



July 6, 2020

Dear Valued F&M Bank Client,

To deliver on F&M Bank's commitment to providing regular communication to our Paycheck Protection Program (PPP) loan Borrowers, below please find a consolidation of program updates. We hope you find this information helpful.

Forgiveness Application Update

All recipients of PPP funding from the Small Business Administration (SBA) will be required to submit an application seeking loan Forgiveness. We are still working very closely with the SBA and awaiting final guidance from them on how to submit Forgiveness Applications. Until that guidance is received and evaluated, F&M Bank will not accept loan Forgiveness Applications. Please do not submit a Loan Forgiveness Application at this time. We will continue to monitor SBA guidance as it is released and let you know when we begin accepting applications. Each F&M Bank PPP Borrower will receive an email from us with a secure link to their Forgiveness Application once we begin accepting Forgiveness Applications.

Forgiveness Application Timeline

When you have spent your PPP Loan funds, you may wait up to 10 months following the end of your "covered period" to apply for Forgiveness. Federal law and program guidelines give lenders 60 days to process PPP Loan Forgiveness Applications and then the SBA has 90 days to review the lenders' submissions. F&M Bank does not expect the process to take five months, but the process will take some time. Payments of principal and interest are deferred for the 10-month waiting period and while Forgiveness Applications are under review.

In addition, F&M Bank has also heard from clients wanting to know if they will be required to complete the full 3508 Loan Forgiveness Application or will be eligible for the 3508EZ Loan Forgiveness Application. Below is a survey that will answer this question for you and help us understand your plans for Forgiveness so we can better serve you.

Begin Survey

PPP Loan Application Extension

Last Wednesday, Congress approved an extension of the application deadline for the Small Business Administration's (SBA) PPP loan program, which expired on June 30, 2020. The President signed this bill into law on Saturday, officially extending the application deadline until August 8, 2020. This law does not provide additional funding for existing Borrowers.

For more information on PPP Loan Forgiveness and to review FAQs, visit F&M Bank's [PPP Forgiveness Knowledge Center](#) at www.FMB.com/PPP.

Thank you for being a client of F&M Bank, *California's Strongest*.

Sincerely,
Your F&M Bank SBA Department

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