YOUTH OPPORTUNITY LIVESTOCK LOAN PROGRAM INFORMATION AND APPLICATION

Beadle and Spink Enterprise Community
PO Box 405 Doland, SD  57436-0405
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www.basec.org
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**Pages 21-28 are to be completed, signed and returned to BASEC or to your youth livestock representative.**
Return only pages 21-28. Pages 1-20 are for you to keep!
Dear Young Livestock Producer,

Do you want some practical, hands-on experience in the livestock industry? Would you like to own and manage your own livestock?

Perhaps you need to borrow money to finance such a venture, but you don't know how to go about it. BASEC’s Youth Opportunity Livestock Loan Program may be the key for you to start a livestock enterprise!

Any loan you obtain becomes part of your credit record - an important and precious commodity in today’s credit-based society. Thus, it is necessary for you to have a thorough understanding of the loan process and related documents. You must also have a strong commitment to fulfill the responsibilities you undertake.

This manual will serve to acquaint you with the application process and responsibilities you assume when you obtain and manage a BASEC Youth Opportunity Livestock Loan.

Information presented here outlines the loan process, from applying for a loan to paying it back as well as establishing a credit record. Worksheets will help you become familiar with the computations associated with borrowing money and keeping good financial records.

Best Wishes!
YOUTH OPPORTUNITY LIVESTOCK LOAN PROGRAM GUIDELINES

Eligibility
1. Youth must aged 12 to 21 years old and must have a permanent address in the BASEC district. See enclosed listing of eligible townships on pages 19 & 20.  
   Please call the BASEC office if you have questions concerning eligibility. 605-635-6165 Toll Free number 855-635-6165
2. The livestock must be kept in the BASEC boundaries unless authorized by the BASEC Youth Livestock Committee.

Other requirements:
1. Youth selected for program must have approval of a parent or guardian and both parties must agree to provide adequate feed, water, and care (health and management) of livestock. All expenses, including veterinary and medicine expenses are the responsibility of the youth and their parent or guardian (co-debtor).
2. You must identify the purchased livestock. Offspring from the livestock you purchased must be clearly identified, as they are considered collateral for the loan.
3. The student shall have a co-debtor and an advisor for their loan. This can be the same person or two separate adults. For example, a parent could be the co-debtor and a teacher could be the advisor, or parent could be both co-debtor and advisor.
4. Two active borrowers from one family are allowed.

Supervision / Guidance
1. BASEC loan officers, extension agents, vo-ag instructors, and /or representatives of the Youth Opportunity Livestock Loan Committee may make site visits to ensure proper health standards and care is being applied to the project.
2. It is the expectation that record keeping and documentation will be done by the youth, with supervision of the advisor.

Priority Projects
1. The priority will be loans for foundation stock such as bred heifers, cows, cow/calf pairs, bred gilts, sows or sow with pigs at side, ewe lambs, ewes, or ewes with lambs at side.
2. The opportunity to participate in a project with feeder stock is also a possibility but will be second in priority. The feeder stock will be paid off when feeders are marketed, with the option to purchase additional feeder livestock within one year.
3. Recommended age of beef stock should be no more than five years old.
YOUTH OPPORTUNITY LIVESTOCK LOAN PROGRAM GUIDELINES
(continued)

Loan amounts
Maximum loan amount for all livestock is: $10,000.00

Interest Rates and Terms of Loan
1. A simple 5% interest rate for the duration of the loan has been set by the BASEC board of directors. Both the interest computation and the loan length are based on a 365 day calendar year.
2. Foundation loans are to be no more than five years. Feeder loans will be due when livestock are marketed, with a maximum of 24 months.
3. Repayment schedule for breeding livestock will be equal principal payments plus interest each year for length of loan.
4. There will be no prepayment penalty.
5. If a youth does not elect to complete the project requirements, applicant/co-debtor will pay off remaining principal and interest amounts due.

Application Process
Loan applications can be obtained from your high school representative, vocational-agriculture instructor, or BASEC staff.

1. The complete application package includes the following: (Pages 21-28)
   a. BASEC’s Youth Opportunity Livestock Loan Application, completed, signed and dated.
   b. Attachment A - youth describes plan for use of program funds
   c. Attachment B - parent or guardian describes level of support
   d. Projected Cash Flow Worksheet for the duration of the loan.
   e. Authorization for Release of Credit Information - Co-debtor must sign this.

