



SBA Procedural Notice

TO: All SBA Employees

CONTROL NO.: 5000-1177

SUBJECT: Loan Agent Data Submission for 7(a) Loans
EFFECTIVE: 10-1-2010

Many lenders utilize loan agents as a means of generating SBA loans and pay the loan agents a fee for their services. SBA believes it is prudent to ascertain whether the performance of loans generated by loan agents is different from that of loans generated through a lender's internal lending channels. Accordingly, the purpose of this Notice is to announce a new process for SBA to identify loans generated through loan agents, e.g., packager, broker, and referral agent; and compile data on loan agents into a centralized database.

SBA currently requires 7(a) loan applicants to disclose loan agents' names, business addresses, the services the loan agents provided in a 7(a) loan transaction, and the related fees rendered for their services. This information is currently disclosed on the Fee Disclosure Form and Compensation Agreement, SBA Form 159, prepared for each loan involving payment for loan agent services and is maintained in the lenders' files.

Beginning with 7(a) loans approved on or after December 1, 2010, SBA, through Colson Services Corporation ("Colson"), its fiscal and transfer agent, is requiring lenders to submit an SBA Form 159 7(a) on loans that involve payment of fees to a loan agent(s). This submission is only required once at the time of initial loan disbursement and should be submitted in conjunction with a lender's 1502 report for the month.

The information may be submitted to Colson either by facsimile or by electronic document imaging utilizing either the Portable Document Format (.pdf) or the Tagged Information Format (.tif). Lenders may either fax the document to Colson at (718) 315-5170 or e-mail the pdf/tif file to Form159@colsonservices.com. Submission of the information by overnight mail and postal service delivery is discouraged. Lenders are required to retain an original signature version of the form in their files for compliance review purposes.

The new process will be incorporated into the next edition the SBA Standard Operating Procedures 50 10 5. Lender questions on this process are to be directed to the SBA Lender Relations Specialist in the local SBA District Office.

Grady B. Hedgespeth
Director, Office of Financial Assistance

EXPIRES: 10-1-2011

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SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete
Must be accompanied by SBA Form 58