

Factors Influencing the Use of SBLF Funds Survey | 2013

INSTRUCTIONS

The Small Business Jobs Act of 2010 (the Act) that established the SBLF program also created the SBLF Oversight Office within the Treasury Office of Inspector General to conduct, supervise, and coordinate audits and investigations of the SBLF program. Consistent with this authority, as well as that provided at Section 6 of the Inspector General Act of 1978, as amended, we require all current and former SBLF participating institutions to accurately complete and timely submit the enclosed Factors Influencing the Use of SBLF Funds Survey. This survey includes questions about: (1) use of capital provided by the SBLF program; (2) factors influencing the use of SBLF funds and participation in the SBLF program; (3) your plans for SBLF capital repayment and exiting the program; and (4) Treasury's administration of the SBLF program. Two questions on this survey (questions #1 and #6) relate to information you provided on Treasury's 2012 SBLF Lending Survey with responses due October 2012. **Please contact us (contact information provided below) if you are unable to access your responses to Treasury's Lending Survey.**

SUBMISSION OF THIS SURVEY

Please submit your responses to this survey by **TBD date** by electronically entering the requested data directly onto the survey form and emailing the completed survey to the SBLF Oversight Office at SBLFSurveyOIG@oig.treas.gov. For institutions using digital signatures, the completed electronic survey is submitted as a single document. For institutions using handwritten signatures, both the completed electronic survey and a scanned copy of the entire survey, including the signature page, must be submitted.

FREEDOM OF INFORMATION ACT

Respondents are notified that this survey, as a record of the Office of the Special Deputy Inspector General for SBLF Oversight Office, may be subject to requests for disclosure made under the Freedom of Information Act, 5 U.S.C. Section 552 (FOIA). It is the policy of the United States Government and the SBLF Oversight Office to make public records available unless a disclosure exemption incorporated in the FOIA is specifically applicable. Information provided in this survey that qualifies as proprietary information under Exemption 4, 5 U.S.C Section 552(b)(4), will not be released in response to a FOIA request or otherwise be made available without consultation with the information provider. For further information, contact the Office of Counsel, Treasury Office of Inspector General, 740 15th Street, N.W., Washington, D.C. 20005, 202-927-0650, OIGCounsel@oig.treas.gov.

QUESTIONS

If you have any questions regarding the completion of this survey, please contact OIG staff at SBLFSurveyHelp@oig.treas.gov.

PLEASE NOTE: We may contact you after you submit the survey if we have questions about your answers.

SIGNATURE

I attest that this lending survey is true and correct to the best of my knowledge and belief, and any estimates we provided are good faith estimates:

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Signature of Senior Executive

Date

--	--

Name of Senior Executive

Title

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Name of Institution

--	--	--

City

State

Zip

SBLF#				
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Is your institution a Small Business Administration (SBA) Lending Partner? **Yes** **No**

The Federal Government may not collect, and the public is not required to respond to, an information collection request unless it displays a valid OMB Control Number. The control number for this collection is [1505-0247](#) (expires **TBD date**). The public reporting burden for this information collection is estimated to be 2 hours, including time to gather and maintain data in the required form and to review instructions and complete the information collection.

Part I. Use of Capital Provided by the SBLF Program

For **Questions 1-7**: Please provide your institution's most complete response to the following questions. We understand that the cash associated with SBLF funding may not be readily distinguishable from other cash sources. However, we are seeking to understand if the SBLF funding provided had a significant impact on your small business lending program.

