LENDER'S PAYMENT REMITTANCE FORM INSTRUCTIONS

A. **LENDER INFORMATION:** Must state the lender's name, address, contact person, telephone and fax numbers. Check [ ] the box in the upper left-hand corner of the form if there are any changes to the lender's information.

B. **MONTH-ENDING INFORMATION:** Indicate the last day of the month for which information is being reported. Check [ ] the box in the upper right-hand corner if your remittance form includes secondary market prepayments or late payments.

1. **USDA LOAN NUMBER:** The USDA-assigned loan identification number, which may be up to 15 numerical digits. All digits must be stated to properly identify the loan and process corresponding payment information. This field is **mandatory** and must be completed for each line of information reported.

2. **INTEREST RATE:** The rate of interest used to calculate the interest payment due to Colson (i.e., the borrower's note rate less the lender's servicing fee percentage).

Example: Note rate = Prime + 2.50%
Lender's servicing fee = 1.00%
Secondary market rate = Prime + 1.50%
Prime = 9.50%
Rate reported = 11.00%

3. **GUARANTEED PORTION INTEREST:** The interest payment due to Colson on behalf of the secondary market investor. That is, the guaranteed portion of the borrower's interest payment received less the lender's servicing fee.

Example: $100,000.00 x 80% guaranty = $80,000.00 guaranteed portion
Interest payment on total loan @ 12.00% = $1,000.00; on guaranteed portion = $800.00
Lender's servicing fee = $80,000.00 x 1% ÷ 360 x 30 = $66.67
Interest due to FTA = $800.00 - $66.67 = $733.33

4. **GUARANTEED PORTION PRINCIPAL:** The principal payment due to Colson on behalf of the secondary market investor. That is, the guaranteed portion of the borrower's principal payment received.

Example: Principal payment on total loan = $200.00 x 80% guaranty = $160.00

5. **TOTAL TO FTA: GUAR. PORTION PAYMENT:** The sum of the Guaranteed Portion Interest + Guaranteed Portion Principal reported and remitted to Colson.

Example: Guaranteed Interest (less servicing fee) = $733.33
Guaranteed Principal = $160.00
Total to FTA = $893.33

6. **INTEREST PERIOD FROM:** The date from which the reported Guaranteed Portion Interest started or accrued from. Leave blank if no interest payment is reported.

7. **INTEREST PERIOD TO:** The date to which the Guaranteed Portion Interest is paid to.

Example: Borrower makes $1,000.00 interest payment on 3/15/YY.
Last interest paid-to-date was 2/15/YY
For the reporting period ending 3/31/YY

Report to Colson:
Interest Period From: 2/15/YY
Interest Period To: 3/15/YY

8. **# OF DAYS:** The number of days covered by the reported Guaranteed Portion Interest payment, determined in accordance with the calendar basis used to compute interest.

Examples: 2/15/YY to 3/15/YY = 30 days on a 30/360 basis
2/15/YY to 3/15/YY = 28 days on an ACT/360 basis (non-leap years)
2/15/YY to 3/15/YY = 28 days on an ACT/365 basis (non-leap years)

9. **CALENDAR BASIS:** The interest computation calendar method stated at the time of the original loan sale into the secondary market or as prescribed in the Note. Acceptable computation methods for USDA secondary market loans are 30/360, ACT/360, and ACT/365.

10. **GUARANTEED PORTION CLOSING BALANCE:** The guaranteed principal balance outstanding after the application of the reported Guaranteed Portion Principal payment.

11. **TOTAL (TOTAL TO FTA COLUMN):** The sum of each of the dollar values in the Total to FTA column.

12. **CHECK / WIRE AMT:** The amount of the check or wire sent for this remittance. Amount must be the same as the total in [Field 11].