



# **Centralized 7(a) Loan Submission Instructions**

## **Loan packages should be sent to the following:**

**By Fax to: either 606-435-2400 or 916-930-2180**

**By mail or FedEx to: 262 Black Gold Blvd. Hazard, Kentucky 41701**

**By email to: [7aloanprogram@sba.gov](mailto:7aloanprogram@sba.gov)**

**If you have any questions please call your local field office or Pete Torres at 916-930-2455 or email us at [7aquestions@sba.gov](mailto:7aquestions@sba.gov)**

1. Please complete the enclosed 7(a) Eligibility Questionnaire, which can also be found on the Center's website at [www.sba.gov/aboutsba/sbaprograms/elending/index.html](http://www.sba.gov/aboutsba/sbaprograms/elending/index.html). If you determine that the applicant may be ineligible, please contact the Center for guidance before requesting your applicant to complete the Form 4 Application.
2. Please use the attached 7(a) Guaranty Application Submission Checklist to properly prepare and complete your submission. The checklist is also available on the Center's website found on the SBA's banking page at [www.sba.gov/aboutsba/sbaprograms/elending/index.html](http://www.sba.gov/aboutsba/sbaprograms/elending/index.html). Please submit a copy with loan application package.
3. Where business assets are not sufficient to adequately collateralize the loan, please refer to page 89 of SBA's SOP 50 10, Subpart A, Chapter 4, Paragraph 1.h, "What is SBA's Policy Regarding Collateral for 7(a) Loans."
4. Please be sure all sections of the application are completed. Lender contact person(s) name(s) with fax numbers and email addresses are especially appreciated.
5. We suggest submitting the following forms to the appropriate Agencies as early in the application process as possible to avoid any unnecessary delays in the application process: IRS Form 4506-T, Form 912 Statement of Personal History, and Form G-845.
6. SBA expects Lenders to maintain a complete file, including copies of all required SBA forms.
7. The authorization identifies when the guaranty fee is due and payable. Extension of the disbursement period does not extend the due date.
8. Refund of Guaranty Fee: For a loan with a maturity of twelve months or less, if SBA approves the loan, a refund is only available if SBA substantially changes the Lender's loan terms and the modified terms are unacceptable to the Lender. The fee is owed even if the approved loan is subsequently cancelled.

For a loan with a maturity greater than 12 months, the guaranty fee is calculated on the SBA approved amount at time of initial disbursement. The guaranty fee will be refunded ONLY IF SBA approves full cancellation of the loan prior to any evidence of disbursement. If the Lender is going to reduce the approved amount prior to the initial disbursement, SBA must approve the decrease and date the action prior to the loan being closed and initially disbursed in order for the guaranty fee to be adjusted. Otherwise, the guaranty fee is calculated on the SBA approved amount at time of disbursement.

9. Submit all requests for changes in the terms and conditions of a loan or for an administrative change (such as name, address, etc.) within seven (7) days of approval to the LGPC. A thorough explanation of the reasons for requested changes should be submitted in letter format which enable SBA to respond promptly by returning notice of approval to you by fax or email. The LGPC forwards files to the appropriate Commercial Loan Service Center seven (7) days after approval and booking, unless it is being held for appraisal or environmental review. Any change requests submitted after 7 days must be submitted to the appropriate Commercial Loan Service Center.

