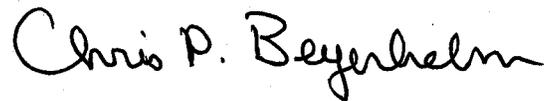


UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Direct Loanmaking 3-FLP (Revision 2)	Amendment 14
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Approved by: Deputy Administrator, Farm Loan Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 354 B has been amended to:

- change FSA-2425 to FSA-2072
- remove "Customer Profile".

Page Control Chart		
TC	Text	Exhibit
	15-9, 15-10	

353 Funding Approved Loans (Continued)**B Preferences When There is Limited Funding (Continued)**

[7 CFR 764.54(b)(2)] **Second, an applicant who is not a veteran, but:**

- (i) Has a dependent family;**
- (ii) Is able to make a downpayment; or**
- (iii) Owns livestock and farm implements necessary to farm successfully.**

[7 CFR 764.54(b)(3)] **Third, to other eligible applicants.**

FSA uses the secondary priorities only when funding is limited and more than 1 loan application was received on the same date.

C When Loan Funds Become Available

[7 CFR 764.53(f)] **If funding becomes available, the Agency will resume processing of approved loans in accordance with this part.**

*--When funds become available, the applicant will be notified immediately by letter, such as Exhibit 24, sent by regular mail or hand delivered. The letter will:

- advise the applicant to “contact FSA within 15 business days from the date of the letter”
- contain the statement, “if the applicant does not contact the authorized agency official within 15 business days from the date of the letter, the application will be withdrawn”.--*

354 Changes After Loan Approval

A Changes in Loan Amount

If it becomes necessary to increase or decrease the amount of the loan before loan closing, the authorized agency official requests that all distributed loan forms be returned to FSA and reprocessed. If the change is minor and replacement forms can readily be completed and submitted, a memorandum justifying the change is attached to the revised forms and sent to the State Office.

B Cancellation of Funds

The authorized agency official cancels obligations, advances, checks, and electronic fund disbursements according to 3-FI, paragraph 90 and other appropriate FI directives.

--Before loan closing, but after the Finance Office completes de-obligation, file original FSA-2072 in the case file with a screen print of the ADPS Unclosed (UN) Screen. After-- loan closing, see 4-FLP, subparagraph 61 E.

When necessary, the authorized agency official prepares and executes FSA-2026 reflecting the revised total of the loan and the revised repayment schedule.

C Cancellation of Loan

When a loan is canceled:

- the authorized agency official notifies the State Office and FSC, FLOO of loan cancellation by using FSA-2072
- the authorized agency official notifies the designated closing agent that the loan has been canceled

Note: If the loan, based upon updated information after initial approval, is rejected because of problems with eligibility or feasibility, see paragraph 351.

- at the request of the applicant, the application will be withdrawn. See subparagraph 45 D for more information.