

Business Name:

We continue to work hard to prepare as many applications as possible for processing when the SBA begins taking new applications. However, the SBA recently issued new guidance that we want to communicate to customers whose application is in process as well as those who have already received funding.

The new guidance strengthens some of the language regarding qualifications for a Paycheck Protection Program Loan. Specifically, we would like to remind you:

1. When you applied you certified that **“current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.”**
2. You have the opportunity to withdraw your application if you do not feel you meet this criteria.
3. If you’ve already been funded, and you believe you do not meet this criteria, you can repay your loan by May 7, 2020 and the SBA will treat that repayment as being in good faith.

If you cannot certify and want us to stop processing your application or you want to return your funding, you’ll need to follow the instructions at the bottom of this email.

Read the Important Information below before you make any decisions.

Please be sure to read the FAQ shown below in its entirety and, if necessary, consult with your counsel or advisor:

31. Question: Do businesses owned by large companies with adequate sources of liquidity to support the business's ongoing operations qualify for a PPP loan?

Answer: In addition to reviewing applicable affiliation rules to determine eligibility, all borrowers must assess their economic need for a PPP loan under the standard established by the CARES Act and the PPP regulations at the time of the loan application. Although the CARES Act suspends the

ordinary requirement that borrowers must be unable to obtain credit elsewhere (as defined in section 3(h) of the Small Business Act), borrowers still must certify in good faith that their PPP loan request is necessary. Specifically, before submitting a PPP application, all borrowers should review carefully the required certification that "current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant." Borrowers must make this certification in good faith, taking into account their current business activity and their ability to access other sources of liquidity sufficient to support their ongoing operations in a manner that is not significantly detrimental to the business. For example, it is unlikely that a public company with substantial market value and access to capital markets will be able to make the required certification in good faith, and such a company should be prepared to demonstrate to SBA, upon request, the basis for its certification.

Lenders may rely on a borrower's certification regarding the necessity of the loan request. Any borrower that applied for a PPP loan prior to the issuance of this guidance and repays the loan in full by May 7, 2020 will be deemed by SBA to have made the required certification in good faith.

Please remember that you also certified you understood that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

If you cannot certify and want us to stop processing your application or you want to return your funding, please email us at PPP.Cancellation@chase.com. If you've already received your funding, and you do not believe that your business meets the definition of "economic need", you may repay it by May 7, 2020, and the SBA will deem your certification to have been made in good faith.

Please include in the email:

- Business Name
- Best number to reach you
- PPP ID:

This email address can only be used to cancel your PPP loan or application.