

Fee Disclosure and Compensation Agreement
For use with 7(a) and 504 Loan Programs

OMB Control No. 3245-0201
Expiration Date: mm/dd/yyyy

Purpose of this form: The purpose of this form is to identify Agents and the fees and/or compensation paid to Agents by or on behalf of a small business applicant (“Applicant”) for the purpose of obtaining or expediting an application for a loan guaranteed by the U.S. Small Business Administration (SBA). This is a statutory requirement under 15 U.S.C. 642. See 13 CFR Parts [103](#) and [120](#) and SBA’s Standard Operating Procedure 50 10 for the rules governing compensation of Agents or SBA Lenders in connection with an SBA loan.

Who must complete this form: This form must be completed and signed by the SBA Lender and the Applicant whenever an Agent is paid by either the Applicant or the SBA Lender in connection with the SBA loan application. Each Agent paid by the Applicant to assist it in connection with its application must also complete and sign the form. When an Agent is paid by the SBA Lender, the SBA Lender must complete this form and the SBA Lender and Applicant must both sign the form. The SBA Lender must inform the Applicant in writing that the Applicant is not required to employ an Agent or representative (including the SBA Lender) to assist the Applicant with the SBA loan application.

Compensation must be disclosed on this form for the following services:

1. Loan packaging services, as defined in SOP 50 10, performed by an SBA Lender or other third party (this includes services performed by an individual/entity that is a Lender Service Provider (LSP) (7(a) only) or has an SBA-approved Professional Services Contract (504 only) with the SBA Lender who is acting as a loan packager or referral agent employed by the Applicant);
2. Financial statement preparation specifically for the loan application; and/or
3. Consulting, Broker, or Referral services paid by the Applicant, SBA Lender, or Third-Party Lender (504 only).

The following are not considered agents for the purposes of this agreement and are not required to complete this form:

1. Applicant’s accountant or the preparation of financial statements required by the Applicant in the normal course of business and not related to the loan application;
2. Any attorney in connection with the 7(a) or 504 loan closing;
3. A state-certified or state-licensed appraiser employed by the SBA Lender to appraise collateral;
4. An LSP performing services for the Lender under an SBA-reviewed LSP agreement (7(a) only) or an individual performing services for the CDC under an SBA-approved professional services contract (504 only);
5. An individual employed by the SBA Lender to perform a business valuation in connection with the SBA loan;
6. An environmental professional employed by the SBA Lender to conduct an environmental assessment of the collateral; and/or
7. A real estate agent who is receiving a commission for the sale of real estate.

Instructions for completing this form: The Agent must be identified, all services provided must be listed, and the party paying the fee and/or compensation and amount paid must also be disclosed (and itemized, when required). The SBA Lender must ensure that the Agent performing services is not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or Agency. (See www.sam.gov.) The SBA does not allow contingency fees (fees paid only if the loan is approved) or charges for services which are not reasonably necessary in connection with an application. A separate form is required for each Agent (including an SBA Lender when the SBA Lender performs packaging services) that has or will receive compensation as part of the transaction. However, all services provided by the same Agent in connection with the same loan application may be listed on a single form. When an Agent provides services to an Applicant in connection with multiple applications, separate forms must be completed for each application.

If the aggregate compensation for all fees charged by the same Agent exceeds \$2,500, the compensation must be itemized to include a detailed explanation of the actual services performed on an hourly rate or a percentage of the loan amount. The Lender must include the supporting documentation submitted with this form. When an Agent provides services in connection with multiple loan applications or multiple services in connection with the same application, the fees are aggregated for establishing the \$2,500 threshold.

All SBA Lenders must retain the original form 159 in the loan file. Additionally, a copy of the completed form signed by all parties with supporting documentation must be submitted electronically to SBA’s Capital Access Financial System

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(CAFS) at <https://caweb.sba.gov>. For 7(a) loans the documents must be uploaded in E-Tran Servicing at closing but no later than the initial loan disbursement in conjunction with the Lenders monthly 1502 report. For 504 loans, the documents must be uploaded in the Corporate Governance Repository within 30 calendar days after the debenture funds.

