

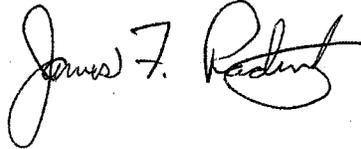
UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency  
Washington, DC 20250

General Program Administration  
1-FLP (Revision 1)

Amendment 59

Approved by: Acting Deputy Administrator, Farm Loan Programs



Amendment Transmittal

A Reason for Amendment

Subparagraph 4 D has been amended to update PDEED contacts.

Subparagraphs 29 A and D have been amended to update the maximum loan authorities for direct loans.

Exhibit 15 has been amended to make corrections and clarifications to the FBP User Guide.

Exhibit 17 has been amended to provide the monthly interest rates applicable to FLP.

| Page Control Chart |                                |   |
|--------------------|--------------------------------|---|
| TC                 | Text                           | Exhibit   |
|                    | 1-9, 1-10<br>2-15 through 2-18 | 1, pages 1, 2<br>15, pages 1-4<br>pages 7, 8<br>pages 10.5, 10.6<br>pages 11, 12<br>pages 12.5-12.10 (add)<br>pages 13-16<br>pages 43-46<br>pages 66.11, 66.12<br>pages 93-96<br>pages 98.7-98.10<br>17, pages 1, 2 |



4 FLP Organizational Structure (Continued)

D PDEED Contacts

The following provides names, address, and telephone and FAX numbers for PDEED.

| For USPS delivery   | For FedEx or UPS delivery  |
|---|--|
| USDA FSA DAFLP PDEED<br>STOP 0521<br>1400 INDEPENDENCE AVE SW<br>WASHINGTON DC 20250-0521 | USDA FSA DAFLP PDEED<br>1280 MARYLAND AVE SW<br>SUITE 270<br>WASHINGTON DC 20024 |

**Note:** County Offices shall address questions to the State Office. State Offices shall contact the National Office as needed.

| PDEED FAX Number 202-720-8474 |                     |                 |
|-------------------------------|---------------------|-----------------|
| Name                          | Title               | Phone Number    |
| Nancy L. New                  | Director            | 202-720-7719    |
| *--Courtney Dixon             | Deputy Director     | 202-720-1360--* |
| Teresa Martin                 | Program Analyst     | 202-690-0431    |
| Pixie Greer                   | Senior Loan Officer | 202-720-1652    |
| Bruce Peters                  | Senior Loan Officer | 202-720-7003    |
| ***                           | ***                 | ***             |
| Clarence (Sam) Snyder         | Chief Appraiser     | 202-720-0599    |
| Shanita Staten                | Program Assistant   | 202-690-4983    |
| Gail Wargo                    | Senior Loan Officer | 202-690-4003    |

4 FLP Organizational Structure (Continued)

E LSPMD Contacts

The following provides names, address, and telephone and FAX numbers for LSPMD.

| For USPS delivery   | For FedEx or UPS delivery  |
|---|--|
| USDA FSA DAFLP LSPMD<br>STOP 0523<br>1400 INDEPENDENCE AVE SW<br>WASHINGTON DC 20250-0523 | USDA FSA DAFLP LSPMD<br>1250 MARYLAND AVE SW<br>SUITE 500<br>WASHINGTON DC 20024 |

**Note:** County Offices shall address questions to the State Office. State Offices shall contact the National Office as needed.

| Office of the Director<br>FAX Number 202-720-5804       |                                  |              |
|---|----------------------------------|--------------|
| Name  | Title                            | Phone Number |
| Michael R. Hinton                                       | Director                         | 202-720-4572 |
| Craig Nehls   | Deputy Director                  | 202-720-4572 |
| Michael Cumpton   | Assistant to the Director        | 202-690-4014 |
| Jennifer Haley  | Program Analyst                  | 202-720-9898 |
| Brenda McNeill  | Program and Management Assistant | 202-720-4572 |
| Sheila Oellrich   | Program Analyst                  | 202-720-2990 |
| Marquita Peoples  | Program Analyst                  | 202-720-8320 |
| Direct Loan Servicing Branch<br>FAX Number 202-690-0949 |                                  |              |
| Bruce Mair  | Branch Chief                     | 202-720-1645 |
| Jacqueline King   | Program Analyst                  | 202-720-2820 |
| Jenny Breece  | Senior Loan Officer              | 202-690-4011 |
| Gene Christie   | Senior Loan Officer              | 202-690-2517 |
| Richard Cardona-Diaz                                    | Senior Loan Officer              | 202-720-0078 |
| Mary Durkin   | Senior Loan Officer              | 202-720-1658 |
| Sharilyn Hashimoto                                      | Senior Loan Officer              | 202-720-2743 |
| Jonathan (Lee) Nault                                    | Senior Loan Officer              | 202-720-6834 |
| L.D. Pletcher   | Senior Loan Officer              | 202-720-1654 |
| Gary Wheeler  | Senior Loan Officer              | 202-690-4021 |
| Tamara Wilson   | *--Senior Loan Officer--*        | 202-690-4012 |

## 29 Maximum Loan Authorities

### A OL, FO, CL, and EM Program Loan Limitations

Limitations on maximum loan amounts for OL, FO, and EM are established in CONACT. The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 1999 (Pub. L. 105-277), amended the limitations applicable to guaranteed OL and FO by providing for an annual adjustment based on the rate of inflation applicable to FY.

**[7 CFR 761.8 (a)] The outstanding principal balances for a farm loan applicant or anyone who will sign the promissory note cannot exceed any of the following at the time of loan closing or assumption of indebtedness. If the outstanding principal balance exceeds any of the limits at the time of approval, the farm operating plan must reflect that funds will be available to reduce the indebtedness prior to loan closing or assumption of indebtedness.**

**(1) Farm Ownership, Down payment loans, Conservation loans, and Soil and Water loans:**

**(i) Direct--\$300,000;**

**(ii) Guaranteed--\$700,000 (for fiscal year 2000 and increased at the beginning of each fiscal year in accordance with paragraph (b) of this section);**

**\*--Note:** FY 2012 loan limit is \$1,214,000.--\*

**(iii) Any combination of a direct Farm Ownership loan, direct Conservation loan, direct Soil and Water loan, guaranteed Farm Ownership loan, guaranteed Conservation loan, and guaranteed Soil and Water loan--\$700,000 (for fiscal year 2000 and--\* increased each fiscal year in accordance with paragraph (b) of this section) (subparagraph B);**

**\*--Note:** FY 2012 loan limit is \$1,214,000.--\*

**(2) Operating loans:**

**(i) Direct--\$300,000;**

**(ii) Guaranteed--\$700,000 (for fiscal year 2000 and increased each fiscal year in accordance with paragraph (b) of this section);**

**\*--Note:** FY 2012 loan limit is \$1,214,000.--\*

**29 Maximum Loan Authorities (Continued)**

**A OL, FO, CL, and EM Program Loan Limitations (Continued)**

**(iii) Any combination of a direct Operating loan and guaranteed Operating loan--\$700,000 (for fiscal year 2000 and increased each fiscal year in accordance with paragraph (b) of this section);**

**\*--Note:** FY 2012 loan limit is \$1,214,000.--\*

**(3) Any combination of guaranteed Farm Ownership loan, guaranteed Conservation loan, guaranteed Soil and Water loan, and guaranteed Operating loan--\$700,000 (for fiscal year 2000 and increased each fiscal year in accordance with paragraph (b) of this section);**

**\*--Note:** FY 2012 loan limit is \$1,214,000.--\*

**(4) Any combination of direct Farm Ownership loan, direct Conservation loan, direct Soil and Water loan, direct Operating loan, guaranteed Farm Ownership loan, guaranteed Conservation loan, guaranteed Soil and Water loan, and guaranteed Operating loan--the amount in paragraph (a)(1)(ii) (subparagraph A) of this section plus \$300,000;**

**\*--Note:** FY 2012 loan limit is \$1,514,000.--\*

**(5) Emergency loans--\$500,000;**

**(6) Any combination of direct Farm Ownership loan, direct Conservation loan, direct Soil and Water loan, direct Operating loan, guaranteed Farm Ownership loan, guaranteed Conservation loan, guaranteed Soil and Water loan, guaranteed Operating loan, and Emergency loan--the amount in paragraph (a)(1)(ii) (subparagraph A) of this section plus \$800,000.**

**\*--Note:** FY 2012 loan limit is \$2,014,000.--\*

**B Adjustment for Guaranteed Loans**

**[7 CFR 761.8 (b)] The dollar limits of guaranteed loans will be increased each fiscal year based on the percentage change in the Prices Paid by Farmers Index as compiled by the National Agricultural Statistics Service, USDA. The maximum loan limits for the current fiscal year are available in any FSA office and on the FSA website at <http://www.fsa.usda.gov>.**

**29 Maximum Loan Authorities (Continued)****C Line of Credit Advances**

**[7 CFR 761.8 (c)] The total dollar amount of guaranteed line of credit advances and income releases cannot exceed the total estimated expenses, less interest expense, as indicated on the borrower's cash flow budget, unless the cash flow budget is revised and continues to reflect a feasible plan.**

A Standard Eligible Lender must obtain Agency approval before issuing future year's funds according to 2-FLP, subparagraph 265 C. Approval may be provided by any Agency official with loan approval authority, and is not subject to the maximum loan limits established in subparagraph D.

**Note:** PLP and CLP lenders may provide future years' funds without prior FSA approval.

**D Official Loan Approval Limitations for OL, FO, CL, and EM**

The following identifies the maximum loan approval authority for OL, FO, CL, and EM by grade and title of approval officials at the time of loan closing. All loan approval limitations include the loan being made plus any outstanding principal balances owed by anyone who will sign the promissory note. For LOC's, the maximum amount of the LOC ceiling will be considered the outstanding principal balance. An approval official cannot approve or reject a loan request that will exceed the official's approval authority at the time of loan closing. The official must forward the loan and recommendations to the appropriate approval official for action.

CO County Office employees who have loan approval authority may not exceed the authority of the equivalent grade FLO or FLM.

