

SBA's E-Tran

**Electronic Loan
Processing/Servicing**

What is E-Tran?

E-Tran is an SBA loan guaranty origination/servicing solution that:

- Leverages internet technology to reduce the turnaround time on loan guaranty requests**
- Is integrated into your SBA software products and enables you submit electronically from your existing screens**
- Provides increased efficiency and decreased costs in the loan guaranty origination and servicing processes**

Who is Eligible to Use E-Tran?

All delegated loan program lenders are eligible for loan origination (SBAExpress, PLP, Community Express, Patriot Express, and Export Express)

All loan programs are eligible for loan servicing.

Information Required for E-Tran

Apply on-line at <https://eweb.sba.gov/gls> or contact:

Stephen Kucharski (202)205-7551
stephen.kucharski@sba.gov

Glenn Hannon (202)205-7122
glenn.hannon@sba.gov

You will also be receiving information from our Servicing Centers on training assistance.

The following lender information will be required to issue a user id/password to a lender for E-Tran:

First Name, Middle Initial, Last Name of User

Lender Name:

Location Id (an electronic lookup is provided)

Complete Mailing Address:

Title:

Telephone Number:

E-mail address:

Scenario A: Direct File Transfer

Loan origination or servicing data is exchanged with the SBA via your software vendor product, or directly from your proprietary system. The data format is XML (industry standard)

The data transmission is kept confidential through the use of 128-bit encryption to secure the information being transmitted to the SBA and locally encrypting the URL to which the information is being sent. If an application is missing key information, or has other problems, the loan submission may be returned. An approved request is assigned a loan number and the loan number is sent to the loan processor.

Scenario B: Web Application

Scenario B: Lender has internet capability, but does not use a software vendor product or is not inclined to modify their proprietary system :

Lenders must log into the system with their user names and passwords, which are entered into SBA's security system and authenticated against SBA's Partner Identification Management System (PIMS).

The security system and PIMS serve as the gatekeepers to E-Tran. The integration of these three systems prevents a lender with an inactive SBAExpress agreement from processing a SBAExpress loan electronically.

The E-Tran Web Application

U.S. Small Business Administration
SBA
Your Small Business Resource

Reports Search Admin New App Copy Exit Help
E-Tran Credit Report Chron Validate

Electronic Lending **American Business Corp comp loan Portland OR** Amount \$150,000 Status **Funded** App 2642 Loan 10801550-05

Export Express **Lender Information , Application**

Expand Collapse

- American Business Corp comp
 - Lender Info
 - Application Info
 - Use of Proceeds
 - Collateral Register
 - Lender Comments
 - Eligibility
 - Project Info
 - Borrowers
 - Guarantors
 - Business Financials

SBA Partner ID	582
SBA Partner Location ID	7470
FIRS	5534715
Partner Name	Bank of America, National Association
Street1	100 N Tryon St
Street2	-
City / State / Zip	CHARLOTTE, NC 28255 -

Contact Name

(first) (m.i.) (last) (suffix)

Title

Phone 999-999-9999

Fax 999-999-9999

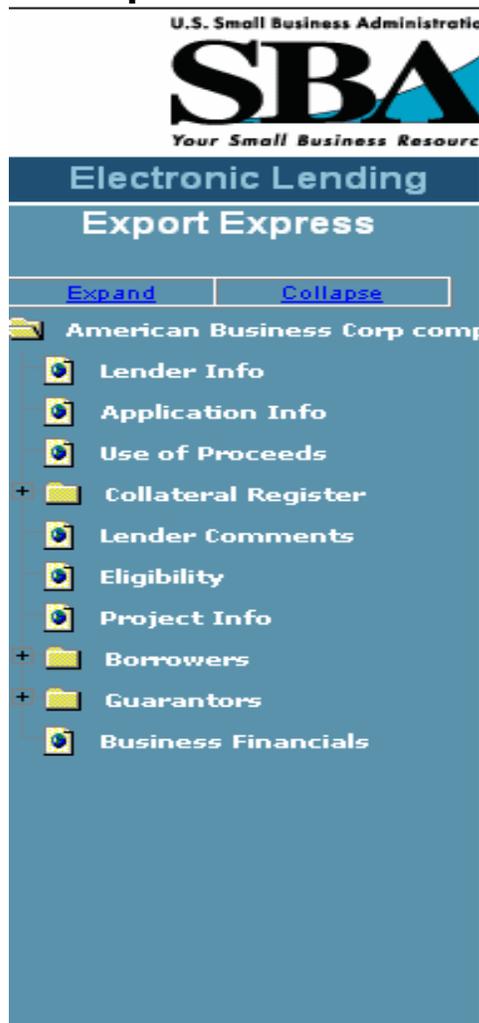
E-Mail

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* Privacy & Security * Information Quality * FOIA * No Fear Act * ADA

The E-Tran Web Application Navigation

While working through an individual application, a navigation tree appears in the left frame of the screen, like the one shown here.

