



June 5, 2020

PPP Loan Update #3

PPP Loan Customers,

It's hard to believe that we booked the first of the PPP loans 8 weeks ago. That means that some PPP borrowers are now ready to start the forgiveness application process. I hesitate to try to give you much information about how Queensborough expects to handle the forgiveness part of this program as both SBA and Congress keep adjusting the rules on us. Most of the changes give you and the bank more flexibility but in doing so seem to create as many questions as they answer.

As it stands right now, the major change Congress mandated is to give you more flexibility to measure your payroll and non-payroll expenses as part of the forgiveness calculation. I suspect that this will be of great benefit to many customers. But we will also have customers that qualify for near 100% forgiveness in the initial 8 week period and those folks can proceed with the forgiveness application right away. This avenue may provide additional flexibility for reducing expenses in the near future. In any case, you will have the opportunity to plan and make a good sound decision and not be rushed in the decision process as soon as the rules are finalized.

We do expect to see additional changes before long, likely within the next week or so. Hopefully the next set of rules will include a streamlined forgiveness process for the smaller borrowers. We will be on the lookout for such changes and will try our best to keep you informed as we go. Please continue to rely on your own accounting and legal advice as I am neither accountant nor lawyer.

In the meantime, we are still looking for additional PPP loan customers so if you know of people or businesses that need help, please refer them to us. Also, you can find some statistics and succinct information about our PPP program on the Queensborough website:
www.qnbtrust.bank/ppp-info

Please call me or your Queensborough banker if you have any questions. 478-625-2000.

Sincerely,

A handwritten signature in black ink that reads 'Bill'.

William F. Easterlin, III
President

