

e504 guide

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What is e504?

With e504, CDCs now have a completely electronic loan application process available for their use. Rather than sending physical files to the Sacramento Loan Processing Center (SLPC), CDCs are able to submit paperless loan requests directly from their computers.

Who can use e504?

The e504 process is available to all CDCs. ASM and non-ASM submissions are both supported.

Advantages of using e504

- It saves time: Applications are received by the SLPC within hours instead of days and resubmissions are automatically logged back in
- It saves money: Mailing and copying expenses are eliminated
- It's safe and secure: The e504 technology ensures the highest level of security for all submissions

How e504 works

The CDC will send electronic loan applications to a centralized SBA computer using specialized software, an e504 user name, and password. (See the "Getting Started" section of this guide to learn how to obtain the necessary user name/password and for information regarding the software requirements.)

The CDC will receive an automated email indicating that either the transmission to SBA was successful or that the transmission failed. (See Exhibit #1 for a sample email.)

If the transmission fails, the CDC will need to resolve the problem and resubmit the file. Once the transmission is successful, the file will be automatically transferred to an SLPC computer. This two-step process ensures the safety and integrity of all submissions.

Once the file is received by the SLPC, the CDC will receive a second automated email. This second email will be sent directly from the SLPC. This email will identify the individual documents received by the SLPC and will serve as a receipt acknowledgment. (See Exhibit #2 for a sample email.) This email will also provide a unique e504 Tracking Number. The e504 Tracking Number is very important as it is unique to each Project and must be included with all

future documentation and communication related to that same Project. When sending in the loan application for something that had a pre-application e504 Tracking Number (e.g. Franchise or Environmental), you must use the same tracking number that was originally issued under the pre-application process.

If the e504 loan application does not include all of the required documents, the CDC will need to submit the missing documents before the file will be processed by an SBA loan officer. Once the automated process determines that a complete loan application package has been received by the SLPC, the loan request will enter the processing queue for review by an SBA loan officer.

If the SBA loan officer determines that additional information, documentation, or explanation is necessary, an email will be sent to the CDC loan contact. All CDC responses to these SBA loan officer requests must be sent using the e504 process and must include the e504 Tracking Number for that Project.

All submissions will go through the same two-step verification process. After the information is transmitted successfully to the centralized SBA computer, the CDC will receive the first automated email (Exhibit 1) and the file will be forwarded to the SLPC. Once the information is received by the SLPC, the CDC will receive the second automated email (Exhibit 2). At this point, the loan application will automatically return to processing, if submitted correctly.

Documentation that is sent to the SLPC after loan approval (such as servicing requests, closing requests, environmental reports, and appraisal reports) must also be sent through the e504 process utilizing the e504 Tracking Number for that Project.

What documents must be included in an e504 loan request?

The documentation requirements for e504 are identical to the requirements for paper applications, with four exceptions.

- The draft loan authorization wizard prepared by the CDC must be included in the e504 electronic loan application. It cannot be emailed separately to the SLPC. This is the only document that must be in Microsoft Word (docx) format, all other e504 submissions must be in PDF format.
- Submit an electronic credit memorandum which includes the required minimum set of elements.
- Another benefit of e504 is that all the Contacts for email notifications (i.e. Loan Officer contact, Authorization contact, etc.) can be updated anytime via an e504 submission. This process is entirely automated and no form/document needs to be submitted.
- Valid PDFs in black and white to ensure that the quality of the document is maintained as it is processed by our system. Currently, only Environmental reports, Appraisals and Franchise related documents can be sent in color. All other documents must be converted to black and white before being uploaded to the SBA system. Also, it is a good idea to re-convert (File/Print to PDF) any PDFs obtained from third parties (such as Appraisers) to

ensure that the file is not corrupt. In some cases, although the PDF from a third party may appear to open fine on your computer, it is in fact corrupted and will not pass our test.

Important Considerations

An e504 loan application will not be reviewed by an SBA loan officer until the system verifies that all mandatory documents have been received. CDCs are responsible for ensuring that all mandatory loan application documents are received by the SLPC. For this reason, CDCs should pay careful attention to the automated verification emails.

When using the e504 loan application process, **all documents** (with two exceptions, listed below) related to a loan request must be submitted via the e504 process. All documents, includes any pre-application franchise or pre-application environmental documents, the loan application itself, and any servicing or closing requests, all must come in via e504.

The two submissions types that are not supported by e504 are:

- *The CDCs must continue to obtain a 912 clearance using current methods – the e504 process is not available for pre-application review of 912s.* After a CDC receives a 912 clearance, a copy of the cleared 912 and any supporting documentation must be included in the e504 loan application.
- *The CDCs must continue to obtain alien verification using current methods - the e504 process is not available for alien verification.* If alien verification is required, it must be completed prior to the submission of the loan application. The e504 loan application must include the verification of status as well as all supporting documentation.

