

SBA Procedural Notice

TO: All SBA Employees

CONTROL NO.: 2000-766

SUBJECT: Lender Payments to SBA
Using Pay.gov

EFFECTIVE: 7/13/ 2009

Currently, the SBA requires the use of Pay.gov, Treasury's electronic payment portal, for the payment of up front guaranty fees by all lenders using the 7(a) wizard for long-term 7(a) loans.

What's new?

The SBA is expanding the required use of Pay.gov. Effective October 1, 2009, SBA now requires lenders to use Pay.gov for the payment of all loan guaranty fees, care and preservation of collateral expenses, lender review fees and the fees associated with the Transaction Report on Loans Services by Lender. This new requirement applies to all 7(a) long and short term loans.

Are there any exceptions to this requirement?

Yes. Lenders currently enrolled with the SBA for bulk ACH electronic payment processing may continue to use that method for Guaranty Fees only. Also, any lenders currently participating with the SBA on electronic commerce pilot or development projects are excluded from this requirement for the specific fees that are involved in the pilot or development project.

What is Pay.gov?

Pay.gov is a free, secure, government-wide financial transaction portal managed by the U.S. Department of the Treasury's Financial Management Service (FMS). FMS developed this portal in partnership with the Federal Reserve Banks to offer on-line payment remittance services that the public can use for electronically remitting payments and associated data to Federal agencies. Pay.gov is convenient, easy-to-use and available 7 days a week, 24 hours a day.

Who should use this website?

The Pay.gov website should be used by all lenders to make payments and send data to the SBA associated with the following fees:

- Form 1544 – Guaranty Fee (the upfront fee at loan approval)
- Form 1544 – Care & Preservation of Collateral (CPC) Expenses
- Form 1544 – Lender Review Fees (Office of Credit Risk Management)
- Form 172 – Fees associated with the “Transaction Report on Loan Serviced By Lender”

Expires: 7/1/2010

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SBA Form 1353.2 (12-93) MS Word Edition; previous editions obsolete
Must be accompanied by SBA Form 58

The Pay.gov website is located at: <http://www.pay.gov> or can be accessed through <http://www.sba.gov> using the E-Payments link.

How does the Pay.gov website work?

Payments made to SBA through the website are handled electronically by use of either a checking or savings account debit that is processed through the national Automated Clearing House (ACH) network, or through use of a credit card. In the near future, Pay.gov plans to develop programming which will allow debits to general ledger accounts as well.

Lenders should access the “Should I Register” link on the main webpage and sign up to get a User ID to login. By using a User ID, a lender will be able to schedule payments online and have the ability to track scheduled payments.

Any payment processed through Pay.gov that requires a refund from SBA will be made by check. SBA can receive but cannot make payments electronically through Pay.gov.

For more information on how to access the Pay.gov, please see the attachment to this notice.

Who do I contact with questions?

For questions regarding usage of the Pay.gov web site, contact the Pay.gov Help Desk at 1-800-624-1373, Option #2.

For questions regarding your payment to SBA, contact the DFC Action Desk at (303) 844-2411 or by e-mail at DFCActionDesk@sba.gov

SBA is committed to working with our lending partners to assist them in making a successful transition to all electronic remittances.

Jonathan I. Carver
Acting Chief Financial Officer

Eric R. Zarnikow
Associate Administrator for Capital Access

ATTACHMENT

Pay.gov

ACCESS: Pay.gov is accessed by using the following web address: <http://www.pay.gov>

Overview of Web-Site:

Once you access the web site you will need to select one of the following options to access the correct SBA Public Form to make your payment. The below options are located on the main web page.

- ➔ “**SBA Payments**” – You can access the forms by using the “SBA Payment” icon located on the top right-hand side of the main web page.
 - Ability to complete a form for a one-time payment only.
 - Any information that was entered into a form will not be available if you need to make more than one payment or need another confirmation. Information must be re-typed for each form that is needed to make another payment.

- ➔ “**How to Register**” – This option is located on the lower middle of the main web page. You can access all forms after completing the “How to Register” option. This option is available for users who would like to sign up and obtain a User ID and password for future use. Some of the benefits of signing up are:
 - Ability to schedule future payments.
 - Setup re-occurring payments
 - Selected forms will be pre-populated with your basic (name and address) information each time.
 - Ability to track scheduled payments in Pay.gov.

After accessing the SBA Payments area, you will then need to locate either the 1544 or 172 form to make your payment. To select an appropriate form follow these simple instructions:

1. Select “SBA Payments”
 - a) Search and locate the appropriate form.
 - b) Scroll down to locate the appropriate form.
2. Select the appropriate form for the type of payment you are making.
3. Complete all of the information on the form. To receive a Pay.gov generated confirmation of your payment, make sure that you type in your e-mail address.
4. Print the confirmation page for your records. This is your receipt that the payment was accepted and Pay.gov will process it.

While using Pay.gov, any questions or problems concerning the Pay.gov web site should be directed to Pay.gov Customer Service at 1-800-624-1373, Option #2.