



# SBA Procedural Notice

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**TO:** All SBA Employees, 7(a) Lenders, and Certified Development Companies

**CONTROL NO.:** 5000-821479

**SUBJECT:** Issuance of Updated SBA Form 159 and Revised Procedures in SOP 50 10 6 for Submission of the Form

**EFFECTIVE:** November 12, 2021

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The purpose of this Notice is to announce the issuance of a revised [SBA Form 159](#), Fee Disclosure and Compensation Agreement and to revise the procedures set forth in SOP 50 10 6 for submission of the completed form and supporting documentation by SBA Lenders. SBA uses this form to identify Agents and the fees and/or compensation paid to Agents by or on behalf of a small business applicant (“Applicant”) for the purpose of obtaining or expediting an application for a loan guaranteed by the U.S. Small Business Administration (SBA). SBA Form 159 allows SBA to collect information about Agents, the services they provide, compensation rendered, and who paid the compensation. SBA also uses this form to monitor fees charged by Agents and the relationship between Agents and Lenders.

For new applications, SBA Lenders are required to use the revised SBA Form 159 immediately; however, for applications already in process, SBA Lenders may continue to use the previously approved version.

## **Revisions to SBA Form 159**

The revisions to SBA Form 159 include the following:

1. Revised instructions to include when the Lender pays an Agent, all parties are required to sign (SOP 50 10 6, Part 2, Section 5, Paragraph 8.c.); (i) clarify that a separate Form 159 must be completed for each application when an Agent provides services to an Applicant in connection with multiple applications; and (ii) explain the new procedure for submitting completed forms and supporting documentation (described below).
2. Revised section regarding itemization and supporting documentation to require a detailed explanation of work performed; disclosure of whether compensation was paid on an hourly rate or a percentage of the loan amount, and if the former, the amount of that hourly rate, and the number of hours spent working on each service performed.

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**EXPIRES: 11/1/22**

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

Must be accompanied by SBA Form 58

3. Removed references to “Fiscal Transfer Agent (FTA) [Form159@colsonservices.com](mailto:Form159@colsonservices.com).” No information should be emailed to [Form159@ColsonServices.com](mailto:Form159@ColsonServices.com) as this is no longer an active email account.
4. Replaced the FIRS number to identify the lending institution with the numeric only Location ID.
5. Increased the estimated time to complete the form from 5 minutes to 20 minutes as additional supporting information is required at the time of submission.

### **Revised procedures in SOP 50 10 6 for submission of SBA Form 159 and Supporting Documentation**

SBA has revised the procedures for SBA Lenders to submit completed SBA Forms 159 and any required supporting documentation to SBA after disbursement of a 7(a) loan or funding of a 504 debenture. Effective immediately, SOP 50 10 6, Part 2, Section A, Chapter 5, Paragraphs D.8.e. (for 7(a) Lenders) and E.7.c.iv. (for Certified Development Companies (CDCs)) are revised to read as follows:

1. Paragraph D.8.e.: 7(a) Lenders must submit a copy of the completed SBA Form 159, signed by all applicable parties, along with any required supporting documentation electronically to SBA’s Capital Access Financial System (CAFS) at <https://caweb.sba.gov>. A separate Form 159 must be completed for each application when an Agent provides services to an Applicant in connection with multiple applications. The completed form and any required supporting documents must be uploaded into E-Tran Servicing after the initial disbursement on the loan in conjunction with the Lenders monthly 1502 report. Submission must be within two SBA Form 1502 reporting cycles. 7(a) Lenders are required to retain an original signature version of the form and all supporting documentation in their files for compliance review purposes.
2. Paragraph E.7.c.iv: CDCs must upload a copy of the completed SBA Form 159, signed by all applicable parties, along with any required supporting documentation into the Corporate Governance Repository within 30 calendar days after the debenture funds. The CDC must provide a list of all SBA Form 159 submissions in the Annual Report (SBA Form 1253) for the fiscal year. A separate Form 159 must be completed for each application when an Agent provides services to an Applicant in connection with multiple applications. CDCs are required to retain an original signature version of the form and all supporting documentation in their files for compliance review purposes.

Technical issues related to submission(s) should be directed to the CAFS technical support team at 833-572-0502 or [cls@sba.gov](mailto:cls@sba.gov)

**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