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Effective: January 12, 2009

Code of Federal Regulations Currentness
 Title 13. Business Credit and Assistance
 Chapter I. Small Business Administration
 Part 120. Business Loans (Refs & Annos)
 ☐ Subpart I. Risk-Based Lender Oversight (Refs & Annos)
 ☐ Supervision (Refs & Annos)
 → **§ 120.1055 Review and examination results.**

(a) **Written Reports.** SBA will provide an SBA Lender, Intermediary, and NTAP a copy of SBA's written report prepared as a result of the SBA Lender review or examination ("Report"). The Report may contain findings, conclusions, corrective actions and recommendations. Each director (or manager, in the absence of a Board of Directors) of the SBA Lender, Intermediary, and NTAP, in keeping with his or her responsibilities, must become fully informed regarding the contents of the Report.

(b) **Response to review and examination Reports.** SBA Lenders, Intermediaries, and NTAPs must respond to Report findings and corrective actions, if any, in writing to SBA and, if requested, submit proposed corrective actions and/or a capital restoration plan. An SBA Lender, Intermediary, or NTAP must respond within 30 days from the Report date unless SBA notifies the SBA Lender, Intermediary, or NTAP in writing that the response, proposed corrective actions or capital restoration plan is to be filed within a different time period. The SBA Lender, Intermediary, or NTAP response must address each finding and corrective action. In proposing a corrective action or capital restoration plan, the SBA Lender, Intermediary, or NTAP must detail: The steps it will take to correct the finding(s); the time within which each step will be taken; the timeframe for accomplishing the entire corrective

action plan; and the person(s) or department at the SBA Lender, Intermediary, or NTAP charged with carrying out the corrective action or capital restoration plan, as applicable.

(c) **SBA response.** SBA will provide written notice of whether the response and, if applicable, any corrective action or capital restoration plan, is approved, or whether SBA will seek additional information or require other action.

(d) **Failure to respond or to submit or implement an acceptable plan.** If an SBA Lender, Intermediary, or NTAP fails to respond in writing to SBA, respond timely to SBA, or provide a response acceptable to SBA within SBA's discretion, or respond to all findings and required corrective actions in a Report, then SBA may take enforcement action under Subpart I. If an SBA Lender, Intermediary, or NTAP that is requested to submit a corrective action plan or capital restoration plan to SBA fails to do so in writing; fails to submit timely such plan to SBA; or fails to submit a plan acceptable to SBA within SBA's discretion, then SBA may take enforcement action under § 120.1500 through § 120.1540. If an SBA Lender, Intermediary, or NTAP fails to implement in any material respect a corrective action or capital restoration plan within the required timeframe, then SBA may undertake enforcement action under § 120.1500 through § 120.1540.

SOURCE: Source; 61 FR 3235, Jan. 31, 1996; 65 FR 42631, July 11, 2000; 72 FR 18360, April 12, 2007; 72 FR 25194, May 4, 2007; 73 FR 75510, Dec. 11, 2008; 73 FR 75519, Dec. 11, 2008; 74 FR 27247, June 9, 2009; 74 FR 29591, June 23, 2009; 74 FR 59896, Nov. 19, 2009; 76 FR 9218, Feb. 17, 2011, unless otherwise noted.

AUTHORITY: 15 U.S.C. 634(b)(6), (b)(7), (b)(14), (h), and note, 636(a), (h) and (m), 650, 687(f),

696(3), and 697(a) and (e); Public Law 111-5, 123 Stat. 115, Public Law 111-240, 124 Stat. 2504.

13 C. F. R. § 120.1055, 13 CFR § 120.1055

Current through February 16, 2012; 77 FR 9513.

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