

## Good Delivery Requirements Small Business Administration Loans (SBA) Primary Loan Transactions (Lender's Initial Sale into the Secondary Market)

Note: Loan must be properly closed and fully disbursed prior to settlement date in the secondary market.

### Documents to be included in all transaction packages:

- A. **SBA Form 1086, completed and executed by Lender.**
  - 1. Corrections or whiteouts are not accepted by Colson Services Corp. (the Fiscal & Transfer Agent for SBA)
  - 2. Must be assigned to **FHN Financial Capital Markets**
- B. **Copy of the Promissory Note (SBA Form 147), and any Modification or Addendum.**
  - 1. Corrections or whiteouts are not accepted by Colson Services Corp.
  - 2. **SBA Loan Number must be identified on Note or any Modification/Change in Terms Agreement.**

Step 1: The following legend must be printed on the *original note*, signed and dated by an authorized officer of the bank: "The guaranteed portion of the outstanding principal balance of this note has been transferred to a Registered Holder for value." Upon completion, make a **COPY of the Original Note**. The signature on the legend will be a photocopy.

Step 2: On the **COPY of the Original Note, Modification or Addendum** the following certification must be printed: "We certify this document to be a true and correct copy of the Original Note." **This certification must also be signed and dated (Preferably in blue ink). Signature must be original signature on the certification (A photocopy is not acceptable.)**

Please see *Sample Certification and Legend* on page 2 of this document.

### SBA REQUIREMENTS FOR LOANS SUBMITTED TO FTA ON OR AFTER MAY 1, 2017:

If loan is subject to a variable interest rate, the Note language **MUST** clearly delineate the initial rate, the first interest adjustment date, and the specific frequency of the subsequent adjustment dates (*i.e., initial interest rate of 6.75% until the first adjustment date of 7/1/2017. Future Adjustments shall occur on a calendar quarter basis.*) If the Note does not contain this specific language, Lender **MUST** provide a **signed and certified** copy of a Modification reflecting the same required language (relating to the initial rate, 1st adjustment date, and subsequent adjustment dates referenced above).

- C. **Copy of SBA Loan Authorization — SBA's formal approval of the guaranteed loan.**
- D. **Payment History indicating the current status of Borrower;** if new loan, please send transcript showing date(s) and amounts of disbursement(s) to borrower.
- E. **Documentation from the SBA approving any changes in the U.S. Small Business Administration Authorization that affect repayment terms (the Note) must accompany this form.**
- F. **W-9 on Current Form** if this is the first time for Lender selling loans into Secondary Market.

Please submit the document package to:

**FHN Financial Capital Markets**  
**Attn: Settlement Dept.**  
**920 Memorial City Way, 11th Floor**  
**Houston, TX 77024**

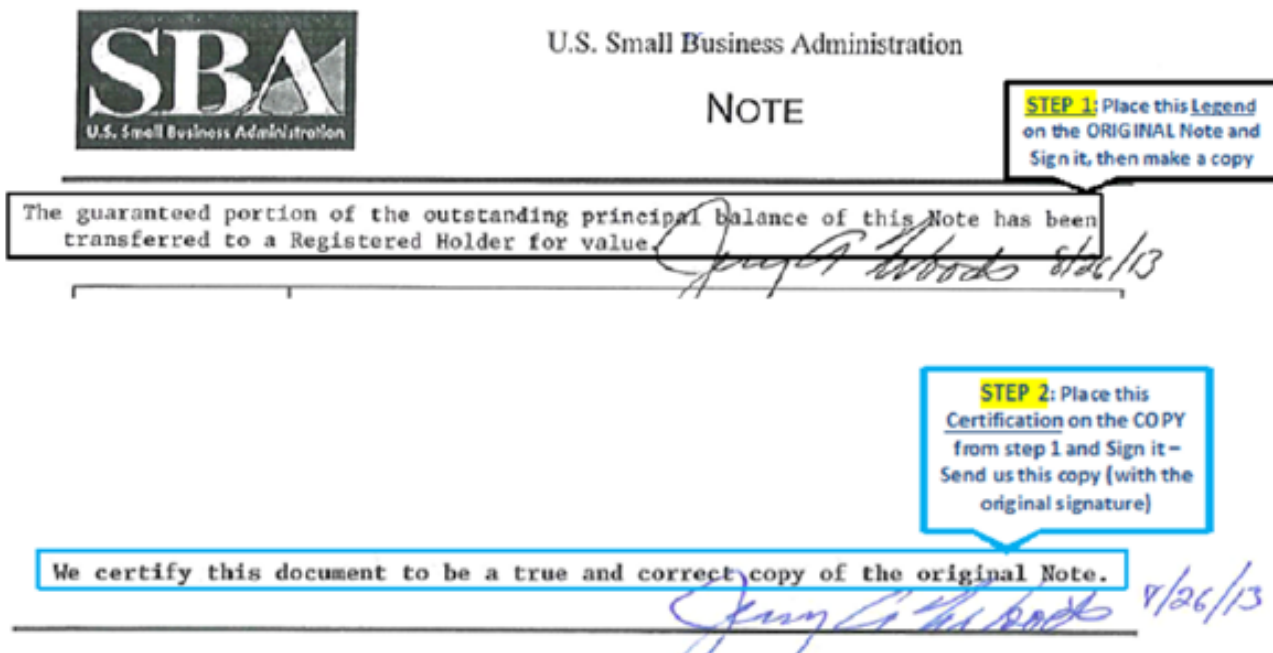
Upon receipt and verification of the above information, FHN Financial Capital Markets ("FHN Financial") will submit the complete document package to Colson Services Corp., the Fiscal and Transfer Agent (FTA) for SBA.

Colson Services Corp. will review and approve the completed document package and notify FHN Financial to arrange a settlement date with the originating lender.

FHN Financial will contact the Lender prior to settlement date to verify the Borrower's last payment date and the remaining principal balance. Settlement will be made by wire transfer of funds on the designated date agreed upon by FHN Financial and the Lending Institution. Should you have any questions regarding the above information, please contact your Sales Representative or a Government Loan Specialist at 1.800.489.3232.

### Sample Certification and Legend

1. Place the legend on the original Note and sign it.
2. Make a copy of the entire note.
3. On the copy, place the certification and sign it (send this copy to FHN Financial). You keep the original. You are sending FHN Financial a COPY but certifying with an original signature that it is indeed a "true and correct copy of the original Note."



FHN FINANCIAL  
CAPITAL MARKETS

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SECURITIES CORP.

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CAPITAL ASSETS CORP.

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PORTFOLIO ADVISORS

FHN FINANCIAL  
MAIN STREET ADVISORS

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800.456.5460 | [www.fhnfinancial.com](http://www.fhnfinancial.com)

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