



SBA Procedural Notice

TO: All SBA Employees and 7(a) Lenders

CONTROL NO.: 5000-847482

SUBJECT: Revision to SBA Procedural Notice
5000-846991 for the 7(a) Loan Program

EFFECTIVE: May 26, 2023

The purpose of this notice is to revise SBA Procedural Notice [5000-846991](#) (Notice) published May 9, 2023, which implemented the removal of the requirement for a loan Authorization in accordance with the Final Rule on Small Business Lending Company (SBLC) Moratorium Rescission and Removal of the Requirement for a Loan Authorization) ([88 FR 21890](#), effective May 12, 2023) (Rule) in the 7(a) and 504 Loan Programs.

In the Notice, SBA stated that effective May 12, 2023, for both the 7(a) and 504 Loan Programs, SBA is removing the requirement for a Loan Authorization and will instead rely on the use of the terms and conditions of the loan application as submitted by the SBA Lender into E-Tran.

In order to accommodate system updates, for the 7(a) Loan Program only, SBA is revising the Notice to make the removal of the loan Authorization effective August 1, 2023. For the purpose of submitting the terms and conditions to SBA to receive a loan guaranty, through July 31, 2023, Lenders should continue using the procedures in SOP [50 10 6](#), Part 2, Section B, Chapter 5, Paragraph A., which include instructions for submitting to SBA a Loan Authorization generated using the existing Boilerplate. SBA Express and Export Express Lenders may use the Boilerplate or the abbreviated version created for those programs.

SBA Procedural Notice [5000-846607](#), Implementation of the Final Rule on Affiliation and Lending Criteria for the SBA Business Loan Programs, remains in effect. Therefore, Lenders may complete the Loan Authorization under the procedures stated in Procedural Notice 5000-846607, e.g., Lenders may modify the Authorization Boilerplate to conform with the new requirements for equity and equity injection.

Questions

Questions concerning this Notice may be directed to the Lender Relations Specialist in the [local SBA Field Office](#).

Dianna L. Seaborn
Director
Office of Financial Assistance

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EXPIRES: 5/1/24

SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete

Must be accompanied by SBA Form 58