Technical Issues Memo 18-20

To: NADCO Members (Please disseminate to all appropriate personnel)

From: Rhonda Pointon, President & CEO

Subject: 504 Certifications of No Adverse Change for April, May, June Debenture Sales during COVID-19 Emergency

Date: March 25, 2020

SBA published Procedural Notice 5000-20010 to provide guidance to Certified Development Companies (CDCs) during the COVID-19 emergency with respect to the certifications of No Adverse Change that are required before 504 debenture sales. This Notice applies to the debenture sales scheduled for April, May and June, 2020. For a loan to be included in the April 15, 2020 debenture sale, a CDC that has already submitted a debenture closing package to SBA must comply with the additional procedures in this Notice by noon on Friday, April 3, 2020. Otherwise, the debenture issuance will be deferred until the May 13, 2020 debenture sale, and the CDC will have until April 23, 2020 (the May CSA Cut-Off Date) to comply.

Please review the attached SBA Procedural Notice for all details. The form of COVID-19 Agreement is attached to the SBA Notice. A copy of the fully-executed COVID-19 Agreement must be submitted to the appropriate SBA District Counsel for review with the closing package. For the April 15, 2020 debenture sale, the Agreement must be submitted to SBA District Counsel for review by noon on Friday, April 3, 2020. This Notice does not extend the March 26, 2020 CSA Cut-Off Date for the submission of all other closing documents for the April sale. For the April sale, scanned signatures on the COVID-19 Agreement are acceptable and the Agreement may be signed in counterparts.

If you would like to access this TI Memo, or the SBA Procedural Notice via the NADCO website, please click below.

TI Memo 18-20
SBA Procedural Notice 5000-20010