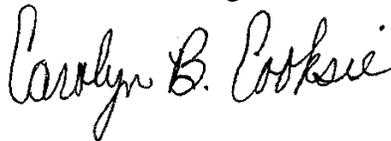


For: FSA Offices

**Instructions to Release Borrowers and/or Co-Borrowers From Liability in GLS**

Approved by: Deputy Administrator, Farm Loan Programs



**1 Releasing Borrowers and/or Co-Borrowers from Liability in GLS**

**A Background**

Currently, in GLS there is **not** a way to release a borrower/co-borrower that has been released from liability and maintain the borrower/co-borrower’s data relating to the specific loan for eligibility purposes. If a loan in GLS is current and a borrower/co-borrower is released from liability, using the “Remove Co-Borrower From the Loan” function will delete the information from the loan and break the connection to the loan. Information relating to loan and interest assistance eligibility on the borrower/co-borrower would be lost.

To address this issue, an automation update has been initiated to allow a borrower/co-borrower’s account to reflect release from liability on a specific loan while continuing to maintain the individual’s data in GLS relating to the loan for eligibility purposes. The automation update is pending implementation.

**Note:** There is **no** change to 2-FLP instructions about release of liability; 2-FLP should continue to be followed.

**B Purpose**

This notice continues interim polices for releasing borrowers/co-borrowers from liability in GLS.

**C Contact**

If there any questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact Courtney Dixon, LSPMD. at 202-720-1360.

<b>Disposal Date</b>	<b>Distribution</b>
October 1, 2007	State Offices; State Offices relay to County Offices

## Notice FLP-441

### 1 Releasing Borrowers and/or Co-Borrowers from Liability in GLS (Continued)

#### D GLS Processing During Interim Period

Until GLS has been revised, the Authorized Agency Official shall maintain a list of borrowers/co-borrowers who signed the July 20, 2001, version of FSA-1980-25 or FSA-1980-28 and have been released of liability on active and terminated guaranteed loans. After the automation update has been implemented, instructions will be provided on how to update GLS, including retroactively processing the release of borrowers/co-borrowers listed during the interim period.

**Note:** If a borrower/co-borrower has been released from liability on a loan where a final loss has been paid and a debt offset receivable has been established, the Authorized Agency Official shall update the Maintain Debt Offset Screen to remove the borrower/co-borrower from offset.