



July 7, 2020

Dear Borrower,

First Service Bank would like to thank you for trusting us as your Paycheck Protection Program (PPP) lender. We would like to provide you with updates concerning the PPP program and the Loan Forgiveness process.

The Small Business Administration (SBA) has published two versions of the Loan Forgiveness Application. Depending on the specific circumstances of your COVID impact, type of business, and payroll and staffing levels you may be eligible to submit the streamlined 3508-EZ Application Form. As you already know, effective June 5, 2020, the loan forgiveness covered period was extended from 8 weeks to 24 weeks for spending your PPP funds. However, even if you have already spent your funds or are electing to use the 8-week covered period and are ready to apply for loan forgiveness, SBA is not currently accepting forgiveness applications.

Until SBA releases procedural guidance for banks to submit loan forgiveness requests, the Bank is unable to accept any applications. However, you can start compiling payroll and non-payroll costs documentation and begin filling out the Loan Forgiveness Application form that applies to you so that you will be ready when the time comes. Both the 3508 and 3508-EZ forms can be downloaded at SBA's website under the Loan Details and Forgiveness section at: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>. You will also find detailed instructions on completing these applications from this site.

We also want to make you aware of legislation recently proposed in the Senate, S.B. 4117, that would automatically forgive any PPP loan under \$150,000 as long as the borrower submits a simple, one-page attestation form to the Bank. The Senate is currently in recess, but the Bank has been told that this bill has a high likelihood to be pushed through Congress within the next 4-6 weeks. If this bill becomes law, it will greatly reduce the burden on the borrower and the Bank in the forgiveness process. We encourage you to contact your State Senators and Representatives regarding the urgency and importance of this bill. Contact information for your elected officials can be found at <https://www.usa.gov/elected-officials>.

As always, we continue monitoring for new guidance and meeting with other banking and government officials to stay up-to-date on the latest information as it becomes available. Please be aware that future communications concerning the loan forgiveness process may come electronically to the email that was provided on your PPP application.

You can also visit our website at www.firstservicebank.com for more information on our products and services, as well as COVID-19 related information.

In your service,

First Service Bank
1-800-669-2517