The tree navigates to specific sections of the loan application and contains links to specific data already entered for the current application. It consists of a series of links for the current application that will save the data on the current screen and take you to the item that you selected. Folders and subfolders are used when multiple entries are possible, (e.g. Borrower, Principals and Previous Government Financing).



The E-Tran Web Application: Search Function

From the Search Results page a user can start a new application or select an existing application for update or viewing.

Applications that are funded can only be viewed. Applications in a review status can only be updated by the assigned reviewer. All other access is view only.

The following screen is an example of what a lender might see when performing a search.

The E-Tran Web Application Search Results



U.S. Small Business Administration
SBA
Your Small Business Resource

Reports

Search

Admin

New App

Copy

Exit

Help

E-Tran

Application

Electronic Lending

App Number	Loan Name	State	Processing Method	Requested Amount	Entry Date	Status	Loan Number	Loan Source
2652	Tasha's, Inc. DBA Youngberg Hill Vineyard & Inn	OR	SBA Express	\$250,000.00	2007-02-21 13:06:51.036	FD	10802450-08	XML
2651	Galaxy Granite, Inc.	UT	Preferred Lenders	\$18,100.00	2007-02-08 13:42:17.7	FD	10802350-05	XML
2650	Martin D. Bailey	MO	Preferred Lenders	\$798,000.00	2007-02-08 13:20:29.126	FD	10802250-02	XML
2649	Exodus Moving and Storage, Inc.	CO	SBA Express	\$100,000.00	2007-02-06 10:47:14.086	FD	10802150-10	WEB
2648	Sheri's Accounting Service	WA	Export Express	\$250,000.00	2007-02-06 10:42:00.893	FD	10802050-07	XML
2647	Jill realtors	MT	SBA Express	\$250,000.00	2007-02-06 10:40:14.186	FD	10801950-06	XML
2646	Exodus Moving and Storage, Inc.	CO	SBA Express	\$100,000.00	2007-02-05 18:44:01.723	FD	10801850-03	XML
	CAMBIO ENTERPRISES							

Last modified: 12/29/2006 12:59:00 PM

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SBA Processing: 1.829 seconds Version: 3.3

The E-Tran Web Application

Additional information such as Use of Proceeds can easily be completed with the web format.



U.S. Small Business Administration
SBA
Your Small Business Resource

Reports

Search

Admin

New App

Copy

Exit

Help

Electronic Lending

Export Express

Expand

Collapse

- + American Business Corp comp
- + Lender Info
- + Application Info
- + Use of Proceeds
- + Collateral Register
- + Lender Comments
- + Eligibility
- + Project Info
- + Borrowers
- + Guarantors
- + Business Financials

American Business Corp comp loan Portland OR Amount \$150,000 Status **Funded** App 2642 Loan 10801550-05

Use of Proceeds , Application

Code	Description	Amount	Comments
A01	Purchase Land	<input type="text"/>	<input type="text"/>
A02	Purchase Land and Improvements	<input type="text"/>	<input type="text"/>
A03	Purchase Improvements	<input type="text"/>	<input type="text"/>
A04	Construct a Building	<input type="text"/>	<input type="text"/>
A05	Add an Addition to a Building	<input type="text"/>	<input type="text"/>
A06	Make Renovations to a Building	<input type="text"/>	<input type="text"/>
A07	Pay Off Interim Construction Loan	<input type="text"/>	<input type="text"/>
A08	Pay Off Lender's Interim Loan	<input type="text"/>	<input type="text"/>
A09	Make Leasehold Improvements to a Building	<input type="text"/>	<input type="text"/>
A10	Purchase Equipment	<input type="text"/>	<input type="text"/>
A11	Purchase Fixtures	<input type="text"/>	<input type="text"/>
A12	Purchase Inventory	<input type="text"/>	<input type="text"/>
A13	Pay Trade or Accounts Payable	<input type="text"/>	<input type="text"/>
A14	Pay Notes Payable	<input type="text"/>	<input type="text"/>
A15	Pay Outstanding Debt	<input type="text"/>	<input type="text"/>
A16	Purchase a Business	<input type="text"/>	<input type="text"/>
A17	Purchase All Outstanding Stock	<input type="text"/>	<input type="text"/>
A18	Pay SBA Loan	<input type="text"/>	<input type="text"/>
A19	Working Capital	\$150,000.00	<input type="text"/>
A20	Pay the Guaranty Fee	<input type="text"/>	<input type="text"/>
A21	Other	<input type="text"/>	<input type="text"/>
	Total:	\$150,000.00	

