



OMB No. 3245-0212  
OMB EXP. DATE: 11-30-2023

**FORM OF DETACHED ASSIGNMENT  
FOR U.S. SMALL BUSINESS ADMINISTRATION LOAN  
POOL OR GUARANTEED INTEREST CERTIFICATE**

(To Be Effective, This Assignment Must Be Delivered To The Fiscal  
Transfer Agent With The Described Registered Certificate)

I am the owner, or the duly authorized representative of the owner, of the Loan Pool or Guaranteed Interest Certificate described below, and when I purchased such Certificate I was not the Borrower, Lender, or an Associate of the Lender or the small business borrower (as defined in Title 13 Code of Federal Regulations, Part 120).

FOR VALUE RECEIVED, the undersigned assigns and transfers to:

\_\_\_\_\_

Type or print name, address (including zip code)

\_\_\_\_\_

and taxpayer identifying number of assignee

the following described registered Certificate and all rights thereunder, effective as provided in SBA Form 1086, of which the undersigned is the Registered Holder or the duly authorized representative of the Registered Holder:

Certificate Number: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Signature by or on behalf of Registered Holder

I CERTIFY that the above-named person(s) as described, whose identity (or the identity of each of whom) is well known or proved to me, personally appeared before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at

\_\_\_\_\_ and signed the above assignment.

\_\_\_\_\_

City and State

If the signatory is signing on behalf of Registered Holder, I am satisfied that such signatory is properly acting in such capacity.

Signature Guaranteed By: \_\_\_\_\_

\_\_\_\_\_

Signature and title of certifying officer

\_\_\_\_\_

Name

(SEAL)

\_\_\_\_\_

Address

Officers authorized to certify assignments include officers and employees of banks and trust companies incorporated in the United States, its territories or possessions, or the Commonwealth of Puerto Rico, and Federal Savings and Loan Associations, who have been authorized to (i) generally bind their respective institutions by their acts, (ii) unqualifiedly guarantee signatures to assignments of securities, or (iii) expressly certify assignments of securities.

REQUIRED DISCLOSURE INFORMATION MUST BE COMPLETED FOR  
TRANSFER.

## **TRANSFER INSTRUCTIONS**

IT IS THE RESPONSIBILITY OF THE ASSIGNEE TO PRESENT THE CERTIFICATE FOR TRANSFER.

Prior to any sale, Section 5(h)(1)(C) of the Small Business Act, 15 U.S.C. 634 (h)(1)(C), authorizes SBA to “ require the seller to disclose to a purchaser of the guaranteed portion of a loan guaranteed under this Act and to the purchaser of a trust certificate issued pursuant to subsection (g), information on terms, conditions, and yield of such instrument.”

In compliance with this statutory requirement, the seller of a Loan Pool or Guaranteed Interest Certificate must disclose the information on the Form 1088 to the buyer prior to the trade date of a Loan Pool or Guaranteed Interest Certificate. In addition, the seller must submit a properly completed copy of this Form to the Fiscal Transfer Agent (FTA). The FTA will not process transfers unless this requirement is met. The FTA will provide written confirmation of all disclosure information to the buyer when the certificate is delivered.

This certificate must be presented or mailed for transfer and registration into the Assignee’s name at the office of the FTA, Guidehouse LLP, 685 3<sup>rd</sup> Ave 14<sup>th</sup> floor, New York, NY 10017. The newly issued Certificate is available at the offices of the FTA after two (2) business days, or may be mailed according to Assignee's instructions. Certificates will be registered exactly as Assignee's name appears hereon. The FTA may charge any applicable transfer fee payable at the time of presentation.

Record date on the books of the FTA is the last business day of the month. FTA's sole responsibility is to pay the Registered Holder as of the Record Date. No claims for payments will be recognized other than the failure to pay Registered Holder. All other claims for payments, accrued interest, etc., must be presented to the Assignor.

Payment on full redemption of the Guaranteed Interest Certificate will be made only after presentation of the Guaranteed Interest Certificate to FTA by Registered Holder for transfer and registration into the Assignee’s name of “Guidehouse LLP, FTA, in Consideration of Final Payment.” FTA shall retain a final transfer fee upon redemption.

Signature guarantees can take the form of a Medallion Signature Guarantee (STAMP) or a Corporate Seal.

