The following statement and certification will become a part of your application currently on file for a loan from the Rural Utilities Service.

**IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? YES NO**

**Note: Example of debts include, but are not limited to, delinquent taxes, guaranteed or direct government loans (more than 31 days past due) and other administrative debts.**

**If Yes, provide explanatory information.**

**APPLICANT CERTIFICATION**

**FEDERAL COLLECTION POLICIES FOR COMMERCIAL DEBT**

The Federal Government is authorized by law to take any or all of the following actions in the event that a borrower’s loan payments become delinquent or the borrower defaults on its loan: (1) Report the borrower’s delinquent account to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service the borrower’s account; (4) Offset amounts owed to the borrower under other Federal programs; (5) Refer the borrower’s debt to the Internal Revenue Service for offset against any amount owed to the borrower as an income tax refund; (6) Refer the borrower’s account to a private collection agency to collect the amount due; and (7) Refer the borrower’s account to the Department of Justice for litigation in the courts.

All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

**Certification**

**I have read and understand the actions the Federal Government can take in the event that I fail to meet my scheduled payments in accordance with the terms and conditions of my agreements.**

Signed:

Title:

Company:

Date: