name, address, and fax number). The written notice must be postmarked or faxed no later than 30 calendar days after the date of this letter. SED will tell you the extent to which resources are available for mediation or ADR, and the procedures and other information concerning mediation and ADR. If mediation or ADR does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing. When mediation or ADR is concluded you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation and ADR do not take the place of, or limit your rights to, an appeal to the State Committee (STC) or National Appeals Division (NAD). You may choose to skip mediation or ADR and request an NAD appeal hearing. However, in doing so, you will automatically waive your rights to mediation or ADR, and reconsideration.

**Request an Appeal**

You may request an appeal hearing by NAD rather than reconsideration or mediation. Your appeal options are as follows:

***Option #1 Appeal to STC***

You may appeal the COC decision to STC. To request an appeal, notify SED by writing to (insert SED's name, address, and fax number). The written request must be received, postmarked, or faxed no later than 30 calendar days after the date of this letter. SED will contact you regarding a time and place for the hearing. If STC upholds the COC decision, you will be provided further appeal and reconsideration rights.

***Option #2 Appeal to NAD***

You may request an appeal hearing by NAD rather than reconsideration, mediation, or an appeal to STC.

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Continued on the next page

**Letter to Notify Applicants, Lenders, Holders, and Borrowers of Decisions Made by COC  
When the Decision Is Appealable (Continued)**

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You have the right to appeal this decision in accordance with regulations published in 7 CFR Part 11. In order to successfully challenge this decision, you must show why the decision is in error. If you wish to appeal this decision, your written request for appeal must be postmarked no later than (insert 30 calendar days from the date of this letter.) Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address), \_\_\_\_\_ (city, State, and ZIP Code). The request for appeal must contain a copy of this letter and a statement explaining why you think the decision is erroneous. A copy of your appeal and attachments should be sent to this office. The request should include your name, address, and phone number, and the name and address of the decision maker. NAD will advise you of the time and place of any hearing and of any procedural requirements.

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 may write the Secretary of Agriculture, Washington, DC 20250.

You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for enforcing this law is the Federal Trade Commission, Washington, DC 20580.

Sincerely,

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Signature of Decision Maker  
(Ag Credit Manager/CED may sign for COC  
when delegated to do so in writing)

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**Letter for Notifying Applicants, Lenders, Holders, and Borrowers of Decision Reached as a Result of Reconsideration (decisions made by the Ag Credit Teams)**

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Dear (insert name):

We appreciate the opportunity to review the facts relative to (your application or request for FSA assistance). We regret that our meeting with you did not result in a satisfactory conclusion.

(Insert the adverse decision and all specific reasons for the decision. Be sure to identify those items listed in the original letter that have been adequately resolved and those that were not as a result of the meeting.)

If you believe this decision or the facts used in this case are in error, you may pursue your rights using the following options:

**Mediation**

(Insert this paragraph in States with Certified Mediation Programs)

You have the right to mediate the issues in this decision that are available for mediation under the (insert State name) Mediation Program. Informal mediation may enable us to narrow and resolve these issues by agreement. FSA will participate in this mediation. If you want to request mediation, or need information to assist you in deciding whether to mediate our decision, you may contact the State Mediation Program by writing to (insert name, address, telephone number, and fax number of the State Mediation Program). You must request mediation within 30 calendar days of the date of this letter. Send a copy of the request to (insert SED's name, address, and fax number). If mediation does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing. When mediation is concluded you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation does not take the place of, or limit your right to, an appeal to the National Appeals Division (NAD). You may choose to skip mediation and request an appeal hearing. However, in doing so you will automatically waive your right to mediation.

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Continued on the next page

**Letter for Notifying Applicants, Lenders, Holders, and Borrowers of Decision Reached as a Result of Reconsideration (decisions made by the Ag Credit Teams) (Continued)**

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*(Insert this paragraph in States without Certified Mediation Programs)*

You have the right to request mediation, or other form of alternative dispute resolution (ADR), of the issues in this decision. Informal mediation or ADR may enable us to narrow and resolve these issues by agreement. If you request mediation or ADR, and resources are available, FSA will participate in the mediation or ADR process. To request mediation or ADR, notify the State Executive Director (SED) by writing to (insert SED's name, address, and fax number). The written notice must be received, postmarked, or faxed no later than 30 calendar days after the date of this letter. SED will tell you the extent to which resources are available for mediation or ADR and the procedures and other information concerning mediation and ADR. If mediation or ADR does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing. When mediation or ADR is concluded you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation and ADR do not take the place of, or limit your right to, an appeal to the National Appeals Division (NAD). You may choose to skip mediation or ADR and request an appeal hearing. However, in doing so, you will automatically waive your right to mediation or ADR.

