

REPORTING PAID-IN-FULL LOANS

1. **Purpose:** This circular describes the procedures for reporting paid-in-full loans to VA upon full satisfaction of the loan by payment or otherwise.
2. **Reporting Paid-in-Full Loans:** Prior to the roll-out of VA Loan Electronic Reporting Interface (VALERI), lenders or servicers were required to sign and date the Loan Guaranty Certificate (LGC) when the loan was paid-in-full and submit it to VA. Under the new environment, holders of VA-guaranteed loans are required to electronically report the date the loan was paid-in-full in the VALERI system.
3. **Elimination of Requirement to Mail in LGCs:** Effective immediately, lenders/servicers are not required to mail LGCs to VA when a loan is terminated. Since this information will now be reported via VALERI, there is no longer a need to have the actual LGC returned to VA upon termination of the loan.
4. **Rescission:** This circular is automatically rescinded January 1, 2010.

By Direction of the Under Secretary for Benefits

Richard P. Fyne, Acting Director
Loan Guaranty Service

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