



**SMALL BUSINESS ADMINISTRATION (SBA) PAYCHECK PROTECTION PROGRAM (PPP) LOANS**

This Eligibility Checklist assists pledgors who have executed the appropriate Advances, Pledge and Security Agreement in determining eligibility of loans for pledging to FHLB Des Moines. A "NO" answer indicates the loan is not eligible under FHLB Des Moines guidelines.

GE	GENERAL ELIGIBILITY	YES	NO
	The requirements of this checklist are <u>specific</u> to the collateral type shown above. Certain Eligible Member Collateral requirements are common to <b>ALL</b> pledged loan collateral as identified in <u>Collateral Procedures</u> . The preparer should have familiarity prior to proceeding with eligibility determination via this checklist. For ease, a summation of these requirements is provided: <u>General Eligibility Checklist</u> .		

PN	PROMISSORY NOTE	YES	NO
	1. <b>Note Execution:</b> The note must be executed in compliance with SBA authorization requirements; only an authorized representative of the business seeking a loan may sign on behalf of the business. <ul style="list-style-type: none"> <li>• The borrower is a qualifying applicant under SBA PPP requirements.</li> </ul>		
	2. <b>Loan Terms:</b> All terms must comply with published SBA PPP loan requirements noted below or as updated from time to time by the by the SBA. <ul style="list-style-type: none"> <li>• Rate: 1%</li> <li>• Maturity Term: Up to five years per SBA terms</li> <li>• Payments: Subject to SBA requirements including deferment and forgiveness.</li> </ul>		
	3. <b>Disbursement:</b> Loan is fully disbursed.		
	4. <b>Participation:</b> Loan is not participated or a participation interest.		
	5. <b>Purchased Loans:</b> Purchased loans are not eligible. Loans must be originated by and in the name of the pledgor.		

Loan is eligible for pledging as SBA Paycheck Protection Program Loan collateral:	YES	NO
Completed By/Date:		

- NOTE:** SBA PPP loans are additionally subject to the below requirements:
- Blanket APSA
  - CAMELS 3 or better rating
  - Members with a Maximum Credit Capacity  $\geq$  25% of total assets
  - SBA PPP loans cannot exceed 20% of a member's Total Credit Capacity. No more than \$5 billion in Paycheck Protection Loans pledge by/on behalf of any one pledgor.
  - FHLB Des Moines notification of intent to pledge is required
  - Monthly listing is required using the General File Format