**Request an Appeal**

You may request an appeal hearing by NAD rather than mediation.

You have the right to appeal this decision in accordance with regulations published in 7 CFR Part 11. In order to successfully challenge this decision, you must show why the decision is in error. If you wish to appeal this decision, your written request for appeal must be postmarked no later than (insert 30 calendar days from the date of this letter.) Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address), \_\_\_\_\_ (city, State, and ZIP Code), within 30 calendar days of the date of this letter. The request for appeal must contain a copy of this letter and a statement explaining why you think the decision is erroneous. The request should include your name, address, and phone number, and the name and address of the decision maker. NAD will advise you of the time and place of any hearing and of any procedural requirements.

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 may write the Secretary of Agriculture, Washington, DC 20250.

You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for enforcing this law is the Federal Trade Commission, Washington, DC 20580.

Sincerely,

\_\_\_\_\_  
Signature of Decision Maker

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**Letter for Notifying Applicants, Lenders, Holders, and Borrowers of Decision Reached as a Result of Reconsideration (decisions made by COC)**

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Dear (insert name):

We appreciate the opportunity to review the facts relative to (your application or request for FSA assistance). We regret that our reconsideration of your case did not result in a satisfactory conclusion.

(Insert the adverse decision and all specific reasons for the adverse decision. Be sure to identify those items listed in the original letter that have been adequately resolved and those that were not as a result of the meeting.)

If you believe this decision or the facts used in this case are in error, you may pursue your rights using the following options:

**Mediation**

(Insert this paragraph in States with Certified Mediation Programs)

You have the right to mediate the issues in this decision, that are available for mediation, under the (insert State name) Mediation Program. FSA will participate in this mediation. If you want to request mediation, or need information to assist you in deciding whether to mediate our decision, you may contact the State Mediation Program by writing to (insert name, address, telephone number, and fax number of the State Mediation Program). You must request mediation within 30 calendar days of the date of this letter. Send a copy of the request to (insert SED's name, address, and fax number). If mediation does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing. When mediation is concluded, you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation does not take the place of, or limit your rights to, an appeal to the State Committee (STC) and National Appeals Division (NAD). You may choose to skip mediation and request an appeal hearing. However, in doing, so you will automatically waive your right to mediation.

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Continued on the next page

**Letter for Notifying Applicants, Lenders, Holders, and Borrowers of Decision Reached as a Result of Reconsideration (decisions made by COC) (Continued)**

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*(Insert this paragraph in States without Certified Mediation Programs)*

You have the right to request mediation, or other form of alternative dispute resolution (ADR), of the issues in this decision. Informal mediation or ADR may enable us to narrow and resolve these issues by agreement. If you request mediation or ADR, and resources are available, FSA will participate in the mediation or ADR process. To request mediation or ADR, notify the State Executive Director (SED) by writing to (insert SED's name, address, and fax number). The written request must be received, postmarked, or faxed no later than 30 calendar days after the date of this letter. SED will tell you the extent to which resources are available for mediation or ADR, and the procedures and other information concerning mediation and ADR. If mediation or ADR does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing. When mediation or ADR is concluded, you will be notified of the result and the number of days remaining to request an appeal, if applicable. Mediation and ADR do not take the place of, or limit your rights to, an appeal to the State Committee (STC) and National Appeals Division (NAD). You may also choose to skip mediation or ADR and request an appeal. However, in doing so, you will automatically waive your rights to mediation or ADR.

**Request an Appeal**

You may request an appeal hearing rather than mediation. Your appeal options are as follows:

***Option #1 Appeal to STC***

You may appeal the COC decision to STC. To request an appeal, notify SED by writing to (insert SED's name, address, and fax number). The written request must be postmarked or faxed no later than 30 calendar days after the date of this letter. SED will contact you regarding a time and place for the hearing. If STC upholds the COC decision, you will be provided further appeal and reconsideration rights.

