



SEPTEMBER 2020

DWF LOANS: AGREED UPON PROCEDURE CHECKLIST FOR SME LOANS

New Assets Table

No.	Criterion	Level of assurance	Field in Data Tape
1.	Account Number	The account number must agree to the primary system of record for the loan.	N/A
2.	Originator	The originator must agree to the primary system of record for the loan.	AS4
3.	Borrower Identifier / Name	The borrower identifier in the tape must be agreed to the borrower's name: <ul style="list-style-type: none"> • held on the primary system of record for the mortgage; • the paper record of the application, offer, and valuation; and • any registered legal charge. 	AS7
4.	Borrower Address / Postcode	The property address must be agreed to: <ul style="list-style-type: none"> • the address held on primary system of record for the loan; • the paper record of the application, offer, and valuation; and • any registered legal charge. The address must be confirmed to be in England, Scotland, Wales or Northern Ireland.	AS15
5.	Obligor Incorporation Date	Confirm that the borrower is incorporated or established in England, Scotland, Wales or Northern Ireland.	AS18
6.	Syndicated	Confirm if the loan is shown as syndicated in the primary system of record and loan documentation.	AS28
7.	Bank Internal Rating	Agree the current risk rating to the primary system.	AS29
8.	Last Internal Obligor Rating Review	Confirm that the date of the last internal obligor rating review in the data tape is the same as per the primary system.	AS30
9.	Bank Internal Loss Given Default (Estimate)	Agree the bank internal LGD recorded in the data tape is the same as the LGD (unstressed) agreed as per the latest internal obligor rating review on the primary loan system	AS36
10.	Industry Code	Confirm the industry code against that recorded in the primary system of record. This should also be assessed against the relevant reference (e.g. rating agency or NACE) provided in the data tape.	AS38 – AS42
11.	Loan Origination Date	The loan origination date should be checked against the primary system of record and loan facility agreement. The loan must be at least three months old.	AS49
12.	Final Maturity Date	The loan maturity date must be agreed to the facility letter. The remaining term should be between a minimum of 3 months and a maximum of 40 years.	AS50
13.	Loan Denomination Currency	The loan currency must be agreed to the system of record and loan documentation.	AS51
14.	Original Loan Balance	The amount advance on the loan must be agreed to <ul style="list-style-type: none"> • the primary system of record for the loan; • the loan documentation. 	AS53
15.	Current	The current loan balance must be agreed to	AS54

	Balance	<ul style="list-style-type: none"> the balance held on primary system of record for the loan; the current balance is less than or equal to the total facility limit. 	
16.	Purpose	The purpose must agree to the primary system of record for the mortgage and relevant loan documentation.	AS56
17.	Principal Payment Frequency	The principal payment frequency shown in the loan tape is compared against the primary system of record and loan documentation.	AS57
18.	Maximum Balance	The original maximum limit shown in the primary system of record for the loan is compared against the facility letter.	AS59
19.	Amortisation Type	The capital amortisation type shown in the loan tape is compared against the primary system of record and loan documentation.	AS61
20.	Type of Loan	The debt instrument type (e.g. term/revolving/overdraft) must be agreed to the facility letter.	AS64
21.	Scheme Type	<p>If the facility was originated under one of HM Treasury's COVID government guaranteed loan schemes (i.e. BBLs, CBILs or CLBILs), confirm the scheme type against the primary system of record and loan documentation.</p> <p>If N/A is selected as the scheme type, confirm that either a) the facility was originated under one of the government guaranteed loan schemes and the guarantee was either cancelled by the guarantor, claimed against by the lender or terminated by either party; or b) the facility was not originated under any of these schemes.</p>	AS71
22.	Current Interest Rate	The current interest rate must be agreed to the primary system of record for the loan.	AS76
23.	Interest Rate Type	The interest rate type must be agreed to the primary system of record for the loan.	AS79
24.	Current Interest Rate Index	The current interest rate index must be agreed to the primary system of record for the loan.	AS80
25.	Current Interest Rate Margin	The current interest rate margin must be agreed to the primary system of record for the loan.	AS81
26.	Turnover of Obligor	The data in the pool tape to be checked against the primary system of record and the latest information provided by the obligor.	AS128
27.	Number of Employees	The data in the pool tape to be checked against the primary system of record and the latest information provided by the obligor.	AS138
28.	Principal Arrears Amount	The value of principal arrears must be agreed to the primary system of record for the loan.	AS146

Collateral Table

No.	Criterion	Level of assurance	Field in Data Tape
29.	Collateral Value (Real Estate)	For property security, the gross value is agreed to the value shown in the primary system and any professional valuation. For property security not subject to professional valuation, the property security gross value is compared against the value in the credit reporting system.	AS98
30.	Property / Collateral Sub Type	The classification of property type provided in the data tape should be confirmed against the loan documentation.	AS104
31.	Date of Updated Property Appraisal	For each professional valuation date shown in the primary system, the date is compare with that shown on the professional valuation. For property security not subject to a professional valuation no procedures are performed.	AS123
32.	Property Postcode	For each property postcode area shown in the primary system, the postcode is compared with that shown in the property valuation.	AS115

		For property security not subject to professional valuation no procedure is require performed. For the purpose of this test a postcode area is determined by the letter or letters before the first number in the postcode.	
33.	Ranking	The nature of the security should be checked against the relevant security documentation.	AS113