7(a) loan 504 loan

SBA Loan Name: _____

SBA Loan Number (10 digit number): _____ SBA Location ID (6-7 digit number): _____

SBA Lender Legal Name: _____

Services Performed by (Name of Agent): _____

Agent Contact Person: _____

Agent Address: _____

Type of Agent:

- SBA Lender Consultant Third Party Lender ("TPL")
- Independent Loan Packager Accountant preparing financial statements specifically for SBA loan application Other: _____
- Referral Agent/Broker

Type of Service	Amount Paid by Applicant*	Amount Paid by SBA Lender*
Loan packaging		
Financial statement preparation for loan application		
Broker or Referral services		
Consultant services		
Other: _____		

***The Agent may not be compensated by both Applicant and SBA Lender for the same service. Furthermore, any Agent employed by the SBA Lender must be paid by the SBA Lender and those fees cannot be passed on to the Applicant.**

Total compensation paid by: Applicant: \$ _____ SBA Lender: \$ _____

Itemization and supporting documentation are attached. (Itemization and supporting documentation are required if the compensation paid exceeds \$2,500. Itemization must include: 1) a detailed explanation of the work performed; 2) whether the compensation is based on an hourly rate or on a percentage of the loan amount; and 3) if the compensation is based on an hourly rate, the hourly rate and the number of hours spent working on each service performed.) Note: SBA, in its discretion, may request an itemization and supporting documentation for any compensation charged in connection with an SBA loan application, regardless of the amount.

For 504 loans only:

CDC received referral fee from a TPL Amount of Fee: \$ _____

TPL Name: _____

TPL Address: _____

WARNING: False certifications can result in criminal prosecution under 18 U.S.C. § 1001 and other penalties provided under law. Violation of any of the SBA Loan Program Requirements regarding SBA Form 159 and the related activities by the SBA Lender and/or an Agent may result in SBA's suspension or revocation of the privilege of conducting business with the SBA under 13 CFR Part 103.

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Applicant’s Certifications: By signing this form, the 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 stated services and are satisfactory to the Applicant. The Applicant further certifies that a separate compensation agreement (SBA Form 159) has been executed for all Agents, as defined in 13 CFR § 103.1. If the certification is made by a legal entity (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 entity representative; if by a partnership, execution of the certification must be in the partnership’s name by a general partner.

Applicant must not sign this form until all required services and fee information is disclosed.

Signature of Authorized Representative of Applicant

Date

Print Name

Title

Agent’s Agreement and Certifications: By signing this form, the undersigned Agent agrees and certifies that: (1) it has not and will not directly or indirectly charge or receive any payment from the Applicant in connection with the application for or making of the SBA loan except for services actually performed on the Applicant’s behalf and identified in this form; (2) the information provided in this form accurately describes the types of services the Agent has provided to the Applicant or SBA Lender and the compensation described in this form is the only compensation that has been charged to or received from the Applicant or SBA Lender or that will be charged to the aforementioned parties for **services covered by this form**; (3) neither the Agent nor any of the employees of its organization are currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or Agency; and (4) if SBA deems any portion or all of the fees charged in connection with the application for or making of the loan to be unreasonable or prohibited, the Agent agrees to refund that amount to the Applicant. If the certification is made by a legal entity (e.g., corporation, limited liability company), execution of the agreement and certification must be in the legal entity’s name by a duly authorized officer or other entity representative; if by a partnership, execution of the agreement and certification must be in the partnership’s name by a general partner.

Signature of Authorized Representative of Agent

Date

Print Name

Title

SBA Lender’s Certifications: The undersigned SBA Lender certifies that: (1) the representations of services rendered and the amounts charged as identified in this form are reasonable and satisfactory to it; (2) the SBA Lender has no knowledge that any Agent, as defined in 13 CFR § 103.1, 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); (3) any referral fees described above are the only referral fees paid by the SBA Lender to a referral agent in connection with this loan and were not charged directly or indirectly to the Applicant; (4) if SBA deems any portion or all of the fees charged in connection with the application for or making of the loan to be unreasonable or prohibited, the SBA Lender agrees to refund that amount to the Applicant; (5) it has consulted the System for Awards Management’s (SAM) Excluded Parties List System or any successor system to ensure that the Agent identified above is not debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or Agency; and (6) any fee(s) it has charged is not a standardized amount and all fees charged to the Applicant comply with SBA Loan Program Requirements.

Signature of Authorized Representative of SBA Lender

Date

Print Name

Title

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Systems of Record 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 form and the information contained therein may be used, disclosed, or referred for the following purposes, among other things:

- 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 Award's Management's (SAM) Excluded Parties List System ("EPLS") or any successor system consistent with Executive Order 12549 and other applicable law.
- To other regulators, SBA employees, contractors, interns, and/or volunteers 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.

PLEASE NOTE: The estimated burden for completion of this form is 20 minutes, including time to read instructions and compile any information or documentation needed. You are not required to respond to this information collection unless it displays a currently valid OMB approval number. Comments/questions on the burden estimate should be sent to SBA, Director, Record Management Division, 409 Third Street, SW, Washington, D.C. 201416, and SBA Desk Officer, Office of Management and Budget, New Executive Office Yes.

Building, Room 10202, Washington, D.C. 20503. **PLEASE DO NOT SEND FORMS TO THESE ADDRESSES.**