

USDA-RD
Form RD 1940-38
(Rev. 2-93)

Position 3

FORM APPROVED
OMB NO. 0575-0090

REQUESTOR/LENDER'S VERIFICATION OF LOAN APPLICATION

RETURN TO: RURAL DEVELOPMENT

I, _____
(Insert Applicant's Name and Address)

Herby request the following be provided the Rural Development for use in processing my application for an Emergency (Disaster) loan in the amount of \$ _____ or _____ in the amount of \$ _____, to be used for the following purposes:

(Date) _____ (Applicant's Signature)

TO BE COMPLETED BY LENDER

1. If the applicant is presently indebted complete the following:

A. List Debts (if) owed:

Principal Balance	Accrued Interest	As Of (Date)	Amount Delinquent	Annual Installment	Interest Rate	Daily Interest Accrual	Date Due
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	% _____	\$ _____	_____
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	% _____	\$ _____	_____
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	% _____	\$ _____	_____
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	% _____	\$ _____	_____

STATEMENT REQUIRED BY THE PRIVACY ACT OF 1974

The Rural Development is authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) and the Emergency Agricultural Credit Adjustment Act of 1978, to collect the information requested.

Disclosure of the information requested is voluntary. However, information provided is of considerable value to RD in determining the repayment ability of individuals and the eligibility for RD programs. There will be no consequences to you if you do not provide the information requested.

This certifies that the U. S. Department of Agriculture, acting through Rural Development, has complied with the applicable provisions of Title XI, the "Right to Financial Privacy Act of 1978", Public Law 95-630 in seeking financial information regarding the above named applicant.

Your name, and the information you provided, will be released to the applicant's request. The information you provided may be relayed to another agency, whether Federal, State, local or foreign, charged with the responsibility of investigating or prosecuting a violation of law, or enforcing or implementing the statute, regulation or order issued pursuant thereto, if any record reflects the concern that information available indicates a violation of law, whether civil, criminal or regulatory in nature, and whether acting by general statute or particular program statute or particular program statute, or by rule, regulation or order issued pursuant thereto.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0090. The time required to complete this information collection is estimated to average 1-2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Used by Local Offices to obtain information from other lenders pertaining to the applicant's ability to obtain credit from other sources.

(see reverse)

PROCEDURE FOR PREPARATION : RD Instruction 1945-D and 1910-A.

PREPARED BY : County Supervisor, applicant and lender.

NUMBER OF COPIES : Original only.

SIGNATURES REQUIRED : Original by the applicant and the lender.

DISTRIBUTION COPIES : Original to Local Office loan docket.

INSTRUCTIONS FOR PREPARATION

- (1) Enter Local Office mailing address.
- (2) Insert applicant's name and address for individuals. Insert name of applicant's authorized representative making the request as well as the name and mailing address of the entity if the applicant is a cooperative, corporation, or partnership.
- (3) Insert Emergency loan amount, if applicable. The amount will reflect the total Emergency assistance being requested including actual loss, annual operating and major adjustment assistance.
- (4) Insert other farmer loan program(s), if applicable.
- (5) Insert loan amount associated with the loan program shown in item (4), if applicable.
- (6) List each loan purpose and the requested amount associated with each loan purpose. The amounts requested will agree with the appropriate amount shown in item (3) or (5).
- (7) Signature of the applicant or the applicant's authorized representative along with the representative's title.
- (8) Insert date applicant sign the form.

REVERSE OF FORM RD 1940-38

B. Are you willing to continue your loan (s) with the borrower? Yes No
If yes under what conditions: If no, why not?

C. Describe Collateral for such Debt (s) as listed in A. above:

2. Has the applicant applied to your lending institution for a loan of similar amount and purposes as that requested from the Rural Development?

Yes No

A. If yes, in what amount? \$ _____ Purpose of Loan _____

Terms _____ Interest Rate(s) _____

Collateral Offered _____

B. Was the applicant's loan request approved? Yes NO

If yes, in what amount? \$ _____

C. If No, Why? _____

3. If the applicant cannot qualify for one of your regular loans, are you willing to consider making the applicant a loan under a Rural Development Guarantee?

Yes No

4. Remarks: _____

Date: _____ Lender's Name: _____

By: _____
(Signature of Authorized Representative)

Title: _____

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INSTRUCTIONS TO THE LENDER

- I. The information requested is needed to determine whether the identified applicant is eligible for assistance from the Rural Development.
- II. Please complete the information requested and return to the Rural Development County Office address identified.
- III. If you have any questions on how to complete this form or about Rural Development's insured or guaranteed loan programs, contact the local county office serving your area. Consult your local telephone directory under U. S. Government for this information.
- IV. If the applicant is presently indebted to you, please complete **ITEM 1** of the form.
 - A. For each separate account owed please provide the following in **ITEM 1A**.
 1. Insert principal balance outstanding for each separate account as of the date you execute the form.
 2. Insert the amount of interest accrued as of the date shown in **ITEM 1C** for each separate account.
 3. Insert the date used to compute the amount accrued interest shown in **ITEM 1B** for each separate account.
 4. Insert the amount of principal and interest the applicant is delinquent for each separate account.
 5. Insert the annual principal and interest installment for each separate account.
 6. Insert the annual effective simple interest rate for each separate account. Insert an asterisk beside those accounts which have variable rates.
 7. Insert the daily interest accrual for each separate account.
 8. Insert the final maturity date for each separate account.
 - B. **ITEM 1B** - Check "yes" if you are willing to continue with your loan(s) and what conditions you are willing to do so. If additional space is needed use **ITEM 4 - REMARKS**.
 - C. **ITEM 1C** - Describe the collateral securing the debt(s) for each separate account. General descriptions may be used (i.e., machinery and equipment, land, mixed cattle, etc.).

The number of cattle, pieces of equipment, acres of land, etc., associated with the collateral described should be reported. Serial numbers or similar identification information, the location of property, and the lien position held by the lender on the collateral described need not be reported. A separate sheet or **ITEM 4** may be used if necessary.
- V. **ITEM 2** - Check applicable response. If the application was over six (6) months old a "no" response should be reflected. If a "no" response is reflected Rural Development may need to require an application be filed to comply with the agency's eligibility requirements.
 - A. **ITEM 2A** - Insert applicable information associated with the applicant's request.
 - B. **ITEM 2B** - Insert applicable response. Indicate whether applicant's request was approved in whole or in part. If approved in part, describe in **ITEM 4** what assistance was provided.
 - C. **ITEM 2C** - If loan request was not approved, please provide the reason(s).
- VI. **ITEM 3** - Insert applicable response. If a "yes" response is received, the Rural Development County Supervisor will contact you to ascertain whether a guaranteed loan from the Rural Development Administration may be feasible.
- VII. **ITEM 4** - Use this space for any additional information you may wish to provide.