

TO: **Borrowers with Paycheck Protection Program (PPP) Loans Made Before June 5, 2020**

**CHANGE IN DEFERRAL PERIOD
FOR PPP LOANS MADE BEFORE JUNE 5, 2020**

Original PPP Note Terms on Deferral Period

The Note you signed for your PPP Loan provides that no payments on the PPP Loan were to be due until 6 months from the date of the Note. This 6-month period is referred to as the “Deferral Period” for your PPP Loan.

Automatic Extension of Deferral Period

The Deferral Period for your PPP Loan was changed automatically by a federal statute that was enacted June 5, 2020.

Explanation of Extended Deferral Period

The new Deferral Period for your PPP Loan now extends until the *earlier* of:

- the date on which the amount of forgiveness for the PPP Loan determined under applicable law and PPP rules is remitted by the Small Business Administration (SBA) to the Lender;
- the date the SBA notifies the Lender that no Loan forgiveness is allowed on the PPP Loan, or
- if the Borrower has not yet applied for loan forgiveness, the date 10 months after the last day of the “covered period” for the PPP Loan, as defined in applicable law and PPP rules.

As provided in the Note for your PPP Loan, interest will continue to accrue on the PPP Loan during the deferral period. No payment on your PPP Loan will be required until the end of your new Deferral Period, and the Monthly Installments and First Payment Date will be recalculated upon the conclusion of the new Deferral Period. We will provide you updated information regarding your Monthly Payment Date and Monthly Installment amount following the Deferral Period.

Other PPP Law Changes

In addition to the Deferral Period change explained above, there have been a variety of other changes to the PPP loan program implemented by federal law and SBA rules and guidance since your PPP Note was signed, for example, changes to the standards and requirements for PPP Loan forgiveness. Please see the [Frequently Asked Questions about PPP Loan Forgiveness](#) and the [SBA Enactment of the Paycheck Protection Program Flexibility Act](#) for explanations of some of these changes and how they may impact your PPP Loan.

Further Information

Please consult your attorney or accountant regarding how the PPP loan program changes referenced above may affect your PPP Loan. As always, also please refer to [SBA Website](#) for the most up-to-date information.