

## TALF 1.0 Borrowing Procedures Timeline (Non-CMBS)<sup>1</sup>

<u>Deadline</u>	<u>Requirement</u>
At least three weeks prior to Loan Subscription Date:	<ul style="list-style-type: none"> <li>Sponsor or issuer delivers all data on ABS and pool assets that have been provided to any NRSRO (regardless of whether it is a TALF-eligible NRSRO), to FRBNY at <a href="mailto:talfnewabs@ny.frb.org">talfnewabs@ny.frb.org</a>.<sup>2</sup></li> </ul>
Prior to Loan Subscription Date: <sup>3</sup>	<ul style="list-style-type: none"> <li>Borrower executes Customer Agreement authorizing TALF Agent to execute Master Loan and Security Agreement (“<u>MLSA</u>”) as its agent.<sup>4</sup></li> <li>TALF Agent delivers to Custodian<sup>5</sup> a copy of the Letter of Agreement pursuant to which it became a party to the <u>MLSA</u>.<sup>6</sup></li> <li>TALF Agent collects from prospective Eligible Borrowers all required information needed to complete Loan Request,<sup>7</sup> as well as preliminary or final Offering Materials (not required for SBA Pool Certificates<sup>8</sup>).<sup>9</sup></li> <li>All Offering Materials to contain a specified TALF eligibility certification, with the certification in the</li> </ul>

<sup>1</sup> To be updated when TALF 2.0 borrowing procedures are released.

<sup>2</sup> Term Asset-Backed Securities Loan Facility: Frequently Asked Questions (Oct. 5, 2009) (“TALF FAQs”), Risk Assessment: What information will issuers be required to deliver to the New York Fed in connection with its risk assessment?

<sup>3</sup> Loan Subscription Dates are announced by Lender from time to time to correspond to the related Loan Closing Date. MLSA, Section 2.1 (definition of “Loan Subscription Date”).

<sup>4</sup> MLSA, Section 2.1 (definition of “Customer Agreement”), Section 10.2(e), and Appendix 2.

<sup>5</sup> The Custodian was The Bank of New York Mellon. MLSA, Section 2.1 (definition of “Custodian”).

<sup>6</sup> MLSA, Section 3.1.

<sup>7</sup> In form attached as Exhibit 3A to MLSA.

<sup>8</sup> SBA Collateral, i.e., securities fully guaranteed as to principal and interest by the Small Business Administration, backed by loans made pursuant to Section 7(a) of the Small Business Act. MLSA, Section 2.1 (definitions of “SBA Collateral” and “SBA Pool Certificate”).

<sup>9</sup> TALF FAQs, Loan Subscription and Closing: What is the TALF process from subscription to settlement? The Loan Request is in the form attached to the MLSA as Exhibit 3A. MLSA, Section 3.1 and Exhibit 3A. Offering Materials include the prospectuses, offering memoranda or other offering documents for the collateral ABS. MLSA, Section 2.1 (definition of “Offering Materials”) and Section 3.2.

<u>Deadline</u>	<u>Requirement</u>
	<p>preliminary Offering Materials to be unsigned and in the final Offering Materials to be signed.<sup>10</sup></p> <ul style="list-style-type: none"> <li>• Sponsor or issuer promptly provides any additional information requested by FRBNY, and any other information submitted to any NRSRO (regardless of whether it is a TALF-eligible NRSRO).</li> <li>• Sponsor or issuer provides written waiver or consent to every NRSRO to which it provided data on ABS or pool assets (regardless of whether it is a TALF-eligible NRSRO), permitting NRSRO to share its view on credit quality thereof, to FRBNY at <a href="mailto:talfnewabs@ny.frb.org">talfnewabs@ny.frb.org</a>.<sup>11</sup></li> </ul>
On Loan Subscription Date, by specified time:	<ul style="list-style-type: none"> <li>• TALF Agent submits Loan Request to Lender.<sup>12</sup></li> <li>• TALF Agent delivers Offering Materials to Custodian to the extent available and not previously delivered.<sup>13</sup></li> </ul>
On and after Loan Subscription Date:	<ul style="list-style-type: none"> <li>• TALF Agent delivers Offering Materials to Custodian promptly upon availability.<sup>14</sup></li> </ul>
Fourth Business Day before Loan Closing Date, by 5 pm:	<ul style="list-style-type: none"> <li>• Final deadline for TALF Agent to deliver Offering Materials to Custodian.</li> <li>• TALF Agent delivers Auditor Attestation<sup>15</sup> to Lender (not required for SBA Collateral).</li> </ul>

<sup>10</sup> Other than for Development Company Participation Certificates. Disclosure to be included in any offering document in order for securities to be TALF-eligible: Certification as to TALF Eligibility for Non-Mortgage-Backed ABS.

<sup>11</sup> TALF FAQs, Risk Assessment: What information will issuers be required to deliver to the New York Fed in connection with its risk assessment?

<sup>12</sup> MLSA, Section 3.1 and Exhibit 3A.

<sup>13</sup> MLSA, Section 3.2.

<sup>14</sup> MLSA, Section 3.3.

<sup>15</sup> Signed report from a nationally recognized accounting firm registered with the PCAOB, addressed to Lender, in the form set forth in the TALF Standing Loan Facility Procedures. MLSA, Section 2.1 (definition of “Auditor Attestation”). The TALF Standing Loan Facility Procedures include, essentially, all TALF materials published and made available on the TALF website. MLSA, Section 2.1 (definition of “TALF Standing Loan Facility Procedures”). The form of Auditor Attestation on FRBNY’s website includes the Report of Management on Compliance to which the auditor must attest.

