

Good Delivery Requirements — For Use on Settlement Express Small Business Administration Loans (SBA) Primary Loan Transactions (Lender's Initial Sale into the Secondary Market)

During the current COVID-19 and related economic crisis, Guidehouse LLP has shifted all settlement of primary SBA loans to their "Settlement Express" electronic settlement Platform. The following instructions are meant to assist lenders in achieving good delivery during this temporary change in settlement procedures.

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 and prepared for Holder Digital Signature.**
 - 1. Corrections or whiteouts are not accepted by Guidehouse LLP (the Fiscal & Transfer Agent for SBA).
 - 2. Must be assigned to **FHN Financial Capital Markets** as seen on page 2 of this document.
 - 3. Must contain digital signature of lender as well as Certificate of Completion (page 4) validating signature.
- B. Copy of the Promissory Note (SBA Form 147), and any Modification or Addendum.**
 - 1. Corrections or whiteouts are not accepted by Guidehouse LLP.
 - 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, and 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, **SCAN the Original Note.**
 - Step 2: On the **SCAN 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 digitally signed and dated.**

Please see Sample Certification and Legend on page 3 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, first adjustment date, and subsequent adjustment dates referenced above).

- C. Scan of SBA Loan Authorization — SBA's formal approval of the guaranteed loan.**
- D. Scan of 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:
Documents@fhnfinancial.com

Please send one loan package per email and reference your loan's GP # and FHN transaction # in the subject line.

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



FHN FINANCIAL
CAPITAL MARKETS

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Although this information has been obtained from sources which we believe to be reliable, we do not guarantee its accuracy, and it may be incomplete or condensed. This is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. All herein listed securities are subject to availability and change in price. Past performance is not indicative of future results, and changes in any assumptions may have a material effect on projected results. Ratings on all securities are subject to change.

FHN Financial Capital Markets, FHN Financial Portfolio Advisors, and FHN Financial Municipal Advisors are divisions of First Horizon Bank. FHN Financial Securities Corp., FHN Financial Main Street Advisors, LLC, and FHN Financial Capital Assets Corp. are wholly owned subsidiaries of First Horizon Bank. FHN Financial Securities Corp. is a member of FINRA and SIPC — <http://www.sipc.org>.

FHN Financial Municipal Advisors is a registered municipal advisor. FHN Financial Portfolio Advisors is a portfolio manager operating under the trust powers of First Horizon Bank. FHN Financial Main Street Advisors, LLC is a registered investment advisor. None of the other FHN entities, including FHN Financial Capital Markets, FHN Financial Securities Corp., or FHN Financial Capital Assets Corp. are acting as your advisor, and none owe a fiduciary duty under the securities laws to you, any municipal entity, or any obligated person with respect to, among other things, the information and material contained in this communication. Instead, these FHN entities are acting for their own interests. You should discuss any information or material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

FHN Financial, through First Horizon Bank or its affiliates, offers investment products and services. Investment products are not FDIC insured, have no bank guarantee, and may lose value.

12.1.21

CERTIFICATION

By signing below, I hereby certify that I have authority to execute this agreement for the party on whose behalf I am signing, and that all representations made by such party are true and correct to the best of my knowledge. I further acknowledge that false statements made to the U.S. Small Business Administration can result in criminal prosecution under 18 U.S.C. 1001, 15 U.S.C. 645 and other provisions and imposition of civil money penalties under 31 U.S.C. 3729.

In consideration of the mutual promises herein contained, the parties agree to all the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this multi-page Agreement this _____ day of _____ 20_____.

REGISTERED HOLDER:

FHN Financial Capital Markets
 By: DocuSigned by: Mac McDaniel
58334F29CBFA4E (Print Name)
 Title: Vice President

LENDER:

ABC Bank
 By: DocuSigned by: Official C. Lender
E5B50000000000000000000000000000 (Print Name)
 Title: Vice President

Examined and Accepted by:

U.S. SMALL BUSINESS ADMINISTRATION

By: Administrator

U.S. Small Business Administration

FISCAL AND TRANSFER AGENT

By: _____

FTA: _____

Address: _____

NOTICE: THE GUARANTEE OF SBA RELATES TO THE UNPAID PRINCIPAL BALANCE OF THE GUARANTEED INTEREST AND THE INTEREST DUE THEREON. ANY PREMIUM PAID BY THE REGISTERED HOLDER FOR THE GUARANTEED INTEREST IS NOT COVERED BY SBA'S GUARANTEE AND IS SUBJECT TO LOSS IN THE EVENT OF PREPAYMENT OR DEFAULT.

PLEASE NOTE: The estimated burden for completing this form is 1 hour, including time to review, gather information and prepare responses. You are not required to respond to any collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to U.S. Small Business Administration, Director, Records Management Division, 409 3rd 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, D.C. 20503. OMB Approval (3245-0185).

PLEASE DO NOT SEND FORMS TO THESE ADDRESSES.



U.S. Small Business Administration

NOTE

SBA Loan #	000-000-0000
SBA Loan Name	SBA Borrower, LLC
Date	MARCH 13, 2020
Loan Amount	THREE MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 (\$3,250,000.00) DOLLARS
Interest Rate	WALL STREET JOURNAL PRIME PLUS 2.50% (INITIALLY 7.25%)
Borrower	SBA Borrower, LLC
Operating Company	N/A
Lender	Any Bank USA

1. PROMISE TO PAY:

In return for the Loan, Borrower promises to pay to the order of Lender the amount of THREE MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 (\$3,250,000.00) Dollars, interest on the unpaid principal balance, and all other amounts required by this Note.

2. DEFINITIONS:

"Collateral" means any property taken as security for payment of this Note or any guarantee of this Note.

"Guarantor" means each person or entity that signs a guarantee of payment of this Note.

"Loan" means the loan evidenced by this Note.

"Loan Documents" means the documents related to this loan signed by Borrower, any Guarantor, or anyone who pledges collateral.

"SBA" means the Small Business Administration, an Agency of the United States of America.

The guaranteed portion of the outstanding principal balance of this note has been transferred to a Registered Holder for value

Lender
4/14/20

We certify this document to be a true and correct copy of the Original Note.

DocuSigned by:

Official C. Lender

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Certificate Of Completion

Envelope Id: B9EB1C0D37444D2CA9AD239AC4948D69

Status: Completed

Subject: Please DocuSign: sample docusign.pdf

Source Envelope:

Document Pages: 2

Signatures: 3

Envelope Originator:

Certificate Pages: 2

Initials: 0

Mac McDaniel

AutoNav: Enabled

mac.mcdaniel@fhfinancial.com

EnvelopeId Stamping: Enabled

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Record Tracking

Status: Original

Holder: Mac McDaniel

Location: DocuSign

4/14/2020 2:07:29 PM

mac.mcdaniel@fhfinancial.com

Signer Events

Mac McDaniel

mac.mcdaniel@fhfinancial.com

Operations Manager

FHN Financial Capital Markets

Security Level: Email, Account Authentication
(None)

Signature

DocuSigned by:

Mac McDaniel
203F8B7F92F7414...

Timestamp

Sent: 4/14/2020 2:14:52 PM

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Official C. Lender

documents@fhfinancial.com

Operations Manager

Security Level: Email, Account Authentication
(None)

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Agent Delivery Events

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Envelope Summary Events

Status

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Envelope Sent

Hashed/Encrypted

4/14/2020 2:15:37 PM

Certified Delivered

Security Checked

4/14/2020 2:16:15 PM

Signing Complete

Security Checked

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Completed

Security Checked

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