



FAQs

1502 Submission and Reporting

Question	Answer															
<p>1. How do I set up my CAFS account to submit SBA Form 1502?</p>	<p>Form 1502 should be submitted via Capital Access Financial System (CAFS) through the FTA Portal 1502 Gateway. Please follow instructions found here. For assistance with account creation, please contact cls@sba.gov.</p> <p>To set up your 1502 API service, please follow the Form 1502: API Instructions. You will need to submit a signed agreement to the SBA. Once approved, you will be able to call the API using the technical information found here: CAFS API Documentation.</p>															
<p>2. Will I be charged a late penalty fee for delinquent payments?</p>	<p>You will be charged a late remittance penalty for secondary market payments if lender remittance is not received by the 1502 due date as stated in Article III, Section 3.5, of SBA Form 1086. For non-secondary (unsold) loan reporting, there is currently no late penalty assessment.</p>															
<p>3. When and how do I report late payments for secondary market loan?</p>	<p>Late payments on secondary market loans are due to the FTA within 2 business days of the lender’s receipt of good funds. Lenders must report late payments on a separate SBA Form 1502. Do NOT combine late payments with the next scheduled remittance due to the FTA.</p>															
<p>4. Where should I send the 1502 payments to?</p>	<p>1502 Payments should be sent to the FTA’s Financial Agent, Wells Fargo:</p> <table border="1" data-bbox="477 1306 1393 1610"> <thead> <tr> <th>Payment Type</th> <th>Account Name</th> <th>Account Number</th> <th>Routing Number</th> <th>Text</th> </tr> </thead> <tbody> <tr> <td>1502 Principal and Interest, Late Penalty Fees, SBA Guarantee Fee, Prepayment Penalty for non-secondary (unsold) loans, CARES Act Fund</td> <td>7a Collections</td> <td>7253190172</td> <td>121000248</td> <td>Bank name & payment information</td> </tr> <tr> <td>Payoffs, Prepayments, Repurchases, Prepayment Penalty for Secondary Market Loans, Transfer Fees</td> <td>7a Payoffs</td> <td>7253190214</td> <td>121000248</td> <td>GP #, Bank Name, and Principal and Interest Breakdown</td> </tr> </tbody> </table>	Payment Type	Account Name	Account Number	Routing Number	Text	1502 Principal and Interest, Late Penalty Fees, SBA Guarantee Fee, Prepayment Penalty for non-secondary (unsold) loans, CARES Act Fund	7a Collections	7253190172	121000248	Bank name & payment information	Payoffs, Prepayments, Repurchases, Prepayment Penalty for Secondary Market Loans, Transfer Fees	7a Payoffs	7253190214	121000248	GP #, Bank Name, and Principal and Interest Breakdown
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<p>5. What roles are required for 1502 processing?</p>	<p>Partner role under the FTA portal will be needed.</p>															

<p>6. Why am I unable to see user roles or have only limited access to CAFS?</p>	<p>This is typically related to the use of two-factor authentication at sign in. Skipping two-factor authentication limits what features you can access in CAFS, including user roles.</p>
<p>7. What if I made a reporting mistake on my most recent 1502 submission?</p>	<p>For <u>current</u> month, Lenders have access to edit reported 1502 data for correction via CAFS FTA portal: 1502 Gateway Info Search option. Lenders should also access the 1502 Gateway Reporting Summary each month to review open status 1502 remittance exception error conditions and resolve via appropriate data edits to clear.</p> <p>For <u>prior</u> month(s) reporting, corrections which require payment remittance reconciliation of SBA’s Annual Servicing Fee (Basis Points) should be directed to 1502 Reporting Team via 1502@sba.gov. Sold secondary market P&I payment remittance reconciliation should be directed to FTA Client Services Team via fta@sba.gov.</p> <p><i>Note: Corrections for prior months which are “data-only” but require no payment remittance reconciliation do not need to be submitted. However, Lenders should ensure the most recent reporting and subsequent E-Tran Servicing 1502 update accurately reflects the current loan status.</i></p>
<p>8. If SBA has purchased a loan from the lender or secondary market, does the lender continue to report loan status information to FTA on the loan?</p>	<p>No. Once the SBA guaranty is no longer outstanding because SBA purchased the loan guaranty, the lender is no longer required to report on the loan via form 1502.</p>
<p>9. If a loan is in liquidation and the borrower continues to make payments, is it still necessary to report on the loan?</p>	<p>Yes. If the loan is in liquidation, provided SBA has not purchased a guaranty, lenders must report the guaranteed portion of any borrower payments monthly on SBA Form 1502 along with Status Code “5” with a Guaranteed Portion Closing Balance and Interest-To-Date as of the last payment received.</p>