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Continued on the next page

**Letter for Notifying Applicants, Lenders, Holders, and Borrowers of Decision Reached as a Result of Reconsideration (decisions made by COC) (Continued)**

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***Option #2 Appeal to NAD***

You may request an appeal hearing by NAD rather than mediation or an appeal to STC.

You have the right to appeal this decision in accordance with regulations published in 7 CFR Part 11. In order to successfully challenge this decision you must show why the decision is in error. If you wish to appeal this decision, your written request for appeal must be postmarked no later than (insert 30 calendar days from the date of this letter.) Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address), \_\_\_\_\_ (city, State, and ZIP Code). The request for appeal must contain a copy of this letter and a statement explaining why you think the decision is erroneous. A copy of your appeal and attachments should be sent to this office. The request should include your name, address, and phone number, and the name and address of the decision maker. NAD will advise you of the time and place of any hearing and of any procedural requirements.

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 may write the Secretary of Agriculture, Washington, DC 20250.

You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for enforcing this law the Federal Trade Commission, Washington, DC 20580:

Sincerely,

---

Signature of Decision Maker  
(Ag Credit Manager/CED may sign for COC  
when given authority to do so in writing)

---

**Letter to Notify Applicants, Lenders, Holders, and Borrowers That Mediation or ADR Did Not Result in Resolution of Issues When Decision Was Made by the Ag Credit Team**

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Dear (insert name):

We have been notified by (insert name of Mediation Program or ADR facilitator) that your case has been closed. We regret that this (insert type of program -- mediation or ADR) did not result in a resolution of the issues affecting FSA's decision to deny your request for assistance. The specific reasons for our decision were as follows:

(Insert the specific reasons for the adverse decision. These must be the same reasons listed in the original decision letter and must indicate which issues were resolved through the reconsideration and mediation process and which ones remain unresolved.)

If you believe the decision or facts used in this case are in error, you may pursue your right to an appeal by the National Appeals Division (NAD).

You have the right to appeal this decision, in accordance with regulations published in 7 CFR Part 11. In order to change this decision, you must show why the decision is in error. If you wish to appeal this decision, your written request for appeal must be received or postmarked no later than [insert date 30 calendar days after date of letter.] Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address), \_\_\_\_\_ (city, State, and ZIP Code) no later than (insert date calculated above). The request for appeal must contain a copy of this letter and a statement explaining why you think the decision is erroneous. A copy of your appeal and attachments should be sent to this office. The request should include your name, address, and phone number, and the name and address of the decision maker. NAD will advise you of the time and place of any hearing and of any procedural requirements.

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 may write the Secretary of Agriculture, Washington, DC 20250.

You **cannot** be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for enforcing this law is the Federal Trade Commission, Washington, DC 20580.

Sincerely,

\_\_\_\_\_  
Signature of Decision Maker

---

**Letter to Notify Applicants, Lenders, Holders, and Borrowers That Mediation or ADR Did Not Result in Resolution of Issues When Decision Was Made by COC**

---

Dear (insert name):

We have been notified by (insert name of Mediation Program or ADR facilitator) that your case has been closed. We regret that this (insert type of program -- mediation/ADR) did not result in a resolution of the issues affecting FSA's decision to deny your request for assistance. The specific reasons for our decision were as follows:

(Insert the specific reasons for the adverse decision. These must be the same reasons listed in the original decision letter and must indicate which issues were resolved through the reconsideration and mediation process and which ones remain unresolved.)

If you believe this decision or the facts used in this case are in error, you may choose to pursue your appeal rights under the following options:

***Option #1 Appeal to the State Committee (STC)***

You may request an appeal of the County Committee (COC) decision to STC. To request an appeal, notify the State Executive Director (SED) by writing to (insert SED's name, address, and fax number). The written request must be received, postmarked, or faxed no later than (insert date 30 calendar days after date of this letter). SED will contact you regarding a time and place for the hearing. If STC upholds the COC decision, you will be provided further appeal and reconsideration rights.

***Option #2 Appeal to the National Appeals Division (NAD)***

You may request an appeal hearing by NAD rather than an appeal to STC.