29 Maximum Loan Authorities (Continued)

D Official Loan Approval Limitations for OL, FO, CL, and EM (Continued)

\*--

| Type of Loan  | FLO       |           |           | FLM, DD,<br>FLS, FLC, or<br>Senior FLO | SED         |
|---|-----------|-----------|-----------|--|-------------|
|   | GS-7      | GS-9      | GS-11     | GS-11/12/13                            |             |
| <b>Maximum Approval by Assistance Type – Limitation I</b>             |           |           |           |  |             |
| Guaranteed OL   | \$100,000 | \$200,000 | \$400,000 | \$700,000                              | \$1,214,000 |
| Direct OL   | \$50,000  | \$100,000 | \$175,000 | \$225,000                              | \$300,000   |
| Guaranteed FO + SW + CL   | \$0       | \$175,000 | \$400,000 | \$700,000                              | \$1,214,000 |
| Direct FO + CL + SW   | \$0       | \$125,000 | \$150,000 | \$225,000                              | \$300,000   |
| Direct EM   | \$50,000  | \$100,000 | \$150,000 | \$300,000                              | \$500,000   |
| <b>Maximum Approval for Combined Assistance Types – Limitation II</b> |           |           |           |  |             |
| OL Total Direct & Guaranteed  | \$100,000 | \$200,000 | \$400,000 | \$700,000                              | \$1,214,000 |
| FO + CL + SW<br>Total Direct and Guaranteed                           | \$100,000 | \$200,000 | \$400,000 | \$700,000                              | \$1,214,000 |
| <b>Total Approval for Multiple Assistance Types – Limitation III</b>  |           |           |           |  |             |
| OL + FO + CL + SW<br>Total Direct and Guaranteed                      | \$100,000 | \$400,000 | \$550,000 | \$850,000                              | \$1,514,000 |
| Total Guaranteed  | \$100,000 | \$400,000 | \$550,000 | \$850,000                              | \$1,214,000 |
| <b>Total Approval for FO, CL, OL, and EM – Limitation IV</b>          |           |           |           |  |             |
| OL + FO + CL + SW + EM<br>Total Direct and Guaranteed                 | \$100,000 | \$400,000 | \$550,000 | \$850,000                              | \$2,014,000 |

--\*

SED, in consultation with FLC, may raise the loan approval authority limits for FLM’s and senior FLO’s who routinely show a higher than average loanmaking proficiency by the following:

- direct loanmaking, increase up to an additional \$50,000
- guaranteed or a combination of direct and guaranteed loanmaking, increase up to an additional \$200,000.

SED, after consulting with FLC, shall issue a State supplement establishing the method and standards, including what constitutes higher than average proficiency, for monitoring and evaluating the basis for raising loan approval authorities. This State supplement must be submitted for preapproval.

**Note:** Loans to employees in a County Office must be approved by the State Office. Loans to State Office employees must be approved by the National Office.

## Reports, Forms, Abbreviations, and Redelegations of Authority

### Reports

This table lists the required reports of this handbook.

| <b>Reports Control Number</b> | <b>Title</b>        | <b>Reporting Period</b> | <b>Submission Date</b>  | <b>Negative Reports</b> | <b>Reference</b> |
|-------------------------------|---------------------|-------------------------|-------------------------|-------------------------|------------------|
| FLP4                          | FLPRA Annual Report | Annually                | By February 1 each year | Required                | 403              |

### Forms

This table lists all forms referenced in this handbook.

| <b>Number</b> | <b>Title</b>  | <b>Display Reference</b> | <b>Reference</b>    |
|---------------|---|--------------------------|---------------------|
| CCC-10        | Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents |                          | Ex. 35              |
| CCC-257       | Schedule of Deposit   |                          | Ex. 35              |
| FmHA 2006-21  | Information Systems Management (ISM) Request for Changes to User Documentation  |                          | 52                  |
| FSA-13-A      | Data Security Access Authorization Form   |                          | 53, 54, Ex. 15      |
| FSA-137       | Address Information Request   |                          | 46                  |
| FSA-159       | Request for Supplies, Forms, and/or Publications  |                          | Ex. 5, 17           |
| FSA-470       | Tractor Feed Post Card for Metered Postage  |                          | 46                  |
| FSA-603       | Collection Register for State and County Offices  |                          | Ex. 35              |
| FSA-851       | Environmental Risk Survey Form  |                          | Ex. 35              |
| FSA-2001      | Request for Direct Loan Assistance  |                          | 44, 47, 48, Ex. 35  |
| FSA-2007      | Statement Required by the Privacy Act for Non-Applicants  |                          | 48                  |
| FSA-2037      | Farm Business Plan Worksheet Balance Sheet  |                          | Ex. 15              |
| FSA-2038      | Farm Business Plan Worksheet Projected/Actual Income and Expense  |                          | Ex. 15              |
| FSA-2040      | Agreement and Record of the Disposition of FSA Security/Release of Proceeds   |                          | 262, 263, Ex. 7, 35 |
| FSA-2072      | Cancellation of U.S. Treasury Check and/or Obligation   |                          | 168                 |

## Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

## Forms (Continued)

| Number   | Title  | Display Reference | Reference         |
|----------|--|-------------------|-------------------|
| FSA-2101 | DD FLP Oversight Report Guide  |                   | 443               |
| FSA-2103 | Direct Loan Making File Review Questionnaire                                 |                   | 28                |
| FSA-2104 | Guaranteed Loan Making File Review Questionnaire                             |                   | 28                |
| FSA-2119 | Delinquent Borrower Servicing File Review Questionnaire                      |                   | 28                |
| FSA-2120 | Moratorium Notice  |                   | 41                |
| FSA-2121 | Termination of Moratorium  |                   | 41                |
| FSA-2125 | Farm Loan Program County Information File Changes                            |                   | 46                |
| FSA-2126 | Program Loan Cost Expense (PLCE) Request (Non-Contractuals only)             |                   | 162, 164, 166-168 |
| FSA-2139 | Notification of Exemption From Requirement to Provide Social Security Number |                   | 102               |
| FSA-2140 | Deposit Agreement  |                   | 101, 102          |
| FSA-2141 | Interest-Bearing Deposit Agreement   |                   | 102               |
| FSA-2142 | Statement of Deposits and Withdrawals  |                   | 103               |
| FSA-2144 | Designated Financial Institution Pledge of Collateral                        |                   | 102               |
| FSA-2145 | Demand for Withdrawal of Supervised Bank Account Funds                       |                   | 103               |
| FSA-2150 | Development Plan   |                   | 122, 125          |
| FSA-2153 | Release by Claimants   |                   | 122               |
| FSA-2154 | Release by Contractor  |                   | 122               |
| FSA-2160 | Appraisal of Chattel Property  |                   | 142               |
| FSA-2161 | Appraisal Report - Agricultural Tract  |                   | 142               |
| FSA-2162 | Real Estate Sales Data   |                   | 142               |
| FSA-2163 | Supplemental Forms-Agricultural Appraisal                                    |                   | 142               |
| FSA-2164 | Appraisal for Mineral Rights   |                   | 142               |
| FSA-2165 | Administrative Appraisal Review  |                   | 143               |
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| FSA-2173 | Foundation Financial Information System (FFIS) Vendor Code Request           |                   | 162               |
| FSA-2201 | Lender's Agreement   |                   | 47, Ex. 35        |
| FSA-2211 | Application for Guarantee  |                   | 44, 47            |

# Farm Business Plan System

with *Web* **EQUITY MANAGER®**

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A component of *eLoans*

## FSA User Guide



*USDA... electronically available any place, any time.*



Farm Service Agency

Farm Business Plan - FSA User Guide (Continued)

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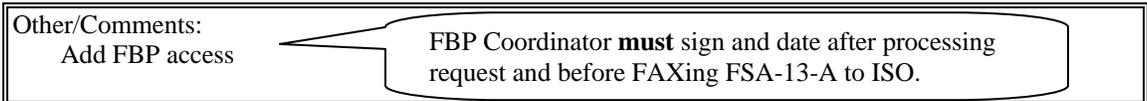
### A Overview (Continued)

#### 2 System Access and Security (Continued)

##### a User Access to the FBP System (Continued)

- FLC or FBP Coordinator will:
  - ensure that a completed/signed FSA-13-A has been received before FBP user access request is processed
  - process FSA-13-A according to FBP - State FBP Coordinator User Guide, Section C1 or C3
  - sign and date FSA-13-A, in the “Other/Comments” section when the request has been processed

**Note:** FSA-13-A must be signed and dated before it is FAXed to ISO at 816-627-0687.



- notify the immediate supervisor and employee when FSA-13-A has been processed
- monitor emails received from ISO when an employee has left FSA. If FSA-13-A has not already been received, then notify the employee’s supervisor that FSA-13-A needs to be completed.

**Note:** The ERSR on-line system cannot be used for FBP access requests.

- ISO will send a confirmation email when FSA-13-A is received.

#### FSA National Office and Other Employees

FSA-13-A’s for National Office, KCMO, contractors, and other employees will be completed \*--by the immediate supervisor and submitted to Pixie Greer, FBP Program Sponsor by--\* e-mail to [pixie.greer@wdc.usda.gov](mailto:pixie.greer@wdc.usda.gov) or by FAX to 202-720-8474.

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 2 System Access and Security (Continued)

##### b Exiting the FBP System

FSA users **must** always exit FBP by clicking “Log Out” at the top of the page.

##### c Customers Obtaining Access to the FBP System

Customer access to FBP is **not** currently available.

#### 3 Privacy of Information

All data communications between the client web browser and server, including user ID’s, passwords, and all financial information, is protected by industry standard 128-bit SSL encryption. For more information on eSignatures, see **Electronic File Maintenance, Reports, and Signatures** (Section B).

#### 4 Defaults

Most system defaults are controlled at either the national or State level; however, the following defaults listed may be modified by Service Center users.

##### a Creditors

A default list of commonly used creditors has been established nationally. Users should always select a default creditor from the drop-down menu if the creditor is displayed.

Service Centers can also add frequently used creditors. To add default creditors for a Service Center:

- CLICK “**Defaults**”

**Note:** This option is only available **before** selecting a customer file.

- CLICK “**Creditors**” from the drop-down menu.

Enter applicable creditor information either at the summary or detail level. Address and phone number entries are optional, although it is preferred as future business processes may use this information.

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 5 Adding and Accessing Customers in FBP (Continued)

##### a Adding a New Customer (Continued)

- “**Location/Dept**” defaults to the location of the user adding the new customer; the location/department is where the customer will receive FLP services

**Note:** If incorrect, CLICK “**Lookup**” link and select the correct location/department.

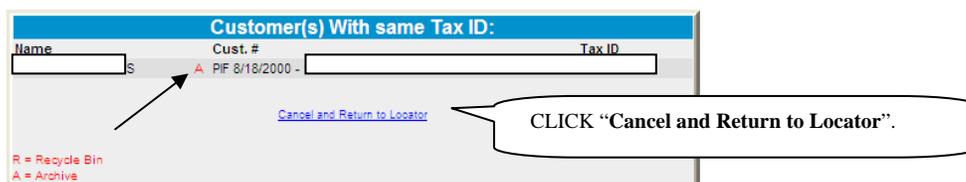
- “**Lender Staff**” defaults to the user adding the new customer; if a different user will be servicing the customer’s loans, CLICK “**Lookup**” link and select the correct lender staff
- “**General Information Model**” defaults to “General Information”
- select 1 “**Balance Sheet Model**” from the following:
  - “**Market Value**” is used when the balance sheet is based upon market values; this option will be selected for the majority of customers
  - “**Costs Basis**” is used typically for entities who keep records on a cost basis
  - “**Personal**” is used when a customer record has been added for an individual entity member to collect personal financial statements

**Note:** New customer records will **not** be added for individual entity members unless approved by the State FBP Coordinator.

- “**Income/Expense Model**” defaults to “Income & Expense”.

CLICK “**Save & Continue**” to add the new customer.

\*--If a customer record with the same tax ID already exists in the system, the warning “Customer(s) With same Tax ID:” will be displayed. The red “A” or “R” after the customer’s name indicates if the record is located in the “Recycle Bin” or “Archive”. CLICK “**Cancel and Return to Locator**”.



