

RD AN No. 3965 (4279-B and 1901-A)
April 8, 2004

SUBJECT: Business and Industry Guaranteed Loan Program
Preapplications

TO: State Directors, Rural Development

ATTN: Business Programs Directors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide guidance in regard to Business and Industry (B&I) Guaranteed Loan Program processing and servicing authority.

COMPARISON WITH PREVIOUS AN:

This updates and replaces RD AN No. 3915 (4279-B and 1901-A), "Approval Authorities," dated November 13, 2003.

IMPLEMENTATION RESPONSIBILITIES:

The intent of the preapplication process is to allow the lender and borrower to submit a limited amount of information so that the Agency can determine and advise the lender whether the request is likely to meet the requirements of the B&I program. This process can prevent unnecessary expense involved in the preparation of a full application. Upon receipt of a preapplication, review the material for completeness. Do not accept any request not signed by a lender.

Effective immediately, it is no longer necessary to send preapplications for amounts of \$10 million or less to the National Office for review prior to encouraging or discouraging a full application. However, in accordance with RD Instruction 4279-B, section 4279.119(a)(5), any request for a B&I Guaranteed Loan in excess of \$10 million must be

EXPIRATION DATE:
November 30, 2004

FILING INSTRUCTIONS:
Preceding RD Instructions 4279-B and 1901-A

submitted to the Agency in form of a preapplication, which, in turn, must be submitted to the National Office for review and concurrence before encouraging a full application. Submissions to the National Office must include your analysis and recommendation.

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

(Signed by John Rosso)

JOHN ROSSO
Administrator
Rural Business-Cooperative Service