



Accredited Lenders Program (ALP) / Premier Certified Lenders Program (PCLP)

Application and Renewal Requirements Guide and Information Request for Certified Development Companies

This Guide outlines the documentation a Certified Development Company (CDC) must submit to SBA for ALP/PCLP applications and renewals. This Guide is designed to complement, not supersede, existing SBA rules, regulations and policies. In the event of any discrepancy, SBA rules, regulations, and policies shall take precedence.

Please note, in general, for information that has already been provided by a CDC but is unchanged, the CDC may certify that the information was already provided, to whom and on what date, and is unchanged in lieu of resubmitting the information.

Accredited Lenders Program

A. Qualifications for New ALP Applicants [13 CFR 120.840, 120.841, and SBA SOP 50 56 1 Sec. B, Ch. 1, C. 2.]

- 1) Must have permanent status (i.e. not in the probationary period) and be a Priority CDC or meet all requirements to obtain Priority CDC status (See SOP 50 56 Sec. B, Ch. 1, C. 1. for details).
- 2) Must have received SBA approval for at least twenty 504 loan applications in the most recent three years and must have a portfolio of at least thirty active 504 loans.
- 3) Must have received a SMART Review within the last 24 months and received a summary review assessment of either “Acceptable” or “Acceptable with Corrective Actions Required.”

PLEASE NOTE: You are not required to respond to any collection of information unless it displays a currently valid OMB Approval number. The number for this collection of information is 3245-0365. The total estimated time to respond to this collection of information, including gathering and maintaining the data needed, and completing and reviewing the collection of information, is 600 minutes. You may send comments or questions regarding this estimated time or any other aspect of this collection of information including suggestions for reducing the time or other burden to: Director, Records Management Division, 409 Third Street, S.W., Washington D. C. 20416, and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington DC 20503.

Disclosure of Information – Requests for information contained herein may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act, 5 U.S.C. §552. The Privacy Act, 5 U.S.C. §552a, authorizes SBA to make certain “routine uses” of information protected by that Act. One such routine use is the disclosure of information maintained in SBA’s system of records when this information indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature. Specifically, SBA may refer the information to the appropriate agency, whether Federal, State, local or foreign, charged with responsibility for, or otherwise involved in investigation, prosecution, enforcement, or prevention of such violations. Another routine use is disclosure to other Federal agencies conducting background checks but only to the extent the information is relevant to the requesting agencies’ function. See, 74 F.R. 14890 (2009), and as amended from time to time for additional background and other routine uses.

- 4) Must have well-trained, qualified loan officers that are knowledgeable about SBA's lending policies and procedures for the 504 program, with a demonstrated ability to satisfactorily process, service, and close 504 loans, as determined by SBA. The CDC must also have:
 - a) At least one loan officer with three years of 504 loan processing experience or two years of experience plus satisfactory completion of SBA-approved processing training, and at least one loan officer with three years of 504 servicing experience or two years of experience plus satisfactory completion of SBA-approved servicing training. The same loan officer may fulfill both roles if they meet the experience requirements for each; and,
 - b) At least one 504 Designated Attorney.
- 5) Must have Directors' and Officers' Liability and Errors and Omissions insurance in form and substance satisfactory to SBA (See SOP 50 56 Sec. B, Ch. 1, D. 17. for details).
- 6) Must have a record of complying with SBA Loan Program Requirements including but not limited to SBA's policies and procedures and of satisfactorily underwriting, closing and servicing 504 loans, and have a record of effective communication and a cooperative relationship with all SBA offices, including district offices and SBA's loan processing and servicing centers.

B. Application for ALP Status

- 1) The CDC should submit the following documents electronically via the Corporate Governance Repository, notifying the Office of Financial Assistance (OFA) of upload at 504requests@sba.gov. Alternatively, the CDC may submit the same documents electronically to its Lead District Office which will forward to OFA:
 - a) A certified copy of the CDC's Board of Directors' resolution authorizing the application for ALP status;
 - b) A current list of CDC Board of Directors, Executive Committee, and Loan Committee(s), as applicable, including each members name, board title, city and state of residence or work, contact number, email address, occupation/title, organization name (if applicable), number of years on the board, and each Director's area(s) of expertise. Board composition must comply with 13 CFR § 120.823;
 - c) A current list of the CDC's staff with an organizational chart and description of each staff member's responsibilities and experience. This CDC must also:
 - Provide a statement certifying that all managers and staff are employed directly by the CDC. Alternatively, if any of the professional staff are obtained under contract from a third party for managing, marketing, packaging, processing, closing, servicing, liquidating, legal services in connection with loan liquidation or litigation, or co-employment contracts, the CDC must provide a list of all professional service contracts in effect, including the contractor's name, type

of contract, contract period of performance, and date of approval by SBA Office of Financial Assistance (OFA). If a contract was previously submitted to OFA for approval but approval is pending, the CDC must provide evidence of submission (e.g., copy of email).