**Figure 5**

Contact the State FBP Coordinator for help in locating the existing customer record.--\*

Farm Business Plan - FSA User Guide (Continued)

A Overview (Continued)

5 Adding and Accessing Customers in FBP (Continued)

\*\*\*

b Accessing an Existing Customer

\*--Existing customer records are accessed through the Locator Screen or the File Menu. To be able to access the customer in FBP, the customer and any related entity members **must** be in the SCIMS database and maintain an “Active” record status.

To access a customer through the Locator Screen, enter any combination of search criteria--\* and CLICK “GO”.

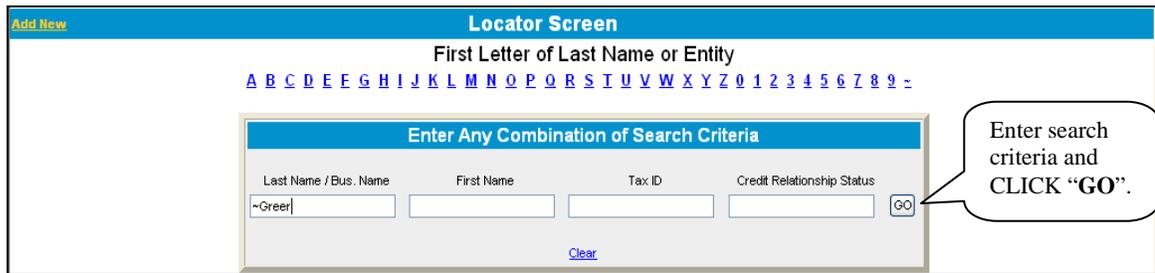
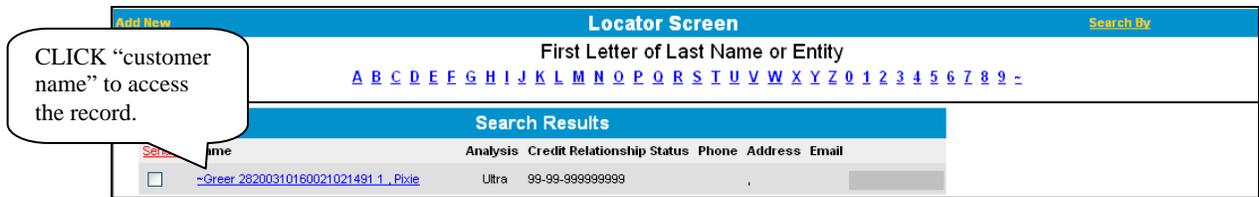


Figure 6

A list of customer records meeting the search criteria entered will be displayed. Click the appropriate name to access the customer record.



\*--Figure 7a

The File Menu provides additional options to access a limited number of customer records. CLICK “File” and then choose either of the following lists from the drop-down menu:

- “My Last 10 Selected” – provides a list of the last 10 customers selected by the user
- “View All My Customers” – provides an alphabetical list of all the user’s customers. For the customer to be listed, the user must have been added to the customer’s “Lender Staff”.--\*

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 5 Adding and Accessing Customers in FBP (Continued)

##### b Accessing an Existing Customer (Continued)

\*--From the customer list, click the appropriate name to access the customer record.



Figure 7b - File Menu Options--\*

##### c FSFL Borrowers

Farmers who only have FSFL accounts are **not** to reside in FBP. FSFL's provided to existing FLP borrowers shall use the established FBP customer record.

#### 6 Navigating FBP

FBP is menu driven. Everything needed to originate, analyze, print, make, and service loans can be accessed using the menu bar. After users select a customer from the Locator Screen, the first screen displayed will contain the full menu bar. Click any menu item and a drop-down menu of available forms or reports will be displayed. Click the individual form or report to open.

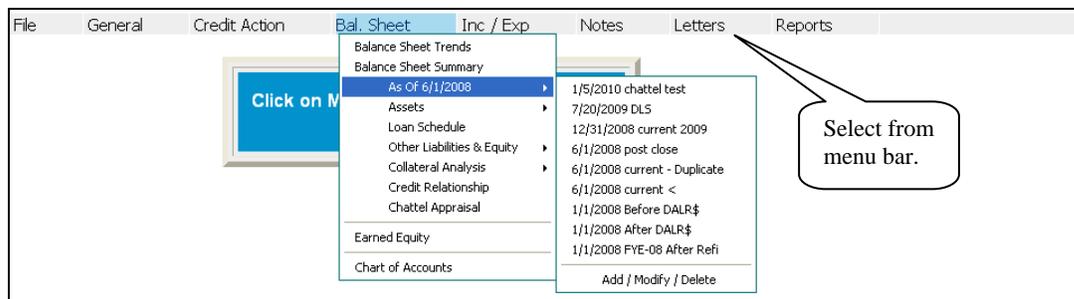


Figure 8a

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 6 Navigating FBP (Continued)

Another way to navigate through FBP is by using the “Dashboard” feature. **CLICK “small chart icon” (“Dashboard”)** on the top of the screen. The “Dashboard” feature provides users with quick and easy access to forms and frequently used reports by clicking 1 of the following tabs:

- “Navigation” provides quick and easy access to forms within the system
- “Balance Sheet Trends” provides quick access to view and print the report
- “I/E Trends” provides quick access to view and print the report
- “Ratios & Indicators” provides quick access to view and print the report
- “Repayment Capacity/Sensitivity” provides quick access to view and print the report.



Figure 8b

#### a Functionality Features

Most of the data entry in FBP is completed by using text input fields, check boxes, radio buttons, drop –down menus, and hypertext links.

Figure 8c

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 6 Navigating FBP (Continued)

##### a Functionality Features (Continued)

Some additional functionality features include the following:

- vertical and horizontal “**scroll bars**” that are automatically displayed when the on-screen content is larger than the size of the window it occupies
- because there can be several screens to a customer record, each screen provides users the opportunity to **save** the information before continuing their data entry

**Note:** There are several types of data saving features as follows:

- “**Save & Stay**“, to save changes while working on the screen
- “**Save & Menu**“, to save user’s work and return the menu bar
- “**Save & **“ to save user’s work and return to the previous screen
- “**Cancel & **“ to cancel any changes and return to the previous screen
- **deleting data;** to delete an item, depending on the screen, either:
  - check (✓) the box next to the item you want to delete and CLICK “**X**“
  - only CLICK “**X**“.

#### 7 Importing/Exporting Data

\*--Financial customer data can be imported from other lenders that use WEM, in addition to being exported in a form that other lenders using WEM can import. The data file is created in XML format and is contained within a .WEM file. As a security precaution, the system will ensure that only recognized data files are accepted. All other files will be rejected.

##### a Exporting Files to Other Lenders

To export customer data, the customer’s record **must** be open within FBP.

- CLICK “**File**” and “**Export Selected Data**”.
- The Select Data to Export Screen will be displayed.
- CLICK “**Uncheck All**” for each section on the screen.--\*

Farm Business Plan - FSA User Guide (Continued)

A Overview (Continued)

7 Importing/Exporting Data (Continued)

a Exporting Files to Other Lenders (Continued)

- \*--Use the checkboxes (✓) to select the specific financial data to be exported.

**Note:** Carefully select and export **only** the data that is needed. Exporting excess data can slow down the export, or cause the system to time out.

- Select and enter password information.
- CLICK “Export Selected Data”.

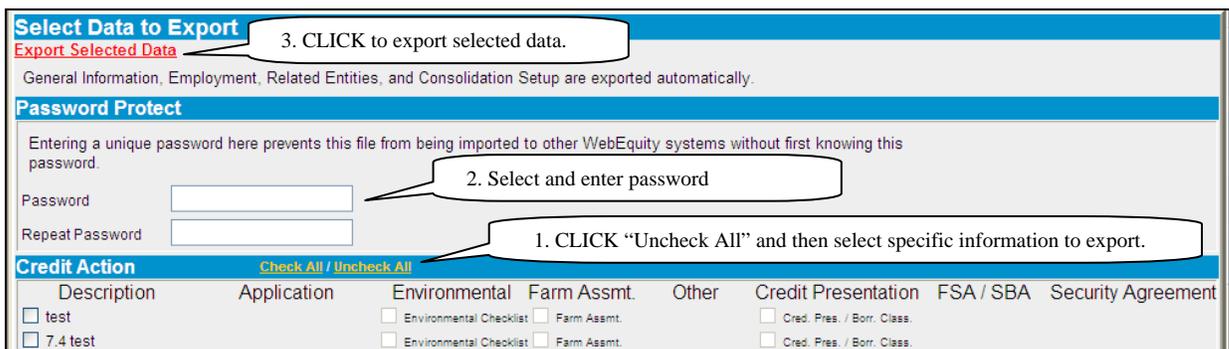


Figure 8d - Select Data to Export Screen

- The Export Status Screen will be displayed while the download is being processed.
- Once the customer data is ready for download, the confirmation message “Export Ready For Download” will be displayed. CLICK “Download”.

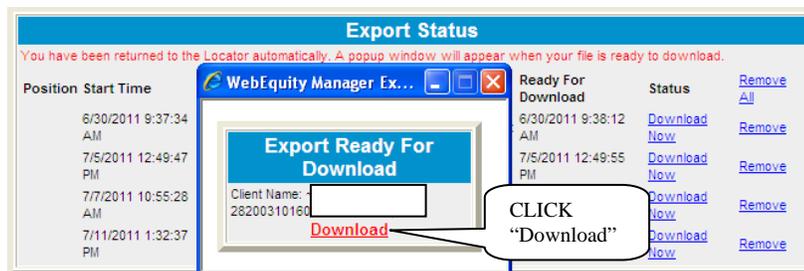


Figure 8e - Export Status Screen--\*

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 7 Importing/Exporting Data (Continued)

##### a Exporting Files to Other Lenders (Continued)

- \*--CLICK “Save” in the “File Download” dialog box.
- In the “Save As” dialog box, select a destination file on the local computer or network and CLICK “Save”. Customer data is saved as a .wem document.

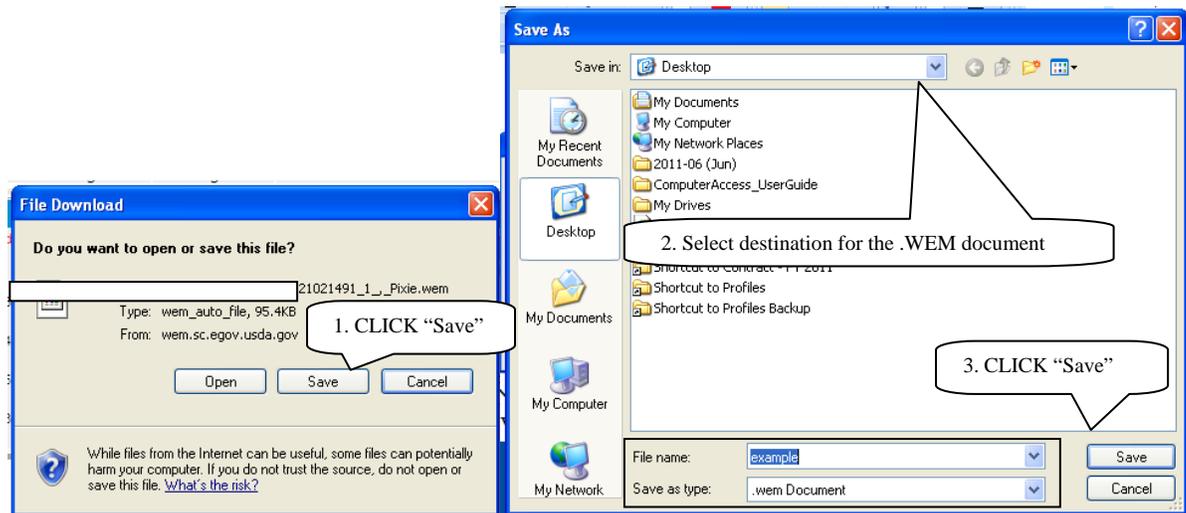


Figure 8f - Select Document Destination

- The saved .wem document can be attached to an outgoing e-mail for import by another lender using WEM.