<u>Deadline</u>	<u>Requirement</u>
	<ul style="list-style-type: none"> <li>• TALF Agent delivers Indemnity Undertaking<sup>16</sup> to Lender (not required for SBA Collateral).</li> <li>• For SBA Collateral other than Development Company Participation Certificates,<sup>17</sup> TALF Agent delivers SBA Collateral Undertaking<sup>18</sup> to Lender.<sup>19</sup></li> </ul>
Third Business Day before Loan Closing Date, by 12 noon:	<ul style="list-style-type: none"> <li>• With respect to any New Acquisition Collateral, TALF Agent submits Offering Materials in final form to Custodian (to the extent not previously submitted).<sup>20</sup></li> </ul>
Third Business Day before Loan Closing Date, by 5 pm:	<ul style="list-style-type: none"> <li>• Custodian delivers Eligible Collateral Schedule to Lender.<sup>21</sup></li> </ul>
Second Business Day before Loan Closing Date, by 5 pm (or later if agreed by Custodian and Lender):	<ul style="list-style-type: none"> <li>• Custodian delivers Confirmation to TALF Agent.<sup>22</sup></li> </ul>

<sup>16</sup> An indemnity undertaking, addressed to Lender and delivered to Lender by the sponsor of the transaction pursuant to which the Collateral has been or will be issued, in the form set forth in the TALF Standing Loan Facility Procedures.

<sup>17</sup> SBA Collateral backed by loans made pursuant to the Certified Development Company/504 loan program of the Small Business Administration. MLSA, Section 2.1 (definition of “Auditor Attestation”).

<sup>18</sup> With respect to any SBA Collateral other than Development Company Participation Certificates, an undertaking, addressed to Lender and TALF LLC and delivered to Lender by (x) the pool assembler with respect to the transaction pursuant to which such SBA Collateral has been or will be issued or (y) any other pool assembler from which the applicable Borrower shall acquire such Item of SBA Collateral on the applicable Loan Closing Date, in the form set forth in the TALF Standing Loan Facility Procedures. MLSA, Section 2.1 (definition of “SBA Collateral Undertaking”).

<sup>19</sup> MLSA, Section 3.3.

<sup>20</sup> MLSA, Section 3.4.

<sup>21</sup> A schedule showing, for each Borrower and each Loan, the Eligible Collateral that Borrower intends to deliver, including (i) CUSIP, (ii) description, (iii) principal amount, (iv) Haircut Amount and (v) Collateral Value. MLSA, Section 3.4.

<sup>22</sup> Confirmation includes (i) the amount of Loans that will be made to Borrowers of the TALF Agent, individually and in the aggregate; (ii) the interest rate and term applicable to the Loans; (iii) the amount and description (including CUSIP) of the Collateral for each Loan, and the Market Value and Collateral Value thereof as of the preceding Business Day; (iv) with respect to any New Acquisition Collateral, the Haircut Amount and all Other Closing Amounts (i.e., accrued interest, plus any excess of price to be paid over Market Value); and (v) the Administrative Fee for each Loan. MLSA, Section 2.1 (definition of “Other Closing Amount”) and Section 3.5.

<u>Deadline</u>	<u>Requirement</u>
Loan Closing Date, by 8:30 am:	<ul style="list-style-type: none"> <li>• With respect to all New Acquisition Collateral (other than TALF Agent Delivered Collateral<sup>23</sup>), TALF Agent delivers Haircut Amount and Other Closing Amounts to Master TALF Collateral Account.</li> <li>• With respect to all Collateral, TALF Agent delivers Administrative Fee to Master TALF Collateral Account.<sup>24</sup></li> </ul>
Loan Closing Date, by 10 am:	<ul style="list-style-type: none"> <li>• Sponsor or issuer submits final credit relating letter from each relevant NRSRO, to FRBNY at <a href="mailto:talfreports@ny.fed.org">talfreports@ny.fed.org</a>.</li> </ul>
Loan Closing Date, by DTC cut-off:	<ul style="list-style-type: none"> <li>• TALF Agent delivers Collateral to Custodian through DTC.<sup>25</sup></li> </ul>
Loan Closing Date:	<ul style="list-style-type: none"> <li>• Lender makes principal amount of Loans available to TALF Agent in Master TALF Collateral Account.</li> <li>• Collateral received by Custodian is settled to Master TALF Collateral Account against payment.<sup>26</sup></li> </ul>
Within one Business Day of Loan Closing Date:	<ul style="list-style-type: none"> <li>• Custodian delivers Final Confirmation<sup>27</sup> to TALF Agent.<sup>28</sup></li> </ul>

<sup>23</sup> New Acquisition Collateral that is being acquired by the Borrower through the TALF Agent. MLSA, Section 2.1 (definition of “TALF Agent Delivered Collateral”).

<sup>24</sup> MLSA, Section 3.6(a).

<sup>25</sup> MLSA, Section 3.6(b).

<sup>26</sup> MLSA, Sections 3.6(b)-(e).

<sup>27</sup> Confirmation, as revised to reflect definitive record (absent manifest error) of Loans and Collateral. MLSA, Section 3.6(e).

<sup>28</sup> MLSA, Section 3.6(e).