1. In answering Treasury's Fall 2012 SBLF Lending Survey you were asked to identify actions "that your institution may not have taken without the SBLF funding." Can you estimate how your institution used the SBLF funds you received? **Yes** **No**

If Yes, please estimate the percentage and dollar amount of the **SBLF funding** your institution received, that was used to:
(Please exclude actions that occurred prior to the date you received SBLF funding)

	Estimated % of SBLF Funding Received Used for this Purpose	Estimated \$ Amount of SBLF Funding Received Used for this Purpose
a) Increase <u>small business lending</u>	%	\$
b) Increase <u>other lending</u>	%	\$
c) Increase securities purchased (e.g., ABS, MBS)	%	\$
d) Make other investments	%	\$
e) Increase reserves for non-performing assets	%	\$
f) Reduce borrowings	%	\$
g) Increase charge-offs	%	\$
h) Purchase another financial institution or purchase assets from another financial institution	%	\$
i) Held as non-leveraged increase in total capital	%	\$
j) Pay dividends or redeem outstanding equity or debt	%	\$
k) Other action(s) (specify): _____	%	\$
TOTAL (\$ should total to the dollar amount of the SBLF funding received)		\$

2. Has the SBLF funding allowed your institution to increase the availability of credit for small businesses? **Yes** **No**

If you answered yes: describe how SBLF funding allowed your institution to increase credit to small businesses. **If you answered no:** describe the reasons why your institution has not been able to increase credit to small businesses.

3. Please select the most appropriate answer to reflect the percent of qualified small business lending gains as of Quarterly Supplement Report (QSR) based on the **March 31, 2013** Call Report that was attributable to SBLF funding:

	Choose One Answer Only
a) We had an increase in qualified small business lending in which: _____% was attributable to the SBLF funds received	
b) The percentage of reported qualified small business lending gain attributable to SBLF funds cannot be isolated	
c) We <u>did not</u> report an increase in qualified small business lending	

4. Please **estimate** the dollar value of NEW loans or credit lines your institution made between the date you received SBLF funding and the end of Quarterly Supplement Report (QSR) based on the **March 31, 2013** Call Report. NEW loans or credit lines are defined as:*

- a) a new loan or credit line from a **totally new lending relationship** for the bank (includes an existing customer who has no borrowing history), or
- b) a new loan or credit line from an **affiliate** of an existing loan customer, or
- c) a new loan or credit line to an existing loan customer, or
- d) an increase in an outstanding loan or paid off credit line (where only the **increase** is reported):

	Lending \$s (in thousands) from date of SBLF funding through QSR based on March 31, 2013 Call Report data
NEW (as defined above in a), b), c) and/or d)) qualified small business lending	\$
NEW (as defined above in a), b), c) and/or d)) lending that is not qualified small business lending	\$
Total NEW lending	\$

* If your accounting system does not break down information as requested, please make your best good faith estimate.

5. Please **estimate** the dollar value of RENEWED loans or credit lines your institution made between the date you received SBLF funding and the end of Quarterly Supplement Report (QSR) based on the **March 31, 2013** Call Report. RENEWED loans or credit lines are defined as:*

- a) an **extension** of an outstanding loan or credit line with an existing loan customer or re-borrowing of a paid loan, or
- b) an outstanding loan or credit line with a: (1) **structural change** (i.e., to or from a revolving loan or a line of credit), (2) **change in maturity** (i.e., from less than one year to more than one year), or (3) **change in collateral** (i.e., from/to secured or unsecured or a change in the nature of the collateral) where a change in the internal tracking system would classify this as a new loan or credit line:

	Lending \$s (in thousands) from date of SBLF funding through QSR based on March 31, 2013 Call Report data
RENEWED (as defined above in a), and/or b)) qualified small business lending	\$
RENEWED (as defined above in a), and/or b)) lending that is not qualified small business lending	\$
Total RENEWED lending	\$

* If your accounting system does not break down information as requested, please make your best good faith estimate.

6. In answering question 9 (c)(i) from Treasury's Fall 2012 SBLF Lending Survey, which of the following did you report as NEW qualified small business loans or credit lines your institution **made** over the last year?

	Included	Percent of \$ Dollar Value of New QSBL Reported*
a) A new loan or credit line from a totally new lending relationship for the bank		%
b) A new loan or credit line from an affiliate or related party of an existing customer		%
c) An increase in an outstanding loan or credit line (only the increase is reported)		%
d) An increase in an outstanding loan or credit line (both increase and prior loan or credit line is reported)		%
e) An outstanding loan or credit line with a: (1) structural change (i.e., to or from a revolving loan or a line of credit), (2) change in maturity (i.e., from less than one year to more than one year), or (3) change in collateral (i.e., from/to secured or unsecured or a change in the nature of the collateral) where a change in the internal tracking system would classify this as a new loan or credit line		%
f) Other (specify): _____		%
TOTAL		

* Your response in this column represents a breakdown (by percentage) of the dollar amounts your institution reported on Treasury's Fall 2012 SBLF Lending Survey question 9(c)(i) for the four types of qualified small business lending (QSBL).

