



SBA Information Notice

TO: All SBA Surety Partners

CONTROL NO.: 5000-853438

SUBJECT: Clarification of Claim-Related Notification Requirements

EFFECTIVE: February 21, 2024

The purpose of this notice is to clarify which claim-related events trigger notification requirements to SBA's Office of Surety Guarantees, found at [13 CFR 115.35](#). The clarification will mitigate unnecessary notification actions taken by SBA Surety Partners.

SBA Surety Partners are required to submit an SBA Form 994H to report only the following events with a bond guaranteed by SBA.

- **Legal action:** A legal action under the bond has been initiated.
- **Declaration of default:** The Obligee has declared the Principal to be in default under the Contract.
- **Claim reserve established:** The Surety has established a claim reserve for the bond.
- **Adverse information:** The Surety has received any adverse information concerning the Principal's financial condition or possible inability to complete the project or to pay laborers or suppliers.
- **Claim paid:** The Surety has paid a claim for the bond and is seeking reimbursement.
- **Substantial status change:** A substantial change in the status of the claim or the amount of loss reserve has occurred.
- **Status report:** After the most recent submission, a status report submission is due in 6 months.

A Surety should not notify SBA until the Surety's investigation is complete, a claim against the bond is substantiated or indisputable, or an action is determined to be required that will impact SBA's guarantee.

Questions concerning this Notice may be directed to SuretyBonds@sba.gov.

Jermaine Perry
Director, Office of Surety Guarantees.

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EXPIRES: 2/1/25

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

Must be accompanied by SBA Form 58