

# Patriot Bank Case Study



## Bank Profile

Patriot Bank, N.A. provides consumer and commercial banking services to individuals, professionals and small and medium-sized businesses in Fairfield County and New Haven County, CT, and Westchester County, NY. The bank's lending portfolio is comprised of commercial loans, mortgages and construction loans, home improvement loans, home equity lines of credit, and other personal loans.

## ABL Alliance

ABL Alliance, a program offered by Siena Lending Group LLC ("Siena"), makes transacting asset-based loans seamless for a community or regional bank by outsourcing the infrastructure requirements to responsibly participate in ABL. We offer the following services:

1. Back Office Servicing and Support
2. Participation Opportunities
3. Referral Opportunities

## Bank History with Siena Lending Group

Patriot Bank is Siena's first ABL Alliance Bank member. Siena collaborated with Patriot Bank and provided back office servicing and support, participation opportunities, and customer referrals. Each of these is outlined below with the results showing positive outcomes for Patriot Bank.

## Scenario 1 Consultative Role -- Back Office Servicing and Support

### Patriot Bank Customer - Transportation & Logistics Company

#### Challenge

Patriot Bank had a client that fell behind in paying its payroll taxes, which led to the IRS putting a lien on the company's assets. As a result, Patriot Bank stopped lending to the company. The company was also providing monthly borrowing base certificates to Patriot Bank.

#### Solution

Siena recommended to Patriot Bank that they establish more frequent monitoring of the collateral and financial reporting, including frequent audits of Accounts Receivable and cash forecasting.

The loan was placed on Siena's state-of-the-art monitoring system, Passport 6.0. Siena also assisted in negotiating a subordination agreement with the IRS so Patriot Bank could continue to finance the company.

#### Results

Siena referred a turnaround consultant to Patriot Bank and set milestones to improve overall credit. Through the work of Siena and Patriot Bank together, there was no loss to the Bank.

## Patriot Bank Customer - Transportation & Shipping Company

### Challenge

Patriot Bank originated a transaction and requested advice on structure and terms.

### Solution

Siena stepped in and helped structure the transaction in a manner acceptable to Patriot Bank and the customer.

### Results

Siena was able to help Patriot Bank structure and close a profitable transaction that they initially were going to decline.

## Patriot Bank Customer - Importer of High Quality Consumer Foods

### Challenge

Patriot Bank requested assistance with a structuring alternative for a customer who was having liquidity challenges.

### Solution

Siena helped Patriot Bank structure a Purchase Order financing facility and bring in a provider.

### Results

Siena was able to help Patriot Bank keep the transaction and help the customer obtain an incremental financing facility.

## Scenario 2 Participation Opportunities with Patriot Bank

### Challenge

Siena originated three transactions -- a Kitchenware Manufacturer, a Health and Wellness Company, and a Christmas Ornaments Supplier -- and needed a bank to participate with.

### Solution

Siena sold a piece of each transaction to Patriot Bank and placed each loan on Siena's state-of-the-art monitoring system, Passport 6.0.

### Results

Patriot Bank earned a portion of the interest and fee income for participating in these loans with Siena. Additionally, Patriot Bank was able to acquire Siena's loan participation in a transaction, after the customer became bankable.

## Scenario 3 Referral Opportunities with Patriot Bank

### Situation

Siena offered Patriot Bank several referral opportunities.

### Results

Siena referred two EB-5 transactions to Patriot Bank, which came with \$10 million in deposits along with the two loans.

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*"Being a member of ABL Alliance allows us to efficiently take advantage of Siena Lending Group's asset based lending experience and state-of-the-art infrastructure, without having to invest time and resources in building an internal capability. In addition, the alliance has created referral opportunities which helps grow our C&I business."*

### Samuel Davis

EVP and Chief Credit Officer  
Patriot Bank, N.A.

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## About Siena Lending Group LLC

Siena Lending Group is both a balance sheet and a servicing business. In addition to the ABL Alliance program for Community and Regional Banks, Siena Lending Group offers senior secured asset-based loans from \$1 to \$25 million to lower middle market businesses across the United States.

For more information about Siena Lending Group's ABL Alliance program, please call Victoria Levine at **203.883.5669** or email at **vlevine@sienalending.com**.

Visit [ablalliance.com](http://ablalliance.com) to learn how other community and regional banks have successfully expanded into asset-based lending.