Figure 8g - Saved .wem Document--\*

## Farm Business Plan - FSA User Guide (Continued)

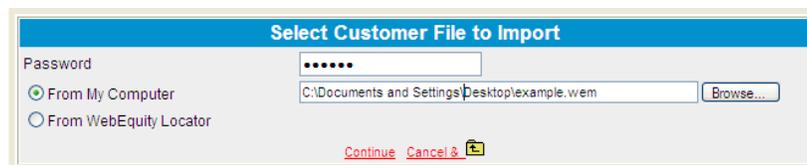
### A Overview (Continued)

#### 7 Importing/Exporting Data (Continued)

##### b Importing Files From Other Lenders

\*--Customer data received from other lenders must first be saved to a destination file on the local computer or network. To import the data, the customer's record **must** already exist in FBP. If the customer record does not exist, see **Adding a New Customer** (Section A 5 a) to add a new customer record.

- With the customer's record open, CLICK “**File**” and “**Import Selected Data**”.
- The “Select Customer File to Import” dialog box will be displayed.
- CLICK “**Browse**” to locate the customer data file, which had been saved on the local computer or network.
- If password protected, enter password information.
- CLICK “Continue”.



**Figure 8h - Select Customer File to Import**

- The Select Data to Import Screen will be displayed.
- CLICK “**Uncheck All**” for each section on the screen.
- Use the checkboxes (✓) to select the specific financial data to be imported.

**Note:** Carefully select and import **only** the data that is needed. Importing excess data can slow down the import, or cause the system to time out.--\*

Farm Business Plan - FSA User Guide (Continued)

A Overview (Continued)

7 Importing/Exporting Data (Continued)

b Importing Files From Other Lenders (Continued)

- \*--CLICK “Import Selected Data”.



Figure 8i - Select Data to Import Screen

- On the **Import Status** Screen, the “**Processing**” status will change to “**Finished**” when the import process is complete.
- A confirmation message “Import Finished” will be displayed. CLICK “Close Window”.

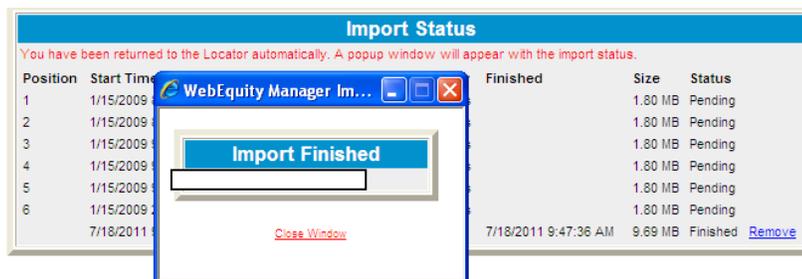


Figure 8j - Import Status Screen

- Return to the Locator Screen and select the customer to view the imported data.--\*

c Exporting Reports

Reports:

- can be exported into multiple formats for further analysis and use
- can be exported into the following formats:
  - Crystal Reports
  - Microsoft Excel (formatted or data only)

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 7 Importing/Exporting Data (Continued)

##### c Exporting Reports (Continued)

- Microsoft Word
- Rich Text Format (RTF)
- Adobe Acrobat (PDF)
- **cannot** be imported into FBP.

See **Electronic File Maintenance, Reports, and Signatures** (Section B) for more information on how to export reports.

#### 8 Transfers/Deceased Borrower/Releases/Import/Copy Data Within FBP

##### a Transfers and Assumptions

When an existing or new customer (transferee) applies to assume the existing debt of another FSA customer (transferor), the FSA loan official may determine that the transferor's historical financial records may be used to develop a projection. According to the agency's policy, the records may be imported into the transferee's FBP customer record.

Perform transfers and assumptions according to the following.

- The transferee's customer record must already exist in FBP. If the customer record does not exist, see **Adding a New Customer** (Section A 5 a) to add a new customer record.
- Access the transferee in FBP and CLICK **"File"** and **"Import Selected Data"**.
- **\*--On the Select Customer File to Import Screen, select the "From WebEquity Locator" radio button and CLICK "Search Locator".**

The screenshot shows a web interface window titled "Select Customer File to Import". It contains a "Password" input field. Below it are two radio button options: "From My Computer" and "From WebEquity Locator". The "From WebEquity Locator" option is selected. To the right of these options is a "Search Locator" button. At the bottom of the window, there are "Continue" and "Cancel &" buttons.

Figure 8k - Select Customer File to Import Screen--\*

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 8 Transfers/Deceased Borrower/Releases/Import/Copy Data Within FBP (Continued)

##### a Transfers and Assumptions (Continued)

- \*--Enter the search criteria for the transferor on the Customer Lookup Screen, and CLICK “GO”. Click on the “Customer Name” from the list of names displayed.

Figure 8l - Customer Lookup Screen

- When returned to the Select Customer File to Import Screen, the selected customer’s name will be displayed. CLICK “Continue”.

Figure 8m - Select Customer File to Import Screen

- The Select Data to Import Screen will be displayed.
- CLICK “Uncheck All” for each section on the screen.
- Use the checkboxes (✓) to select the specific financial data to be imported.

**Note:** Carefully select and import **only** the data that is needed. Importing excess data can slow down the import, or cause the system to time out.--\*

Farm Business Plan - FSA User Guide (Continued)

A Overview (Continued)

8 Transfers/Deceased Borrower/Releases/Import/Copy Data Within FBP (Continued)

a Transfers and Assumptions (Continued)

- \*--CLICK “Import Selected Data” to complete the import of financial data into the transferee’s customer record.

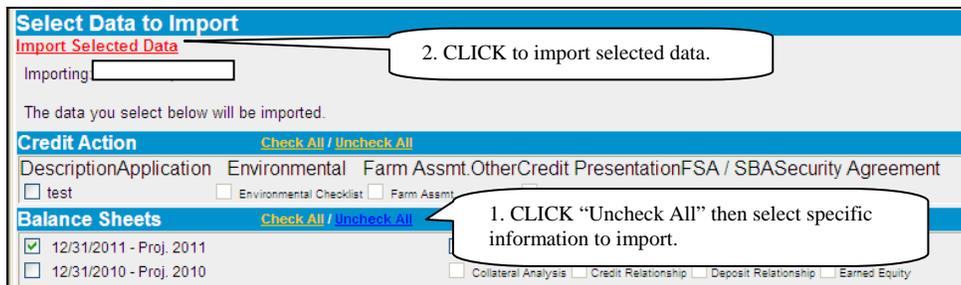


Figure 8n - Select Data to Import Screen

- On the **Import Status** Screen, the “**Processing**” status will change to “**Finished**” when the import process is complete.
- A confirmation message “Import Finished” will be displayed. CLICK “Close Window”.

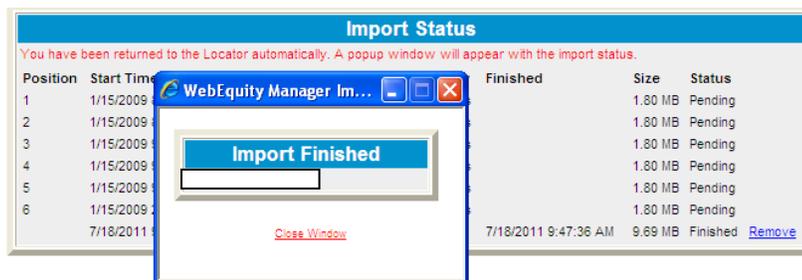


Figure 8o - Import Status Screen

- Return to the Locator Screen and select the transferee’s customer record to view imported data.
- Remove the transferor’s customer record from the Locator Screen. See **Moving FBP Customer Records to the Recycle Bin** (Section B 6 a).--\*

## Farm Business Plan - FSA User Guide (Continued)

### A Overview (Continued)

#### 8 Transfers/Deceased Borrower/Releases/Import/Copy Data Within FBP (Continued)

##### b Deceased or Released of Liability Borrowers

When the primary customer in FBP, who is jointly liable with another, becomes deceased or is released of liability, the customer record **must** be pointed to the other customer's SCIMS data.

- On the Locator Screen, access the primary customer's record.
- CLICK "**General**" and "**General Information**" and the General Information Screen will be displayed.
- At the bottom of the screen, CLICK "**Change SCIMS Customer**".
- Enter the tax ID of the customer that should now be associated with the record and select the ID type.

##### c Copy Data Between FBP Customer Records

Sometimes it becomes necessary to import or copy financial information from 1 customer record to another. Information can be imported between duplicate records of the same customer or between different customers.

See **Transfers and Assumptions** (Section A 8 a) for instructions on importing information between customer records.

**Farm Business Plan - FSA User Guide (Continued)**

**A Overview (Continued)**

**9 Calculators**

Several loan and amortization table calculators are available online. To access calculators, CLICK “**Calculators**” at the top of the screen.

The results of the calculations, which is the amortization table. To print, **right-click** in the pop-up calculator window and CLICK “**Print**” from the menu.

**10 Customer Worksheets and Providing Data to FSA**

Customers can provide balance sheet or projected and actual income/expense data to FSA with either of the following 2 types of FBP worksheets.

| <b>Type of Worksheet</b>     | <b>How to Access</b>   | <b>Description</b>   |
|------------------------------|--|--|
| FSA-2037 and FSA-2038        | <ul style="list-style-type: none"> <li>• USDA eForms web site</li> <li>• FFAS Employee Forms web site</li> </ul> | These worksheets are useful to provide to new customers where existing financial information in FBP is not available, and to place in application packages.  |
| Existing Customer Worksheets | CLICK “ <b>Reports</b> ” and “ <b>Customer Worksheets</b> ”.   | The existing customer worksheets provide an easy way for customers to supply information needed to complete FBP. These worksheets allow customers to make manual entries and compare to what was entered in the previous year. |

**Note:** Customers may also provide signed balance sheets, actuals, and projections, in alternative formats, provided it contains substantially similar information as the worksheets.

**11 Credit Reports**

**a General Information**

Credit Reports for FLP customers should be requested using FBP. Before ordering a \*--Credit Report, a customer record **must** be established in FBP and the General Information--\* Screen needs to be completed. See **General Information** (Section C). Complete the “Related Entities” information, if applicable.

