OMB Approval No. 3245-0201
Expiration Date: 10/31/2017

FEE DISCLOSURE FORM AND COMPENSATION AGREEMENT
For Agent Services In Connection With a SBA 7(a) Loan

Purpose of this form: Section 13 of the Small Business Act (15 U.S.C. § 642) requires that a small business SBA loan applicant ("Applicant") identify the names of persons engaged by or on behalf of the Applicant for the purpose of expediting the application and the fees paid or to be paid to any such person. 13 C.F.R. Section 103.5 requires any Agent to execute and provide to SBA a compensation agreement showing the compensation charged for services rendered or to be rendered to the Applicant or lender in any matter involving SBA assistance. "Agent" includes a loan packager, referral agent, broker, accountant, attorney, consultant or any other party that receives compensation from representing an Applicant or lender in connection with an SBA loan. (13 C.F.R. Part 103 and sections 120.221 and 120.222 contain the rules governing compensation of Agents in connection with a 7(a) loan. These rules may be found at the electronic code of federal regulations website, http://www.e-cfr.gov.)

A 7(a) participating lender ("Lender") may charge an Applicant reasonable fees for packaging services that are customary for similar lenders in the geographic area where the loan is being made. The Lender must advise the Applicant in writing that the Applicant is not required to obtain or pay for these services if they are unwanted. The Lender or its Associates cannot charge an Applicant any commitment, bonus, broker, commission, referral or similar fee.

If an Applicant chooses to employ an Agent to represent the Applicant, compensation an Agent or the Lender charges to and that is paid by the Applicant must bear a necessary and reasonable relationship to the services actually performed. Compensation cannot be contingent on loan approval. In addition, compensation must not include any expenses which are deemed by SBA to be unnecessary in connection with the loan application or are prohibited by SBA rules. If the compensation is not permitted by SBA rules, the Agent or the Lender must cancel the compensation, or refund to the applicant any portion the Applicant already paid. In cases where SBA deems the amount of compensation unreasonable, the Agent or the Lender must reduce the compensation charged to an amount SBA deems reasonable, refund to the Applicant any sum in excess of the amount SBA deems reasonable, and refrain from charging or collecting directly or indirectly from the Applicant an amount in excess of the amount SBA deems reasonable. Violation by an Agent or the Lender of any of these rules may result in SBA's suspension or revocation of the privilege of conducting business with SBA.

The following are not considered Agents for purposes of this form and, therefore, are not required to complete this form: 1) Applicant's accountant for the preparation of financial statements required by the Applicant in the normal course of business and not related to the loan application; 2) a state-certified or state-licensed appraiser employed by the Lender to appraise collateral in connection with the SBA loan; 3) a lender service provider operating under an SBA-approved lender service provider agreement; 4) an individual employed by the Lender to perform a business valuation in connection with the SBA loan; 5) an environmental professional employed by the lender to conduct an environmental assessment of the collateral in connection with the SBA loan; 6) a real estate agent who is receiving a commission for the sale of real estate in connection with the SBA loan; and 7) any attorney in connection with the 7(a) loan closing. In addition, direct costs associated with document preparation in connection with the loan closing do not need to be reported in this form.

Instructions for completing this form: This form must be completed in connection with a loan application and submitted to lender if: (1) the Applicant has paid (or will be paying) compensation to an Agent or the Lender or (2) the Lender has (or will be paying) a referral fee. There must be a separate, completed Form 159(7a) for each Agent compensated by the Applicant. If the certifications are made by a legal entity other than an individual (e.g., corporation, limited liability company), execution of the certification must be in the legal entity's name by a duly authorized officer or other representative of the entity; if by a partnership, execution of the certification must be in the partnership's name by a general partner. If the total compensation exceeds $2,500, the compensation must be itemized. (An itemization is required even if the compensation charged is on a percentage basis.)

Loan applicant name:
Loan applicant business name (if any):

System of Records Notification: Information obtained from this form is part of the Agency's Privacy Act Systems of Records, Loan Systems ("SOR 21") and may become part of SBA's System of Records for Suspension and Debarment Files ("SOR 36"). As such this record and the information contained therein may be used, disclosed, or referred for the following purposes, among others:

- To the Federal, State, local or foreign agency or professional organization which investigates, prosecutes or enforces violations of statutes, rules, regulations or orders, or which undertakes procurement of goods or services, when SBA determines that disclosure will promote programmatic integrity or protect the public interest.
- To SBA employees, contractors, interns, volunteers, and other regulators or legal authorities for the review of Loan Agent fees and activities and for the review of loans generated by Loan Agents (e.g. for performance and other trends).
- To GSA and the public for publication of Loan Agent suspensions, revocations, debarments, other enforcement actions, and exclusions in the System Awards Management's (SAM) Excluded Parties List System (EPLS) or any successor system and on the SBA website consistent with Executive Order 12549 and other applicable law.
- To SBA employees, contractors, interns, volunteers and other regulators for regulatory purposes.

