U.S. Small Business Administration

Risk Mitigation Framework

Compliance Codes - Documentation to Provide

September 2026

Compliance Check Codes & Docs to Resolve

Compliance Code	Compliance Description	Alert Details	Supporting Documentation
~~801~~	~~NextGen Criminal Record~~	~~Individual currently incarcerated~~	~~If no criminal record exists for the individual identified in the alert: a signed and dated statement from the individual confirming that no criminal record exists or a background report that demonstrates no criminal record exists for this individual.~~ ~~If a criminal record does exist for the individual identified in the alert: court documentation or a signed and dated statement from the individual that describes the specific charge(s), offense date(s), final disposition(s), and disposition date(s).~~
802	NextGen Bankruptcy	Bankruptcy recorded within the past 10 years	If neither the principal nor the business is currently in bankruptcy: • Documentation (such as credit reports or search results from public records) demonstrating that [the business or individual referenced in the code] is not in bankruptcy, or • Court filings with the filing date and discharge date (where applicable), or • Additional court correspondence, or • Bankruptcy forms and documents. If the principal or the business are in bankruptcy: documentation demonstrating that the Bankruptcy Court approved the borrower to obtain additional debt along with a statement from you that you are aware of the bankruptcy proceeding and have made a credit decision that the applicant remains credit worthy.

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803	NextGen Additional Business Affiliation	Principal associated with business(es) other than the borrower business of the loan: [X/Y/Z]	A copy of the Lender's credit memo or other document that demonstrates the Lender's affiliate analysis and the impact on loan eligibility
803	NextGen Additional Business Affiliation	The borrower business is owned by another business entity	
804	NextGen Other Adverse Information (OFAC)	Business identified on OFAC or other watchlist(s)	Documentation confirming the identified business or individual is not on the OFAC or other watchlist. Lender must search all OFAC lists for the names of the borrower and all owners of the borrower. For any matches, the Lender must compare the information on the OFAC lists, including age, address, nationality, sex and any other information available from the OFAC lists, against the information provided by the borrower and/or its owners to determine whether it is a true match or a false positive.
804	NextGen Other Adverse Information (OFAC)	The input name matches the OFAC file	

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805	NextGen Potential Decedent Application	The input SSN is reported as deceased; Date of death: [YYYYMMDD]	Documentation confirming the identified individual is not deceased, such as: 1. A notarized Identity affidavit, signed and dated by the individual identified in the alert, and 2. Current proof of identity including a copy of the individual's Social Security Card and driver's license or current valid Identification Card with photo.
805	NextGen Potential Decedent Application	The input identity is reported as deceased; Date of death: [YYYYMMDD]	
806	NextGen Inactive Business	Business no longer active based on available public records	Documentation confirming the business is active: 1. The Secretary of State formation filing, or 2. Filed DBA documents, or 3. A current business license verified by issuing municipal authority, or 4. A current official entity verification certificate from the state of registration, or 5. Filed current-year Income Tax Returns.
806	NextGen Inactive Business	Business no longer active based on Secretary of State registration filing	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	The input SSN is invalid	Documentation confirming the validity of the SSN or EIN, such as: 1. A current Income Tax Return or other recently filed tax forms verifying the Name and Tax ID Number for the borrower and principals, or 2. An SS4 issuing EIN (IRS letter), or 3. Filed DBA document that include the EIN, or 4. A Business License or State License Registration that includes the EIN, or 5. The Social Security Card for the identified individual. Please note: If the EIN or SSN was entered incorrectly in E-Tran, you must make a copy of the application in E-Tran (with all documents), correct the EIN/SSN and resubmit it as a new loan application.

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807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	The input SSN is invalid	Documentation confirming the validity of the SSN or EIN, such as: 1. A current Income Tax Return or other recently filed tax forms verifying the Name and Tax ID Number for the borrower and principals, or 2. An SS4 issuing EIN (IRS letter), or 3. Filed DBA document that include the EIN, or 4. A Business License or State License Registration that includes the EIN, or 5. The Social Security Card for the identified individual. Please note: If the EIN or SSN was entered incorrectly in E-Tran, you must make a copy of the application in E-Tran (with all documents), correct the EIN/SSN and resubmit it as a new loan application.
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	The input SSN/TIN may have been miskeyed	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	The input SSN/TIN was missing or incomplete	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	The input business TIN is potentially invalid	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	The input business TIN may have been miskeyed	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	The input business TIN was missing or incomplete	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	No date of birth information provided on application	State issued Driver's License / ID, US Passport, or a Birth Certificate.
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	Mismatch between date of birth on application and found during person search	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	Unusual application age identified based on submitted date of birth	
807	NextGen Mismatch of TIN (EIN/SSN/ITIN)	No associated date of birth found	