## 7(a) Center Guaranty Application Submission Checklist

Version 03/09/07	YES	NO	N/A
<b>7(a) Eligibility Questionnaire - should be submitted with loan application package</b>			
<b>SBA Form 4 Application for Loan</b> completed in its entirety, and signed and dated.			
<b>FORM 4 EXHIBITS:</b>			
<b>1. SBA Form 912 Statement of Personal History</b> From proprietor (if proprietorship), by each partner (if partnership), or by each officer, director, and holder of 20 percent or more of the voting stock (if corporation or limited liability entity).			
<b>2. SBA Form 4 Schedule A Schedule of Collateral</b> List all collateral with original cost of \$5,000 or more. For <u>Real Estate</u> include address, year purchased, original cost, market value, amount of liens, name of lien holder(s). For <u>Personal Property</u> include brief description, manufacturers name, model, serial number, year purchased, original cost, market value, amount of liens and name of lien holder(s).			
<b>3. Personal Financial Statement</b> Copies of current financial statements (dated within 90 days of submission to SBA) of all owners (20% or more), officers and proposed guarantors, signed and date required, including spouses. Bank form or SBA Form 413			
<b>4. Business Financial Statements</b>			
<b>a. Year End Balance Sheet for the last three years.</b> Copies should be signed and dated by the applicant or it's partner or authorized officer, or properly certified if prepared by an outside accountant.			
<b>b. Year End P&amp;L for the last three years.</b> Copies should be signed and dated by the applicant or it's partner or authorized officer, or properly certified if prepared by an outside accountant.			
<b>c. Reconciliation of Net Worth</b>			
<b>d. Interim Balance Sheet dated within 90 days of application.</b> Copies should be signed and dated by the applicant or it's partner or authorized officer, or properly certified if prepared by an outside accountant.			
<b>e. Interim P&amp;L dated within 90 days of application.</b> Copies should be signed and dated by the applicant or it's partner or authorized officer, or properly certified if prepared by an outside accountant.			
<b>f. Subsidiaries &amp; Affiliates</b> Balance sheet, P&L, Reconciliation of Net Worth same as above.			
<b>g. Cash Flow Projection</b> Month by month for one year if less than three full fiscal years provided and for all loans with a term of 18 months or less.			
<b>5. History of Business</b>			
<b>6. Resume of Principals</b> —Provide a brief description of the educational, technical and business background of all those listed under management on the Application.			
<b>7. MISCELLANEOUS</b>			
<b>a. Copy of Lease</b>			
<b>b. Detailed Listing of Machinery &amp; Equipment to be Purchased &amp; Cost Quotes</b>			
<b>c. Real Estate Purchase</b> Copy of appraisal, lender's environmental questionnaire, cost breakdown, copy of purchase agreement.			
<b>d. Purchase of Existing Business:</b> Copy of the buy-sell agreement, pro-forma balance sheet for the business being purchased as of the date of transfer. If repayment will be demonstrated on the basis of historical performance, copy of financial statements for no less than the last 3 complete fiscal years, plus interim statements which are no older than 90 days from receipt of application.			
<b>e. New Business</b> Explanation of type and source of applicant investment.			
<b>f. Franchise</b> Copy of Franchise Agreement and Federal Trade Commission Disclosure Report of Franchisor, or if the franchisor is listed on the franchise registry, a certification of change/no change, as appropriate.			
<b>OTHER FORMS</b>			
<b>SBA Form 159 Compensation Agreement</b>			
<b>IRS Form 4506-T Request for Copy of Tax Return</b> Include date of submission to IRS <b>Date:</b> _____			
<b>INS Form G-845 Document Verification Request</b> Lender submits to INS to verify alien status. Include copy of INS response.			
<b>SBA Form 4-I Lender's Application</b> Completed in its entirety, a signed dated copy including pro-forma balance sheet.			
<b>Form 4-I Exhibits:</b>			
<b>1. Explanation of Use of Proceeds and Benefits of the Loan</b> Sources and uses of financing.			
<b>2. Bank's Internal Credit Memo</b>			
<b>3. Additional Justification for New Businesses, including Changes of Ownership</b> With new businesses, including change-of-ownership, where management has not demonstrated historical repayment ability of the requested loan, the lender must provide a narrative addressing the business plan and cite any areas of concern and justification to overcome them.			
<b>SBA AUTHORIZATION</b> Latest version of the Wizard may be downloaded from <a href="http://www.sba.gov/aboutsba/sbaprograms/efending/index.html">www.sba.gov/aboutsba/sbaprograms/efending/index.html</a> (required for PLP & CLP lenders)			