Franchise documents and environmental reports are the only documents that may be sent via e504 for “pre-application” review. The submission of these documents will generate the e504 Tracking Number for that Project. This e504 Tracking Number must be used when submitting the subsequent loan application for that Project.

It is important that documents are not submitted multiple times. When submitting additional documentation related to a loan application, please be sure to submit only new or revised documents. The receipt of duplicate documents may cause delays in processing.

If your application is screened out, you must submit the SCREEN OUT CHECKLIST as its own document for the SBA system to log it back in for review.

The CDC should not use “placeholder” documents when submitting loan files through the e504 application process. An example of a placeholder is a page that states “Appraisal Pending” or “Environmental Report has not yet been ordered.” The automated system will treat these placeholders as though they are the actual documents and the documents will show in the system as being received when, in fact, they were not.

Do not send excessive documentation that is not necessary for a 504 review. (i.e. 1,200 pages of Cost Documents)

Finally, one last tip as your transition to electronic submissions, do not send in hard copies “just in case” the e504 is not received. You should get your e504 receipt within 3 hours. Any paper submissions on e504 loans will not be processed and will only cause delays.

Getting Started

Before you can begin sending electronic loan applications through the e504 process, you will need:

- Specialized software
- An SBA GLS (General Login System) account
- An e504 user name and password
- To ensure your email system will not block our notifications

Specialized software: The “behind-the-scenes” technical specifications related to e504 are demanding and exacting. The use of specialized software is highly recommended. A separate document detailing the technical requirements is available for software developers. Several software vendors have products available which support the e504 process.

An SBA GLS (General Login System) account: The SBA GLS is the entry point for access to the SBA Computer Network. Some users already have a GLS account. If you do not already have a GLS account, you must obtain one because you must be registered with GLS in order to request an e504 account. See **Step 1** for instructions on obtaining a GLS account.

An e504 user name and password: You will use your e504 user name and password whenever you submit documents through the e504 process. You must have a GLS Account first. If you already have a GLS Account, you can skip to **Step 2** for instructions on how to obtain an e504 user name and password.

Note: Having a GLS Account is not enough; you also need an e504 account. The e504 account is different from your GLS account and will always begin with “e5”.

You may be wondering how many accounts your CDC will need. Most CDCs prefer to have separate e504 accounts for each user who would be submitting documents to the SLPC.

How to Register with GLS/ETRANS for e504 Submissions

STEP 1: If you already have a GLS account, you can skip to Step 2 because you will use that GLS account to request access to e504. If you do not have a GLS account with the SBA, you will need to follow the steps listed below.

- a. Go to <http://www.sba.gov/content/e-tran>
- b. Click on **Request E-Tran User ID & Password**
- c. Fill out the Account request page.
 - You will need to make up a **User ID**.
 - Enter the Zip Code and then click the button. **It will fill in the City and State for you.**
 - Use a business email address.
 - The very last field on the page is the Location ID. If you do not know your Location ID you can click on “Look Up” and search for it.

The simplest way to find your Location ID requires just filling out two fields:

- Under **Partner Type** select “Certified Development Company”
- Under **Partner Location**, just enter your State.

Then click the button.

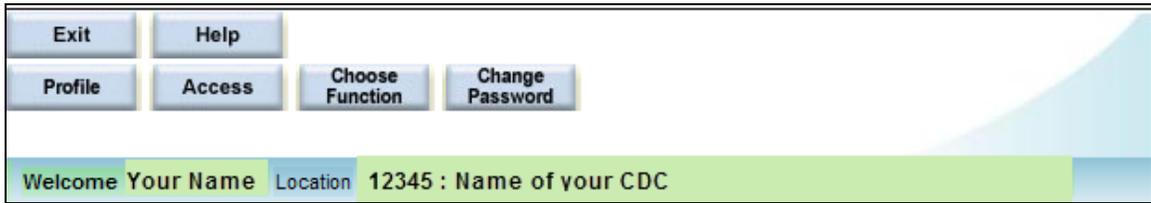
When using the Lookup page, make sure you select “Certified Development Company” under Partner Type. CDCs and Microlenders have different Location IDs!

If you are having trouble finding your Location ID, you can contact schwab.amin@sba.gov for assistance.

- d. Once you Submit your account request, you will receive an email with a temporary password (which should only take a minute). Then login to GLS (General Login System) at <https://eweb.sba.gov/gls> and you are now ready to proceed with Step 2 below.