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808	NextGen Mismatch of Entity Name (Individual, Company or DBA)	Unable to verify name	Documentation confirming tithe business name is correct and is associated with the Tax ID entered in Etran, such as: 1. A current Income Tax Return, or other recently filed tax forms, verifying the Name and TIN for the borrower and principals, or 2. A Driver's license or current valid Identification Card with photo, or 3. The borrower's Social Security Card. Please note: If the EIN or SSN was entered incorrectly in E-Tran, you must make a copy of the application in E-Tran (with all documents), correct the EIN/SSN and resubmit it as a new loan application.
808	NextGen Mismatch of Entity Name (Individual, Company or DBA)	The input business TIN is associated with a different business name and address	
808	NextGen Mismatch of Entity Name (Individual, Company or DBA)	Unable to verify business name on business records	
809	NextGen Illegal Activity	The Borrower business is potentially a marijuana related business	Please provide a copy of the Credit Memo.
809	NextGen Illegal Activity	The Principal business is potentially a marijuana related business	Please provide a copy of the Credit Memo.
810	NextGen Incarcerated	Principal/Guarantor, as entered in ETRAN, currently incarcerated	If no criminal record exists for this individual, please submit a signed and dated statement from the individual confirming that no criminal record exists or a background report that demonstrates no criminal record exists for this individual. If a criminal record does exist for this individual, please provide court documentation or a signed and dated statement from the individual that describes the specific charge(s), offense date(s), final disposition(s), and disposition date(s). Please Note: Your documentation must sufficiently address the criminal record.

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~~811~~	~~NextGen Probation~~	~~Principal/Guarantor, as entered in ETRAN, currently on probation~~	~~If no criminal record exists for this individual, please submit a signed and dated statement from the individual confirming that no criminal record exists or a background report that demonstrates no criminal record exists for this individual.~~ ~~If a criminal record does exist for this individual, please provide court documentation or a signed and dated statement from the individual that describes the specific charge(s), offense date(s), final disposition(s), and disposition date(s). Please Note: Your documentation must sufficiently address the criminal record.~~
~~812~~	~~NextGen Parole~~	~~Principal/Guarantor, as entered in ETRAN, currently on parole~~	~~If no criminal record exists for this individual, please submit a signed and dated statement from the individual confirming that no criminal record exists or a background report that demonstrates no criminal record exists for this individual.~~ ~~If a criminal record does exist for this individual, please provide court documentation or a signed and dated statement from the individual that describes the specific charge(s), offense date(s), final disposition(s), and disposition date(s). Please Note: Your documentation must sufficiently address the criminal record.~~

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813	NextGen Citizenship	The input SSN, as entered in ETRAN, was potentially issued to a non-US citizen	• **If individual(s) is a US Citizen**, please upload into E-Tran a copy of their Birth Certificate, Passport, or Certificate of Naturalization for proof of US Citizenship. • **If the individual(s) constituting majority ownership of 51% or above is an LPR**, you must submit the following documents: 1. USCIS Form G-845 2. Release/ Authorization Form: the Release/Authorization form must be signed by the alien and must include the name, address, date of birth, and one of the following statements required by USCIS: "I authorize the U.S. Citizenship and Immigration Services to release information regarding my immigration status to [name of SBA Lender], because I am applying for a U.S. Small Business Administration loan." or "I authorize the U.S. Citizenship and Immigration Services to release alien verification information about me to [name of SBA Lender], because I am applying for a U.S. Small Business Administration loan." 3. Immigration Card: (current copy of both the front & back of a permanent resident card, employment authorization card, and I-94 card/ document that is required to be accompanied by an immigration VISA and/or Passport)
813	NextGen Citizenship	The input SSN, as entered in ETRAN, is potentially an ITIN	
816	NextGen Large Number of Employees at Residential Business Address	The input business address may be a residential address and has [X] number of employees.	Documentation confirming the business address and number of employees are correct: 1. Proof of an alternate operating address such as a current utility bill or recently filed Income Tax Return listing the correct business address and/or an explanation of why the alternate operating address was not listed on the application form, or 2. A signed statement by the borrower explaining how the borrower's operations and number of employees can be supported from a residential address, or 3. Proof that the borrower's address entered in E-TRAN is not a residential address.

