

Instructions for the PPP Note Modification Agreement created by FIPCO®
WBA PPPMOD (6/11/20)

This form was created to assist lenders with changes that need to be made to existing PPP loans in light of the passage of the Paycheck Protection Program Flexibility Act (PPPFA) effective June 5, 2020. As you review this form in connection with your existing notes, please consider the following comments regarding completion of the WBA PPPMOD.

- This Modification Agreement should be executed by all of the same borrowers who executed the original Note.
- Paragraph 1 (a) is intended to modify the Lender's current note with the borrower as it relates to the deferral of payments. The PPPFA changes the deferral of principal and interest payments from 6 months to a future date in time when the SBA remits to the Lender the amount of forgiveness of the Note under section 1106 of the CARES Act.
- Paragraph 1(b) is intended to be checked only if the Lender and borrower(s) mutually agree to change the maturity of the Note from a two year maturity to 5 years in light of the passage of the PPPFA. If both parties mutually agree to this change, language should be added in this area to make this change. Suggested language to insert here might be:

At the expiration of the deferral period set forth in section 1(a) above, principal and interest payments will be due on the date immediately after the expiration of the deferral period and on the same day of each calendar month thereafter in equal monthly installments of principal and interest sufficient to fully repay the outstanding principal amount of the Note after application of all forgiven amounts (if any), without any balloon payment on _____ (the "Maturity Date"). All outstanding principal and all remaining accrued and unpaid interest plus outstanding costs are due and payable without notice, demand, setoff or deduction on the Maturity Date. Lender shall notify Maker of the monthly payments and Lender's calculations of such amounts are binding and conclusive on Maker and Lender, absent manifest error.

Alternatively, if you wish to include a dollar amount in the payment schedule, you could use the following language:

[Payment schedule here]. Maker and Lender acknowledge that the foregoing payments are an estimate only and the actual monthly payments may be different, depending on the expiration of Maker's deferral period and the amount of the PPP Loan that is forgiven (if any). The actual amount of the monthly principal and interest payments will be calculated so that there will be equal monthly payments sufficient to fully repay unpaid principal and accrued but unpaid interest and fees on the PPP Loan on _____ (the Maturity Date). All outstanding principal and all remaining accrued and unpaid interest plus outstanding costs are due and payable without notice, demand, setoff or deduction on the Maturity Date. Lender shall notify Maker of the monthly payments and Lender's calculations of such amounts are binding and conclusive on Maker and Lender, absent manifest error.