(See 77 FR 61467 (October 9, 2012), 77 FR 15835 (March 16, 2012), 74 FR 14890 (April 1, 2009) and as amended from time to time for additional routine uses.)

Agent's Agreement and Certifications: By signing this form, the undersigned Agent agrees that it has not and will not directly or indirectly charge or receive any payment in connection with the application for or making of the SBA loan except for services actually performed on behalf of Applicant and identified in this form. The undersigned Agent certifies that the information provided in this form accurately describes the type of services it has provided to the Applicant and that the compensation described in this form is the only compensation that has been charged to or received from the Applicant or that will be charged to the Applicant for services covered by this form. The undersigned Agent further certifies that neither it nor any of the principals of its organization are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or Agency. **WARNING: False certifications can result in criminal prosecution under 18 U.S.C. § 1001 and other penalties provided under law.**

Type of agent:			
☐ Independent loan packager	☐ Lender compensated by applicant for loan packaging services	☐ Broker or Referral agent employed by applicant	☐ Other (describe):
Type of services agent provided to applicant:			
☐ Loan packaging	☐ Financial statements specifically for the application	☐ Broker or Referral services paid by applicant	☐ Other (describe):

Total compensation charged to applicant: $_____

***If the amount exceeds $2,500*:** For the entire compensation charged, attach a separate schedule itemizing 1) the services performed; and 2) the hourly rate and the number of hours billed for that service. An itemization describing the services actually performed is required even if the compensation charged is on a percentage basis.

Agent Name and Signature: By _____ _____
(Signature of agent) (Date)

_____
(Name of agent – please print)

_____
(Business name of agent – please print)

_____
(Business address of agent including zip code)

_____
(Business address cont.)

Applicant's Certifications: The undersigned Applicant certifies to SBA that the above representations and amounts are the only amounts paid (or that will be paid) by the Applicant in connection with the services covered by this form and are satisfactory to the Applicant. The Applicant further certifies that a separate compensation agreement (SBA Form 159(7a)) has been executed for all Agents, as defined above, involved with this loan application. **WARNING: False certifications can result in criminal prosecution under 18 U.S.C. § 1001 and other penalties provided under law.**

_____ By:_____ _____
(Applicant's Name) (Signature of authorized representative) (Date)

_____
(Name of authorized representative – please print)

Lender's Certifications: The undersigned 7(a) participating lender certifies that the representations of services rendered and amounts charged as identified in this form are reasonable and satisfactory to it. The undersigned also certifies that he or she has no knowledge that any other Agent, as defined above, was engaged by, represented or worked on behalf of the Applicant other than as disclosed above or in another executed compensation agreement (SBA Form 159(7a)). The undersigned further certifies that any referral fees described below are the only referral fees paid by the lender to a referral agent in connection with this loan, and were not charged directly or indirectly to the Applicant. **WARNING: False certifications can result in criminal prosecution under 18 U.S.C. § 1001 and other penalties provided under law.**

_____
(Name of referral agent – please print)

_____
(7(a) lender name)

_____
(Business name of agent – please print)

By:_____ _____
(Signature of authorized lender representative) (Date)

_____
(Business address of agent including zip code)

_____
(Name of authorized lender representative – please print)

_____
(Business address cont.)

Referral fee paid, if any: $_____

SBA Loan Number _____ (if approved)

SBA Form 159(7a) (8-14)

PLEASE NOTE: The estimated burden for completion of this Form 159 is 5 minutes per response. You are not required to respond to this information collection unless it displays a currently valid OMB approval number. Comments or questions on the burden estimate should be sent to U.S. Small Business Administration, Chief, Administrative Information Branch, Washington, D.C. 20416, and Desk Officer for SBA, Office of Management and Budget, New Exec. Office Building, Room 10202, Washington, D. C. 20503. **PLEASE DO NOT SEND FORMS TO THESE ADDRESSES.**