

## **How to Use This Manual**

*Self-Paced Loan Documentation Training and Certification* helps you sharpen your skills in documenting your bank's loans. Whether you are a beginning lending trainee or loan secretary, an experienced loan officer or administrator, or a back-office person in credit, loan operations, loan review, or audit, you will find self-paced learning easy, convenient, and rewarding. With this volume, you can learn the intricate loan process from the ground up or review those parts of the process where you feel shaky.

The manual is divided into 4 main parts:

### Part 1: Introduction to Loan Documentation and Secured Lending

Chapter 1: Loan Documentation Basics

Chapter 2: Documents Relating to the Borrowing Entity

Chapter 3: Loan Applications, Turn Downs, and Commitments

Chapter 4: Promissory Notes and Loan Agreements

Chapter 5: Documenting Other Elements of the Loan Decision, Funding and Closing

### Part 2: Personal Property Collateral

Chapter 6: Introduction to Personal Property Collateral

Chapter 7: Practical Documentation Issues for Personal Property Collateral

Chapter 8: Receivable and Inventory Financing

Chapter 9: Equipment Financing

Chapter 10: Cars, Trucks, Boats, Ships, Planes, Trains, and Consumer Goods

Chapter 11: Personal Property Lease Financing

Chapter 12: Deposits, Stocks, Bonds, and Annuities

Chapter 13: Patents, Trademarks, Copyrights, and Trade Secrets

Chapter 14: Crops, Livestock, Oil, and Gas

Part 3: Real Property Collateral

Chapter 15: Introduction to Real Estate Loan Documentation

Chapter 16: Regulatory Documentation Requirements for Real Estate Loans

Chapter 17: Documenting Loans Secured by Real Estate Leases and Land Contracts

Chapter 18: Specific Issues for Commercial Real Estate Financing

Chapter 19: Construction Lending

Part 4: Additional Documentation Issues and Information for Secured Lenders

Chapter 20: Guarantees and Other Contracts

Chapter 21: Documentation Issues for Existing Loans

Appendix: Commercial Document Checklist

Appendix

Appendix A: Commercial Document Checklist

Appendix B: ABA Sample Control Agreements

Glossary

Examination

You should start with Part 1. After that, however, you may proceed to any one of the other parts, depending on your needs and priorities. None of the last parts depend on your having read any of the others. However, we recommend that you master the first two chapters in each part before turning to the more advanced topics in the later chapters. These latter chapters in each part take loan documentation a step further and provide more in-depth discussions of very specific topics.

In each part, the text is interrupted periodically by a block of review questions. You may be asked to respond to true-false, multiple choice, or open-ended questions. The answers are given at the

bottom of the block of questions, but do not look at them until you have answered the questions by yourself. If you miss a question, go back and review the material until you understand why you were mistaken. Consult your supervisor if you need additional help. Do not continue until you feel confident that you have mastered the given portion of the text.

Because this loan documentation course is self-paced, you should relax and cover the material at whatever speed you find comfortable. Take the time to learn the material thoroughly before proceeding.

Be sure to follow these guidelines:

- Use the book during uninterrupted time, at least one hour — preferably two — per study session. Set aside regular periods for your self-paced study.
- Read the material carefully.
- Take time to consider what you are reading.
- Start at the beginning of each part and continue in order to the end. Don't skip around.
- Refer to the glossary at the back of the book, when necessary, for definitions of commonly used terms.
- Take notes as necessary. Underline or highlight significant passages in each part. They will be useful to you later as quick references, especially after you complete the course.
- Meet periodically with your supervisor or other appropriate person to review the material and learn how it applies to your bank's operation.
- Keep your completed *Self-Paced Loan Documentation Training and Certification* as your own professional reference work.
- Take the optional examination and receive a certificate of completion of your self-paced training course.

## **SHESHUNOFF CERTIFICATION PROGRAM**

With your purchase of the *Self-Paced Loan Documentation Training and Certification* manual, you become eligible to receive a personalized Sheshunoff Certificate of Completion. This certification is a reflection of an individual's knowledge of the practical business application and regulatory compliance rules governing loan documentation.

After reading the manual, you may request a copy of the final examination. This final test will be scored by a member of the Sheshunoff Certification Board and, when it is determined by your answers that you have achieved a level of competency, you will be awarded a Certification of Completion suitable for framing.

The information on the examination program is located behind the last tab in this manual.