STEP 2: Once you have a GLS account with the SBA, follow the steps below to **add** the ability to submit e504 applications (request an ftp/e504 user account):

- e. Go to the GLS Login page: <https://eweb.sba.gov/gls/> and login.
- f. Click **OK** on the Welcome screen.
- g. On the main page, you should see a Welcome banner with your name followed by Location ID and CDC Name. (If you don’t see a Location ID listed, you will need to resolve this first by contacting schwab.amin@sba.gov. He can update your account profile with your Location ID. Please provide the User ID you need to update in your email.)



- h. If your account shows a Location ID, click on the **Access** button.
- i. Scroll down to the **Electronic Lending – Origination (ETLAN)** folder.



- j. Check the box for **SFTP Submission of E504 Documents by CDC**.
- k. You will get a browser pop-up asking if you have prior authorization to “request access to a Federal System.” Click **OK**.
- l. The system requires you to enter your Location ID (for your CDC). This should also be listed next to your name as noted above in item g.

You can also use the Look Up link to find your Location ID. The simplest way to find your Location ID requires just filling out two fields:

- o Under **Partner Type** select “Certified Development Company”
- o Under **Partner Location**, just enter your State.

Then click the **Lookup by Name, Type, City, State and Zip** button.

When using the Lookup page, make sure you select “Certified Development Company” under Partner Type. CDCs and Microlenders have different Location IDs!

- m. Scroll down to the bottom of the webpage and click **Submit**.
- n. You should immediately get an email confirming that your request was received. This does not mean your account has been created.
- o. A **second email may take 48 hours or longer**. Once your account has been approved and set up, you will get that second email from IT Security which will provide a SFTP/UNIX login name (this user ID will always begin with e5) and a password. *This is your e504 user name and password.*
- p. You can now use this ftp account to submit your zip files via third-party software.

Ensure that you will be able to receive the various notifications from the SBA: Since the SLPC has moved to email notifications as the primary way to correspond with CDCs, you should already be accustomed to receiving our emails.

However, the e504 program uses additional email boxes that you may need to add to your safe list:

E504@sba.gov

E504Processing@sba.gov

SLPCNotificationSystem@sba.gov

Filter settings can vary, you may find that you do not need to do anything, but if you don't get emails from us regarding your submission, this is the first place to check before contacting the SLPC.

For questions related to user accounts and the e504 process

Schwab Amin (SLPC) 916-735-1199

schwab.amin@sba.gov

For questions about e504 submissions and errors messages

e504help@sba.gov

**For questions on how to submit a package using the software
of your choice,
you must contact your vendor.**

Exhibit #1

Sample email from the centralized SBA computer which receives submissions from the CDC.

This email will be ONLY sent to the email address associated with the GLS account. If it says the upload “failed”, then the package will not be sent to the SLPC.

```
-----Original Message-----  
From: e504@sba.gov [mailto:e504@sba.gov]  
Sent: Tuesday, March 09, 2010 2:00 PM  
To: CDC User (GLS Account Email Address)  
Subject: Results of E504 Processing  
  
This is an automatically generated e-mail. DO NOT REPLY.  
  
Since your last e-mail, the following e504 upload file(s) were processed:  
(1) File 'CoolCarWash03092010.zip', 03/09/2010 at 16:01:41, failed.  
(2) File 'ABCCorp03092010.zip', 03/09/2010 at 16:01:41, success: 'FTP  
Successful'.
```

Exhibit #2

Sample email from the SLPC computer confirming the individual documents received.

This email, along with any error messages, will be sent to the contact type “Submission Confirmation/Receipt Notifications Contact” for the relevant Project. Just receiving this email does not guarantee everything is okay with your submission, you must read the email to see if there was a problem.

Note: A similar email will also come from E504Processing@sba.gov to the email address associated with the GLS account.

From: SLPC Notification System [mailto:SLPCNotificationSystem@sba.gov]
Sent: Tuesday, August 01, 2012 9:01 AM
To: cdcuser1@officename.com;cdcuser2@officename.com
Subject: 504 Loan Application for Super Clean Car Wash, Inc. - receipt acknowledgment (D:ZA S:999999 E:123456)

SBA - Sacramento Loan Processing Center (SBA-SLPC)

This email account is not monitored. Emails received at this account will not be read and will be automatically deleted. Please direct your email to a different account.

The Center has received your electronic loan application file(s) for Trade/Loan Name: **Super Clean Car Wash, Inc.**

The following documents were just received:

Authorization from CDC:	Received
CDC Checklist:	Received
Supplemental Datasheet:	Received
Electronic Credit Memorandum:	Received
Form 1244:	Received
Eligibility Checklist:	Received
912:	Received
Cost Document(s):	Received
Bank Letter:	Received

This is your e504 Tracking number. It must ALWAYS be included with any documents related to this project.

Your e504 Tracking Number is: **123456**. We will use the loan application number as an identifier in all communications with you while the loan application is being processed. You should also include the loan application number when communicating with us about this loan application.

SBA-SLPC