



PROCEDURE FOR PREPARATION : RD Instructions 1951-N, HB-1-3550 and HB-2-3550.

PREPARED BY : Servicing Official.

NUMBER OF COPIES : Original and two copies.

SIGNATURES REQUIRED : Borrower and Servicing Official.

DISTRIBUTION OF COPIES : For all loan types except SFH and MFH:  
Original to Finance Office; copy in borrower's case file; copy to borrower.

For MFH only:  
Form RD 1951-13 will be sent to the Finance Office, as Form RD 1951-52 is required for a Finance Office input form.

For SFH only:  
Original to CSC; copy to borrower's records; copy to borrower.

INSTRUCTIONS FOR PREPARATION

- (1) Insert borrower's name as it appears in the Finance Office records.
- (2) Insert borrowers case number.
- (3) If interest rate on the entire loan is to be changed, place "X" in the box below Item I and complete Items (4) through (7). Otherwise leave box blank and omit Items (4) through (7).
- (4) Insert original principal amount from promissory note.
- (5) Insert the interest rate to which the loan is being changes.
- (6) Insert Fund Code and Loan Number of loan being corrected.
- (7) Place "X" in appropriate box, depending on whether the loan is to have a monthly or annual installment schedule. The installment will be computed using the amortization factor for monthly or annual installments using the original principal amount at the interest rate entered in Item (5) and the number of years indicated in the promissory note (final due date may not be changed). If loan is to be separated into portions, leave Item I blank and complete Item II below.
- (8) If loan is be separated into portions and the interest rate on one portion is to be changed, place "X" in the box below Item II and complete Items (9) through (17). If Item I above was completed, leave Item II and all sub-items blank.
- (9) Insert original principal amount shown on the promissory note.
- (10) Insert final due date from promissory note.
- (11) Insert fund code and loan number of loan being separated into portions (original loan). The loan amount entered in Item (12) will retain this loan number.
- (12) Insert the portion of the loan to retain the same interest rate and original loan number.
- (13) Insert the interest rate shown on the promissory note.
- (14) Insert the fund code for the new loan being established. Leave "Loan No." blank; the Finance Office or CSC will assign the next available loan number.

- (15) Insert the principal amount to be established as the new loan. The total of amounts entered in Items (12) and (15) must equal the amount entered in Item (9).
- (16) Insert the interest rate to be charged on the new loan amount entered in Item (15).
- (17) Place "X" in appropriate box, depending on whether the loans are to have monthly or annual installment schedules. The installments for each portion will be computed using the principal amounts entered in Items (12) and (15) above, the amortization factor for monthly or annual installments at the appropriate interest rates entered in Items (13) and (16), and the number of years indicated in the promissory note (final due date may not be changed).
- (18) To be signed by the official who services the loan. Type name and title below and enter date submitted to the Finance Office or CSC.
- (19) To be signed by all obligors for the debt; enter date signed by the borrower(s).