

FEDERAL COLLECTION POLICY NOTICE

The Federal Government is authorized by law to take any or all of the following actions in the event your VA-guaranteed or VA-financed loan payments become delinquent or you default on your VA-guaranteed or VA-financed loan.

1. Your name and account information may be reported to a credit bureau.
2. Additional interest and penalty charges may be assessed for the period of time that payment is not made.
3. Charges to cover additional administrative costs incurred by the Government to service your account may be assessed.
4. Amounts owed to you under other Federal programs may be offset.
5. Your account may be referred to a private collection agency to collect the amount due.
6. Your account may be referred to the Department of Justice for litigation in the courts.
7. If you are a current or retired Federal employee, your salary or civil service retirement benefits may be offset.
8. Your debt may be referred to the Internal Revenue Service for offset against any amount owed to you as an income tax refund.
9. Any written-off debt may be reported to the Internal Revenue Service as taxable income.

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

CERTIFICATION

I have read and I understand the actions the Federal Government can take in the event that I fail to meet my scheduled payments in accordance with the terms of my agreement to purchase property with a VA-guaranteed or VA-financed loan.

If you believe you have been subject to discrimination because of your race, color, religion, sex, familial status, or national origin, you should call HUD Fair Housing and Equal Opportunity Complaint hotline: 1(800)669-9777. This information must be delivered to you at the time of initial loan application. Return the original to your lender as proof of notification and keep a copy for your records. You, the borrower(s) must be certain that you understand the transaction. Sign below only after you have read this entire page. Seek professional advice if you are uncertain.

Applicant : _____ Date: _____ Applicant: _____ Date: _____