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Reset

Clear

Next

Last modified: 12/05/2005 4:33:00 PM SBA Processing: 1.309 seconds Version: 3.3

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The E-Tran Web Application Information will be collected on each 20% owner of the business.

When more than one owner has 20%, a second screen will open allowing SBA to capture that information.

U.S. Small Business Administration
SBA
Your Small Business Resource

Reports Search Admin New App Copy Exit Help
E-Tran Credit Report Chron Validate

Ready

Electronic Lending
Export Express
Expand Collapse

American Business Corp comp loan Portland OR Amount \$150,000 Status Funded App 2642 Loan 10801550-05

Principal Person Information, Application

Ownership in the Primary Business:

Borrower	Percentage	If < 20%, is this principal guaranteeing the loan?
American Business Corp	100%	Yes (required, because >= 20%)

Tax ID: 479-51-2598

First Name: Constance
Middle Initial:
Last Name: Claridon
Suffix:
Title: Vice President
Date of Birth: 02/08/1957 mm/dd/yyyy
Place of Birth: New York NY USA
City State if USA Country

Citizenship: U.S. Citizen
Ethnic: Not Hispanic or Latino
Gender: Female
Veteran: Non-Veteran

Select 1 or more race categories

Race Black or African American American Indian or Alaska Native
 Asian Unanswered
 White Native Hawaiian or Other Pacific Islander

Involved in Bankruptcy/Insolvency? Yes No
Involved in Pending Lawsuit? Yes No
Number of Years Professional Experience in Primary Business Field:
Did you obtain an external credit score on this person? Yes No

Physical Address

If same as Project Address: Copy Project

Country: UNITED STATES
Zip+4 code: 97211 - Lookup state/counties/cities for Zip
Choose State/County/City: Oregon / MULTNOMAH / PORTLAND
Street 1: 6655 NE Killingsworth
(Number) (Street Name) (Suffix)
Street 2:
City Name (if not in drop-down): Portland OR

Mailing Address

If same as Physical Address: Copy Physical

Country: UNITED STATES

Completing an Application

The screenshot shows the SBA Electronic Lending Export Express application interface. At the top, there is a navigation bar with buttons for Reports, Search, Admin, New App, Copy, Exit, and Help. Below this, there are buttons for E-Tran, Credit Report, Chron, and Validate. The main header displays the application details: American Business Corp comp loan Portland OR Amount \$150,000 Status Funded App 2642 Loan 10801550-05. The page title is "Lender Comments , Application".

The left sidebar contains a tree view with the following items:

- American Business Corp comp
 - Lender Info
 - Application Info
 - Use of Proceeds
 - Collateral Register
 - Lender Comments
 - Eligibility
 - Project Info
 - Borrowers
 - 1. * American Business C
 - Principals
 - 1. Constance Clarid
 - Prev Govt Financing
 - Guarantors
 - Business Financials

The main content area contains a text box with the following instructions:

- For a **existing business** comments generally describe management's character and the Financial Strength of the business, including repayment ability and projections.
- For a **new businesses and purchases** comments generally cover management's qualifications, business location, competitive factors and feasibility of the business plan.

Below the text box is a large empty text area for entering comments. At the bottom of the page, there are buttons for Reset, Clear, and Next. The status bar shows: Last modified: 01/06/2006 5:24:00 PM SBA Processing: 0.652 seconds Version: 3.3

At the bottom of the page, there are links for [FirstGov](#), [E-Gov](#), [Regulations.gov](#), and [White House](#). There are also links for [Privacy & Security](#), [Information Quality](#), [FOIA](#), [No Fear Act](#), and [ADA](#).

Lenders will get a screen allowing for additional comments on the loan application. Once an application is complete, the lender can validate and submit the application. A message will indicate that the application was approved.

What Lenders Say about E-Tran

- **Instant assignment of SBA number (decreased turnaround time and convenience)**
- **Competitive advantage: Ability to respond in the market place and close loans faster**
- **Automated report features**
- **Confidence that eligibility compliance is being maintained due to system design of the data entry and Validation**
- **Automatic calculation of fees**

What Lenders Say about E-Tran

- **Access to technical support (very responsive)**
- **Drafts can be created and stored to return to at a later date**
- **Overall programming very “user-friendly” and easy to train**
- **Instant validation provides comfort that there are no errors in data entry**
- **Improves transparency**

E-Tran Servicing

- **E-Tran lenders now have the ability to handle unilateral servicing actions electronically (for example reporting cancellations of approved, fully undisbursed loans using E-Tran Servicing)**
- **E-Tran lenders have the ability to view the status of their loans post-origination (maturity date, loan payments, etc.). E-Tran servicing includes all SBA loans.**
- **Guaranty Fee calculator built into E-Tran Servicing**
- **Expedites the purchase process...**
- **Reduces 1502 errors**
- **Ultimate goal is to enable lenders to handle all unilateral Servicing actions (address changes, name changes, maturity extensions, etc.) via E-Tran**

http://www.sba.gov/aboutsba/sbaprograms/lending/clc/servicing/index.html



2/27/2009

7(A) UNILATERAL ACTION MATRIX

Etrans?	Unilateral Actions		Requires prior SBA Approval	Lenders can use handy Form 2237 ⁴
	Notify SBA?	Notify SBA?		
YES	NO	YES		

Prior to Initial Disbursement

Maturity extensions (PLP/Express = Notify; GP = Prior Approval)	X		X	X	X
Initial disbursement date (PLP/Express = Notify; GP = Prior Approval)			X	X	X
Legal name /trade name change	X		X		X
Change in Tax ID # or Social Security #			X		X
Increase/Decrease in int rate (PLP/Express = Notify; GP = Prior Approval)			X	X	X
Increase/Decrease to loan amount				X	X
Increase/Decrease the guaranty percentage				X	X
Reinstatement of loan				X	
Cancellation of loan	X		X		X
Environmental Reviews ¹ (GP loans only)				X	
Environmental Reviews (PLP and Express only)		X			
Changes to loan authorization (GP loans only)				X	

After Initial Disbursement (13 CFR § 120.535 and 13 CFR §120.536)

Miscellaneous	Any action that confers a Preference on the Lender				X	
	Transferring a loan between two Participant Lenders				X	
	Transfers, sells or pledges more than 90% of a loan				X	
	Any action for which prior written consent is required by a Loan Program Requirement (e.g. Emergency Repurchase from Secondary Market, see Chapter 5 of SOP 50-50-4)				X	
Payments	Payment Modification/Deferments ²		X			
	Provide Payoff figures to borrowers		X			
	Rate Changes ³			X		X
	Determination of Involuntary Prepayment/Subsidy Recoupment Fee				X	
Changes/Edits	Accept prepayments		X			
	Adjust management covenants		X			
	Assumption/Change in borrower's form ³		X			
	Change of legal name, trade name, or address	X		X		X
Loan Terms	Correct obvious typographical errors		X			
	Compromises				X	
	Increases to the principal amount of a loan				X	X
	Decrease in loan amounts			X		X
	Changes to loan authorization		X			
	Extend final disbursement period			X		X
	Decreasing guaranty percentage			X		X
	Maturity extensions ¹	X		X		X
Reinstating the guaranty				X		
Termination of guaranty (pre-purchase)			X		X	

E-Tran Servicing

- ❖ Eliminates the headaches associated with faxing documents back and forth to the Servicing Center - depending on the number of items (Servicing Requests) that we need to fax, we constantly receive incomplete fax notifications and/or do not receive a response from the Servicing Center - this generates another fax request.**
- ❖ Expedite the process by getting immediate cancellations - this in turn places the funds back into the SBA General Account to be loaned to another applicant and gets our refund of the cancelled loan processed immediately.**
- ❖ Streamlines our internal process - one person will be able to handle the cancellation process from start to finish**

Software Vendors and SBA's E-Tran

Many Software vendors have expressed interest in working with SBA on E-Tran servicing. Lenders currently using a software vendor are encouraged to contact their vendor to find out about their development efforts.

Likewise, Lenders with robust systems development groups are encouraged to contact SBA if they are interested in a direct file transfer implementation for origination and servicing.