

IMPORTANT INFORMATION

Regarding Forgiveness of Your Paycheck Protection Program Loan



June 2, 2020

Dear Customer,

Thank you again for your trust in Enterprise Bank to secure your loan under the U.S. Small Business Administration's ("SBA") Paycheck Protection Program ("PPP"). It is our honor to serve you and your organization. We are writing to provide you with an update on the forgiveness process of your PPP loan. An update on PPP loan forgiveness was shared previously on May 14, 2020.

According to the SBA, as a PPP loan recipient, you are responsible for submitting a request for forgiveness to the SBA through Enterprise Bank by October 31, 2020. A four page summary of the current status of the loan forgiveness process can be found [here](#).

Late on Friday, May 22nd, the Small Business Administration ("SBA") released the Forgiveness Application ("the Application") and related instructions which can be found [here](#). We want to note that the SBA may revise the Application and issue answers to Frequently Asked Questions in the coming days or weeks. We also want to note that there are congressional and other efforts underway to potentially make changes to the PPP forgiveness process and rules including possible changes to the forgiveness period (which may be extended beyond the current period of eight weeks), reducing restrictions on non-payroll expenses, and simplifying the forgiveness process, amongst other possible changes. The information provided here is what the SBA has released to date regarding the Forgiveness Application and Instructions.

As outlined in the Forgiveness Application, borrowers along with preparing the Application, will be required to submit documentation along with the Application that supports the request for forgiveness or partial forgiveness of your PPP loan. Given the extensive and complicated nature of the Application, completing it will likely require some assistance from your financial advisor or certified public accountant ("CPA"). If you seek assistance

from an accountant or other advisor, their services are at your expense and they will not be considered an agent unless identified to us at the time you submitted your PPP loan application. We strongly encourage you to begin to work with your financial advisor or CPA now in preparing to complete the Application, including retaining the required documents that will need to be submitted to us. Many CPAs that we have spoken to are gearing up to assist their clients in preparing Forgiveness Applications, in a similar manner as if they were preparing for tax return season.

It is Enterprise Bank's intention to have an automated process that will allow you to input data into an online form. We will contact you when this is operational. As the lender, the SBA has imposed on us procedures we are required to go through to review your submitted Forgiveness Application, including performing a review of your calculation and ensuring that all supporting documentation is included before we submit it to the SBA. Providing us (Enterprise) with a complete, thorough and accurate Forgiveness Calculation and all of the necessary supporting documentation, as outlined in the SBA Paycheck Protection Program Loan Forgiveness Application and Instructions for Borrowers (see the link above), will allow us to process your forgiveness request in a more timely manner.

We will communicate with you as new substantive information becomes available which could even be within the next week depending on congressional, senate, SBA, and Treasury deliberations. Most of all, at this time, we urge you to begin your preparations and dialogue with your financial advisor or CPA.

Best regards,



Jack Clancy
Chief Executive Officer
Enterprise Bank



Brian Bullock
Chief Commercial Lending Officer
Enterprise Bank