

Environmental Bankers Association



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Winter Conference

**Environmental
Bankers
Association** 

January 15 – 18, 2017
Tampa Marriott Waterside
Tampa, Florida

Post-Closing
Borrower
Monitoring

Presenter:
Steve Richardson
TD Bank

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What Exactly do we Mean?

- Resolution of Specific Known Issues – "Technical"

Versus

- General Monitoring of Borrower's Environmental Risk– "Regulatory"

Why and when is post-closing monitoring applicable?

Who does Post-Closing Monitoring and Review?

- POLL Question:
- For the Bankers in audience:
Who is currently performing post-closing monitoring?:
 - A. No one
 - B. Relationship Manager
 - C. Credit Management
 - D. Environmental Risk group
 - E. Some combo of B,C, D

When to Monitor

- Pre-determined milestones
- Task completion
- Annual Review
- Renewal
- Subsequent transaction or credit event
- Only for High Risk Borrowers and Collateral
- Newly Regulated Contaminants
- Not at all

Pressure Points / Challenges

- Staffing and cost concerns
- Delay and Cost Challenges with escrow, covenants
- Tracking of post-closing compliance
- Enforcement and dealing with non compliance
- Regulatory considerations

Regulatory Pressure/Scrutiny

- Poll Q:
- How many Bankers think regulation and scrutiny of Environmental Risk will increase over the next 5 years?
- Increase
- Decrease
- Stay the same

Case Study