

## **Frequently Asked Questions About SBA's Revised Loan Processing SOP 50-10**

Q. Why did SBA completely rewrite the SOP 50 10?

A. SBA developed a completely new and updated SOP that, for the first time, is directed specifically at participating lenders and development companies. Previous versions were directed at SBA staff, forcing lenders to determine what items in the SOP applied to them. This is also the first version of the SOP that fully integrates the centralized processing of loan applications by SBA.

Q. What's new in the new 50 10?

A. There are no major policy changes in this version of the SOP, as SBA has continued to update the existing 50 10 by periodically publishing new policy notices over the past few years, but this version includes some minor modifications to existing policies. A list of specific changes can be found in the attached.

Q. What are the search capabilities of this new document?

A. Initially, the search capabilities are limited to those available in the PDF format, but SBA will continue to work to develop more robust search capabilities in the near future. We are implementing the revised document now, because we want to get this significantly improved version of the SOP into the hands of lenders and development companies as soon as possible.

Q. Why did SBA change the format of the SOP?

A. The previous SOP reprinted all of the regulatory citations and used a paragraph format to describe various policies and procedures. The new version provides links to the regulations, so that those individuals that want to read them can without our cluttering the SOP. (The links to the regulations will be updated as the regulations change.) SBA also changed to a bullet format to make the document easier to scan visually to find a specific requirement. The added white space on each page improves the readability of the document.

Q. How much shorter is the new SOP?

A. SBA reduced approximately 1,000 pages of SOP, program guides, and policy notices to just under 400 pages. The document uses a Times New Roman font with a 12 pitch letter size to make it easier to read.

Q. When is the effective date of the new SOP?

A. The effective date is May 1, 2008.

Q. When will the new SOP be posted on SBA's web site?

A. It will be posted on March 19th, 2008 at <http://www.sba.gov/tools/resourcelibrary/sops>, so lenders will have more than 30 days to review it prior to its implementation date.

Q. How much input did SBA receive from program participants?

A. SBA received a significant amount of input from several loan officers and counsel from lenders and development companies as well as from the National Association of Government Guaranteed Lenders (NAGGL) and the National Association of Development Companies. In addition, the first draft was written by SBA field staff. These lender relations specialists are in constant contact with SBA lenders and therefore know which sections of the existing SOP were most problematic for lenders and development companies. That input was key to the authors and editors of the new SOP.

Q. What type of training is SBA offering for the new SOP?

A. SBA is hosting training in 8 cities in early April and will also offer the training at upcoming NADCO and NAGGL conferences in May and as well as other lender conferences. In addition, training materials will be sent to each of SBA's district offices so that field staff may continue to provide training to local lenders. The training presentation will also be posted on SBA's web site.

Q. How can lenders or development companies contact SBA if with issues or questions?

A. Lenders and development companies can contact the local lender relations specialist in their local District office or send an e-mail to [SOP50-10Modernization@sba.gov](mailto:SOP50-10Modernization@sba.gov).

Q. How often will SBA update the new SOP?

A. SBA anticipates updating the new SOP on a semi-annual basis.