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817	Do Not Pay - Death Sources	Principal/Guarantor, as entered in ETRAN, appears to be deceased	Documentation confirming the identified individual is not deceased, such as: 1. A notarized Identity affidavit, signed and dated by the individual identified in the alert, and 2. Current proof of identity including a copy of the individual's Social Security Card and driver's license or current valid Identification Card with photo.
818	Do Not Pay - SAM	Applicant, Principal or Guarantor appears to be on System for Award Management (SAM) Exclusion List	Lender must obtain proof that the borrower is not on the System for Award Management (SAM) Exclusion list such as: a. Documents validating business is not debarred b. Documentation demonstrating release of debarment
819	TOP Debt Check	Applicant, Principal or Guarantor listed in TOP Debt Check for delinquent or defaulted federal debt	Documentation showing the debt that was reported to TOP or CAIVRS has been paid in full or the borrower is in a payment plan for the full amount (not a settlement amount) and payments are current.
820	CAIVRS	Applicant, Principal or Guarantor Listed for deliquent or defaulted federal debt	Documentation showing the debt that was reported to TOP or CAIVRS has been paid in full or the borrower is in a payment plan for the full amount (not a settlement amount) and payments are current.
822	Do Not Pay NextGen - OFAC	Possible OFAC Match. Name XXX	Documentation confirming the identified business or individual is not on the OFAC or other watchlist. Lender must search all OFAC lists for the names of the borrower and all owners of the borrower. For any matches, the Lender must compare the information on the OFAC lists, including age, address, nationality, sex and any other information available from the OFAC lists, against the information provided by the borrower and/or its owners to determine whether it is a true match or a false positive.

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823	Potential match between Participants and Agent names	Possible Agent Match. XXX might be an SBA Agent in active SBA loans	If applicant or owners of applicant are not involved in packaging SBA loans, please provide a signed and dated statement confirming that alerted individual/entity was not involved in packaging SBA loans. If applicant or owners of applicant are involved in packaging SBA loans, please provide the credit memo other supporting documentation demonstrating that no more than 1/3 of annual gross revenue was earned from packaging SBA loans.
824	SBLC may not make a loan to an Applicant that has received funding from a SBIC that is an Associate of SBLC	SBLC Match: XXX has potentially received financing (or a commitment for financing) from a Small Business Investment (SBIC) that is an Association of the SBLC	If applicant has not received financing (or a commitment for financing) from a Small Business Investment (SBIC) that is an Associate of the SBLC, the SBLC must submit a signed statement confirming that the applicant has not received funding from an SBIC that is an associate of the SBLC. If applicant has received financing (or a commitment for financing) from a Small Business Investment (SBIC) that is an Associate of the SBLC, the loan is ineligible.

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825	Applicant have Potential Active Indictment	Potential Indictment Match: public records show that [Identified individual and/or entity], is currently under an active indictment from the court of [Identified Court].	If no indictment exists for the individual identified in the alert, provide below documents, certifying [Identified Individual (DOB MM/DD/YYYY)], does not in fact have an Active Indictment from the court of [Identified Court] : • *A signed and dated statement from the individual confirming that no criminal record exists* ***OR*** • *A background report that demonstrates no criminal record exists for this individual* ***OR*** • *A Certificate of Name Search issued by the Court* If an indictment does exist for this individual: court documentation or a signed and dated statement from the individual that describes the specific charge(s), and offense date(s).
830	Do Not Pay – BOP currently Incarcerated	Principal/Guarantor, as entered in ETRAN, currently incarcerated	If no criminal record exists for this individual, please submit a signed and dated statement from the individual confirming that no criminal record exists or a background report that demonstrates no criminal record exists for this individual. If a criminal record does exist for this individual, please provide court documentation or a signed and dated statement from the individual that describes the specific charge(s), offense date(s), final disposition(s), and disposition date(s). Please Note: Your documentation must sufficiently address the criminal record