You have the right to appeal this decision in accordance with regulations published in 7 CFR Part 11. In order to successfully challenge this decision, you must show why the decision is in error. If you wish to appeal this decision, your written request for appeal must be postmarked no later than (insert date 30 calendar days after date of letter). Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address), \_\_\_\_\_ (city, State, and ZIP Code). The request for appeal must contain a copy of this letter and a statement explaining why you think the decision is erroneous. A copy of your appeal and attachments should be sent to this office. The request should include your name, address, and phone number, and the name and address of the decision maker. NAD will advise you of the time and place of any hearing and of any procedural requirements.

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Continued on the next page

**Letter to Notify Applicants, Lenders, Holders, and Borrowers That Mediation or ADR Did Not Result in Resolution of Issues When Decision Was Made by COC (Continued)**

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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 may write the Secretary of Agriculture, Washington, DC 20250.

You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for enforcing this law is the Federal Trade Commission, Washington, DC 20580.

Sincerely,

---

Signature of Decision Maker  
(Ag Credit Manager/CED may sign for COC  
when delegated authority to do so in writing)

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**Letter Notifying Applicants, Lenders, Holders, and Borrowers of STC Decision to Uphold COC Determination**

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Dear (insert name):

We appreciate the opportunity to review the facts relative to (your application or request for FSA assistance). We regret that our meeting with you did not result in a satisfactory conclusion.

(Insert the adverse decision and all specific reasons for the adverse decision. Be sure to identify those items listed in the original letter that have been adequately resolved and those that were not as a result of the meeting.)

If you believe this decision or the facts used in this case are in error, you may pursue your rights using the following options:

**Reconsideration**

If you have questions concerning this decision, or the facts used in making it, and desire further explanation, you may write to the State Office at (insert mailing address) to request reconsideration by the State Committee. This written request must be received in the State Office no later than 30 calendar days from the date of this letter. You must present any new information, evidence, or alternatives with your request. You may also bring a representative or legal counsel with you to any meeting that may result from your request for reconsideration. You may choose to skip this step in the informal process and request an appeal. However, in doing so, you automatically waive your rights to reconsideration.

**Appeal to the National Appeals Division (NAD)**

You may request an appeal hearing by NAD rather than reconsideration.

You have the right to appeal this decision in accordance with regulations published in 7 CFR Part 11. In order to successfully challenge this decision, you must show why the decision is in error. If you wish to appeal this decision, your written request for an appeal must be received or postmarked no later than (insert 30 calendar days from the date of this letter.) Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address), \_\_\_\_\_ (city, State, and ZIP Code). The request for an appeal must contain a copy of this letter and a statement explaining why you think the decision is erroneous. A copy of your appeal and attachments should be sent to this office. The request should include your name, address, and phone number, and the name and address of the decision maker. NAD will advise you of the time and place of any hearing and of any procedural requirements.

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Continued on the next page

**Letter Notifying Applicants, Lenders, Holders, and Borrowers of STC Decision to Uphold COC Determination (Continued)**

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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, DC 20250.

You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for enforcing this law is the Federal Trade Commission, Washington, DC 20580.

Sincerely,

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Signature of Decision Maker

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**Letter Notifying Applicants, Lenders, Holders and Borrowers of Adverse Decisions That Are Not Appealable**

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Dear (insert name):

After careful consideration, we (were unable to take favorable action on your application or request for FSA assistance or are canceling or reducing the assistance you are presently receiving). The specific reason for our decision is as follows:

(Insert the adverse decision and all specific reasons, with procedural references used in arriving at this decision.)

This determination is not appealable. If you believe that this decision is appealable, you must request a review of this determination of appealability from the Director, National Appeals Division. That request must be received or postmarked no later than (insert 30 calendar days from the date of this letter). Send the request to the Office of the Area Supervisor, National Appeals Division, \_\_\_\_\_ (street address) \_\_\_\_\_ (city, State, and ZIP Code). Your request should include a copy of this letter and a statement of why you believe the determination is appealable. Your request should include your name, address and phone number, and the name and address of the decision maker. A copy of your request should be sent to this office.

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Sincerely,

\_\_\_\_\_  
Signature of Decision Maker

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