

*Comparison of Revised and Amended Terms:
The Paycheck Protection Program (PPP) and
The Paycheck Protection Program Flexibility Act (PPPFA)*

| <i>1) Percentage of Loan Proceeds to be Used for Payroll</i> | |
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| <i>Original PPP Loan Terms</i> | <i>Revised Terms Under PPPFA</i> |
| To be eligible for forgiveness, at least 75% of loan proceeds must be used for payroll costs, and up to 25% of loan proceeds may be used to pay mortgage, rent, or utility costs. | PPP loan recipients must use at least 60% of loan proceeds to pay for payroll costs and may use up to 40% of loan proceeds to make mortgage (not including prepayment of any mortgage), rent, or utility payments. |
| <i>2) Period to Use PPP Loan Proceeds</i> | |
| <i>Original PPP Loan Terms</i> | <i>Revised Terms Under PPPFA</i> |
| To be eligible for forgiveness, loan proceeds must be used (for payroll, mortgage interest, rent, or utility payments) in the 8-week period beginning the day the loan was received. | <p>Borrowers may elect to extend the 8-week period during which time loan proceeds must be used to the earlier of 1) 24 weeks beginning day the loan was received, or 2) December 31, 2020.</p> <p>Borrowers who received loans prior to the enactment of the PPPFA may still elect to use the original 8-week measurement period.</p> |

3) *Deadline for Rehiring Employees, Reinstating Wages and Exemptions for Proportional Forgiveness Reduction*

| <i>Original PPP Loan Terms</i> | <i>Revised Terms Under PPPFA</i> |
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| <p>If an employer reduces staff during the loan period, as compared to a prior lookback period, the amount of loan forgiveness will be proportionally reduced. The employer can elect a lookback period of: (i) February 15, 2019 to June 30, 2019; or (ii) January 1, 2020 to February 29, 2020. For seasonal employers, the lookback period is February 15, 2019 to June 30, 2019.</p> <p>If an employer reduces employee wages, the amount forgiven will be reduced in proportion to the reduction in pay of any employee in excess of 25%, as compared to the employee’s pay during the most recent full quarter of employment prior to February 15, 2020.</p> <p>If the employer re-hires employees or reinstates wages before June 30, 2020, they will be eligible for full forgiveness.</p> | <p>The lookback period borrowers must use to calculate a reduction in their workforce or in employee wages remains the same, but for borrowers electing to extend the measurement period, the deadline for rehiring employees and reinstating wages will be extended to December 31, 2020. If these borrowers re-hire employees or reinstate wages before December 31, 2020, they will be eligible for full forgiveness.</p> <p>Borrowers who received loans prior to the enactment of the PPPFA and elect to use the original 8-week measurement period must re-hire employees or reinstate wages by June 30, 2020 in order to be eligible for full forgiveness.</p> <p>Borrowers will be exempt from the proportional reduction in loan forgiveness for reductions in workforce or employee wages if they are able to document any of the following:</p> <ol style="list-style-type: none"> 1) An inability to rehire individuals who were employees on February 15, 2020 by December 31, 2020; 2) An inability to hire similarly qualified employees for open positions by December 31, 2020; or 3) That between March 1, 2020 and December 31, 2020, the borrower was unable to return to the same level of business activity the business was operating at as of February 15, 2020 due to their compliance with safety requirements for workers or customers related to COVID-19 (e.g., sanitation, social distancing). |

4) Repayment Deferral Period and Minimum Maturity Date of Loans

| <i>Original PPP Loan Terms</i> | <i>Revised Terms Under PPPFA</i> |
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| <p>The minimum loan maturity date lenders may establish for borrowers is 2 years beginning date the loan was received.</p> | <p>For any borrowers who receive loans after the enactment of the PPPFA, the minimum loan maturity date is extended from 2 years following the date of receipt of the loan to 5 years.</p> <p>The minimum maturity date is not extended for borrowers who received loans prior to the enactment of the PPPFA. These borrowers must reach an agreement with their lenders if they wish to extend the maturity date of their existing loans.</p> |
| <p>The deferral period for repayment of loans will be a minimum of 6 months and not more than 1 year beginning the date the loan was received.</p> | <p>The deferral period for repayment of loans will not begin until a final decision regarding loan forgiveness is rendered to the borrower by the SBA.</p> <p>For borrowers who do not seek forgiveness, the deferral period for repayment of loans will be 10 months beginning December 31, 2020.</p> |

5) Payroll Tax Deferment Exceptions for PPP Loan Recipients

| <i>Original PPP Loan Terms</i> | <i>Revised Terms Under PPPFA</i> |
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| <p>Employers may defer the payment of payroll taxes for wages paid between March 27, 2020 and December 31, 2020. The deferred taxes are required to be paid in two equal installments on December 31, 2021 and December 31, 2022. Employers who are PPP loan recipients and apply for loan forgiveness may not continue deferring payroll tax payments beginning the date that a final decision granting partial or full loan forgiveness is rendered to the borrower by the SBA.</p> | <p>The PPPFA removes the payroll deferment exception provision for PPP loan recipients.</p> <p>All PPP loan recipients may continue deferring the payment of payroll taxes even if they apply for and are granted partial or full forgiveness of their loan on or before December 31, 2020.</p> |