7. (CDLFs do not answer, skip to question #8) Please choose one answer that best describes your institution's experience with obtaining Treasury's small business lending goal of 10% greater than the adjusted baseline:

	Choose One Answer only
a) The 10% goal was not difficult because our institution met the goal <u>before we applied</u>	
b) The 10% goal was not difficult because our institution met the goal <u>after we applied</u> but <u>before we received SBLF funding</u>	
c) The 10% goal was not difficult for our institution because our institution met the goal <u>since receiving funding</u>	
d) The 10% goal was somewhat challenging for our institution, but we have <u>met it</u>	
e) The 10% goal is somewhat challenging for our institution, but we <u>expect to meet it</u>	
f) The 10% goal is very challenging for our institution, but we <u>expect to meet it</u>	
g) The 10% goal is very challenging and our institution <u>does not expect to meet it</u>	

For **Question 8**: Please select one button in each row that most closely describes the importance of each intended use of funds influencing your decision to apply to the SBLF program. Use the description box to further explain why certain factors were "very important" in the decision to apply to the SBLF program.

8. How important were the following intended uses of funds when deciding to apply to the SBLF program?

	Not Applicable	Not Important	Somewhat Important	Very Important
a) For a source of capital to make qualified small business loans or lines of credit				
b) For a source of capital to enable other non -qualified small business lending				
c) For a source of capital to enable other investments				
d) For a capital base to leverage deposit growth in order to increase assets by a multiple of the SBLF capital				
e) For a low cost source of capital				
f) To provide capital not otherwise available to exit TARP				
g) To obtain a more stable source of equity than TARP funding to be used as a base to leverage asset growth with deposits				
h) To pay dividends or redeem outstanding equity or debt				
i) Achieving a higher capitalization ratio (Equity to Assets)				

j) Other use(s) (specify): _____

For each factor characterized as "very important" or "somewhat important" above, please explain:

Part II. Factors Influencing the Use of SBLF Funds and Participation in the SBLF Program

For **Questions 9-12**: For each yes answer, please select one button in each row that most closely describes the importance of the listed factor influencing your institution's use of SBLF funding. Please answer the question for the time period from the **date your institution received the SBLF funding through the Quarterly Supplement Report (QSR) based on the March 31, 2013 Call Report.**

9. Did your institution use SBLF funding to increase QUALIFIED SMALL BUSINESS LENDING or reduce it by less than otherwise would have occurred? **Yes** **No**

If Yes, how important were the following factors in your use of SBLF funding to increase QUALIFIED SMALL BUSINESS LENDING?

	Not Important	Somewhat Important	Very Important
a) Ability to increase customer deposits for additional funding of loans			
b) Requirement of the SBLF program incentive to achieve a lower dividend rate			
c) Increase in loan demand			
d) Ability to achieve sufficient loan margin			
e) Change in credit standards or risk tolerance			
f) Other factor(s) (specify): _____			

10. (If you answered yes to question #9, skip to question #11) If you answered No to question #9, your institution did not use SBLF funding to increase QUALIFIED SMALL BUSINESS LENDING or reduce it by less than otherwise would have occurred, how important were the following factors?

	Not Important	Somewhat Important	Very Important
a) Downgrade in economic conditions or outlook			
b) Insufficient demand for small business loans			
c) Wanted to increase capital			

d) Insufficient loan margin			
e) Other factor(s) (specify): _____			

11. Did your institution use SBLF funding to increase OTHER TYPES OF LENDING (OTHER TYPES OF LENDING **does not include** qualified small business lending) or reduce it by less than otherwise would have occurred? **Yes** **No**

If Yes, how important were the following factors in your use of SBLF funding to increase OTHER TYPES OF LENDING?

