

# 2013 ANNUAL MEETING

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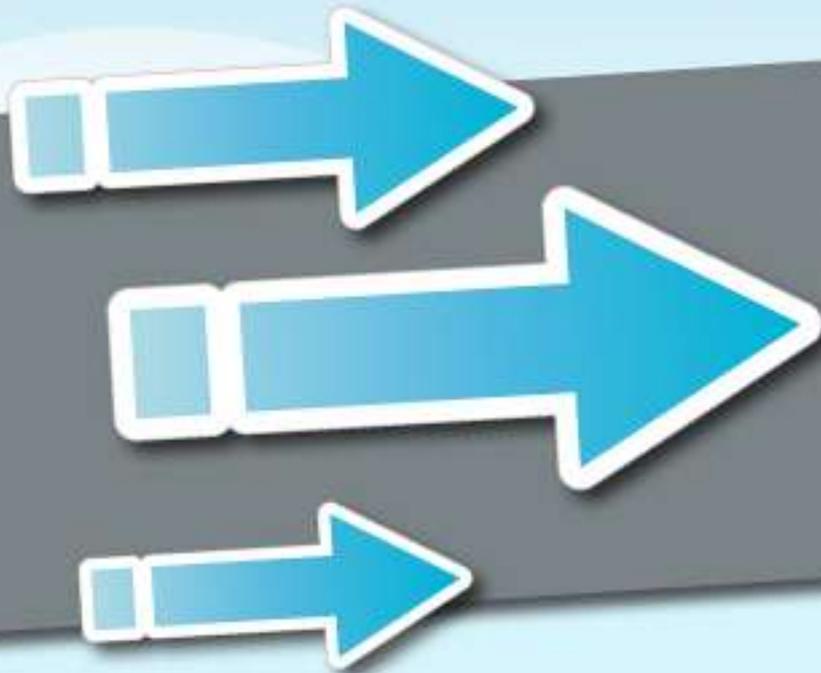
# NADCO

National Association of Development Companies

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Small business loans

**DELIVERED**



# GAME CHANGE

May 15–18, 2013  
Hotel del Coronado  
San Diego, CA

# 2013 ANNUAL MEETING

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## A New Day, A New CSA Wells Fargo Corporate Trust Services/PWC

Steve Kucharski, Director OPSM

Ingrid Ripley, COTR CSA

Randy Griffin, NADCO CSA Chair

# New Day, New CSA

- In July 2012, SBA selected Wells Fargo Corporate Trust Services, in partnership with PwC LLP, to replace Colson Services as the Central Servicing Agent (CSA);
- The contract performance for WF began on October 1, 2012 with the initiation of a 6 month transition. WF and PwC invested over 28,000 labor hours (31 FTEs) in the transition;
- The primary goal of the transition was the successful implementation of “mission critical” functions, including funding and investor payments;
- On March 25, 2013, WF assumed all CSA functions.

# Current Status

- The transition was deemed successful, however, with any transition there are some disruptions.
- Through close contact with CDCs and NADCO, the WF Team is aware of these issues and is working to promptly resolve them.
  - Examples of transition issues encountered and resolved:
    - Early debiting of some borrowers
    - Incorrect amortization on 5-, 10-, 15- and 20-year anniversaries
    - CDC Online reflected inaccurate data for ACH rejects
  - Examples of transition issues still being resolved:
    - Incorrect ACH debiting for Prepayments and Accelerations

**We greatly appreciate your patience and cooperation and apologize for any inconveniences.**

# What to Expect Moving Forward?

- Moving forward, the CSA will focus on three major phases:

1

System Stability

May – July 2013

2

Addressing Industry and SBA Standards

July – December 2013

3

Program Innovation

January 2014

- In **Phase 1**, WF will bring the system and processes to a stable state due to the fragility and sensitivity of the existing CSA system.
- In **Phase 2**, WF will address immediate system issues (e.g., return of ACH reject fees and ADA compliance) required by the SBA and WF to bring the CSA system to SBA and industry standards.

# What to Expect Moving Forward? (cont'd)

## Phase 3 – CSA System Enhancements and Innovation

- One of the reasons SBA selected the WF Team was based on it's commitment to invest in the CSA system and bring enhancements.
- The SBA will direct innovation priorities through an agency Change Control Board (CCB), in which NADCO will be represented.
- In the future, the SBA anticipates two kinds of program innovation (CDC's wish list):
  - ✓ Process (only) – e.g., move ACH change deadline, move more counterparties to ACH, adjust timing of deadlines for accelerations)
  - ✓ System (including process) – e.g., improved 3<sup>rd</sup> party lender reporting, re-debiting, electronic signatures, service liquated loans
- Send suggestions to [brian.gagnon@wellsfargo.com](mailto:brian.gagnon@wellsfargo.com).