

Wednesday, April 8, 2020 (9:20 p.m.) – Evening Update

We are providing this evening update to pass along information received since this afternoon's update and weekly e-newsletter. The situation is fluid, and we will continue to reach out to seek clarity on issues still outstanding.

On that note, we are waiting for answers regarding the issue of **password resets** for banks that are approved SBA lenders but have been inactive in recent years.

More information to follow in tomorrow's update(s).

From ICBA: SBA Provides Answers On PPP Notes, Forgiveness Period

The Treasury Department and Small Business Administration just answered key questions ICBA has been asking about the Paycheck Protection Program. <https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Frequently-Asked-Questions.pdf>. In today's updates to the agencies' PPP FAQs, they confirmed the following:

- Lenders may use their own promissory note or an SBA form of promissory note for PPP loans.
- The lender must make the first disbursement of the loan no later than 10 calendar days from the date of loan approval.
- The eight-week period of borrower payroll costs that determines the amount of forgiveness for PPP loans begins on the date the lender makes the first disbursement of the PPP loan to the borrower.

ICBA has added information from the Treasury/SBA FAQs to our own FAQs on the PPP https://www.icba.org/advocacy/industry-issues/lending/small-business-lending/community-bank-covid-19-faqs/?utm_source=informz&utm_medium=email&utm_campaign=informz&zs=njOgU&zl=h0a32, which we continue to update with new information as we receive it. The updates follow yesterday's SBA launch of its portal <https://connect.sba.gov> to facilitate PPP access.

The new portal allows non-SBA-certified lenders to:

- Create an account on SBA Connect.
- Request authorization to the Paycheck Protection Lender Gateway by providing their FDIC or Federal Reserve number and authorization number.
- Proceed to the Lender Gateway <https://connect.sba.gov/Home/TermsAndConditions?LoginButtonClickValue=ExternalLogin> to begin submitting loan authorization requests.

The SBA launched the portal while ICBA Chairman Noah Wilcox and ICBA Vice Chairman Brad Bolton participated in a virtual White House meeting with President Donald Trump, Treasury Secretary Steven Mnuchin, and SBA Administrator Jovita Carranza to discuss the status of the PPP. At the meeting, Secretary Mnuchin said he is working with congressional leaders to procure an additional \$250 billion for

the PPP as soon as this week. Nevertheless, key questions remain unanswered. ICBA still continues to ask Treasury and the SBA to provide definitive guidance on:

- Whether banks can lend to their directors with eligible small businesses, and
- Whether owner draws or distributions count as payroll costs.

As soon as we have answers to those questions, we will let you know.

The SBA continues encouraging lenders who need assistance to call its Lender Customer Service Line at 833-572-0502. And we encourage community bankers who are having problems accessing the program to check spam filters for password-reset emails and other auto-generated messages from the SBA E-Tran at DoNotReply@sba.gov.

QwickRate Announcement 4-8-2020

In this unprecedented time, community banks naturally want to do all they can to champion financial relief for their customers and neighbors. In many instances, this requires the availability of additional liquidity sources to **pre-fund loans offered through the Small Business Administration's** Paycheck Protection Program and Economic Injury Disaster Program. Our partner, QwickRate, and their non-brokered CD Marketplace, can assist you in this effort. In the Marketplace, banks have direct, online access to more than 3,000 institutional subscribers across the nation to help pre-fund SBA loans and other local lending opportunities. Please reach out to QwickRate at info@qwickrate.com to schedule a demonstration or request more information.

New York State's Mortgage Relief Order Spurs Confusion, Disappointment For Homeowners

Gov. Cuomo issued an executive order that mortgage payments would be suspended for 90 days for people struggling to keep up with their bills due to coronavirus, but press reports note some homeowners who have sought the reprieve have found the reality is more complicated: ". . .homeowners have reported a lack of clarity and some conflicting messages from government agencies and banks on what their options are once the deferment period ends. . .and since most mortgages are federally-backed they are under separate guidelines altogether. . ." To read full article, please use link provided below.

<https://subscriber.politicopro.com/states/new-york/city-hall/story/2020/04/08/cuomos-mortgage-relief-order-spurs-confusion-disappointment-for-homeowners-1273435>