SBA FORM 1502
FIELD DESCRIPTIONS

This form is to be completed monthly by Lenders participating in SBA's 7(a) loan program in order to collect payment and loan information. Completed forms must be submitted to SBA's 7(a) Fiscal and Transfer Agent, Colson Services Corp.

A. **Lender Information:** Must state the lender's name, address, contact person, telephone and fax numbers.
Check [ ] the box in the upper left-hand corner of the form when any information changes.

B. **Month-Ending Information:** Show the last day of the month for which information is being reported.
Check [ ] the box in the upper right-hand corner when your 1502 Form includes secondary market prepayments or late payments.

   1. **SBA GP Number**: The 10 digit numerical SBA-assigned loan identification number. The GP number is the key to identifying SBA 7(a) loans on SBA's and the FTA's databases. If less than 10 digits are reported, the payment information cannot be processed. This field is MANDATORY.

   2. **Lender Loan Number**: The lender's loan identification number, that is, the number the lender has assigned to the loan (optional).

   3. **Next Installment Due Date**: The date the borrower is scheduled to make its next payment. Based on the status of the loan, the next installment due date is reported as follows:

   • Current - date of next scheduled payment due

   • Past Due - date of the first missed scheduled payment

   • Deferred (status 4) - date borrower is to resume making payments

   • In Liquidation (status 5) - leave blank

   • Paid-in-Full (status 6) - leave blank

   • Transferred (status 7) - leave blank

   • Purchased by SBA (status 8) - leave blank

   • Fully Undisbursed (status 9) - leave blank

   Special situations: Newly disbursed and large principal balance loans (where payments are made late), and loans in work-out (without a deferment) — if the full payment amount as called for in the note is made but applied solely to interest, report next installment due date as next payment date. If full payment amount as called for in the note is not made, report next installment due date as date of first missed full payment.

Next installment due date advances to the next payment date once the full payment amount is received.

4. **Status**: Leave blank if the loan is current, 31-60 days past due or over 60 days past due as of the month ending date. For all other statuses, refer to the status box at the bottom of the SBA Form 1502 and enter the appropriate status code number.

- *Current* - interest paid-to-date is less than 31 days from the month ending date. For example, loan's interest is paid to 3/2/YY for the period ending 3/31/YY. Leave Status Code column blank.

- *31-60 Days Past Due* - interest paid-to-date is 31-60 days from the month ending date. For example, loan's interest is paid to 2/12/YY for the month ending 3/31/YY. Leave Status Code column blank.

- *Over 60 Days Past Due* - interest paid-to-date is over 60 days from the month ending date. For example, loan's interest is paid to 1/3/YY for the month ending 3/31/YY. Leave Status Code column blank.

- *Status 4: Deferred* - principal or principal and interest (P&I) payments have been deferred. For example, loan's P& I payments are deferred and are to resume on 5/1/YY. Report Next Installment Due Date as 5/1/YY, Status Code 4, Interest To date and Guaranteed Portion Closing Balance as of last payment received.

    Common reporting error:

    1) Status 4 is entered the first month the loan is placed in Deferred Status and not in subsequent months while in Deferred Status.

    2) Status 4 must be entered every month the loan is in Deferred Status. If not, the loan will not be reflected as in Deferred Status.

- *Status 5: In Liquidation* - if SBA is liquidating the loan, report loan one time as Status Code 5, an Interest To date and Guaranteed Portion Closing Balance. If lender is liquidating loan, report loan monthly as Status Code 5 with an Interest To date and Guaranteed Portion Closing Balance until the liquidation is complete.

- *Status 6: Paid-in-Full* - loan that has matured or been paid off by the borrower. Report one time as Status Code 6, with an Interest To date as of the payoff date and a Guaranteed Portion Closing Balance of $0.00. Note - If the loan is a secondary market loan, do not report the loan as Status Code 6 on the 1502 remittance containing the secondary market payoff; the Status Code column should be left blank. Instead, report the loan as Status Code 6 at month end.

    Common reporting error:

    1) Guaranty Portion Principal Payment is not entered and error will be generated and that loan entry will be rejected

    2) Guaranty Portion Principal Payment must be entered to reduce balance to Zero

- **Status 7**: *Transferred* - loan that has been transferred to another lender. Transferring (selling) lender reports one time as Status Code 7 with an Interest To date and Guaranteed Portion Closing Balance as of the transfer date.

- **Status 8**: *Purchased by SBA* - loan that has had its guaranteed portion purchased by SBA from the lender or secondary market. Report one time as Status Code 8 with an Interest To Date and Guaranteed Portion Closing Balance as of the purchase date.

  Sold loans:

  (1) If lender repurchased the guaranteed portion from the secondary market, but SBA has not purchased the guaranteed portion from lender,

    (a) The lender must continue to report on the loan monthly.

    (b) The reported Status Code for the loan would be blank (if 1, 2, or 3), or 4, 5, or 7 depending on the loan's situation, until the SBA purchase takes place.

