SBA is working non-stop to implement legislative changes from the CARES Act and NADCO will provide guidance as it is available. NADCO is continuing to work to get CDCs the most accurate and timely information regarding the COVID-19 crisis. Please stay tuned for future communications.

SBA has provided the below processing tips specific to the COVID-19 Substantial Adverse Change Remedy Certification and Agreement for loans to be included in the April 2020 debenture sale. Please note regarding number one below, ‘copy’ means to physically use the exact three pages of SBA Procedural Notice 5000-20010, not copy and paste to a separate document. If you already have the Word version completed, to help prevent a possible delay, NADCO suggests the CDC certifies the submitted agreement contains the same text as the COVID-19 Substantial Adverse Change Remedy Certification and Agreement and include that statement in your email to SBA counsel. If you have questions please contact your District Counsel.

**SBA Procedural Notice 5000-20010 Processing Tips**

1. Copy and use the last three pages of the Procedural Notice for the COVID-19 Substantial Adverse Change Remedy Certification and Agreement. **If you submit a Word or other version of those three pages, it may cause a delay in the District Counsel's review for completeness.**

2. Insert the name of each party on the signature page, along with the signature of an authorized official, title and date.

3. If there is not an EPC/OC structure, the line under “Operating Company” should be marked – “Not Applicable (N/A),” and the Borrower should sign under “Borrower.”

4. For the April sale, scanned signatures are acceptable. Original signatures are required for the May and June sales. Multiple counterparts are acceptable for all sales. The scanned or original copy of the agreement, as applicable, should be included in the package sent to the SBA Servicing Center after the debenture sale.

5. As stated in the Procedural Notice, for the April sale, the CDC must comply with all of the procedures in the Notice by noon on April 3, 2020. That includes determining whether the COVID-19 emergency is the immediate and direct cause of a substantial adverse change in the Borrower’s (or Operating Company’s) ability to repay the 504 loan since the submission of the loan application to SBA. If CDC determines that there has been no substantial adverse change as a result of the COVID-19 emergency, the CDC must memorialize that finding in the loan file and notify SBA Counsel of that finding by noon on April 3, 2020.

**Additional Resources**

NADCO 18-20 504 Certifications of No Adverse Change for April, May, June Debenture Sales during COVID-19 Emergency

NADCO TechBrief 03-20: NAC Procedural Notice Summary and Comments