Comptroller of the Currency Administrator of National Banks

Type: Examining Circular Subject:

Data Collection for Small Business

Loan Documentation

Any attachments to this document are rescinded only as they relate to national banks and federal savings associations.

TO: Deputy Comptrollers, District Administrators, Department and Division Heads, and All Examining Personnel

PURPOSE

This issuance establishes a program to collect data on loans that banks identify for exemption from unnecessary documentation under the Interagency Policy Statement on Documentation for Loans to Small- and Medium-sized Businesses and Farms.

REFERENCES

This issuance should be read in conjunction with Banking Bulletin 93-18 (Interagency Policy on Small Business Loan Documentation) dated April 2, 1993 and SMS Technical Bulletin 93-1 (attached).

BACKGROUND

The Interagency Policy Statement allows highly rated and well- or adequately capitalized institutions to identify an "exempt portion" of their small- and medium-sized business and farm loan portfolios. Those loans will be evaluated solely on performance and will be exempt from examiner criticism of documentation. The OCC must monitor how qualifying institutions implement the provisions of the Interagency Policy Statement and how those institutions and the "exempt portion" loans perform.

This issuance establishes a monitoring program that will collect data during examinations and record it in the Supervisory Monitoring System (SMS). Examiners should enter the following data on the Asset Statistics record in the Supervisory Data application of SMS:

- Number of loans in the "exempt portion,"
- Total dollar amount of loans in the "exempt portion," and
- **(a)** Total dollar amount of loans in the "exempt portion" that are past due.

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EXAMINING ISSUANCE Comptroller of the Currency

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DATA COLLECTION AN UIKEMENTS

Effective immediately, the OCC will sommence collecting this data on the "exempt portion" of the small- and medium-sized using a sand form loan portfolios. Examiners should collect the data during the next examination. It produces a manifest produce a partial review if it is readily available. The data must be updated at each subsequent a amination, but no less frequently than once each year at the full scope, on-site examination.

ORIGINATING OFFICE

For additional guidance on collecting this data, contact the office of the Chief National Bank Examiner in Washington, D.C. (202) 874-5170.

Donald G. Coonley Chief National Bank Examiner

Related Links

• SMS Technical Bulletin 93-1

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SMS TECHNICAL BULLETIN 93-1

SUBJECT: Data Collection in SMS for the "Exempt Portion" of Small- and Medium-Sized Business and Farm Loan Portfolios

DISCUSSION: The Asset Statistics record in the Supervisory Data application of SMS has been changed to collect data on the "exempt portion" of the small- and medium-sized business and farm loan portfolio. See Banking Bulletin 93-18. The new data fields should be completed any time this information is readily available during an examination or periodic financial review, but must be completed at least once each year at the full scope, on-site examination. See Examining Circular 264.

SMSDD21 COMPTROLLER OF THE CURRENCY 04/15/93 11:54
SMSDM21 SUPERVISORY MONITORING SYSTEM (SMS)
ADD/MODIFY/DELETE IN PROCESS ASSET STATISTICS

ID#: 400103 FNB OF ATLANTIS GAINESVILLE, FL

LOAN REVIEW START DATE: FINALIZED DATE:

	(000'S) P/A	P/A
TIER 1 + ALLL\$:		TOTAL CLASSIFIED \$:
GROSS LOANS/LEASES \$:		CLASSFD/T1 + ALLL%:
SUBSTANDARD \$:		OAEM/T1 + ALLL:%:
DOUBTFUL\$:		OTRP/T1 + ALLL%:
LOSS \$:		PORTFOLIO REVIEW%:
OAEM \$:		
OTRP\$:		_ LOAN DOCUMENTATION EXEMPTION DATA
LOANS W/O CR/DOC/INFO \$:		_ # LOANS EXEMPTED. :
LOANS REVWD BY EXAM \$:		_ EXEMPTED LOANS\$:
# LNS W/O IN/# LNS REV%:		_ PAST DUE EXEMPTED\$:
CRITICIZED SRC (B, E, O, C) :		

DO YOU WISH TO DELETE ASSET STATISTICS IN PROCESS? (Y/N):
DC912073 ENTER START DATE (MMDDYY), ASSET INFORMATION AND PRESS ENTER.
ENTER=PROCESS PF2=REFRESH PF3=RETURN PF9=SD MENU PF10=MAIN MENU PF11=EXIT

LOANS EXEMPTED is the total number of small- and medium-sized business and farm loans assigned by a bank to the portion of the entire loan portfolio exempt from examiner criticism of documentation, as permitted under the Interagency Policy Statement on Documentation of Loans.

EXEMPTED LOANS \$ is the dollar amount (in thousands) of small- and medium-sized business and farm loans assigned by a bank to the portion of the entire loan portfolio exempt from examiner criticism of documentation, as permitted under the Interagency Policy Statement on Documentation of Loans.

PAST DUE EXEMPTED \$ is the dollar amount (in thousands) of past due (as defined in call report instructions) small- and medium-sized business and farm loans assigned by a bank to the portion of the entire loan portfolio as exempt from examiner criticism of documentation, as permitted under the Interagency Policy Statement on Documentation of Loans.

If you have any questions about these changes, contact your SMS Coordinator or the Office of the Chief National Bank Examiner, (202) 874-5190.