**For new customers**, on the General Information Screen, CLICK “**Credit Rpt./Elig. Only Act**” as the FBP account type. After the Credit Report is received, if the customer is determined ineligible, complete the eligibility only credit action to document eligibility. Do **not** create a balance sheet or income/expense in FBP. Accounts developed for Credit Reports and eligibility purposes only do **not** count toward FSA’s active FBP accounts.

## Farm Business Plan - FSA User Guide (Continued)

### C General Information (Continued)

#### 5 Farm Assessment Information (Continued)

##### c Copying From Word Documents

If an existing assessment is available in an electronic format, i.e. Microsoft Word (MS Word), the text may be copied and pasted from that document into General Information. MS Word applies special formatting to word documents so that the text appears correctly. When copying to a WordPad in FBP, the text must be stripped of the formatting for the text to print correctly using the Crystal Reports feature.

Copy text from MS Word to the WordPad located in General Information according to the following:

- highlight desired text in MS Word
- copy and paste in the appropriate WordPad block
- CLICK “**Clean MS Word HTML**” on the right side of the WordPad.

**Notes:** Any bolding or bullet points will be removed during the “cleaning” process.

Do **not** use MS Word to create new assessments.

#### 6 Change \* \* \* General Information Model

\*--When updating the assessment information on the General Information Screen, ensure that the most current General Information model is displayed. The most current model includes the Graduation Plan assessment element.



**Figure 12a - Graduation Plan Assessment Element**

New customers added to FBP will automatically have the most current General Information model displayed. Existing customers will need to have the General Information model changed if:

- a red alert “Default Model changed” is displayed in the upper-left corner of the General Information Screen; **or**
- assessment does not include the Graduation Plan assessment element.

Farm Business Plan - FSA User Guide (Continued)

C General Information (Continued)

6 Change \*\*\* General Information Model (Continued)

\*--

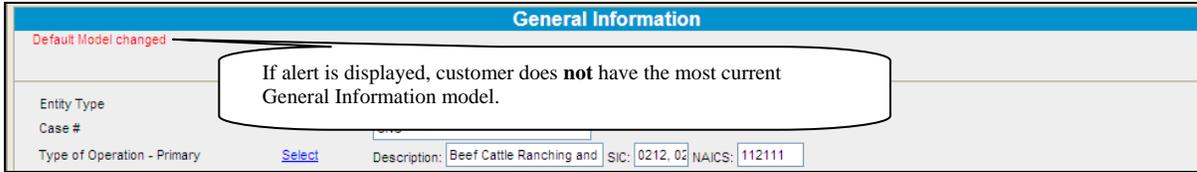


Figure 12b - Alert Message “Default Model changed”--\*

Change the General Information model on existing customers as follows:

- select the customer account record
- CLICK “General”
- CLICK “Related Entities” from drop-down menu
- from fly-out menu, CLICK “Add/Modify/Delete”

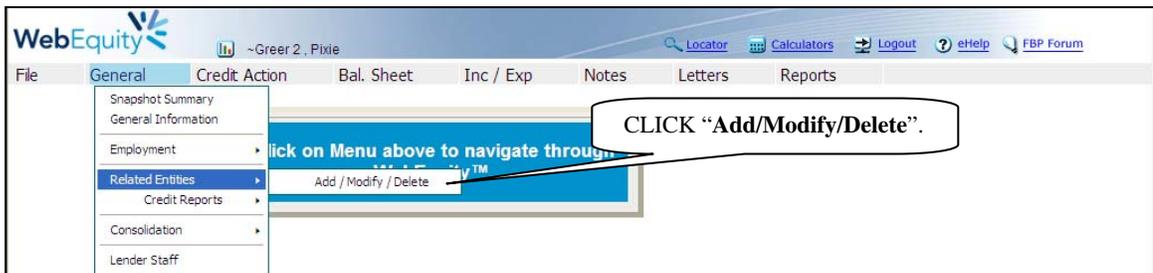


Figure 13a

- CLICK “General Information” for the applicable customer’s name

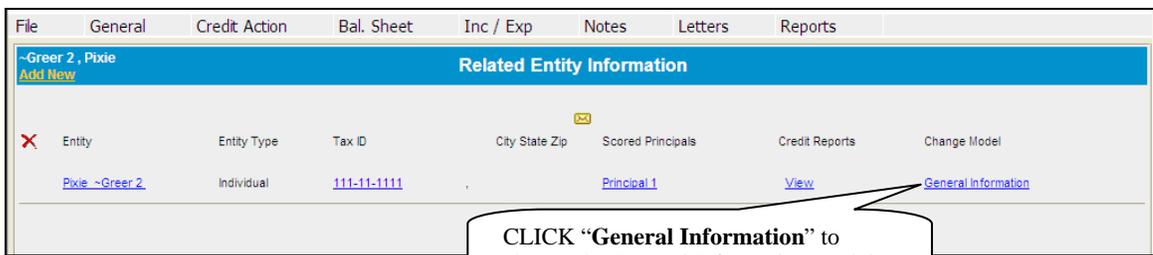


Figure 13b

- the “Change General Information Model” box will be displayed
- use the drop-down arrow and select “General Information”
- CLICK “Change”

Farm Business Plan - FSA User Guide (Continued)

C General Information (Continued)

6 Change \* \* \* General Information Model (Continued)

- the New General Information model will be displayed.

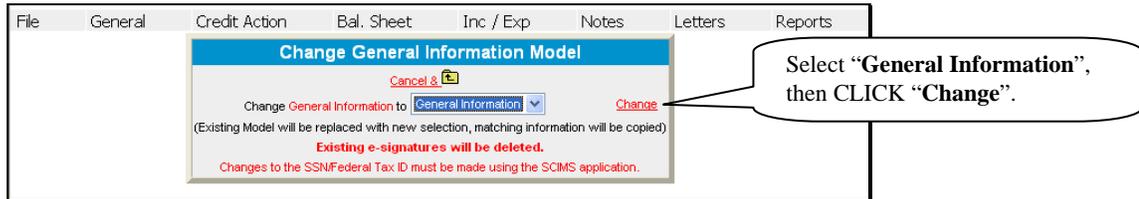


Figure 13c

D Balance Sheet

A balance sheet is a financial statement that reflects the values of an individual or entities assets, liabilities and capital at a specific point in time. Balance sheets can be created for a current date, future date, or even a previous date, if necessary, to reconstruct a customer’s historical financial position. Obtaining balance sheets at the end of each business year is preferable, if possible.

There is no limit to the number of balance sheets that can be created or maintained in FBP.

**Note:** The balance sheet summary **must be** printed and signed by the customer for all loanmaking and servicing actions.

1 Types of Balance Sheets

A meaningful description, such as “FYE 12/31/10” or “After DALR\$ 2011”, should be used when a balance sheet is created. The description becomes especially important in years where multiple balance sheets are created and will appear on all reports.

| Type of Balance Sheet | Additional Details   |
|-----------------------|--|
| Current               | A balance sheet prepared as of the current date. It is generally a snap-shot of the customer’s assets and debts as of a certain date, assuming no credit action will take place.   |
| Post-Close            | <p>A balance sheet prepared assuming that the planned loanmaking or loan servicing action has just taken place.</p> <p><b>Note:</b> The credit action does <b>not</b> have to be closed before a post-close balance sheet is created to classify the account.</p> <p>A post-close balance sheet must be completed for the following credit actions:</p> <ul style="list-style-type: none"> <li>• D-Loan Making (for term loans only)</li> <li>• D-Loan Regular Servicing</li> <li>• D-Loan Special Servicing.</li> </ul> |
| Pro-Forma             | <p>A balance sheet prepared assuming that the projected income/expenses have occurred during the plan period.</p> <p>A pro-forma balance sheet can be prepared to analyze what a customer’s financial position would be in the future, i.e. after a 1 year period.</p>   |

Farm Business Plan - FSA User Guide (Continued)

D Balance Sheet (Continued)

\*-2 Adding New Balance Sheets

To add a new balance sheet, CLICK “Bal. Sheet” on the toolbar. For a new customer with no existing records, CLICK “Add Balance Sheet”. If the customer has existing records CLICK “Add/Modify/Delete” from the fly-out window. “Add/Modify/Delete” may also be accessed through the Dashboard Navigation Screen.

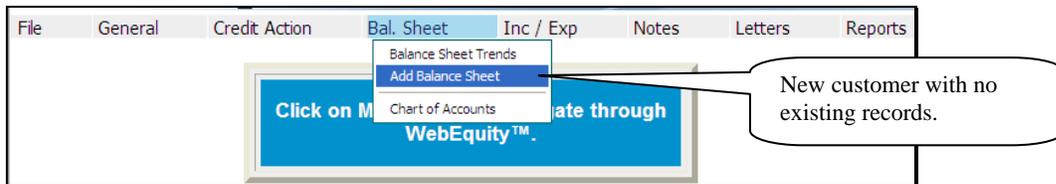


Figure 14 a

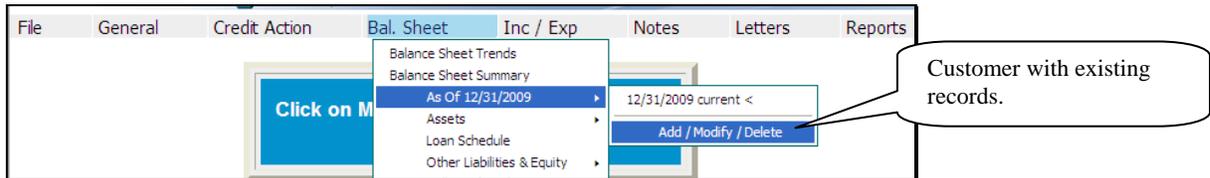


Figure 14 b

Complete the following fields on the Balance Sheet Screen:

- “Bal. Sht. Date”, manually enter the date or click the calendar button
- “Description”, enter a meaningful description of the record.

**Note:** The “Description” field will be displayed on all printed reports and becomes especially important in years where multiple balance sheets are created.

**Example:** “FYE 12/31/10” or “After DALR\$ 2009”.

- CLICK “Add” to display this entry in the list of balance sheet summaries.

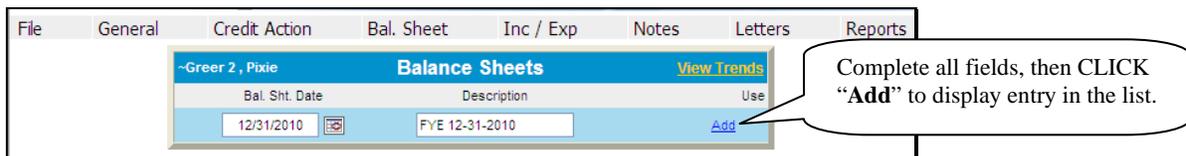


Figure 14 c--\*

Farm Business Plan - FSA User Guide (Continued)

F Income/Expense (Continued)

3 Income/Expense Summary – Entering Data (Continued)

To add information at the schedule level, click on the hypertext link for the desired income/expense item. This will open up the schedule for that line item.

