

Dear PPP Loan Borrower,

This is Ryan Rustad from United Community Bank. It has been another busy week and we are so thankful for you choosing UCB and allowing us to work with you. My goal with these weekly emails is to keep you up to date with information regarding your PPP loan. If you are receiving this email for the first time and would like to go back and review our previous PPP loan emails, [click here](#).

Before I get into some of the resources we have compiled this week don't forget about your PPP Loan forgiveness. That period begins 8 weeks from when you first received your PPP loan proceeds. During the time between receiving your loan and the forgiveness period, it is extremely important that you keep track of all eligible PPP loan expenses. If you have questions on what you need to keep and record, please refer to the Treasury Department's website or please reach out to your Loan Officer.

In order for you to stay up to date with the most recent information that is coming from the Federal Government, I have attached a few resources and webpages that have become invaluable to me.

The first is the Treasury Department's PPP website. That website is updated daily with new information. The Treasury Department's website can be [found here](#).

The second is the SBA "Frequently Asked Questions" page. This site offers guidance and helps clear up questions pertaining to your PPP Loan. This page is updated weekly with new questions that have come from businesses and is invaluable when looking for answers to hard questions. Follow this link to [access the SBA FAQ page](#).

Finally, we have a few articles of information from the SBA and Treasury Department that we would like to pass along.

SBA Offers Clarity for PPP Borrowers Attempting to Rehire Employees

The Small Business Administration and the Treasury Department confirmed that Paycheck Protection Program borrowers who attempt to rehire employees that were laid off will not have their loan forgiveness amounts reduced if those employees decline the offer to return to work.

In updates to the PPP FAQs late Sunday night, SBA and Treasury said they would issue an interim final rule in the coming days codifying that a borrower must have documented that they made a good faith, written offer of rehire to the employee for the same wages and number of hours. Borrowers must also document the employee's rejection of the offer.

In addition, the updated FAQs provide clarification about the treatment of nonprofit hospitals under the CARES Act. A nonprofit hospital may qualify for PPP funding if it "reasonably determines" and maintains documentation that it meets the criteria of a 501(c)(3) under the Internal Revenue Code and is therefore tax exempt under section 501(a), SBA and Treasury noted. They added that these entities should also review all other applicable eligibility criteria.

If you would like to view the article please click [here](#).

PPP loan and EIDL advance

The Economic Injury Disaster Loan (EIDL) allows small business owners to request an advance of up to \$10,000. While the SBA refers to this as an advance, it does not have to be repaid, even if your EIDL application is ultimately declined.

If you did apply and receive an EIDL advance as well as a PPP loan, proceeds from the advance will be deducted from the loan forgiveness amount.

For example, let's say that XYZ Corp. gets a \$25,000 PPP loan, then later receives a \$5,000 EIDL advance. The amount of the advance would be deducted from the forgivable amount of the PPP loan. So even if the company follows all of the loan forgiveness rules, the most that can be forgiven is \$20,000.

United Community Bank is committed to you, your business, and your family during these challenging times. We will help assist you in any way we can. If you need help or guidance please do not hesitate to reach out. We are here to serve you!

Thank you for placing your trust in UCB.

Sincerely,

Ryan A. Rustad

Chief Lending Officer

NMLS ID #460590

UNITED COMMUNITY BANK – PERHAM OFFICE

218.346.9749 **direct** | 218.346.5700 **main** | 218.346.5701 **fax**