



Banking  
On  
Business

**As a member of FHLBank  
Pittsburgh, you have access  
to Banking On Business – a  
valuable resource to help  
small businesses thrive.**

# Banking On Business

Banking On Business (BOB) offers unsecured secondary loans – in conjunction with member first loans – to qualified businesses that otherwise would not meet traditional underwriting requirements. This valuable resource can be used to fill the gap between what a small business needs and what your institution can lend.

## What Qualifies

BOB eligibility requires that each of the following be met:

- BOB financing must not exceed \$200,000 or 50 percent of the member loan
- Business must qualify as a small business based on U.S. Small Business Administration (SBA) size standards
- Member must provide 40 percent of total financing
- Member must show that the loan would not be made without the BOB secondary financing
- One job must be created or retained for every \$35,000 in BOB funds, or an alternate form of economic benefit must be demonstrated

**A BOB loan can be used to fund a variety of needs, including, but not limited to:**

- Leasehold improvements
- Machinery and equipment
- Real estate
- Renovations
- Working capital



# Member Benefits

BOB benefits members by:

- Bridging certain underwriting obstacles for small businesses that do not meet lending requirements
- Creating a competitive edge
- Generating interest income on the BOB loan
- Improving member cash flow due to the BOB repayment schedule
- Leading to further business opportunities
- Mitigating risk exposure
- Providing potential CRA credit
- Strengthening the local economy by creating and retaining jobs

## BOB Repayment Schedule

**Year One:** No principal or interest

**Year Two:** Principal + 3% interest

**Year Three Through End of Loan Term:** Principal + 6% interest

## How to Participate

**Enroll:** Members must enroll in BOB by completing an enrollment form and master agreement, which are available at [www.fhllb-pgh.com/bob](http://www.fhllb-pgh.com/bob).

**Apply when funds are available:** Participating members can apply for BOB funds on behalf of qualified small businesses during an open

funding round. Funding round dates are announced annually, and details are available at [www.fhllb-pgh.com/bob](http://www.fhllb-pgh.com/bob). Funds are available on a first-come, first-served basis.

**Learn more:** For additional information about BOB, email [bob@fhllb-pgh.com](mailto:bob@fhllb-pgh.com) or call 800-288-3400, option 4.

**BOB supports the creation and retention of jobs, giving members an opportunity to positively impact the communities they serve.**

# How It Works

FHLBank member underwrites the borrower's loan request and verifies the need for a BOB secondary loan.



Member submits an application to FHLBank for a BOB secondary loan on behalf of the small business during an open funding round.



FHLBank will determine eligibility and loan approval status within 10 business days of receiving the BOB application.



If approved, member closes the loan, disburses funds to the borrower and requests reimbursement from FHLBank.



FHLBank will disburse funds within 10 business days of receiving the disbursement request.



Member collects monthly payments from the borrower and remits funds annually to FHLBank.

Disclaimer: FHLBank Pittsburgh products are governed by various agreements between FHLBank Pittsburgh and its members, as well as certain FHLBank Pittsburgh policies and applicable regulations. In the event of any inconsistencies between this document and such agreements, policies and regulations, the agreements, policies and regulations will be determinative.



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