## **SECONDARY MARKET MANDATORY DISCLOSURE INFORMATION**

Pursuant to the disclosure requirements of 15 U.S.C. 636 (h), the undersigned hereby certifies that the following information has been provided to the purchaser, either orally or in writing, prior to sale. The FTA will not process transfers unless this form is submitted with other required transfer documents. FTA will provide Purchaser/Assignee with written confirmation of such disclosure information with the issuance of the new certificate.

This disclosure information provides investors with a constant annual prepayment rate (CPR) determined by the seller to be representative of this security. The purpose of the CPR is twofold: (1) to produce a cash flow yield calculation based upon the past performance of SBA loans and, (2) to help investors choose between SBA loans, pools and alternative investments. Past results are no guarantee of future performance. Individual investors should consider the use of several different CPRs to determine the potential yield on an SBA security.

Fill in either Part A or Part B. For additional information on completing this form please refer to the Secondary Market Program Guide.

### **PART A: POOL CERTIFICATES**

1. Constant Annual Prepayment Rate Assumption, \_\_\_\_\_% per year
2. Weighted Average Maturity. Month \_\_\_\_\_
3. Pool maturity. (MM/DD/YYYY) \_\_\_\_\_

4. Price. (Net of transfer fee and accrued interest. Otherwise include all money and any items of value exchanged)  
\$ \_\_\_\_\_ As a percentage of par \_\_\_\_\_%
5. Pool Interest Rate. (Fill in the pool interest rate from the front of the certificate. For fixed rate pools fill in the net coupon rate. For variable rate pools use the spread over or under Base Rate, e.g., enter "Base Rate + 1%".)
6. Coupon used to determine yield on variable rate pool.
7. Interest rate ceiling and floor, if any, on variable rate pool.  
Ceiling \_\_\_\_\_% Floor \_\_\_\_\_
8. Delay days to first payment. (70 days for fixed rate pool and 85 days for variable rate pool). \_\_\_\_\_ days.
9. Cash flow yield based upon preceding information. Enter both mortgage and bond equivalent yield. For variable rate pools, the yield should be based upon the current coupon rate and should be entered as a spread against Base Rate. (Example: Base Rate + 1.0% based upon 10% Base Rate)  
  
Mortgage yield:  
[Fixed rate pools] \_\_\_\_\_%  
[Variable rate pools] (Base Rate +/-: \_\_\_\_\_) \_\_\_\_\_% based upon \_\_\_\_\_% Base Rate  
Bond equivalent yield:  
[Fixed rate pools] \_\_\_\_\_%  
[Variable rate pools] (Base Rate +/-: \_\_\_\_\_) \_\_\_\_\_% based upon \_\_\_\_\_% Base Rate
10. Investment Characteristics. The seller must provide the following additional information to the buyer prior to the sale:
  - (a) SBA guarantees timely payment of principal and interest on pool certificates.
  - (b) SBA does not guarantee premiums.
  - (c) The pool or parts thereof may be prepaid prior to scheduled maturity.

**PART B: INDIVIDUAL LOAN CERTIFICATES**

1. Constant Annual Prepayment Rate Assumption, \_\_\_\_\_% per year.
2. Certificate Scheduled Maturity Date.
3. Price. (Net of transfer fee and accrued interest. Otherwise include all money and any other items of value exchanged)  
\$ \_\_\_\_\_ As a percentage of par \_\_\_\_\_%
4. Certificate interest rate. (Supply the certificate interest rate from the front of the certificate. For fixed rate loans fill in the coupon rate. For variable rate loans use the spread over or under Base Rate. (e.g., enter variable "Base Rate + 1%").  
\_\_\_\_\_%
5. Coupon used to determine yields on variable rate loan.
6. Interest rate ceiling and floor, if any, on variable rate loan.  
Ceiling \_\_\_\_\_% Floor \_\_\_\_\_%
7. Delay days to first payment: 75 days for an individual loan.
8. Cash flow yield based upon preceding information. Enter both mortgage and bond equivalent yield. For a variable rate loan, the yield should be based upon the current coupon rate and should be entered as a spread against Base Rate. (Example: Base Rate + 1.0% based upon 10% Base Rate).
9. Mortgage yield:  
[Fixed rate loans] \_\_\_\_\_%  
[Variable rate loans] Base Rate (+/-: \_\_\_\_\_) \_\_\_\_\_% based upon \_\_\_\_\_% Base Rate  
  
Bond equivalent yield:  
[All loans] \_\_\_\_\_%  
[Variable rate loans only] Base Rate (+/-: \_\_\_\_\_) \_\_\_\_\_% based upon \_\_\_\_\_% Base Rate

10. Investment Characteristics. The seller must provide the following additional information to the buyer prior to the sale:
- a. SBA does not guaranty timely payment of principal and interest on individually guaranteed portions.
  - b. SBA will purchase the individually guaranteed portions upon 60 days uncured default by borrower.
  - c. SBA does not guaranty premiums.
  - d. To aid the orderly repayment of borrower's debt, the lender may, at the request of the borrower, grant one three month deferment resulting in a three month delay in payments to the investor.
  - e. The guaranteed portion may be prepaid before the maturity date.