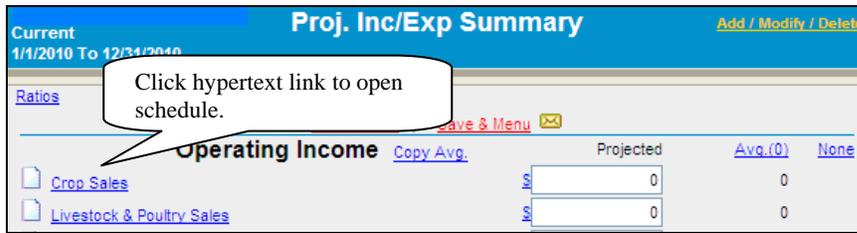


Figure 34h, Opening Schedule

\*--Using crop sales as the example, enter the applicable information in each field from left to right, and then CLICK “Add” on the far right side of the schedule to add the crop. After all crops have been added, the “Total Sales” amount will be displayed on the Inc/Exp Summary Screen.

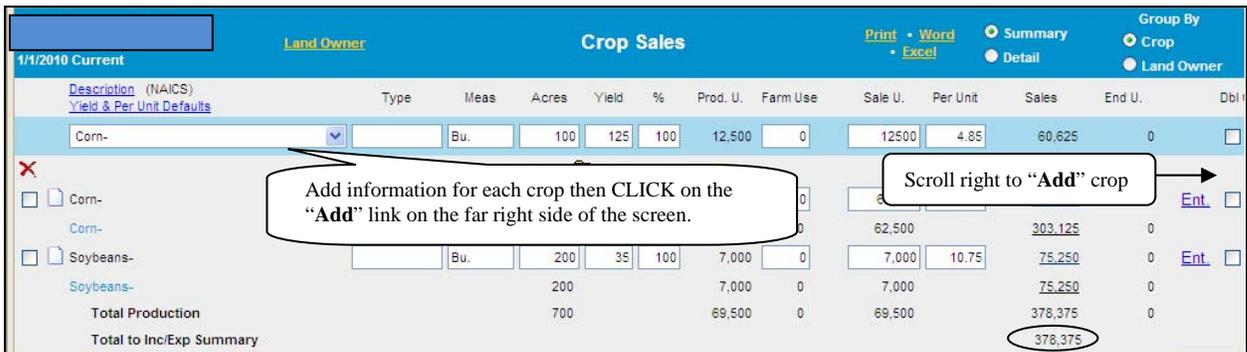


Figure 34i, Financial Data Input at the Schedule Level--\*

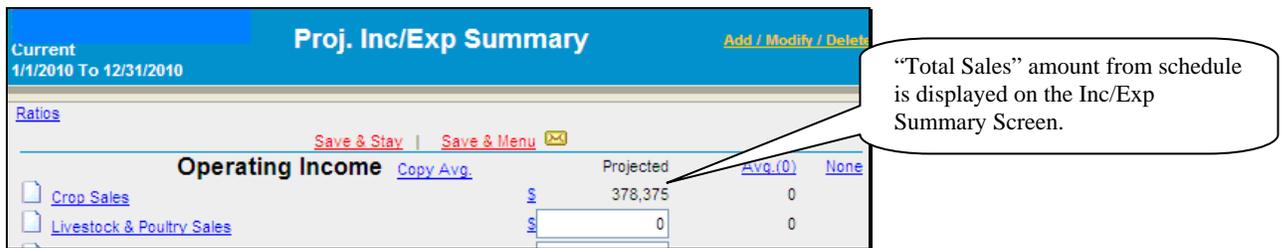


Figure 34j, Total Sales Amount

**Note:** When editing information in the schedule, if **all** line items are deleted, the value will not automatically be deleted from the Proj. Inc/Exp Summary Screen. Access the Proj. Inc/Exp Summary Screen to delete the value amount from the field.

Farm Business Plan - FSA User Guide (Continued)

F Income/Expense (Continued)

3 Income/Expense Summary – Entering Data (Continued)

\*--The crop sales schedule also includes a “Land Owner” link where information is entered about the customer’s land owners. **CLICK “Land Owner”** to access the “Land Owners” dialog box.



Figure 34k, Crop Sales Schedule

- Type the land owner’s name in the “Description” field and **CLICK “Add”**.
- **CLICK “Detail”** to enter additional demographic information about the land owner.
- **CLICK “Print”** to print a Land Owner Information Report.

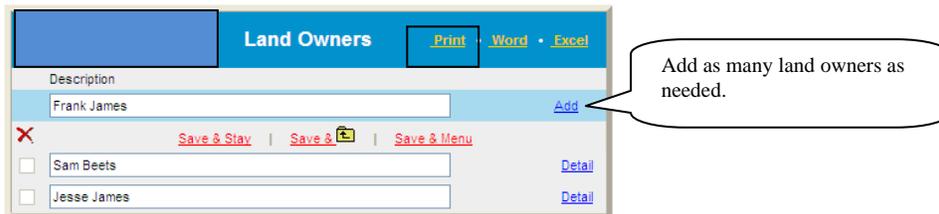


Figure 34l, Land Owners Dialog Box

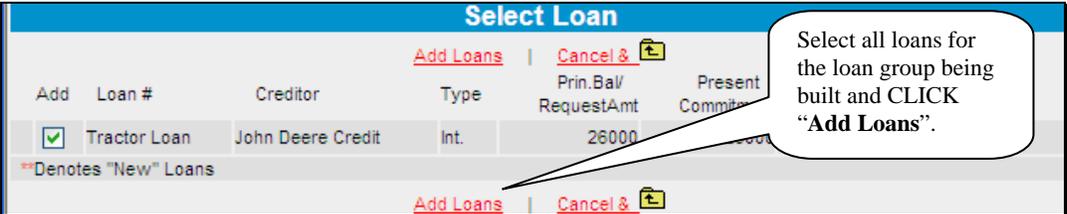
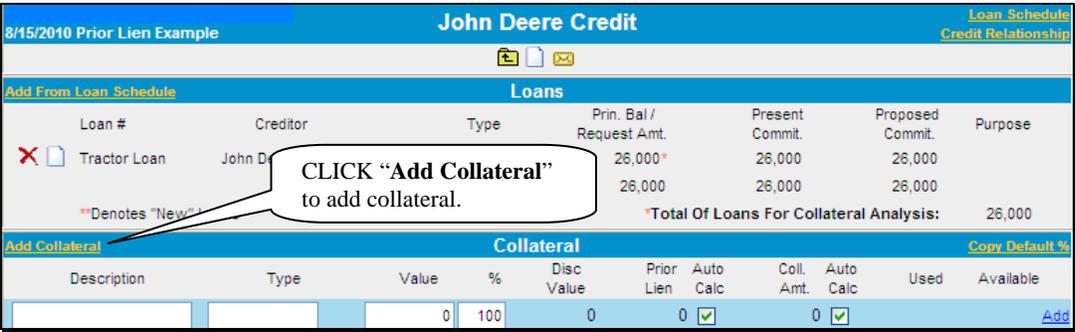
- Return to the crop sales schedule, **CLICK “Select Land Owner”** to select a land owner for each crop listed.
- Use the “Group By” option to group crops by either land owner or crop.
- **CLICK “Print”** to print a Crop Sales Report.--\*

Farm Business Plan - FSA User Guide (Continued)

I Collateral Analysis/Chattel Appraisals (Continued)

3 Building the Collateral Analysis (Continued)

\*--b Customer With Prior Liens (Continued)

| Step | Action   |
|------|--|
| 3    | <p>Select the John Deere Credit loan and CLICK “Add Loans”.</p>  <p><b>Figure 51c</b></p>                                  |
| 4    | <p>CLICK “Add Collateral” to choose the collateral for the loan group being built.</p>  <p><b>Figure 51d</b></p>          |
| 5    | <p>Select collateral to be included in the loan group being built. CLICK “Add Collateral”.</p>  <p><b>Figure 51e</b></p> |

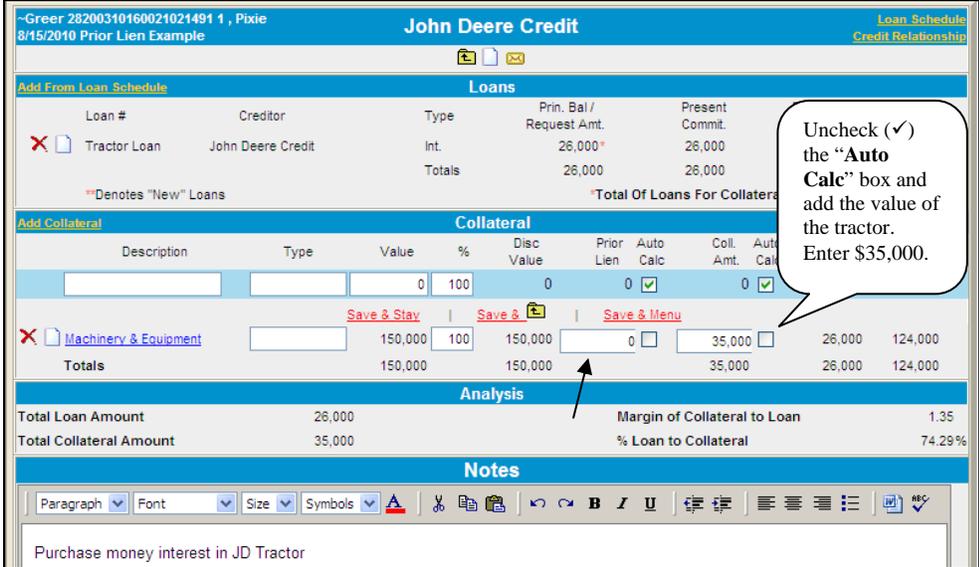
--\*

Farm Business Plan - FSA User Guide (Continued)

I Collateral Analysis/Chattel Appraisals (Continued)

3 Building the Collateral Analysis (Continued)

b Customer With Prior Liens (Continued)

| Step | Action   |
|------|--|
| 6    | <p>To adjust the value of the collateral securing the prior lien holder, uncheck (✓) the “<b>Auto Calc</b>” box and add the value of the asset securing the loans in the “<b>Coll. Amt</b>” field.</p>  |