  (2) Should the Borrower pay off the loan prior to SBA's purchase, the loan should be reported as a Status Code 6.

- **Status 9**: *Fully Undisbursed* - loan that has not had any disbursements made to the borrower.

  (1) Report Status Code 9 and indicate the Amount Undisbursed on Total Loan, until such time that the loan is disbursed.

  (2) Revolving loans - once the first disbursement takes place, the loan **must not** be reported as Status Code 9 again, even in instances where the full amount of the credit line is replenished by the Borrower.

5. **Amt Disbursed this Period on Total Loan**: The total amount disbursed during the reporting month on 100% of the loan. If no amounts were disbursed, leave blank. Do not reduce the amount disbursed by borrower principal repayments.

   Example: Based on a $100,000.00 loan (100% or total approved)
   3/02/YY: $10,000 disbursed (on total loan)
   3/25/YY: $10,000 disbursed (on total loan)
   Amount disbursed for month ending 3/31/YY = $20,000

6. **Amt Undisbursed on Total Loan**: Of the total approved amount (100% amount), the amount that has not been disbursed by the lender as of the month ending date. If fully disbursed, leave blank.

   Example: Based on a $100,000.00 loan (100% or total approved)
   3/02/YY: $10,000 disbursed (on total loan)
   3/25/YY: $10,000 disbursed (on total loan)
   Amount undisbursed for month ending 3/31/YY = $80,000.00

7. **Interest Rate**:

   Sold Loans - the rate of interest used to calculate the interest payment due the FTA (i.e., the borrower's note rate less the lender's servicing fee percentage).

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Example: Note rate = Prime + 2.50%
          Lender's servicing fee = 1.00%
          Secondary market rate = Prime + 1.50%
          Prime = 4.75%
          Rate reported = 6.25%

          [Note Rate 4.75(Prime) + 2.50 = 7.25 -1.00(Lender Servicing Fee = 6.25]

Unsold Loans - if an interest payment is reported, the rate of interest charged to the borrower.

Example: Note rate = Prime + 2.50%
          Prime = 4.75%
          Rate reported = 7.25%
          No Payment Received - if no interest payment was received, leave blank.

8. **Guaranteed Portion Interest**:

Sold Loans - the interest payment due to the FTA on behalf of the secondary market investor. That is, the guaranteed portion of the borrower's interest payment received less the lender's servicing fee.

Example: $100,000.00 x 80% guaranty = $80,000.00 guaranteed portion
         Interest monthly payment on total loan @ 12.00% = $1,000.00
         ($100,000 x 12% = $12,000 ÷ 360 days x 30 days = $1,000 for monthly payment);
         On guaranteed portion = $800.00
         ($1,000 x 80% = $800.00)

         Lender's servicing fee = $80,000.00 x 1% ÷ 360 x 30 = $66.67
         Interest due to FTA = $800.00 - $66.67 = $733.33

Unsold Loans - the borrower's interest payment received multiplied by the guaranty percentage.

Common reporting errors:

1)   The SBA fee amount or guaranteed portion balance is reported in this column;

2) Interest on 100% of the loan is reported instead of just the guaranteed portion.

Example: Interest payment on total loan = $1,000.00 x 80% guaranty = $800.00

No Payment Received - if no interest payment was received, leave blank.

9. **Guaranteed Portion Principal**:

Sold Loans- the principal payment due the FTA on behalf of the secondary market investor. That is, the guaranteed portion of the borrower's principal payment received.

Example: Principal payment on total loan = $200.00 x 80% guaranty = $160.00

Unsold Loans - same as for sold loans.

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Example: Principal payment on total loan = $200.00 x 80% guaranty = $160.00

No Payment Received - if no principal payment was received, leave blank.

Note: For unsold loans, if interest and principal payments due in prior months (i.e., past due payments) are received in the current reporting month, report each payment received on this month's 1502 form.

10. **Total to FTA: Guar. Portion Payment or Fee**: The sum of the guaranteed portion interest + guaranteed portion principal or SBA's on-going guaranty fee or $0.00 is reported in this column, depending upon the loan's approval date and whether the loan is sold or unsold.

Sold Loans - the sum of the guaranteed portion interest + guaranteed portion principal is reported and remitted to the FTA.

Example: Guaranteed Interest (less servicing fee) = $733.33
Guaranteed Principal = $160.00
Total to FTA = $893.33

Unsold Loans (subject to SBA 50 basis point fee) - for loans approved on or after October 12, 1995, SBA's 50 basis point fee is remitted every month the borrower makes an interest payment.

Common reporting error: the sum of guaranteed interest + guaranteed principal reported is entered in this column; enter the fee amount only in this column as this is an Unsold Loan.

