



The 1502 *Bulletin*

AMENDED 3/17/2000

SBA's Fiscal & Transfer Agent

Keeping you informed on SBA Form 1502

Spring 1999
Edition # 6

SBA Administrator, Aida Alvarez, set a goal of 100 percent electronic reporting for all loans by 1999. Colson, working in concert with SBA, is making strides to meet that goal by contacting the lender community concerning electronic reporting methods for SBA Form 1502 monthly submissions.

Listed below are the various electronic media types Colson can accept. If reporting in an electronic media fashion is not feasible for your institution, please ensure that your 1502 hard-copy submissions are an exact facsimile of SBA Form 1502. Colson can then use its scanning and OCR software facility to process your 1502 form.

Please call Colson's Customer Service Group at (212) 266 -7998 for more information or for a copy of our electronic media specifications.

SBA Form 1502 Filing Methods

Electronic Media:

Electronic Media Type	Preferred Payment Method for fee and secondary market payment	Send To
E-Mail (spreadsheets or database files)	Wire	colson.1502@worldnet.att.net
Internet	Wire	www.colsonservices.com call 212-266-7998 for a sign-on package
Diskette	Check	EXPRESS MAIL TO: Colson Services Corp. 120 Broadway 19 th Floor New York, N.Y. 10271 Attn: Cash Processing
Mainframe Tape	Check	Express Mail to above address

Hard Copy (Letter or Legal size paper):

Media Type	Preferred Payment Method	Send To
Fax	Wire	212-266-7916
Mail	Check	REGULAR MAIL TO: Colson Services Corp. P.O. Box 54 Bowling Green Station New York, N.Y. 10274 Attn: Cash Processing OR Express Mail to above address

Status Code 6 - Paid In Full

Loans that have matured or been paid off by the borrower should be reported one time as status code 6, with an interest paid-to-date as the payoff date and a guaranteed portion closing balance of \$0.00.

Important: If a loan is a secondary market loan, DO NOT report the loan as status code 6 on the SBA Form 1502 remittance containing the secondary market payoff; the status code should be left blank. Instead, report the loan as a status code 6 on your next 1502 submission at month-end.

1999 Reminder of Schedule of Payments Due Dates

Paragraph 6 of SBA Form 1086 (version 6-88 and 1-94) states that payments are due at the FTA on the third **calendar** day of the month, or the next business day if the third is not a business day. The SBA allows a grace period of two business days after the due date. If the FTA receives a regularly scheduled payment after the expiration of the grace period, a Late Penalty is assessed (subject to a maximum of \$5,000.00). Paragraph 6(c) of SBA Form 1086 describes the components of the Late Penalty. Lenders are billed for Late Penalties at the end of each month. Late Penalties are due to Colson with the Lender's next monthly remittance.

Shown below is SBA's schedule of **final** due dates for SBA Form 1502 submissions for all 7(a) loans, regardless if they are sold or unsold. Secondary market payments received after the due date will be subject to the Late Penalty.

Month	1502 Due Date (including Grace Period)
January	01/06/99
February	02/05/99
March	03/05/99
April	04/07/99
May	05/05/99
June	06/07/99
July	07/08/99
August	08/05/99
September	09/08/99
October	10/06/99
November	11/05/99
December	12/07/99

Revolving Loans

Due to the unique attributes associated with revolving loans, some information reported on SBA Form 1502 may differ from that reported for term loans, for example:

- ◆ **Status:** Do not report a status code "6" for revolving loans when the borrower temporarily pays the line in full (Leave Status blank). Do not report a status code "9" for revolving loans once first disbursement has occurred, even if the value of the Amount Undisbursed on Total Loan = Total Approved Loan Amount (Leave status blank). Only report a status code "9" when a loan has never been disbursed.
- ◆ **Amount Disbursed this Period on Total Loan:** Report the aggregate of principal draws/advances for the period.
- ◆ **Amount Undisbursed on Total Loan:** Principal repayments made during the reporting period should be reflected in the amount undisbursed. The *Guaranteed Portion Closing Balance*, when converted to a 100% amount, plus *Amount Undisbursed on Total Loan* should not exceed the total loan amount approved by SBA.
- ◆ **Guaranteed Portion Interest & Guaranteed Portion Principal:** Payment information reported should reflect the **guaranteed** portion of the principal and interest collected from the borrower for the reported month.
- ◆ **Total to FTA: Guar. Portion Payment or Fee:** SBA's 50 basis point fee is computed based on the *Guaranteed Portion Interest* amount collected for the period.
- ◆ **Guaranteed Portion Closing Balance:** Indicate the outstanding guaranteed principal balance at month-end, not as of the last payment received, to account for any draws/advances made after receipt of payment in the reported month.