<p>10. What are the requirements for handling prepayments for sold secondary market loans?</p>	<p>SBA Form 1086 requires a 10-business day advance notice to the FTA for all prepayments. The lender will provide the notice through the 1502 Gateway 10 Day Notice application, along with a Prepayment Certification at the time of the notification. For more information, please view the 10 Day Notice user guide on the FTA Wiki.</p>
<p>11. How do I submit the required standalone 1502 prepayment remittance?</p>	<p>Lenders should upload and submit the prepayment 1502 remittance via the 1502 Gateway within CAFS. Lenders should provide the P&I breakdown, which brings the guarantee closing balance to zero. For payoff funds, submit SBA Form 1502 <u>without</u> Status Code 6 but with the payment information which brings the Guaranteed Portion Closing Balance to \$0.00. Prepayment remittance should not include a reported Status Code 6.</p> <p>For SBA ETRAN Servicing loan status update on the next regular month-end 1502, report the loan as a Status Code 6, with the Guar. Portion Principal amount received, a Total to FTA of \$0.00, an Interest Period To date as of the date the loan was paid-in-full, and a Guar. Portion Closing Balance of \$0.00.</p>
<p>12. How should I report a non-secondary (unsold) loan for Paid-In-Full status?</p>	<p>On your regular month-end 1502, report the loan as a Status Code 6 along with the guaranteed interest and principal payment information that brings the reported Guar. Portion Closing Balance to \$0.00. SBA's Annual Servicing Fee should be calculated and remitted as applicable.</p>
<p>13. What if the loan status is incorrectly Paid-in-Full due to erroneous reporting of 1502 status code 6?</p>	<p>Lenders should access CAFS E-Tran Servicing to confirm the erroneous Paid-in-Full status has been updated, then contact the appropriate SBA Loan Servicing Center to request guaranty reinstatement, as needed.</p> <p>SBA Little Rock Loan Servicing Center lpsc.servicing@sba.gov SBA Fresno Loan Servicing Center fsc.servicing@sba.gov</p>
<p>14. Do I report on an approved loan which has been withdrawn by borrower and will not be disbursed?</p>	<p>For approved loans which are later withdrawn by Borrower, Lenders must provide SBA notification via direct update to CAFS E-TRAN Servicing to Cancelled loan status. 1502 reporting may then be discontinued after guaranty cancellation.</p> <p>Lenders may cancel (undisbursed), or voluntary terminate (disbursed), unreported loans via E-Tran Servicing within CAFS:</p> <ol style="list-style-type: none"> 1. Login to CAFS and go to ETRAN Servicing 2. Under Search input SBA loan number and submit. 3. Once inside the loan (Loan Information Page) you cancel the loan using the cancel toggle button at the top of the page. To voluntary terminate please

	<p>go to the 1502 screen and select the status and save. This will cancel or terminate the loan guaranty, as applicable.</p>
<p>15. Do I report on a loan that has been voluntarily terminated post disbursement?</p>	<p>For active-disbursed status loans which the Lender then decides to Voluntary Terminate the guaranty, Lender may do so via direct update to CAFS E-TRAN Servicing, 1502 Info screen. 1502 reporting may be discontinued after voluntary termination of guaranty.</p> <p><i>Note: For loans in Disbursed-Liquidation status, Lenders must remove loan from Liquidation status prior to voluntary terminating the active guaranty.</i></p>