	Not Important	Somewhat Important	Very Important
a) Achieving a higher capitalization ratio (Equity to Assets)			
b) Ability to increase customer deposits for additional funding of loans			
c) Better economic conditions or outlook			
d) Ability to achieve sufficient loan margin			
e) Increase in loan demand			
f) Other factor(s) (specify): _____			

12. Did your institution use SBLF funding to hold SBLF FUNDS AS A NON-LEVERAGED INCREASE IN TOTAL CAPITAL, or INCREASE RESERVES? **Yes** **No**

If Yes, how important were the following factors in your use of SBLF funding to hold SBLF FUNDS AS A NON-LEVERAGED INCREASE IN TOTAL CAPITAL, or INCREASE RESERVES?

	Not Important	Somewhat Important	Very Important
a) Achieving a higher capitalization ratio (Equity to Assets)			
b) Anticipated increases in capital regulatory requirements			
c) Downgrade in economic conditions or outlook			
f) Other factor(s) (specify): _____			

For Questions 13-14: Please provide your institution's most complete response to the following questions.

13. Did your institution use SBLF funding to take OTHER ACTION(S) not already addressed in the above questions (#9 - #12) such as hiring lending personnel or increasing marketing efforts? **Yes** **No**

If Yes, please describe the OTHER ACTION(S), factors contributing to taking action, and the importance of factor(s) leading to this action:

14. (CDLFs do not answer, skip to question #15) Please answer for the Quarterly Supplement Report based on the **March 31, 2013** Call Report:

- a) If your institution **is paying** the lowest dividend rate (1% for C-Corps and Savings Associations, or 1.5% for S-Corps and Mutuals), what factors will incentivize your institution to continue to increase your qualified small business lending before your dividend rate resets?

To continue to leverage the SBLF funding to increase overall returns to the institution
Other factor(s)

If Other factor(s) was selected, please list those factor(s):

- b) If your institution **is not paying** the lowest dividend rate, is your institution planning to increase qualified small business lending to achieve the lowest rate? **Yes** **No**

Part III. Plans for SBLF Capital Repayment and Exiting the Program

Questions 15-17: Please provide your institution's most complete response to the following questions.

15. How long does your institution plan to **stay** in the SBLF program? Please choose one answer:

	Choose One Answer only
a) (Banks, S-Corps, Mutuals, Holding Companies) BEFORE the 10 th quarter after funding (variable rate period)	
b) (Banks, S-Corps, Mutuals, Holding Companies) BETWEEN the 10 th quarter and year 4 ½ (fixed rate period)	
c) (Banks, S-Corps, Mutuals, Holding Companies) AFTER year 4 ½ (9% rate period)	
d) (CDLFs) BEFORE the end of the 8 th year (fixed rate 2% period)	
e) (CDLFs) AFTER the end of the 8 th year (9% rate period)	
f) We <u>do not know</u> how long we plan to stay in the SBLF program	

16. What factor(s) would influence your institution to **exit** the SBLF program? Please rate the importance of each answer:

	Not Important	Somewhat Important	Very Important
a) Reset of the dividend rate to an undesirable level			
b) Insufficient demand for small business lending			
c) Capital markets are conducive to an equity offering to raise replacement capital			
d) Sale of your SBLF senior preferred stock/ securities/equity equivalent by Treasury			
e) Ability to reduce administrative requirements associated with being in SBLF program			
f) Can get a cheaper source of capital			
g) Other factor(s) (specify): _____			

17. For your institution's remaining SBLF capital balances, does your institution intend to keep all or part of the SBLF funding as long-term or permanent capital? **Yes** **No** **Don't know** **Not applicable (Our institution is a CDLF, S-Corp. or Mutual)**

Part IV. Treasury's Administration of the Program

Questions 18-19: Please select one button in each row that most closely describes your level of satisfaction with Treasury's administration of the SBLF program. Both questions seek additional comments in which you will describe in greater detail what areas you were very satisfied with Treasury's administration of the SBLF program and in what areas you were unsatisfied with Treasury's administration of the SBLF program.

