



SBA Information Notice

TO: All SBA Employees and SBA Advantage
(7(a)) Lenders

CONTROL NO.: 5000-1407

SUBJECT: FY 2017 Updated Fee Schedule for
SBA Oversight of SBA Advantage
(7(a)) Lenders

EFFECTIVE: January 6, 2017

Introduction

The purpose of this Notice is to announce that SBA's Office of Credit Risk Management (OCRM) is updating certain of its review fees for the oversight of SBA Advantage (7(a)) Lenders.

Background

SBA currently charges SBA Advantage (7(a)) Lenders fees for the quarterly off-site/monitoring reviews conducted through the Loan and Lender Monitoring System (L/LMS). SBA also charges these lenders fees to cover the costs of the following reviews: (1) Lender Profile Assessments; (2) Analytical Reviews; (3) Targeted Reviews; (4) Full Reviews; and (5) Delegated Authority Reviews. SBA may also determine on a case-by-case basis to assess fees for Other Reviews.

The Lender Profile Assessment (LPA) is the first level of review, and is a virtual review that uses the L/LMS and other metrics. SBA may use the LPA to assist in determining the next level of review, if any, and in connection with Delegated Authority Reviews. All SBA Advantage (7(a)) Lenders are charged fees to cover the costs for L/LMS, the LPA, and Other Lender Oversight Activities (e.g., contractor technical assistance and analytics to support the monitoring and review program). These fees are based on SBA's contractor's costs and are assessed annually based on each Lender's portion of the total dollar amount of 7(a) guarantees in SBA's portfolio as of the end of the prior fiscal year. For FY 2017, these fees will be approximately \$127 for every \$1 million in 7(a) guaranteed dollars a 7(a) Lender has outstanding.

In addition, all SBA Advantage (7(a)) Lenders with delegated authority are charged a fee to cover the costs of Delegated Authority Reviews, which is assessed annually based on each delegated lender's portion of the total dollar amount of 7(a) guarantees in the SBA loan portfolio for all delegated SBA Advantage (7(a)) Lenders as of the end of the prior fiscal year. For FY 2017, this fee is approximately \$19 for every \$1 million in 7(a) guaranteed dollars a delegated Lender has outstanding.

EXPIRES: 1/1/18

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SBA Form 1353.3 (12-93) Use 4-93 Edition Until Exhausted

Must be accompanied by SBA Form 58

Updated Fee Schedule

The Fee Schedule below updates the fees that SBA will charge SBA Advantage (7(a)) Lenders to cover the costs of the L/LMS, the LPA and Other Lender Oversight Activities, and Delegated Authority Reviews, during Fiscal Year 2017 (October 1, 2016 to September 30, 2017). SBA will bill each Lender for the amount owed on an annual basis. SOP 50 10 5 H, Subpart A, Chpt. 1, Para. III.C.5.iv.c. All other review fees remain unchanged.

<i>Charge per \$ Million</i>	<i>Previous Fees</i>	<i>Revised Fees</i>
L/LMS, LPA, and Other Lender Oversight Activities (For non-delegated lenders)	\$127.84	\$126.64
L/LMS, LPA, Other Lender Oversight Activities, and Delegated Authority Review (For delegated lenders)	\$148.02	\$145.50

Questions

Questions may be directed to Adrienne Grierson, Deputy Director, Office of Credit Risk Management at Lender.Oversight@sba.gov.

Linda Rusche
Director
Office of Credit Risk Management