For term loans, SBA's 50 basis point fee calculation is:
[Guaranteed Portion Opening Balance] x [.005] ÷ [Calendar Basis] x [# of Days]

Example: Guaranteed Portion Opening Balance = $100,000.00 x 80% guaranty = $80,000.00
$80,000.00 x .005 ÷ 360 x 30 days = $33.33
Total to FTA = $33.33

For revolving loans or term loans with multiple disbursements, SBA's 50 basis point fee calculation is:
[Guaranteed Interest Amount] x [.005] ÷ [the Note Rate]

Example: Guaranteed Interest Amount = $800.00
$800.00 x .005 ÷ 12.00% = $33.33
Total to FTA = $33.33

Unsold Loans (subject to SBA 25 basis point fee) - for loans approved under the STAR (Supplemental Terrorist Activity Relief) program, SBA's 25 basis point fee is remitted every month the borrower makes an interest payment.

Common reporting error: the sum of guaranteed interest + guaranteed principal reported is entered in this column; enter the fee amount only in this column as this is an Unsold Loan.

For term loans, SBA's 25 basis point fee calculation is:

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[Guaranteed Portion Opening Balance] x [.0025] ÷ [Calendar Basis] x [# of Days]

Example: Total loan = $100,000.00 x 80% guaranty = $80,000.00
$80,000.00 x .0025 ÷ 360 x 30 da ys = $16.67
Total to FTA = $16.67

For revolving loans or term loans with multiple disbursements, SBA's 25 basis point fee calculation is:

[Guaranteed Interest Amount] x [.0025] ÷ [the Note Ra te]

Example: Guaranteed Interest Amount = $800.00
$800.00 x .0025 ÷ 12.00% = $16.67
Total to FTA = $16.67

Unsold Loans (not subject to SBA's fee) - leave blank or fill with $0.00.

Common reporting error: the sum of guaranteed interest + guaranteed principal reported is entered in this column. Only reflect the fee paid for Unsold Loan.

No Payment Received - if no payment was received, leave blank or fill with $0.00. No SBA fee is due to the FTA if the borrower did not make an interest payment in the reporting month.

11. **Interest Period From**: The date from which the reported interest started or accrued from. This would be the same as the Interest Paid to Date of the previous payment (if this is not the first payment made on the loan). Leave blank if no interest payment is reported.

12. **Interest Period To**: The date to which the reported interest is paid or accrued to. If no interest payment was received from the borrower in this reporting month, indicate the interest paid-to-date as of the last payment received.

Example: $100,000.00 total loan; 12.00% interest rate; 30/360 basis
Borrower makes $1,000.00 interest payment on 3/15/YY. Last interest paid-to-date was 2/15/YY.
Calculation $100,000.00 x .12 ÷ 360 x 30 days = $1,000.00
For the reporting period ending 3/31/YY
Interest Period From: 2/15/YY Interest Period To: 3/15/YY

For newly disbursed loans that are not in repayment mode, report the date interest accrues from (first disbursement date) in this column. Also, be certain to indicate the Guaranteed Portion Closing Balance in the appropriate column.

13. **# of Days**: The number of days covered by the reported interest payment, determined in accordance with the calendar basis used to compute interest. If no payment was received, leave blank.

Example: 2/15/YY to 3/15/YY = 30 days on a 30/360 basis

2/15/YY to 3/15/YY = 28 days on a 365/365 basis (non-leap years)
NOTE: that the interest paid-to-date (in this case 3/15/YY is not included in the count)

14. **Calendar Basis**: The interest computation calendar method stated at the time of the original loan sale into the secondary market (e.g., as on 1086) or as prescribed in the

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Loan Authorization Agreement or Note. Acceptable computation methods for secondary market loans are 30/360 and ACT/365.

15. **Guaranteed Portion Closing Balance**: The balance remaining after applying the borrower's most recent principal payment multiplied by the guaranty percentage.

Sold Loans - the guaranteed principal balance outstanding after the application of the reported guaranteed portion principal payment.

Unsold Loans - same as for sold loans.

        Example: Total loan = $100,000.00 with 80% guaranty

                        Guaranteed principal balance = $80,000.00

                        Principal payment = $200.00

                        Guaranteed principal payment = $160.00 (i.e., $200.00 x 80%)

                        Total loan closing balance = $99,800.00

                            (i.e., $100,000.00 - $200.00)

                        Guaranteed Portion Closing Balance = $79,840.00

                            (i.e., $99,800.00 x 80% or $80,000.00 -$160.00)

No Payment Received - if no payment was received from the borrower, indicate the guaranteed principal balance as of the last payment received.

16. **Remittance Penalty:** Penalty amount if the lender does not forward secondary market payments according to the terms in SBA Forms 1085 or 1086.

17. **Total (Total to FTA column)**: The sum of each of the dollar values in the Total to FTA column.

18. **Total (Penalty column)**: The sum of each of the dollar values in the Remittance Penalty column.

19. **Grand Total**: Sum of the totals in *Total to FTA* column and *Remittance Penalty* column. Equals the amount of the check or wire remitted to the FTA.

20. **Check / Wire Amt**: The amount of the check or wire sent for this remittance. This amount should be the same as the total in [Field 19].