18. In getting the program started, how satisfied were you with Treasury's roll out and **initial execution** of the SBLF program:

	Unsatisfied	Somewhat Satisfied	Very Satisfied
a) Timeliness of the application approval			
b) Clarity of guidance for applying to the program			
c) The ease of the application process			
d) Clarity of the marketing material describing the program			
e) Clarity of the terms of the program			
f) Amount of funds made available			
g) Other areas (specify): _____			

For items selected above in which you were very satisfied or somewhat satisfied, please elaborate:

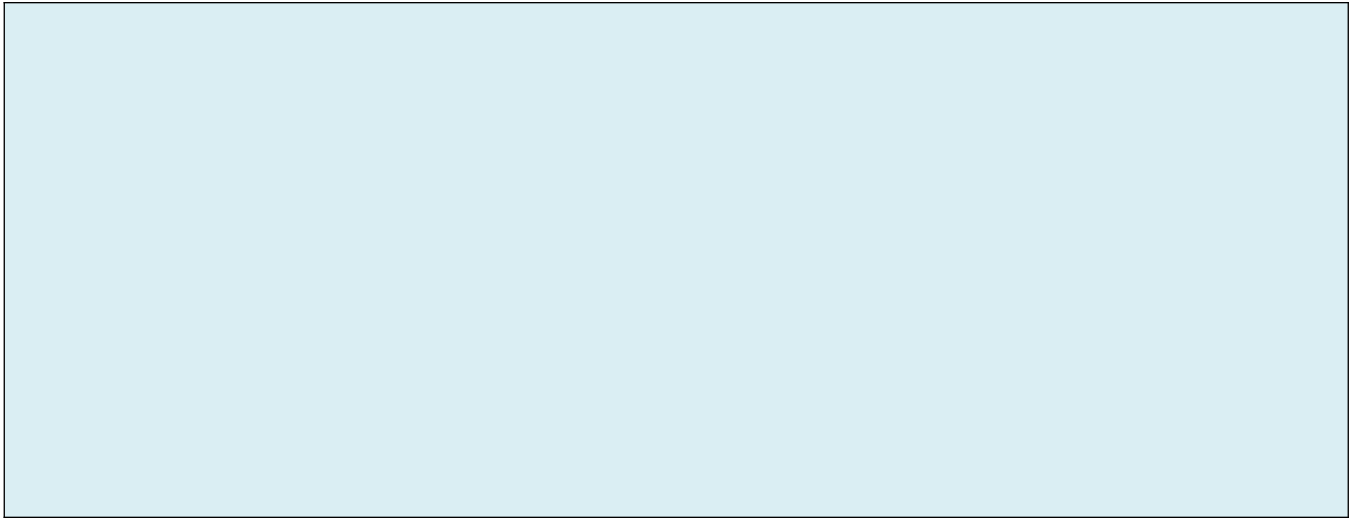
For each item selected above in which you were unsatisfied, please elaborate:

19. How satisfied are you with the way Treasury is performing in the following areas **over the past year**:

	Unsatisfied	Somewhat Satisfied	Very Satisfied
a) Level of responsiveness in communications with your institution			
b) Management of quarterly supplemental reporting process including data validation and quality control reviews			
c) Resolving questions/concerns you have about the program, reporting requirements or other issues			
d) Timely notification of certification filing deadlines			
e) FAQs or webinars concerning topics of interest to your institution			
f) Handling of the dividend rate payment process			
g) Handling of SBLF capital repayment process (check here if this area is not applicable to your institution)			
h) Handling of fees and penalties for non-compliance with required filings (check here if this area is not applicable to your institution)			
f) Other area(s) (specify): _____			

For items selected above in which you are very satisfied or somewhat satisfied, please elaborate:

For each item selected above in which you are unsatisfied, please elaborate:



Part V. Additional Comments

Use the following comment box to make note of any survey question that was not clear to you, to further explain any of your answers, or to make additional comments about the SBLF program.

Additional comments:

