proval by the official of the Department of Agriculture detailed there for the purpose. In Illinois, Kansas, and Kentucky, where the law does not permit the taking of a crop mortgage until the crop is planted and growing, the applicant will be required to sign an agreement to deliver such mortgage at the proper time. Special form for this agreement (Form No. 9) will be used in these States.

If the applicant for a loan is a tenant, or is farming land under contract for deed or so-called crop contract, or has given a prior mortgage on his 1931 crop, he must secure the waivers of the actual owners of the land, his landlord, and/or all prior mortgage holders in the space provided on the mortgage form for the purpose. If the applicant is the owner of the land and farms it with tenants or share croppers, waivers of such tenants or share croppers must be secured in the space provided on the mortgage form for the purpose. If the applicant leases the land from another and in turn operates it with tenants or share croppers, waivers of both the actual owner of the leased land (unless the rental of said land has paid) and of said tenants or share croppers must be secured in the space provided on the mortgage form or on separate waiver form. In all cases where waivers are required, the person waiving must certify that at the time of signing such waiver he is in actual possession and owner of any rent note, mortgage, land sales contract, or other paper and must enter into an agreement on the special form (Form No. 7) provided for the purpose, that he will not assign, transfer, hypothecate, or sell such security without first having secured the written consent of the duly authorized representative of the United States.

6. **What does the application blank require?**—The application blank requires a statement of the amount of the loan desired, the number of acres of each crop for which seed (and fertilizer) is to be purchased, the amount desired for feed, and the number of animals to be fed, the amount desired for fuel and oil for tractors, and a legal description of the land on which these crops are to be planted, together with a statement of the acreage of crops grown by the applicant in 1929 and 1930 and the yields obtained. The application blank also includes an agreement to use the money loaned for the purchase of seed, fertilizer, feed and/or fuel and oil, and to use these supplies for crop production on the land described. It requires a further statement to the effect that the applicant does not have seed, fertilizer, feed, and/or fuel and oil, that he does not have and can not get funds from other sources for the purchase of such supplies, and that if he does not obtain a Government loan he will be unable to farm in 1931.

7. **What are the penalties for false representation in obtaining this loan?**—The law provides that any person who shall knowingly make any material false representation for the purpose of obtaining an advance, loan, or sale, or of assisting in obtaining such advance, loan, or sale under this resolution, shall, upon conviction thereof, be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding six months, or both.

8. **What is required after the application is completed and signed?**—After the application is completed it should be signed by the applicant with his usual business signature, together with his mail address. The application need not be sworn to. The community committee certificate should then be filled in and signed by at least two members of the community committee. The application and other papers should then be sent to the county committee, which will fill in and sign the county committee certificate and forward the application to the Farmers' Seed Loan Office at St. Louis, Mo. Full publicity will be given local newspapers to the names and addresses of members of community and county committees.

9. **What is the note?**—The note is a promissory note (Form No. 3 in Indiana, Missouri, Oklahoma, and Texas; Form No. 3–A in Illinois, Kansas, and Kentucky) supplied by the Department of Agriculture, in the amount of the application (not to exceed $600), bearing interest at the rate of 5 per cent per annum and maturing November 30, 1931.

10. **What is the mortgage?**—The mortgage is a chattel mortgage on all of the crops to be grown by the applicant in 1931. Two copies of the form (Form No. 4) supplied by the department should be filled in and signed by the applicant, the original should be sworn to before a notary public, who must affix his seal. The original and copy should be sent with the application and note and voucher to the Farmers' Seed Loan Office, St. Louis, Mo. Applicants who have previously mortgaged their 1931 crops should have the waiver on the mortgage signed by other mortagees to the extent of the Government loan. Notary fee in connection

with the oath on the mortgage must be paid by the borrower, but the mortgage will be filed and the filing fee paid by the Department of Agriculture.

11. **Can a tenant obtain a loan from this fund?**—In order for a tenant to obtain a loan from this fund, his landlord must sign the waiver which is a part of the mortgage form. In Illinois, Kansas, and Kentucky the tenant must obtain the signature of his landlord to a waiver on a separate form (Form No. 6) and submit this signed waiver at the time the application is filed. The landlord must also sign the waiver on the mortgage when the latter is executed by the borrower. The total of all loans to the tenants of one landlord in any county shall not exceed $600. In this connection, also, attention is called to the second paragraph in reply to Question 5.

12. **What is the voucher?**—The voucher (Form No. 5 in Indiana, Missouri, Oklahoma, and Texas; Form No. 5–A in Illinois, Kansas, and Kentucky) is the record of the transaction on which payment is made by the temporary special disbursing agent detailed to St. Louis for the purpose. This should be filled in down to the space provided for the applicant's signature and should be signed by him.

13. **When and how will the money be advanced?**—On receipt of the completed documents and approval of the application by the designated representative of the Secretary of Agriculture at the Farmers' Seed Loan Office, initial payment on the loan will be made. The right is reserved to make payment of the loan in installments. The amount of each installment to be determined by the Secretary of Agriculture through a designated representative. Initial payment will be made at the time the loan is approved and subsequent installments will follow at stated intervals only if the expenditure of the initial payment is shown to be properly made through the submission of a report on a card furnished by the Department of Agriculture. Interest on the several installments from the date of payment to the maturity date of the notes will be deducted from the last installment.

14. **Why has the installment plan been adopted?**—The installment plan has been adopted for the protection of both the Government and the borrower. Expenditures for feed and fertilizer are made over a considerable period, so that the full amount of the loan is not needed at the beginning of the planting season. Previously, when the entire amount of the loan was paid in a lump sum, in many cases, part of it not needed for immediate use for feed and fertilizer was diverted to other uses, often being applied to the payment of old debts.

15. **Will the installments be paid automatically?**—Before the second installment is paid, the borrower will be expected to report to the Farmers' Seed Loan Office St. Louis, Mo., how the first installment has been expended. A form will be furnished for such a report at the time the first check is sent. In the case of loans paid in three installments the right is reserved to ask an accounting for the second installment before the third is paid.

16. **What rate of interest is charged on the loans?**—Interest at the rate of 5 per cent will be charged on all loans. As all notes are due November 30, 1931, interest from the date of approval of the loan to November 30, 1931, will be deducted from the principal of the loan when the advance is made. In the case of advances made in installments, interest on the entire loan will be deducted from the final installment, the interest on each installment being figured from the date the advance is made to November 30. Loans or balances not paid on November 30 will bear interest at 5 per cent from that date until paid. This plan has been adopted to relieve buyers of crops mortgaged to the Government from the work of figuring interest on installments.

17. **What will be the action taken if an application is received in incomplete or incorrect form?**—If an application is received which is not complete either as to the application form itself or as to the note, mortgage, or voucher, any of these documents which require correction or completion will be returned promptly with a statement of the action necessary. When again received in proper form the application will be handled promptly, but final action can not be taken until all the necessary papers are complete and correct. Delays will, therefore, be avoided if the applicant and the local committee will go over all the forms carefully before sending them in. As all papers in connection with a single application will be stamped with a serial number on receipt, the same form which is sent back for correction or completion should be returned.