

RD AN No 4468 (4280-B and 4287-B)  
July 31, 2009

TO: State Directors, Rural Development

ATTN: Business Programs Directors

SUBJECT: Business and Industry Guaranteed and Direct Loan and Section 9007 Rural Energy for America Programs (formerly Section 9006 Renewable Energy Systems and Energy Efficiency Improvement Guaranteed Loan Program) Form RD 1980-41, "Guaranteed Loan Status Report"

**PURPOSE/INTENDED OUTCOME:**

The purpose of this Administrative Notice (AN) is to emphasize the importance of timely and accurate reporting of information contained in Form RD 1980-41, "Guaranteed Loan Status Report," as entered into the Guaranteed Loan System (GLS) database.

**COMPARISON WITH PREVIOUS AN:**

This AN replaces RD AN No. 4374, dated June 5, 2008, which expired on May 31, 2009.

**IMPLEMENTATION RESPONSIBILITIES:**

The Form RD 1980-41, status reports, are now accessible to the lender through the Lenders Interactive Network Connection (LINC). The lender must designate a Security Administrator, who can then add other users to the LINC system. An e-mail notice will be sent to the Security Administrator and other designated users semiannually (on or before June 30 and December 31) indicating the requirement to update the status report. Lenders with access to LINC must complete the status report on-line at the LINC web site. Lenders without LINC access must send a completed Form RD 1980-41, Guaranteed Loan Status Report, to the applicable State/Field office. The reports should be received within 30 days after December 31. Reports should be submitted when the annual renewal fee is due. If the lender is required to pay an annual renewal fee, the report must be updated by the 15 of January to allow time for GLS to calculate the fee amount, send e-mail notification to the security administrator, and submission of payment by January 31.

EXPIRATION DATE:  
July 31, 2010

FILING INSTRUCTIONS:  
Preceding RD Instructions 4280-B  
and 4287-B

If the lender completes the report and marks the loan as delinquent a default status report will be generated. Lenders with access to LINC must complete the default report on-line at the LINC web site. Lenders without LINC access must send a completed Form RD 1980-44, Guaranteed Loan Borrower Default Status, to the applicable State/Field office. The State/Field offices should provide guidance to the lender that the loan should not be designated as delinquent unless the loan is 30 days past due and can not be cured in 60 days. This will eliminate inaccurate accounting of delinquent loans. The status report input screen corresponds to the fields on the status report. For lenders with LINC access, if the report is not completed in LINC within 45 days of the due date, an automated e-mail reminder will be sent to the Security Administrator and other designated users. State/Field offices are responsible for following up with lenders without LINC access. The field offices should monitor the receipt and update of the status reports by running GLS report GLSSR01, Past Due Status Report.

The routine and prioritized updating of Form RD 1980-41, status reports, ensures that accessible and timely information is available for critical decisions regarding the servicing to the affected loans. This can only be accomplished with your consistent monitoring of the GLS database. The State Office's performance measures will be tied to the accuracy of GLS. As a reminder, lenders are required to provide us this information as part of the Lender's Agreement. Annual lender visits, a requirement for delinquent loans, provide an opportunity to document any deficiencies and remind the lender of the provision, in writing.

In accordance with RD Instructions 4280-B, section 4280.152, all Business and Industry Guaranteed and Direct Loan and Section 9007 Rural Energy for America Programs and Section 9006 Renewable Energy Systems and Energy Efficiency Improvement Guaranteed loans are to be serviced in accordance with this subpart.

If you have any questions, please contact the Business and Industry Division, Servicing Branch at (202) 690-4103.

*(Signed by Judith A. Canales)*

JUDITH A. CANALES  
Administrator  
Business and Cooperative Programs