



Bulletin

Time Limits for Registration

(Reference: subsections 2(1), 2(2) and 4(10) of the CSBF Regulations; Item 1.2 of Section B of the CSBFA Guidelines)

The new *Canada Small Business Financing Act* (CSBFA), which came into force on April 1, 1999, brought some changes to the loan registration process. Lenders still have three months following the date of the first loan disbursement to register a loan with the Administration. However, the time limit for late registration is now only three months instead of the nine months allowed under the former program. This applies to all loans approved and disbursed after March 31, 1999.

In addition, an extension may be granted to the lender to register a loan only if the late registration is involuntary, that is, accidental. When a lender submits a loan registration form more than three months following the first disbursement, a written explanation is required to account for the delay. **Waiting for the loan to be fully disbursed before registering is not a valid reason.** In such a situation, the loan will not be registered.

We therefore recommend that lenders register their loans as of the first disbursement. If the final amount of a loan is less than the amount registered, the lender has up to one year following the date the loan was made to request a refund of the registration fee applicable to the undisbursed portion of the loan.

Finally, it should be noted that a loan is deemed to have been submitted for registration on the mailing date of the registration form and fees. For further

information concerning any changes to loan registration under the new act, please contact your institution's head office.

Visit our Web site

Need a copy of a previous bulletin? Then log on to our web site at <http://strategis.ic.gc.ca/csbfa>, where you can download any bulletin you wish or simply view it on your desktop. All of the Program's documentation are also available on-line. Our web site contains **bulletins** issued on a monthly basis, as well as the following:

- Program Information Brochure
- *Canada Small Business Financing Act*
- *Canada Small Business Financing Regulations*
- Guidelines for Lenders
- How to use the *Canada Small Business Financing Act: A Self-Learning Tool for Lenders*
- All our **Forms for use by Lenders**, such as the registration form, claim for loss form, which can be downloaded in Microsoft, Jetform or PDF
- SBLA Annual Report 1997-98.

Also included, are the *Small Business Loans Act* and *Regulations*, other program publications and links to sites related to small businesses, including financial institutions web sites. If your web site is not listed, do not hesitate to contact us and have you linked to our site.

So don't miss out - information at your fingertips when you need it, in the format you need it.

Distribution of bulletins

We would like to emphasize the importance of distributing our bulletins to your

regional and central offices, branches, and any other offices you may have that could deal with the granting and administration of programs loans, realization process and preparation of claims.

On many occasions, we have found lenders calling for clarification on issues that have already been dealt with in prior bulletins. As some of your staff may not have access to the bulletins on the Internet, it would be greatly appreciated if you send them copies.

This is our ninth bulletin, since starting in June, 1999. The bulletins covered the following topics, which had been raised by lenders:

Life and/or disability Insurance; registration form; appraisal; proof of payment and other supporting documents; CSBFA forms; application of the 50% rule; claim submission; transfer of loans between lenders; increase of registered loans; renewal and revision of repayment terms; industry sector; realization of assets; refund of 2% registration fee; interim claim.

We invite you to send us your comments and suggestion to help make this bulletin a simple and informative document that meets your needs.

Small Business Loans Administration

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