



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1910 (2006)

April 24, 1989

SUBJECT: Classification of Farmer Program
Accounts After Debt Restructuring

TO: All State Directors, District Directors
and County Supervisors, FmHA

PURPOSE/INTENDED OUTCOME:

The purpose of this AN is to supplement information provided in the Administrator's memorandum of December 22, 1988, SUBJECT: Farmer Program Borrower Account Classifications. The intended outcome is to assure Farmer Program loans are properly classified after the loan(s) has been restructured and loan security has been re-evaluated in accordance with the Agricultural Credit Act of 1987.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

Section 2006.1102 of FmHA Instruction 2006-W requires all Farmer Program accounts to be classified by August 31, 1988. After the initial classification, the borrower's classification must be re-evaluated after the account has been restructured using financial data resulting from the restructuring of the borrower's debt.

The County Supervisors must be careful that the correct data has been used to complete Form FmHA 2006-20, "Classification of Farmer Program Borrower Account", and FmHA Form 431-2, "Farm and Home Plan", on the Automated Field Management System. When Form FmHA 2006-20 is produced electronically after running FmHA Form 431-2, the data must reflect the borrower's new loan balances and payments resulting from the debt restructuring to properly classify the account.

EXPIRATION DATE: March 31, 1990

FILING INSTRUCTION PRECEDING
FmHA INSTRUCTION 2006-W



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Secretary of Agriculture, Washington, D.C. 20250

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State Directors must ensure that all County Supervisors understand the classification system and District Directors include reviews of account classification in their County Office supervisory visits and evaluation reviews.

If you have any questions regarding the classification procedure call Mary Cloyd, FTS 475-5314.



NEAL SOX JOHNSON
Acting Administrator

Sent by ASD at 4/25 1:30P to States, 4/25 3:30P to Districts, at 4/26 8:30A to County

Supervisor on 4/25/89 by the time option telemail.