



PARRiS Analytical Review Information Request

SBA 7(a) Loan Program Review Attachment to Notice of Review

In accordance with 13 CFR §120.1000 (Risk-Based Lender Oversight) and 13 CFR §120.1050 (Reviews and Examinations), SBA conducts reviews of the SBA loan operations of SBA Lenders. The information requested below assists in SBA's evaluation of the Federally Regulated 7(a) Lender's (Lender's) portfolio performance; SBA operations management; credit administration; and, compliance with Loan Program Requirements.¹ Submission of this information is required so that SBA can conduct that evaluation.

Instructions for the submission of requested information are in the attached cover letter.

**Please note, in general, for information that has already been provided by a Lender, but is unchanged, the Lender may certify that the information was already provided and is unchanged in lieu of resubmitting the information. The certification that must accompany this document submission must also state to whom and on what date the information was provided to SBA.

Attachment A

Information Request -- Documents	Information Provided? (Yes, No, NA)
1. Management and Operations	
a. Summary of delegations and responsibilities for SBA Program executives/managers	
b. Final or, if reports have not been finalized, draft reports received within last two years related to: <ul style="list-style-type: none"> i. Internal audits, examinations, reviews, compliance matters, and management letters ii. External audits, reviews, risk management, and management letters iii. Management's response and summary of actions taken 	
c. Reports related to Lender's program objectives for its SBA portfolio growth, performance, product lines, and geographic and industry (NAICS) concentrations.	
d. If the Bank is currently operating under a regulatory order, provide a statement regarding your institution's level of compliance, as appropriate.	

¹ Information requested may be applicable to the evaluation of more than one area

PLEASE NOTE: You are not required to respond to any collection of information unless it displays a currently valid OMB Approval number. The number for this collection of information is 3245-0365. The total estimated time to respond to this collection of information, including gathering and maintaining the data needed, and completing and reviewing the collection of information, is 960 minutes. You may send comments or questions regarding this estimated time or any other aspect of this collection of information including suggestions for reducing the time or other burden to: Director, Records Management Division, 409 Third Street, S.W., Washington D. C. 20416, and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington DC 20503.

2. Compliance with Loan Program Requirements	
<p>a. Loan Agents:</p> <ul style="list-style-type: none"> i. Provide Lender’s written policy on or narrative describing the Lender’s use and monitoring of loan agents, including brokers, referral agents, packagers, or similar parties. ii. For all SBA guaranteed loans referred by an agent, provide a list of loans by agent and the current status of each loan (current, past due, in deferment, in liquidation, charged-off). iii. Documentation or evidence that the Lender has consulted the System for Awards Management’s (SAM) Excluded Parties List System (EPLS) or any successor system to determine if an employee or an Agent has been debarred, suspended or otherwise excluded by SBA or other federal agency. (https://www.sam.gov/portal/SAM/) 	
<p>b. Lender Service Providers (LSPs):</p> <ul style="list-style-type: none"> i. Provide a list of LSPs and documentation including a copy of the LSP Agreement and date of contract acceptance by the SBA. <ul style="list-style-type: none"> 1. If the LSP assists with origination, provide details on who prepares and approves the credit memo. 2. For servicing and liquidation activities, describe who (Lender or LSP) is in contact with the applicable SBA processing center. 3. Who has physical possession of the loan files? ii. Provide the name of the Lender staff who manages the LSP relationship (i.e. vendor management) as well as a copy of policies and/or procedures regarding the use, oversight and management of the LSP(s). iii. Provide any reporting information by the Lender (e.g., to management or the Board) regarding the performance of the LSP(s). iv. Provide a summary describing any revisions or changes to the original LSP Agreement and date of revised contract acceptance by the SBA. If the revised LSP Agreement has not been submitted to the SBA for review, please do so now via email (LSPAgreements@sba.gov) and provide a copy of the submission email. <p>b. If the LSP Agreement has been terminated, provide a copy of the termination letter or email submitted to the SBA.</p>	

<p>c. Secondary Market Activity:</p> <ul style="list-style-type: none"> i. Provide a signature card related to the Fiscal Transfer Agent account (commonly referred to as an “FTA Account”) that is titled in accordance with SBA Form 1086. ii. Provide a copy of a bank statement with recent activities for the aforementioned FTA account. 	
3. Portfolio Performance	
<p>a. Complete the Supplemental Loan Information sheet for the loans listed in Attachment D (below).</p>	

Attachment B

Information Request – Questions
1. Management and Operations
<p>a. What changes have been made in the management/staffing and objectives related to SBA activities since the last Review or for the last 2 years?</p>
<p>b. What changes have been made related to SBA approval responsibilities and delegations over the last 2 years?</p>
<p>c. Does your institution have a centralized SBA department with centralized authority for originating, underwriting, servicing, and liquidation?</p> <ul style="list-style-type: none"> i. If yes, provide details. ii. If not, please provide structural details providing specifics for activities (originating, underwriting, servicing, liquidating, etc.).
2. Portfolio Performance
<p>a. Is any portion of your institution’s SBA portfolio acquired? If so, please provide information surrounding the acquisition; date of acquisition, integration of the portfolio, tracking, and any other pertinent information.</p>
<p>b. Has the institution securitized the unguaranteed component of any of its SBA loans? If so, please provide details regarding the securitization.</p>
<p>c. Please provide an explanation of the higher risk metrics listed below. <i><Insert metrics scored at “5”></i> Please include the following in your explanation:</p> <ul style="list-style-type: none"> i. Loans that make up the numerator of the metric; ii. Any borrower or industry concentrations within the numerator of the metric; iii. Any reporting issues that may have affected the metric (in particular, the Early Default Rate, Early Problem Rate, or 1502 Reporting Rate); and iv. Any policy/management issues that may have affected the metric.
<p>d. Please provide an explanation of the PARRiS Flags listed below. <i><Insert Flags></i></p>

Attachment D²

For the loans listed (provided by SBA), please provide the following information:

1. Historical Debt Service Coverage Ratio.
2. Year 1 Pro-Forma Debt Service Coverage Ratio.
3. Year 2 Pro -Forma Debt Service Coverage Ratio.
4. Pro-Forma Debt-to-Worth Ratio.
5. Pro-Forma Current Ratio.
6. Percentage of Owner Investment (relative to entire project).
7. Same Institution Debt Refinancing.
8. Reason(s) why the credit was unavailable to the borrower without the SBA guaranty.

² Attachment C is part of the PARRiS Full Review information request.