These must be completed, signed & returned to the BASEC office or to your Youth Livestock Representative.

2. There is NO deadline for application. Loan will be made on a first come, first served basis. Once the funds allotted for this program are used, no more loans will be made.

3. All applications will be reviewed by the BASEC Youth Opportunity Livestock Loan Committee along with a personal interview. Co-debtors, parents or guardians should be included in the interview so all are aware of loan application, commitments and obligations.
4. Recommendations will be given whether to approve loan funds to the applicant or not. Decisions will be based on guidelines and requirements being met. A credit check of co/debtor will also be done.

5. The completed application package, if a loan is approved, is sent to Executive Director of Beadle and Spink Enterprise Community, Inc. for final approval.

6. Written notification of decision will be sent to co-debtor.

7. If application is approved, arrangements may be made for transfer of funds to the youth’s financial institution in a supervised account. Funds will be released by BASEC’s Executive Director or designee after presentation of purchase. A promissory note, security agreement and UCC1 filing form all will need to be signed and dated. There is a $23.00 filing fee to the state of SD that the applicant will be responsible for, along with a $10.00 closing fee. ($33.00 total paid to BASEC)

8. A BASEC staff person (loan officer) or board member may be making contact with you periodically. Additionally, your records maybe reviewed as well. BASEC Staff (loan officer) will be available for your questions and needs regarding this program.

9. Your loan payments will be paid to BASEC and sent to PO Box 405 Doland, SD 57436. A loan payment work sheet is in this manual for you to use for your record of payments made.
Your Responsibilities as a Youth Livestock Loan Recipient

As a borrower, you assume several responsibilities when you are accepted into this loan program.

1. You must identify the purchased livestock with ear tags, branding, etc. Offspring from the livestock you purchased must also be clearly identified as they are considered collateral for the loan.
2. You must maintain the physical condition of the collateral (livestock).
3. If you wish to sell, replace or substitute the livestock that you purchased, or the offspring from the purchased animals, you must have authorization from your loan supervisor prior to the sale. Beadle and Spink Enterprise Community (BASEC) must be included on the check. Once the sale has taken place you must return a copy of the bill of sale and the proceeds to Beadle and Spink Enterprise Community (BASEC).
4. **You must notify your loan supervisor as soon as possible if any of the secured stock should die.**
5. The livestock must remain in the BASEC area and within the location which is stated on the UCC-1 form and the promissory note. If the livestock are to be removed from their stated location, written permission from the BASEC Loan Committee / BASEC Executive Director must be obtained.
6. You will submit an “Annual Report” or any other income and expense records if requested by BASEC.

BASEC’s Youth Opportunity Livestock Loan Program provides an excellent opportunity for you to get a start with livestock ownership, while at the same time learning management skills and obtaining a credit record.

*You must remember that it is to be treated like any other type of loan. You have entered into a secured legal transaction, and YOU ARE RESPONSIBLE FOR THE CREDIT THAT YOU HAVE OBTAINED.*

This is your program as BASEC’s youth and as a member of the agriculture community. Abuses that take place not only reflect upon you as an individual, but also upon everyone else.

Take pride in your project and work hard to manage it well. BASEC supports you in your venture. If you have any questions, please contact your loan officer or other BASEC staff.
Youth Opportunity Livestock Loan Program Goals

BASEC’s Project Goals:
1. Increase agricultural / livestock production in the BASEC area. Increase youth in agricultural development projects while youth gains knowledge and skills through active participation in raising, caring for and marketing livestock.
2. Increase partnerships / contacts with schools, FFA, 4-H, county extension agents and BASEC.
3. Increase BASEC opportunities with families not yet reached.
4. A long term goal is to help decrease youth out migration from the BASEC area.

Your Project Goals
A goal is the final product or accomplishment toward which an effort is directed. You need to ask yourself, what is the goal of this project for yourself, before assuming the financial responsibility of a Youth Opportunity Livestock Loan. Do you want to use it as a means of saving for college? Do you want to start a livestock breeding herd?

- Your goals should be your own
- You must be personally committed to your goals
- Goals should be specific - concrete, clear and written
- Goals should be set for a definite and reasonable time period

Take time to identify your goal and write it below.
Goal: ________________________________________________________________
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About Your Loan Officer

BASEC staff could be a key component in the success of your Youth Opportunity Livestock Loan.

A major responsibility of the BASEC staff is to assess your character as an applicant, based upon the supervisor’s experience with you. The loan officer can advise the loan committee whether you are responsible, capable, and mature enough to carry out the project.

It is also important that the loan officer finds the proposal appropriate to the purpose of the Youth Opportunity Livestock Loan Program.

The loan officer can also be valuable to you by helping you complete a sound credit proposal and loan request, and by reviewing all documentation for accuracy and validity. In addition, the loan officer will monitor your project.

After you have compiled all of the information, signed and dated the application, you will need to submit the application package to your loan officer. You may want to go over it with your loan officer and co-debtor at this time, because your loan officer will submit it to the Executive Director.

The loan committee reviews the written materials that are required for a loan application.

a. Make sure all required documents are present:
   - application
   - attachment A
   - attachment B
   - cash flow projections
   - credit release
   - letter of support from loan officer

b. Review the documents for accuracy.

The loan application is reviewed by the loan officer, the housing director and then the Executive Director for approval.

Two of the three reviewers must agree to approve loan.
Record Keeping

You are considering a business venture when you decide to apply for a Youth Opportunity Livestock Loan. As with any type of business, records are essential for both economic and legal purposes. Records are used for analyzing where you are, where you have been, and most important where you are going. Agriculture records fall mainly into three categories.

**Documentation Records**

Your documentation file should contain copies of contracts, bill of sales and receipts, loan documents you have signed, and all correspondence you have sent or received.

**Production Records**

Production records are primarily a listing of your assets and what they are doing -- performance and efficiency. They are used to identify strengths and weaknesses of your project.

Some measures of production are:

1. Units of input - pounds of feed, supplement, veterinary expenses
2. Units of output - pounds of gain, size of offspring (weaning weights), pounds of product produced (wool)

**Financial Records**

Planning the financial future of your project is not only important for your lender in analysis of your loan request, but most importantly; to yourself - How profitable your project is or will be. There are primarily three basic statements used in financial record keeping.

Financial Statement - sometimes called the balance sheet or a net worth statement. This is a listing of assets owned and what you owe. From these figures you can determine ownership or equity.

\[
\text{Assets} - \text{Liabilities} = \text{Net worth} \\
(\text{what you own}) - (\text{what you owe}) = (\text{your ownership})
\]
Record Keeping
(continued)

**Income Statement** - sometimes called a profit or loss statement, measures profitability over a period of time (usually one year). It details the difference between incoming money and operating costs to show net income (the profits you have generated). Net income is what is available for debt repayment and eventually for yourself to meet your goals.

**Cash Flow Statement** - is perhaps the most valuable tool in analyzing your project. Simply stated it tells the story of how and when you receive and spend your money. Since you are starting your project, your cash flow will be your “best estimate” of your plan. But do not stop there! Your cash flow statement can serve as a record of past performance, as a monitoring tool for current performance, and as an aid in planning for the future. Also, it can help you with your marketing plans.

NOTE: YOU CANNOT DETERMINE WHAT PRICE TO SELL FOR IF YOU DO NOT KNOW WHAT YOUR COSTS ARE!

Your records should be accurate and complete. It is important to know costs of production and to establish a realistic sales price objective, which locks in a reasonable profit. This is essential to a good marketing strategy.
Calculating Simple Interest

Simple interest is charged only upon the original or outstanding principal. The type of interest that the Youth Opportunity Livestock Loan Program uses is simple interest.

The formula for calculating the amount of interest due is:

\[(\text{Principal}) \times (\text{Interest rate}) \times (\text{Length of loan}) = \text{Interest}\]

Suppose you take out a $1,500 loan at 5% interest rate for 3 years. The factors you will need to compute the interest are:

- Principal = $1,500
- Interest rate = 5%
- Length of loan = 3 years

The amount of interest due would be: \((1,500) \times (5\%) \times (3) = 75.00\)

You would owe $75.00 in interest when the loan was due, so you would pay a total of $1,575.00.

Most Youth Livestock Loans require an amortization schedule based upon your proposed project. Amortization is further explained later in this text.
<table>
<thead>
<tr>
<th>Date Paid</th>
<th>Total Payment Paid</th>
<th>Interest Paid</th>
<th>Principal Paid</th>
<th>Unpaid Principal Balance</th>
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All animals held in possession during the year must be entered once as beginning inventory, bought or at birth. These same animals must also be accounted for as a death loss, sold/transferred out, or closing inventory to balance out the inventory.

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<tr>
<th>Description</th>
<th>Beginning Inventory</th>
<th>Bought</th>
<th>Births</th>
<th>Deaths</th>
<th>Sold</th>
<th>Closing Inventory</th>
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<td># Head</td>
<td>Value</td>
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Totals
PROMISSORY NOTE
DISCLOSURE AND SECURITY AGREEMENT

Name of Borrower
Address
City, State Zip
Co-Borrower Name
Address same as above

Borrower’s Name & Address
"I" includes each borrower above, jointly and severally.

Beadle and Spink Enterprise Community (BASEC)
PO Box 405
Doland, SD 57436

LENDER’S NAME & ADDRESS
"You" means the lender, its successors, and assigns.

Loan Number # 000-01-01
Date 03/18/2014
Maturity Date 03/18/2019
Loan Amount $9,000
Renewal Of * NA

Note: I promise to pay to you, or your order, at your address above, the principal sum of:
Nine Thousand Dollars plus interest from 03/18/2014 at the rate of 5% per year until 03/18/2019. I will pay this amount as follows:

X In four (4) installments of $2,038.10, beginning 03/18/2015 and continuing on the same day of each year thereafter. PLUS a final payment of unpaid principal and accrued interest of approximately $ (will need to contact BASEC office for exact payoff amount).

Annual Percentage Rate
The cost of my credit as a yearly rate.

5%

Finance Charge
The dollar amount the credit will cost me.

$1,190.47

Fees
$28.00 Filing Fees
$10.00 BASEC Closing Fee

$38.00 TOTAL FEES

Amount Financed
The amount of credit provided to me or on my behalf.

$9,000.00

Total of Payments
The amount I will have paid when I have made all scheduled payments.

$10,190.47

My payment schedule will be:

<table>
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<tr>
<th>Number of Payments</th>
<th>Amount of Payments</th>
<th>When Payments are Due</th>
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<tbody>
<tr>
<td>5</td>
<td>$2,038.10</td>
<td>3/18/2015; 3/18/2016; 3/18/2017; 3/18/2018; 3/18/19</td>
</tr>
</tbody>
</table>

Security:
1. If checked, this note is not further secured by any contemporaneous agreement.
2. If checked, this note is secured by a separate Security Agreement and/or * dated ___.
3. Security Agreement: If checked, I give you a security interest in the property described below:
All livestock now owned or hereafter acquired, including but not limited to all five (5) black Angus bred cows with ear tags numbered # 300, #301, #302, #303, and #304 and will also be identified w/ XXX’s name on back of tags. Tags will be in right ear of livestock.

The property covered will be located at XXX farm in Spink County, South Dakota. The rights I am giving you in this property and the obligations this agreement secures are defined on the reverse side of this form.

X Proceeds X Products are also covered.
Assumptions- unless Specifically agreed in writing to the contrary, this security agreement and any loan it secures cannot be assumed by anyone who buy the collateral described above from me, and I understand and agree that if I attempt to transfer any interest in this collateral (including, but not limited to, possession) I will be in default on all secured obligations.
DEFINITIONS

**Accrue** - To accumulate, as interest “accrues” on a loan.

**Applicant** - A person who is applying for a loan, or job.

**Balance Sheet** - A condensed statement showing the nature and amount of a person's or business assets, liabilities, and capital on a given date. The balance sheet shows, in dollar amounts, what the person or business owns, owes, and net worth (the difference between assets and liabilities), also known as a financial statement.

**BASEC** - Beadle & Spink Enterprise Community.

**Business Plan** - Identifies key factors for analyzing whether a business is truly viable and advisable.

**Cash Flow Statement** - A statement estimating the monthly or annual cash you will be receiving, less the amount you will be spending. It may cover a few months or a number of years.

**Co-Debtor** - A person who signs a promissory note, along with the primary borrower, thereby is becoming a party to the loan on the same terms as the primary borrower. The co-debtor is equally obligated to the repayment of the entire debt, in the event of default by the primary borrower.

**Collateral** - Specific property owned by the borrower, which the borrower pledges as security for the repayment of a loan. The borrower agrees that the lender shall have the right to sell the collateral for the purpose of liquidating the debt if the borrower fails to repay the loan at maturity.

**Compound Interest** - Interest charged on the outstanding principal plus accrued interest.

**Credit** - Allowing the use of some good or service, with the borrower promising to pay for that use at a later date.
Definitions  
(continued)

Financial Statement - See balance sheet.

Financing Statement (UCC-1) - Used to “perfect” a security interest, or establish the priority of one lender over the claims of other creditors against a mortgaged piece of property. It is filed with the Secretary of State’s Office.

Interest - The amount charged a borrower by the lender for the privilege of using borrowed money.

Liability - Financial obligation of a borrower to a creditor.

Lien - Security interest created by a mortgage. A legal right granted to an individual by the authority of a court, to control or to enforce a charge against one’s property until some debt is paid or otherwise satisfied.

Loan - An amount of money which one individual lends to another, usually with a charge of some percentage of interest for the use of that money.

Loan Document - See promissory note.

Maturity - The date upon which a note becomes due and payable.

Net Worth Statement - See balance sheet.

Principal - The original or remaining amount due and payable on note. Provides the basis for computation of interest.

Proceeds - The total amount of money received in any transaction, whether through a sale or by borrowing money.

Promissory Note - The primary document used in making a loan. A negotiable promise which serves as evidence of the debt of a borrower to a lender.
Definitions
(continued)

**Purchase Money Loan** - A loan to purchase goods. A perfected security is automatically created in the items purchased, and has priority over all other claims.

**Rate of Interest** - The percentage of the principal amount which is annually charged for the use of money. Also known as APR – annual percentage rate.

**Record Keeping** - A method of keeping track of important happenings and transactions within a business.

**Repayment Ability** - One’s capacity to repay a loan.

**Repayment Plan** - A plan for repaying a debt. See market plan, cash flow statement.

**Responsibility** - A thing or person that one is answerable for; a duty, obligation, or burden.

**Security** - What the borrower puts up to guarantee payment of the loan. (Collateral)

**Security Agreement** - The actual agreement, in writing, between the lender and the borrower which promises goods as collateral. A claim on property that the borrower gives the lender to secure a loan.

**Simple Interest** - Interest charged only upon original or outstanding principal.
These are the geographical boundaries of the service area that BASEC serves.

*BASEC’s service area includes portions of these townships in Beadle County (Clyde, Custer, and Valley). Please refer to map (Page 23).

**Beadle County**

**Townships:**
- Banner
- Barrett
- Belle Prairie
- Cavour
- Clifton
- *Clyde*
- *Custer*
- Foster
- Grant
- Iowa
- Lake Byron
- Liberty
- Login
- Milford
- Pearl Creek
- Richland
- *Valley*

**Towns:**
- Yale
- Cavour
- Iroquois
- Hitchcock

**Spink County**

**Townships:**
- Antelope
- Belle Plaine
- Belmont
- Buffalo
- Capitola
- Cornwall
- Crandon
- Frankfort
- Garfield
- Great Bend
- Harmony
- Harrison Lake
- Lincoln
- Prairie Center
- Richfield
- Spring
- Tulare
- Union

**Towns:**
- Doland
- Frankfort
- Tulare
Beadle & Spink Enterprise Community, Inc. (BASEC)

Contact Information:
PO Box 405
Doland, SD 57436
Telephone: 605-635-6165
Toll Free: 1-855-635-6165
YOUTH OPPORTUNITY LIVESTOCK LOAN APPLICATION

Applicant and Co-Debtor Information

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<th>Date of birth</th>
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School Information

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Circle all that apply: 4-H  FFA  Sports/ FB  VB  BB  WR  TR  Other:

Location where will livestock be kept: County Township

Bank Information (Applicant / Co-applicant)

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<th>Name of bank</th>
<th>Type of account (circle one)</th>
<th>Checking</th>
<th>Savings</th>
<th>Loan</th>
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Phone

I agree to the following terms:

- To furnish information on stock purchased, and copy of the bill of sale, to Beadle & Spink Enterprise Community within 10 days of purchase date.
- To cooperate fully at all times with my loan officer in conducting my project and to adhere to the intended purposes of the Youth Opportunity Livestock Loan Program.
- To abide by the terms, conditions, and provisions of all loan documentation.

Failure to meet these requirements may result in this loan becoming due immediately, and payable in full.

Signature of Applicant __________________________ Date __________________

LOAN OFFICER -- I hereby certify that I am familiar with the applicant’s facilities for the proposed project and feel they are adequate. I agree to aid and advise the applicant in the pursuit of the project and to give ample field supervision of same. I agree further to advise the lender should the project at any time, seem in danger of failure.

Signature of Loan Officer ______________________ Title __________________ Date ______

LOAN CO-DEBTOR – By consenting to become a co-debtor of the loan and loan documentation, I fully understand that I am jointly and severely obligated to meet all terms, conditions, and provisions of the loan. I further pledge full cooperation with the applicant and the project supervisor in the pursuit of this project.

Signature of Loan Co-debtor __________________________ Relationship to Applicant __________________

Address ______________________ City/State/Zip __________________ Telephone __________________
Youth Opportunity Livestock Loan Committee – We, the undersigned have received the application and supporting material and hereby:

Circle: APPROVE / DISAPPROVE

AMOUNT: _________________________

Signature

______________________________________________

Signature

______________________________________________

Signature

______________________________________________

FOR OFFICE USE ONLY:

______________________________________________

Approving Officer Signature Amount Approved

COMMENTS:
Youth Opportunity Livestock Loan Application - Attachment A

NAME: _______________________________ DATE: ________________________

To be completed by applicant:

1. What kind of livestock will you buy? ________________________________

2. How many head, age, approximate weigh and price per head?
   ________________________________________________________________

3. Where will the livestock be kept? _________________________________
   ________________________________________________________________

4. What facilities are available for caring for the livestock? (Include buildings, corrals, feeders, loader, tractor, pasture, etc.)
   ________________________________________________________________
   ________________________________________________________________

5. What experience have you had in managing this type of livestock?
   ________________________________________________________________
   ________________________________________________________________

6. What kind and how many other livestock do you own?
   ________________________________________________________________
   ________________________________________________________________

7. If applicable, what does your livestock breeding program consist of?
   ________________________________________________________________

8. What feed/supplements will you need to purchase?
   How much? ________________________________

9. What health care costs do you anticipate? (Worming, vaccinating, pregnancy test, etc.)
   ________________________________________________________________

10. Will you have your own brand, ear notch, or ear tags? __________________
11. How will you market your livestock and their products? _______________________

12. What time of year? How often? ________________________________

13. How will you pay back the loan? _______________________________

14. How will this purchase fit into your future plans?

______________________________________________________________
NAME: _______________________________ DATE: ____________________

To be completed by applicant’s parents/guardians:

Will you be the co-debtor on this project? ______________________

Who will serve as advisor on this project? ______________________

1. What effect might this enterprise have on your total operation? (Graining, feed supply, facilities, etc.)
   ______________________________________________________________
   ______________________________________________________________

2. How will feed (grazing, hay and grain) be secured or purchased?
   ______________________________________________________________
   ______________________________________________________________

3. What experience have you had with this type of enterprise?
   ______________________________________________________________
   ______________________________________________________________
   ______________________________________________________________

4. Will you be available to assist with this project? (During school, at night, etc.)
   ______________________________________________________________

5. Do you foresee any problems identifying these animals separately? (Will you brand or earmark in some way?)
   ______________________________________________________________

6. Do you think this is a worthwhile project?
   ______________________________________________________________

7. Does the applicant have your full support and encouragement? ______________________

__________________________ ________________________________
Parent/Guardian Signature Relationship

__________________________ ________________________________
Parent/Guardian Signature Relations
AUTHORIZATION FOR RELEASE OF CREDIT INFORMATION

I, ____________________________________________, as co-debtor, hereby supplement BASEC’s Youth Livestock Loan Application for ____________________________ and agree as follows:

1. This authorization and any support information is the property of Beadle and Spink Enterprise Community, Inc.

2. Beadle and Spink Enterprise Community, Inc. is authorized to make credit checks or inquiries concerning matters listed as assets, liabilities and references relevant to cosigning this loan and for any transaction relating to any loans made pursuant to this authorization.

3. Creditors and others are authorized to disclose information relative to any loans, accounts, purchases, or other financial transactions, past or current, to Beadle and Spink Enterprise Community, Inc.

Signature: ___________________________ Date: ___________________________

Photocopies of this authorization may be presented to and relied upon by my creditors and others as evidence of my authorization to release information to Beadle and Spink Enterprise Community, Inc.

Listed below are three credit references which may be contacted:

Name: ___________________________ Phone: ___________________________
Address: ___________________________

Name: ___________________________ Phone: ___________________________
Address: ___________________________

Name: ___________________________ Phone: ___________________________
Address: ___________________________
### PROJECTED CASH FLOW WORKSHEET

**EXPLANATION OF CASH FLOW PROJECTION WORKSHEET page 32**

**NAME** ____________________________ **Date** ________________

<table>
<thead>
<tr>
<th>Type of Livestock</th>
<th>20 ___</th>
<th>20 ___</th>
<th>20 ___</th>
<th>20 ___</th>
<th>20 ___</th>
</tr>
</thead>
</table>

**LIVESTOCK INCOME**

1. Livestock raised sales

2. Livestock products sales

3. Culled livestock sales

4. Other:

5. Total Income (1+2+3+4)

**LIVESTOCK EXPENSES**

6. Interest on Loan

7. Rents and Lease,

8. Feed and Supplements

9. Breeding

10. Veterinary & supplies

11. Marketing

12. Other:

13. Total Operating Expenses
   (Add lines 6 – 12)

**SUMMARY**

14. Net Cash Income
   (Line 5 – Line 13)

15. Principal Payment

16. Remaining Loan Balance
   (Beginning $ ___)

17. Remaining Cash Balance
   (Line 14 – Line 15)
EXPLANATION OF CASH FLOW PROJECTION WORKSHEET

INCOME:
1. LIVESTOCKRAISEDSALES: expected sales from lambs, calves, pigs (offspring)
   To calculate the figures:
   A) Est. lbs./hd.  Est. price/lb. (cwt.)  No. of hd. (unit)
      __________  _____________________  __________  x = $ ______ B)
   Anticipated time of Sale (s)  (Month(s) __________________________
2. LIVESTOCKPRODUCTSALES: expected sales from milk, wool, etc.
   To calculate the figures:
   A) Est. lbs./hd. (unit)  Est. Price/lb.  No. of hd. (unit)
      __________  _____________________  __________  x = $______ B)
   Anticipated time of Sale (s)  (Month(s) __________________________
3. CULLEDLIVESTOCKSALES: sale proceeds from any animal other than offspring that is being
   eliminated from the herd
4. OTHER: wages, interest income, or other sources of cash that might be used in repaying the loan
5. TOTALINCOME: the sum of all sources of income

EXPENSES:
6. INTERESTONLOAN: remaining principal balance x interest rate = annual interest charge
7. RENTSANDLEASE: pasture expense, farrowing building rent, etc.
8. FEEDandSUPPLEMENTsinclude: sale and mineral, supplemental cake, purchased hay
9. BREEDINGexpense: charge for use of a bull, boar or ram, artificial insemination expense, etc.
10. VETERINARYandSUPPLYexpensesinclude: fly tags, vaccinations, pregnancy testing, growth
    implants
11. MARKETINGCOSTsinclude: trucking, sale barn commission, brand inspection, commodity
    checkoffs
12. OTHERCOSTS: any other case expense incurred in the production or sale of livestock or
    livestock products
13. TOTALOPERATINGEXPENSES: the sum of all cash expenses related to the production and sale of
    livestock

SUMMARY:
14. NETCASHINCOME: Total income - Total Expense
15. PRINCIPALPAYMENTS: Amount of payment to be applied to reduction of the principal amount of
    the loan
16. REMAININGLOANBALANCE: Beginning Loan Balance – Sum of Principal Payments
17. REMAININGCASHBALANCE: Remaining Cash (income) after all expenses and loan payments are
    made