This form is required to obtain a benefit.

**PLEASE NOTE: The estimated burden for completing this form, including reading instructions and gathering the information is 1.5 hours. You are not required to respond to any request to collect information unless it displays a currently valid OMB approval number. The OMB number for this collection of information is 3245 - 0212. Comments on the burden should be sent to U.S. Small Business Administration, Records Management Division, 409 3rd St., 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. PLEASE DO NOT SEND COMPLETED FORMS TO THESE ADDRESSES.**

Explanation and Instructions of Sections in Form 1088:

1. Constant Annual Prepayment Rate Assumption. It is the seller's responsibility to determine the appropriate CPR for each sale. (For additional information on cash flow yields based upon constant prepayment rates see "Determining the Yield of a Mortgage Security," by Michael Waldman and Mark Gordon, in Frank J. Fabozzi, ed., The Handbook of Mortgage Backed Securities (Chicago: Probus, 1985)).
2. Weighted Average Maturity. This is the weighted average maturity (WAM) of the underlying loans in a pool. This information is required for pool certificates only.
3. Maturity. This is the stated maturity of the loan or pool as written on the front of the certificate.
4. Price. The price paid by the buyer should be entered. This price should not include the transfer fee or accrued interest. Except for the two preceding items, the price must include all money and any other items of value exchanged between the parties. The price should be entered both in dollars, and as a percentage of par, e.g., \$103,000 and 103.
5. The interest rate on the certificate. Fill in the certificate interest rate from the front of the certificate. For fixed rate certificates the rate will be stated as the annual percentage rate. For variable rate certificates the rate will be stated as a spread over or under the Base Rate , e.g., Prime + 1% or Prime -1.5%.
6. Coupon used to determine yields on variable rate certificates. This is the certificate interest rate in effect on settlement date. For example, if the prime rate is 6% on settlement date and the certificate interest rate is Prime + 1.75%, enter 7.75%. For fixed rate certificates leave this item blank.
7. Interest rate ceiling and floors, if any, on variable rate certificates.
8. Delay days. This is the number of days to the first payment. The delay days for SBA loans and pools are these:

Fixed rate Pools:	70 days
Variable rate Pools:	85 days
Individual loans:	75 days
9. Cash flow yield based upon preceding information. Yields should be entered on both a mortgage yield (monthly compounding) and a bond equivalent yield (semi-annual compounding) basis. The bond-equivalent yield will in cases be somewhat higher. For variable rate certificates, the yield should be based upon the current coupon rate and should be given as a spread over or under the Base Rate. For example, if on a variable rate certificate Prime is 10% and the cash flow mortgage yield is calculated to be 11%. Then the following information should be entered:

Mortgage yield:

Prime + 1.0% based upon 10% Prime

Bond Equivalent yield:

Prime + 1.21% based upon 10% Prime.

10. Investment Characteristics. The seller must provide the following information to the buyer prior to the sale of a pool certificate:
- a. SBA guarantees timely payment of principal and interest on pool certificates.
  - b. SBA does not guarantee premiums.
  - c. The pool may be prepaid prior to the scheduled maturity date.

The seller must provide the following information to the buyer of an individual loan certificate prior to the sale:

- a. SBA does not guarantee timely payment of principal and interest on individually guaranteed portions.
- b. SBA will purchase the individually guaranteed portions upon 60 days uncured default by borrower.
- c. SBA does not guarantee premiums.
- d. To aid the orderly repayment of borrower's debt, the lender may, at the request of the borrower, grant one three month deferment resulting in a three month delay in payments to the investor.
- e. The guaranteed portion may be prepaid before the scheduled maturity date.

If there are any questions, please contact the FTA at (877) 470-0722 or Marybeth Kerrigan (202) 205-7552 of the SBA.