Lender Update – August 17, 2023

SBA Office of Credit Risk Management Advance Notice on PPP Oversight

This is an advance notice. No action is currently required.

Hope all is well. The Office of Credit Risk Management (OCRM) is preparing to conduct oversight activities to ensure your entity has notified SBA (OCRM) of suspected fraud or illegal activity. SBA Lenders must notify both OCRM and SBA's Office of Inspector General (OIG) of any information that indicates fraud or illegal activity may have occurred in connection with a Paycheck Protection Program loan.

To ensure that your entity is compliant, OCRM will be reaching out to collect basic information about any suspected fraud or illegal activity for all associated loans (for this review, an "associated loan" is any loan that your entity originated, serviced, liquidated, and/or litigated).

In the coming weeks you will receive an official notification email with additional information/guidance/attachments. The email will be sent from this mailbox (OCRMFraudNotifications@sba.gov). Your entity will need to respond based on one of the following scenarios.

1. **Your Entity is Not Aware of Any Suspected Fraud or Illegal Activity**
    a. You will respond to the official notification email with a statement to that effect. Due to the number of lenders undergoing this review, you must include your Location ID for the response to be logged.

2. **Your Entity is Aware of Suspected Fraud or Illegal Activity**
    a. The oversight activities will require that your entity provide a response in a prescribed format that will be detailed in the forthcoming email.
        i. For preparation purposes, you can expect that the information will need to be submitted using a formatted Excel workbook (that we will provide as an attachment to the email).
        ii. The information that must be provided will be limited to (1) the applicable SBA Loan Number and (2) a "Yes" or "No" entry as to whether the loan was referred to SBA's OIG.
            1. If you have loans that are pending referral to SBA OIG, I recommend you complete the referral as soon as possible (https://www.sba.gov/about-sba/oversight-advocacy/office-inspector-general/office-inspector-general-hotline#id-submit-a-complaint).

As previously stated, no action is required at this time as this email is an advance notice. Thanks in advance for your time and consideration.

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