**Figure 52, John Deere Credit Prior Lien Loan Group**

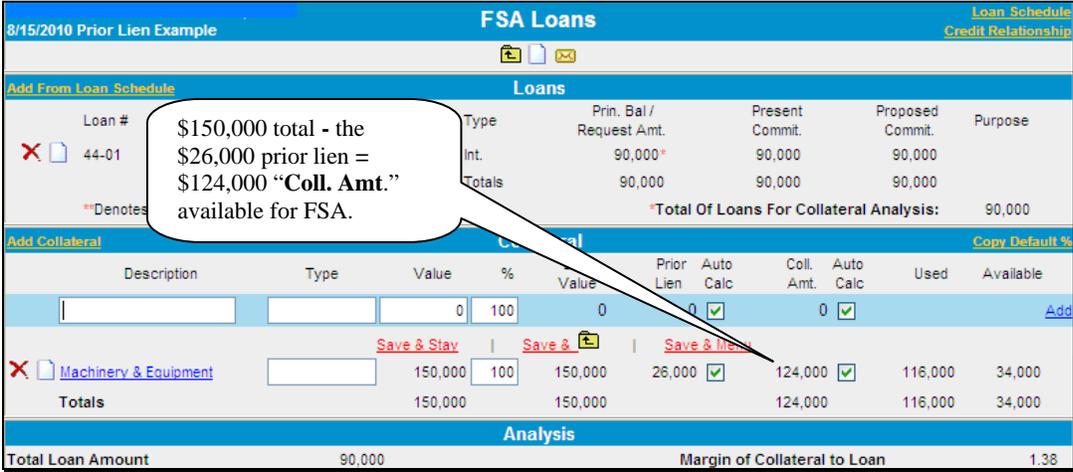
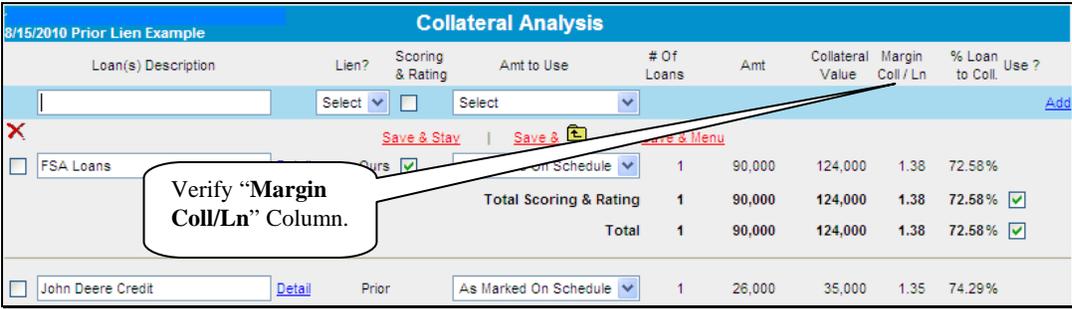
**Caution:** If more than one Prior Lien group is added to a collateral analysis, uncheck the “**Auto Calc**” box and enter \$0 in the “**Prior Lien**” field--\* before saving to allow the system to calculate correctly.

Farm Business Plan - FSA User Guide (Continued)

I Collateral Analysis/Chattel Appraisals (Continued)

3 Building the Collateral Analysis (Continued)

\*--b Customer With Prior Liens (Continued)

| Step | Action   |
|------|--|
| 7    | <p>Create the FSA loan group; add the FSA loans from the loan schedule, and then add the collateral securing those loans. In this example, even though all machinery and equipment is securing the FSA loan, there is only \$124,000 of collateral available for FSA (value of all machinery and equipment of \$150,000 <b>minus</b> John Deere prior lien of \$26,000 <b>equals</b> \$124,000). This amount is calculated automatically and captures any remaining equity in the tractor.</p>  <p><b>Figure 53, FSA Loan Group</b></p> |
| 8    | <p>Access the Collateral Analysis Summary Screen and verify that the margin of collateral to loan is correct in the “<b>Margin Col/Ln</b>” Column.</p>  <p><b>Figure 54, Collateral Analysis Screen</b></p>  |

--\*

Farm Business Plan - FSA User Guide (Continued)

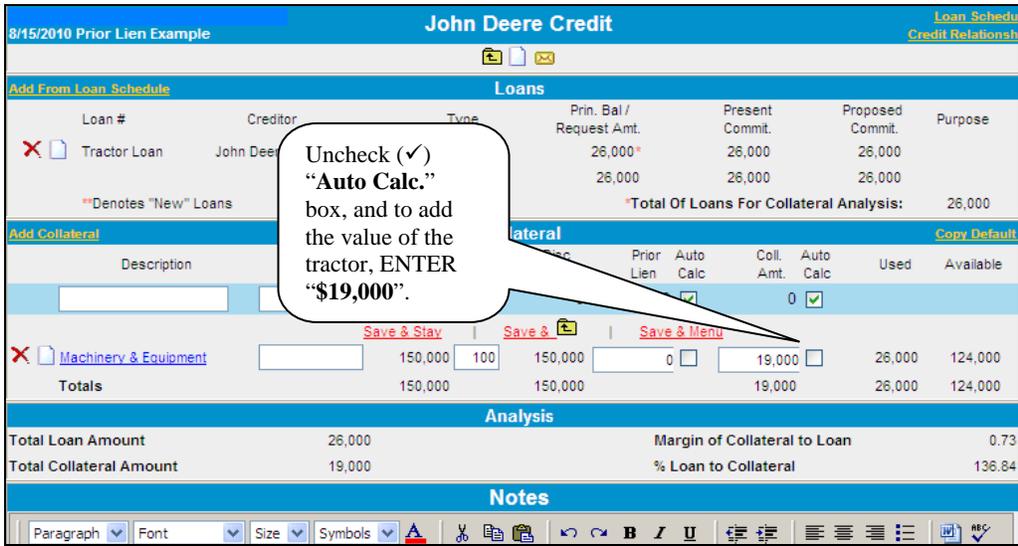
I Collateral Analysis/Chattel Appraisals (Continued)

3 Building the Collateral Analysis (Continued)

c Customer With Negative Equity Prior Liens

When the customer has loans with creditors who have prior liens on the collateral used to secure the FSA loan, those creditors **must** be added to the collateral analysis **before** the FSA loan group. These prior liens may be under secured and are sometimes referred to as “upside-down” or negative equity loans.

**Example:** Assume in this example that the customer owes John Deere Credit \$26,000, secured by a first lien on a tractor worth only \$19,000. The customer also has an FSA OL with a balance of \$90,000, secured by a lien on all machinery and equipment worth \$150,000, including the tractor. FSA is secured; however, John Deere Credit is under secured by \$7,000 (tractor value of \$19,000 **minus** loan balance of \$26,000).

| Step | Action  |
|------|---|
| 1    | <p>Add the John Deere Credit loan group, select the John Deere Credit \$26,000 loan from the loan schedule, and then add <b>all</b> the machinery and equipment as collateral, even though only the John Deere tractor is collateral for this loan.</p> <p>To adjust the value of the collateral securing the prior lien holder, uncheck (✓) the “<b>Auto *--Calc</b>” box and enter the value of the asset securing the loans in the “<b>Coll. Amt</b>” field.--* In this example the tractor is worth \$19,000.</p>  <p><b>Figure 55, John Deere Credit Prior Lien Screen</b></p> <p>When user clicks “<b>Save &amp; Stay</b>”, only the value of the tractor will be deducted from the total of “<b>Machinery and Equipment</b>”. <b>No</b> equity from the equipment will be used to secure the John Deere Credit loan.</p> |

Farm Business Plan - FSA User Guide (Continued)

I Collateral Analysis/Chattel Appraisals (Continued)

3 Building the Collateral Analysis (Continued)

\*--e Customer With Third-Party Pledge of Security (Continued)

| Step | Action  |
|------|---|
| 2    | <p>The \$15,000 will now be displayed in the “Coll. Amt.” Column.</p> |

Figure 61b, FSA OL Loan Group

| Step | Action  |
|------|---|
| 3    | <p>Access the Collateral Analysis Screen and verify that the margin of collateral to loan is correct.</p> |

Figure 61c, Collateral Analysis Screen

--\*

Farm Business Plan - FSA User Guide (Continued)

I Collateral Analysis/Chattel Appraisals (Continued)

3 Building the Collateral Analysis (Continued)

f Customer With Personal Property Used for Security

Sometimes a customer’s personal property is needed as additional security. There are 2 methods that can be used to add the personal property as security to the collateral analysis.  
\* \* \* If additional documentation is needed, it can be added to the attached WordPad.

**Method 1:** Assume that a customer has nonfarm real estate valued at \$125,000, with a prior lien of \$85,000. The customer wants to use the equity in the property, \$40,000, as additional security for a FSA OL loan in the amount of \$65,000. The FSA OL is also secured by all machinery and equipment, valued at \$63,000.

Add the FSA OL loan group, select the FSA \$65,000 OL loan from the loan \*--schedule, and add “Machinery & Equipment” and “Nonfarm Real Estate” as collateral. To adjust the value of the “Nonfarm Real Estate”, uncheck (✓) the “Auto Calc” box and enter the equity value (\$40,000) in the “Coll. Amt” field. “Total Collateral Amount” equals \$103,000 (Machinery & Equipment plus equity in Nonfarm Real Estate).

| FSA Loan   |                       |         |   |                              |                  |                                     |            |                                     |        | Loan Schedule | Credit Relationship |
|--|-----------------------|---------|---|------------------------------|------------------|-------------------------------------|------------|-------------------------------------|--------|---------------|---------------------|
| -Greer 28200310160021021491 1, Pixie<br>3/15/2010 Collateral Example |                       |         |   |                              |                  |                                     |            |                                     |        |               |                     |
| Add From Loan Schedule   |                       |         |   |                              |                  |                                     |            |                                     |        |               |                     |
| Loans  |                       |         |   |                              |                  |                                     |            |                                     |        |               |                     |
| Loan #   | Creditor              | Type    | Prin. Bal / Request Amt.                        | Present Commit.              | Proposed Commit. | Purpose                             |            |                                     |        |               |                     |
| X  | FSA                   | Int.    | 63,000*   | 63,000                       | 63,000           |                                     |            |                                     |        |               |                     |
| Totals   |                       |         | 63,000  | 63,000                       | 63,000           |                                     |            |                                     |        |               |                     |
| **Denotes "New" Loans  |                       |         | *Total Of Loans For Collateral Analysis: 63,000 |                              |                  |                                     |            |                                     |        |               |                     |
| Add Collateral   |                       |         |   |                              |                  |                                     |            |                                     |        |               |                     |
| Collateral   |                       |         |   |                              |                  |                                     |            |                                     |        |               |                     |
| Description  | Type                  | Value   | %   | Disc Value                   | Prior Lien       | Auto Calc                           | Coll. Amt. | Auto Calc                           | Used   | Available     | Copy Default %      |
|  |                       | 0       | 100   | 0                            | 0                | <input checked="" type="checkbox"/> | 0          | <input checked="" type="checkbox"/> |        |               |                     |
| X  | Machinery & Equipment | 63,000  | 100   | 63,000                       | 0                | <input checked="" type="checkbox"/> | 63,000     | <input checked="" type="checkbox"/> | 21,112 | 41,888        |                     |
| X  | Nonfarm Real Estate   | Equity  | 125,000   | 100                          | 125,000          | 0                                   | 40,000     | <input type="checkbox"/>            | 41,888 | 83,112        |                     |
| Totals   |                       | 188,000 |   | 188,000                      |                  |                                     | 103,000    |                                     | 63,000 | 125,000       |                     |
| Analysis   |                       |         |   |                              |                  |                                     |            |                                     |        |               |                     |
| Total Loan Amount  |                       | 63,000  |   | Margin of Collateral to Loan |                  |                                     |            | 1.63                                |        |               |                     |
| Total Collateral Amount  |                       | 103,000 |   | % Loan to Collateral         |                  |                                     |            | 61.17%                              |        |               |                     |

Figure 61d, Personal Property for Additional Security--\*

Farm Business Plan - FSA User Guide (Continued)

I Collateral Analysis/Chattel Appraisals (Continued)

3 Building the Collateral Analysis (Continued)

f Customer With Personal Property Used for Security (Continued)

**Method 2:** Assume that a customer has nonfarm real estate valued at \$125,000, with a prior lien of \$85,000. The customer wants to use the equity in the property, \$40,000, as additional security for a FSA OL loan in the amount of \$65,000. The FSA OL is also secured by **all** machinery and equipment, valued at \$63,000.

