

## Floor Plan and Indirect Lending Questionnaire

	Yes	No		Yes	No
<b>General Questionnaire</b>					
<i>Lending Policies</i>					
1. Has the board of directors, consistent with its duties and responsibilities, adopted written floor plan and indirect lending policies that:			7. Is a daily record maintained summarizing note transaction details, i.e., loans made, payments received, and interest collected, to support applicable general ledger account entries? .....		
• Establish procedures for reviewing loan applications? .....			8. Is an underwriting memorandum on file that sets forth required documentation for original loan approval? .....		
• Define qualified borrowers? .....			9. Are documents properly executed, notarized, etc.? .....		
• Establish minimum standards for documentation? .....			10. Have UCC's been filed in the appropriate jurisdiction and are receipts on file? .....		
2. Are lending policies reviewed at least annually to determine if they are compatible with changing market conditions? .....			11. Are loans properly recorded and notification of such on file? .....		
3. What has been the rejection rate for loan referrals of indirect loans by the institution for each dealer?			12. Is there a system in place to refile liens in order to maintain perfection of the security interest? .....		
_____			<i>Collateral</i>		
4. Are underwriting policies, procedures, and controls adequate to prevent unsafe and unsound lending practices? .....			13. Are physical inventories conducted at least monthly and on a surprise basis? .....		
5. Does the management possess the expertise necessary to underwrite this type of lending? .....			14. Are more frequent physical inventories conducted if the dealer is experiencing financial difficulties? .....		
<i>Loan Records</i>			15. Are individuals performing these checks rotated? .....		
6. Is the preparation and posting of subsidiary floor plan loan records performed or reviewed by persons who do not also:			16. Do inventory inspections include, as a minimum, the following: serial number verification, inventory of equipment and furnishings, condition and location of asset, and accounting for assets sold out of trust or rented? .....		
• Issue official checks or drafts singly? .....			17. Are trade-ins inspected and appraised for reasonableness of value? .....		
• Handle cash or checks? .....			18. Is the quality and sufficiency of the loan collateral, and the volume and rate of inventory turnover adequate? .....		

Exam Date: \_\_\_\_\_  
 Prepared By: \_\_\_\_\_  
 Reviewed By: \_\_\_\_\_  
 Docket #: \_\_\_\_\_

