I. Small Business Loan Processes and Underwriting

ID. Automated Underwriting

About This Section

In this section, we ask about your bank's automated underwriting of any small business lending other than credit card lending. By automated underwriting we mean underwriting and decision-making that occurs without manual or human intervention.

Important Note: If your bank answered "No" to question IA.1, then your institution will not be asked to answer any of the questions here nor any remaining questions in Sections I, II, and III. Please go directly to Section IVA (page 29).

ID.1 Does your bank use a credit-scoring model (or a system of models) to partially or fully automate the underwriting or decision-making process for any applications from small business borrowers? *Please exclude any credit card lending.*
- o Yes
- o No

[If ID.1=Yes] ID.2 Does this credit-scoring model (or system of models) produce automatic approvals, automatic denials, or both? *Select only ONE.*
- a. Both automatic approvals and automatic denials
- b. Only automatic approvals
- c. Only automatic denials
- d. Neither automatic approvals nor automatic denials

[If ID.2= a or b] ID.3 What is the largest amount that this credit-scoring model (or system of models) will automatically approve?

$___,___,___.00

[If ID.1=Yes] ID.4 Does your bank use this information in its credit-scoring model? *Select only ONE option for each piece of information.*

Information about owner(s) or business	Never or rarely uses	Some-times uses	Almost always or always uses	Don't know
a. Business credit score from a credit bureau	☐	☐	☐	☐
b. Cash/liquidity position of business	☐	☐	☐	☐
c. Debt service coverage	☐	☐	☐	☐
d. Debt-to-worth	☐	☐	☐	☐
e. Delinquency history on internal accounts	☐	☐	☐	☐
f. Derogatory items on business or personal credit report	☐	☐	☐	☐
g. Existing or prior deposit relationship	☐	☐	☐	☐

Information about owner(s) or business	Never or rarely uses	Some-times uses	Almost always or always uses	Don't know
h. Existing or prior loan relationship	☐	☐	☐	☐
i. Financial strength of owner(s)	☐	☐	☐	☐
j. Loan-to-value ratio of business	☐	☐	☐	☐
k. Market conditions in business's industry or region	☐	☐	☐	☐
l. Overdraft history	☐	☐	☐	☐
m. Personal credit score of owner(s) or guarantor(s) from a credit bureau	☐	☐	☐	☐
n. Sell cycle (or liquidity) of accounts receivable or inventory	☐	☐	☐	☐
o. Willingness of owner(s) to offer collateral and quality of offered collateral	☐	☐	☐	☐
p. Willingness of owner(s) or third party to offer personal guarantee for loan	☐	☐	☐	☐
q. Other _____	☐	☐	☐	☐