Add the FSA OL loan group, select the FSA \$65,000 OL loan from the loan \*--schedule, and add "Machinery & Equipment" as collateral. Manually add the nonfarm real estate description, type (equity), and equity value (\$40,000) to the Collateral Section and **CLICK "Add"**. "Total Collateral Amount" equals \$103,000 (Machinery & Equipment **plus** equity in Nonfarm Real Estate).

| Loans                |          |      |                          |                 |                  |  |
|----------------------|----------|------|--------------------------|-----------------|------------------|--|
| Loan #               | Creditor | Type | Prin. Bal / Request Amt. | Present Commit. | Proposed Commit. | Purpose  |
| X                    | FSA      | Int. | 63,000*                  | 63,000          | 63,000           |  |
| Totals               |          |      | 63,000                   | 63,000          | 63,000           |  |
| *Denotes "New" Loans |          |      |                          |                 |                  | Total Of Loans For Collateral Analysis: 63,000 |

| Collateral              |        |         |     |            |            |                                     |            |                                     |        |           |
|-------------------------|--------|---------|-----|------------|------------|-------------------------------------|------------|-------------------------------------|--------|-----------|
| Description             | Type   | Value   | %   | Disc Value | Prior Lien | Auto Calc                           | Coll. Amt. | Auto Calc                           | Used   | Available |
|                         |        | 0       | 100 | 0          | 0          | <input checked="" type="checkbox"/> | 0          | <input checked="" type="checkbox"/> |        |           |
| X SF rental property    | equity | 40,000  | 100 | 40,000     | 0          | <input checked="" type="checkbox"/> | 40,000     | <input checked="" type="checkbox"/> | 24,466 | 15,534    |
| X Machinery & Equipment |        | 63,000  | 100 | 63,000     | 0          | <input checked="" type="checkbox"/> | 63,000     | <input checked="" type="checkbox"/> | 38,534 | 24,466    |
| Totals                  |        | 103,000 |     | 103,000    |            |                                     | 103,000    |                                     | 63,000 | 40,000    |

| Analysis                |         |                              |        |
|-------------------------|---------|------------------------------|--------|
| Total Loan Amount       | 63,000  | Margin of Collateral to Loan | 1.63   |
| Total Collateral Amount | 103,000 | % Loan to Collateral         | 61.17% |

Figure 61e, Personal Property for Additional Security--\*

J Credit Actions

In FBP, a credit action generates forms and other documentation containing the information necessary to approve, decline, and support a loanmaking or loan servicing decision.

The following are the current 8 credit actions that can be completed.

| Credit Action Type | Used For                    | Type of Forms   |                         |                     |                         |                    |
|--------------------|-----------------------------|-----------------|-------------------------|---------------------|-------------------------|--------------------|
|                    |                             | Farm Assessment | Other                   | DALR\$ Input Report | Credit Presentation     | Security Agreement |
| D-Loan Making*     | Origination of direct loans | Available       | Environmental Checklist | N/A                 | Cred. Pres/Borr. Class. | Available          |

Farm Business Plan - FSA User Guide (Continued)

J Credit Actions (Continued)

| Credit Action Type             | Used For  | Type of Forms   |                         |                     |                              |                        |
|--------------------------------|---|-----------------|-------------------------|---------------------|------------------------------|------------------------|
|                                |   | Farm Assessment | Other                   | DALR\$ Input Report | Credit Presentation          | Security Agreement     |
| D-Loan/Sec. Agr. Only          | Only a Security Agreement needs to be generated   | N/A             | N/A                     | N/A                 | N/A                          | Available              |
| D-Loan/Class/LR/YEA Only       | Account classification, year-end analysis, limited resource review, and/or graduation review outside of the Credit Presentation | Available       | N/A                     | N/A                 | Classification/YEA/LR Review | Available              |
| D-Loan/Special Serv. <u>1/</u> | Special loan servicing actions, i.e. primary and preservation loan servicing, DSA   | Available       | Environmental Checklist | Available           | Cred. Pres/Borr. Class.      | Available              |
| D-Loan/Regular Serv. <u>1/</u> | Partial releases of real estate, approval of subordinations, transfer, and assumption   | Available       | Environmental Checklist | N/A                 | Cred. Pres/Borr. Class.      | Available              |
| D-Loan/Eligibility Only        | Eligibility determinations outside of the Credit Presentation   | N/A             | N/A                     | N/A                 | Eligibility Only             | Available              |
| Youth Loans                    | Processing and approving youth loan applications and requests   | N/A             | Eligibility Only        | N/A                 | Youth Loan                   | Complete Form Manually |
| D-Loan/Special Classification  | To classify selected flagged accounts and delinquent youth loans  | N/A             | N/A                     | N/A                 | Special Classification       | N/A                    |

1/ In cases where a loan is being made in conjunction with a special servicing request (primary and preservation loan servicing, and DSA), use the D-Loan/Special Serv. Credit Action. In cases where a loan is being made in conjunction with a regular servicing request, use the D-Loan/Regular Serv. Credit Action.

**FLP Rates**

**A Interest Rates for FLP's**

\*--The following provides interest rates for FLP's as of October 1, 2011.--\*

| <b>Loan Type</b>   | <b>Current Rate (%)</b> | <b>Date Set</b> |
|--|-------------------------|-----------------|
| Rural Housing - Farm Loan Purposes                                       |                         |                 |
| <b>Note:</b> For the current interest rate, contact the National Office. |                         |                 |
| Operating  | *--1.75                 | 10/1/11         |
| Operating – Limited Resource   | 5.00                    | 12/1/90         |
| Farm Ownership and Conservation Loans                                    | 4.25                    | 10/1/11--*      |
| Farm Ownership – Limited Resource  | 5.00                    | 4/1/86          |
| Farm Ownership – Down Payment  | 1.50                    | 5/22/08         |
| Farm Ownership – Joint Financing   | 5.00                    | 3/24/97         |
| Soil and Water   | *--4.25                 | 10/1/11         |
| Soil and Water – Limited Resource  | 5.00                    | 7/1/92          |
| Recreation – Individual  | 4.25                    | 10/1/11         |
| Farmer Program – Homestead Protection                                    | 4.25                    | 10/1/11         |
| Shared Appreciation Amortization   | 3.25                    | 10/1/11         |
| Softwood Timber Loans  | 4.25                    | 10/1/11         |
| Economic Emergency – Operating   | 1.75                    | 10/1/11         |
| Economic Emergency – Real Estate   | 4.25                    | 10/1/11         |
| Emergency – Amount of Actual Loss  | 3.75                    | 1/25/94         |
| Emergency – Major Adjustment:<br>Subtitle A Purpose (Excess of Loss)     | 6.5                     | 10/1/11         |
| Emergency – Major Adjustment:<br>Subtitle B Purpose (Excess of Loss)     | 4.75                    | 10/1/11         |
| Emergency – Annual Production  | 4.75                    | 10/1/11         |
| Nonprogram - Chattel Property  | 4.75                    | 10/1/11         |
| Nonprogram - Real Property   | 6.50                    | 10/1/11         |
| Apple Loans  | 0.50                    | 10/1/11         |
| Association – Grazing  | 4.25                    | 10/1/11         |
| Association – Irrigation and Drainage                                    | 4.25                    | 10/1/11--*      |
| Indian Land Acquisition  | 5.00                    | 2/1/91          |

Publication 622, which provides amortization tables and financial basic payment tables, is available from MSD Warehouse. To request Publication 622, complete FSA-159, available at <http://intranet.fsa.usda.gov/dam/ffasforms/forms.html>, and submit it by 1 of the following methods:

- FAX to 816-823-4740 or 816-823-4741
- e-mail to [ra.mokansasc2.kcasbwhse](mailto:ra.mokansasc2.kcasbwhse)
- mail to:

USDA/FSA/Kansas City Warehouse  
9240 Troost Ave  
Kansas City MO 64131.

**FLP Rates (Continued)**

**B Treasury Rates**

The following table provides the applicable Treasury rates.

| <b>Treasury Rates</b>             | <b>Current Rate (%)</b> | <b>Date Set</b> |
|-----------------------------------|-------------------------|-----------------|
| 90-Day Treasury Bill              | 0.125                   | 10/1/09         |
| Treasury Judgment Rate (see Note) | *--0.10                 | 10/1/11--*      |

**Notes:** The 90-Day Treasury Bill rate is entered in eDALR\$ as the “Discount Rate” and is used to calculate present value and net recovery value.

The treasury judgment rate is the interest rate applicable to deficiency judgments for all loan types (pursuant to 28 U.S.C. Section 1961). The rate is based on the weekly average 1-year CMT yield published by the Federal Reserve System, Board of Governors. The rate shown is the most current rate posted to the Federal Reserve web site and is dated the \*--week ending September 2, 2011. The actual judgment rate is the rate for the calendar--\* week preceding the date the defendant becomes liable for interest. Access the Federal Reserve web site [www.federalreserve.gov/releases/H15/current](http://www.federalreserve.gov/releases/H15/current) for the weekly average 1-year CMT yield.

**C Historical 90-Day Treasury Bill Rates**

The following table provides the historical 90-day Treasury bill rates.

| <b>Effective Date</b> | <b>Rate (%)</b> | <b>Effective Date</b> | <b>Rate (%)</b> |
|-----------------------|-----------------|-----------------------|-----------------|
| December 1, 1988      | 7.500           | December 1, 1990      | 7.500           |
| January 1, 1989       | 7.875           | January 1, 1991       | 7.375           |
| February 1, 1989      | 8.250           | February 1, 1991      | 7.125           |
| March 1, 1989         | 8.500           | March 1, 1991         | 6.500           |
| April 1, 1989         | 8.750           | April 1, 1991         | 6.250           |
| May 1, 1989           | 9.000           | May 1, 1991           | 6.125           |
| June 1, 1989          | 9.150           | June 1, 1991          | 5.875           |
| July 1, 1989          | 8.750           | July 1, 1991          | 5.750           |
| August 1, 1989        | 8.625           | October 1, 1991       | 5.625           |
| September 1, 1989     | 8.250           | November 1, 1991      | 5.375           |
| October 1, 1989       | 8.125           | December 1, 1991      | 5.250           |
| December 1, 1989      | 8.000           | January 1, 1992       | 4.875           |
| February 1, 1990      | 7.875           | February 1, 1992      | 4.375           |
| April 1, 1990         | 8.000           | March 1, 1992         | 3.875           |
| May 1, 1990           | 8.125           | May 1, 1992           | 4.125           |
| July 1, 1990          | 8.000           | June 1, 1992          | 4.000           |
| October 1, 1990       | 7.750           | July 1, 1992          | 3.750           |
| November 1, 1990      | 7.625           | September 1, 1992     | 3.500           |