

ADDENDUM TO _____ dated _____ (“Note”)

This Addendum is a part of the Paycheck Protection Program Loan # _____ between _____ (“Lender”) and _____ (“Maker”,

whether one or more) evidenced by the Note.

Lender and Maker agree as follows:

1. Generally. The terms of this Addendum are in addition to the Note to which these Additional Provisions are attached. To the extent of any inconsistency between the terms of this Addendum and the remaining terms of the Note, the terms of this Addendum govern and prevail. All capitalized words not defined in this Addendum have the meanings given to them in the Note.
2. Initial Deferment Period. Payments of unpaid principal, interest and fees under the Note are deferred until the SBA remits the amount of forgiveness of the Note under section 1106 of the CARES Act to the Lender (or notifies the Lender that no loan forgiveness is allowed). Notwithstanding the foregoing, if Maker for any reason fails to submit to Lender a fully completed and signed loan forgiveness application within ten months after the last day of the “covered period” as defined in the CARES Act, as amended from time to time, then payments of unpaid principal, interest and fees shall begin on the date that is ten months after the last day of the “covered period”.
3. Repayment Period. At the expiration of the deferral period set forth in section 2 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.
4. Loan Forgiveness. Maker may apply to the SBA, through the Lender, for forgiveness of the amount due on this loan in an amount equal to the sum of the following costs incurred by Maker during the applicable loan forgiveness covered period selected by Maker:
 - a. Payroll costs
 - b. Any payment of interest on a covered mortgage obligation (which shall not include any prepayment of or payment of principal on a covered mortgage obligation)
 - c. Any payment on a covered rent obligation
 - d. Any covered utility payment
 - e. Other costs and expenses permitted under the CARES Act

The amount of loan forgiveness shall be calculated (and may be reduced) in accordance with the requirements of the Paycheck Protection Program, including the provisions of Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (P.L. 116-136). Not more than 40% of the amount forgiven can be attributable to non-payroll costs. **Maker acknowledges that all decisions regarding forgiveness of the Note are made by the SBA and not Lender. Lender has no authority to forgive or not forgive any principal or interest payments due under the Note.**

5. Repayment Terms. Lender will apply each installment payment first to pay interest accrued to the day Lender received the payment, then to bring principal current, and will apply any remaining balance to reduce principal.
6. Loan Prepayment. Notwithstanding any provision in the Note to the contrary: Maker may prepay the Note at any time without penalty. Maker may prepay 20 percent or less of the unpaid principal balance at any time without notice. If Maker prepays more than 20 percent and the Loan has been sold on the secondary market, Maker must: (a) Give Lender written notice; (b) Pay all accrued interest; and (c) If the prepayment is received less than 21 days from the date Lender received the notice, pay an amount equal to 21 days interest from the date lender received the notice, less any interest accrued during the 21 days and paid under (b) of this paragraph. If Maker does not prepay within 30 days from the date Lender received the notice, Maker must give Lender a new notice.

7. Non-Recourse. Lender and the U.S. Small Business Administration (“**SBA**”) shall have no recourse against any individual shareholder, member or partner of Maker for non-payment of the loan, except to the extent that such shareholder, member or partner uses the loan proceeds for an unauthorized purpose.
8. SBA as Holder. *When SBA is the holder, the Note will be interpreted and enforced under federal law, including SBA regulations. As to the Note, Maker may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.*
9. Additional Documentation. At the request of Lender, Maker agrees to promptly re-execute the Note and any other loan document related to the Note as Lender may deem necessary or appropriate, in its sole discretion, to comply with any rule, guidance or regulation issued by any government agency relating to the CARES Act or the Paycheck Protection Program issued thereunder.
10. Maker Agreements. Maker agrees to comply with the covenants and certifications set forth in the Certifications Relating to Paycheck Protection Program Loan executed by Maker.
11. Additional Provisions. (If none are stated below, there are no other provisions.)

ACKNOWLEDGED AND AGREED TO AS OF THE DATE SET FORTH ABOVE.

LENDER:

(Name of Lender)

By: _____

(Lender's Address)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)