- Provide evidence that at least one loan officer has three years of 504 loan processing experience OR has two years of experience and has satisfactorily completed an SBA approved training in 504 processing.
 - Provide evidence that at least one loan officer has three years of 504 loan servicing experience OR has two years of experience and has satisfactorily completed an SBA approved training in 504 servicing.
- d) A copy of the CDC's current bylaws and Articles of Incorporation;
- e) A copy of the CDC's current internal control policy in compliance with 13 CFR § 120.826(b);
- f) A copy of the CDC's most current loan policies in compliance with 13 CFR § § 120.823(d)(14) and 120.535, to include its Credit Approval and Loan Servicing Policies;
- g) Copies of all Quarterly Delinquency Reports for the most recent four quarters;
- h) A copy of the CDC's current Directors' and Officers' Liability and Errors and Omission insurance policy;
- i) A list of the CDC's Designated Attorneys, including contact information, state(s) of licensure, training certificates, evidence of professional liability insurance, and verification of license to practice law in each State represented, for each designated attorney.

NOTE: this list may not be all-inclusive, and the reviewing SBA official may request additional information from the CDC to make a recommendation.

2) 504 Loan Program Division Review Process

- a) The Director of Financial Assistance will make the final decision regarding applications for ALP status. The decision will be based on the CDC's qualifications and the recommendations received from other SBA offices, such as OCRM, the Loan Processing and Servicing Centers, and the CDC's Lead District Office.
- b) The CDC will be notified electronically of the SBA's decision regarding the ALP application. If the application is denied, the notification will include the reason(s) for denial.

C. ALP Renewal:

1) Standard Renewal Process

- a) At least 120 days prior to expiration of the CDC's ALP authority, the CDC must submit the following documentation via the Corporate Governance Repository under the "ALP/PCLP Renewal" deliverable for the applicable year and notify OCRM at CDCAnnualReports@sba.gov:
 - A written request for renewal for ALP or ALP/PCLP status, including the following:
 - A narrative addressing any SMART scores that are "4" or "5" or metrics underperforming relative to the CDC's Peer Group, as indicated in the current quarter's Lender Portal Report. Include the CDC's plan or active efforts to reduce the higher risk metric.
 - A narrative addressing any outstanding response to the Office of Credit Risk Management (OCRM), including Corrective Actions identified in the CDC's most recent SMART Review, outstanding Annual Report deficiencies, or other items currently being addressed by the CDC as identified by OCRM. Include details on the status of the outstanding item and the CDC's anticipated response timeline or actions.
 - The CDC must demonstrate a consistent record of compliance with SBA's policies and procedures, including satisfactory underwriting, closing, and servicing of 504 loans, as evidenced by a history of compliant loan application, closing, and purchase packages. If the CDC has received comments from SBA or wishes to address potential deficiencies in these areas, it may include a narrative explaining proactive actions to remediate and/or improve the area in question, which may aid the renewal assessment.
- b) Items b) through i) listed in Section B.1 of this Guide.

2) Alternative Renewal via Annual Report Submission

- a) CDCs may also include a request for ALP renewal when submitting their annual report, utilizing Template F of the annual report guide "Delegated Authority Renewal Template", provided the annual report is submitted within 120 days of the ALP expiration.

Premier Certified Lenders Program

A. Qualifications for New PCLP Applicants [13 CFR 120.845(c) and SBA SOP 50 56 1 Sec. B, Ch. 1, C. 4.]

- 1) To be eligible to receive PCLP status, the CDC's application must show that it meets the following criteria:
 - a) The CDC must be an ALP CDC in substantial compliance with Loan Program Requirements or meet the criteria to be an ALP CDC set forth in the Accredited Lenders Program Section A,

“Qualifications for New ALP Applicants”, above.

- b) The CDC must demonstrate the capability to adequately comply with SBA’s liquidation and litigation requirements.

B. Application for PCLP Status

- 1) The CDC must submit the following documents electronically to its Lead District Office:
 - a) A certified copy of the CDC's Board of Directors' resolution authorizing the application for PCLP status;
 - b) Summary of the experience of each of the CDC's loan processing, closing, servicing and liquidation staff members with significant authority;
 - c) Evidence of the CDC’s demonstrated ability to process, close, service and liquidate 504 loans;
 - d) Name, address, and summary of experience of the Designated Attorney;
 - e) Evidence that the CDC has established a Loan Loss Reserve Fund (LLRF) in compliance with the requirements set forth in [13 CFR § 120.847](#);
 - f) If the CDC does not have ALP Status, the CDC must also provide all documentation listed in the Accredited Lenders Program Section B, “Application for ALP Status” above .
- 2) 504 Loan Program Division Review Process
 - a) The Director of Financial Assistance will make the final decision regarding PCLP initial application approval. The decision will be based on the CDC’s qualifications and the recommendations received from other SBA offices, such as OCRM, the Loan Processing and Servicing Centers, and the CDC’s Lead District Office.
 - b) The CDC will be notified electronically of the SBA’s decision regarding the PCLP application. If the application is denied, the notification will include the reason(s) for denial.

C. PCLP Renewal:

- 1) PCLP renewal must be requested in conjunction with the CDC’s ALP renewal and follows the submission process outlined in the ALP Renewal Section (Section C of the Accredited Lenders Program above).
- 2) In addition to fulfilling all ALP renewal requirements, the CDC must demonstrate compliance with the Loan Loss Reserve Fund (LLRF) requirements per 13 CFR § 120.847.

ALP/PCLP Requirements Guide

- a) Submission of a current SBA Form 2233 (“PCLP Quarterly Loan Loss Reserve Report”) and supporting documentation are typically sufficient to verify LLRF compliance. SBA reviewing officials may request additional details if needed.