

A photograph of a brick building at night, identified as the Springfield State Bank. The building has several windows with dark shutters and a prominent sign above the entrance that reads "Springfield State Bank" in a serif font. The entrance is illuminated by several outdoor lamps, and a large, leafy tree is visible on the right side of the frame. A diamond-shaped logo with the letters "SSB" is visible on the brick wall above the entrance.

Springfield State Bank

SBA PPP LOANS

A COMMUNITY BANK PERSPECTIVE

The logo for the Bluegrass Community Bankers Association (BCBA). It features a blue silhouette of the state of Kentucky with the letters "BCBA" in white, sans-serif font centered within the outline.

BCBA

Bluegrass Community
Bankers Association

AGENDA

- **Welcome & Thank you**
- **The Challenges**
 - SBA PPP in a nutshell
 - Our Unique Challenges
 - Typical Day of SBA PPP
 - Riding the Wave of Forgiveness
 - Making a Difference?
 - What you Can Do

BUILDING THE
PLANE AS WE FLY IT

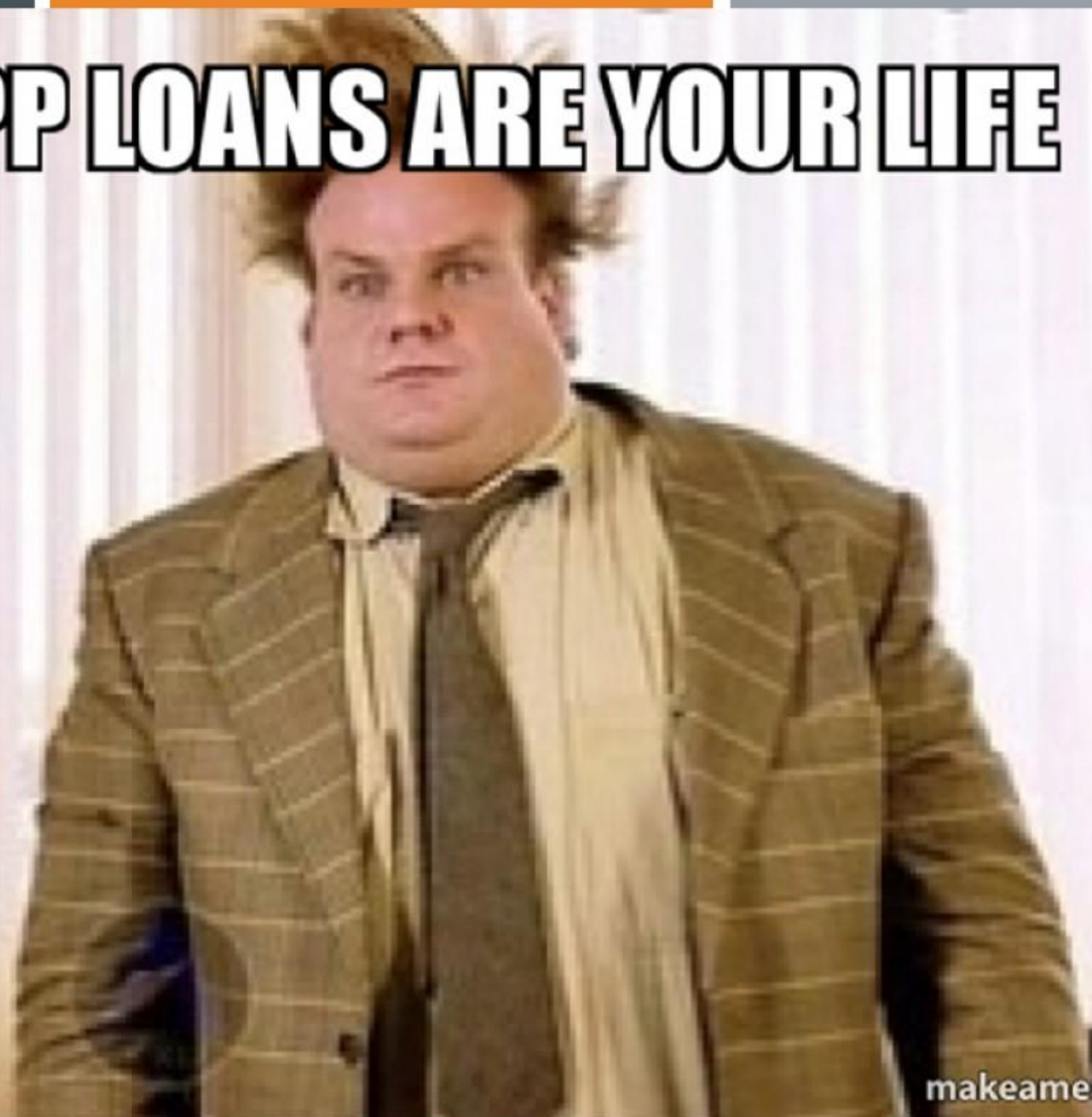




COVID PANDEMIC: UNIQUE CHALLENGES FOR COMMUNITY BANKS

- Operating with Closed Lobby / Skeleton Staff
- Becoming an SBA Lender on the Spot – Getting Login Info
- Communication!
 - Daily Changing Rules
 - Conflicting News – SBA vs. Media vs. Vendors
 - Employee & Customer Communication
- Accepting applications from Non-customers
- Utilizing the Bank's Capital to fund loans that are made with no collateral and no guidance for forgiveness
- Regulatory Uncertainty/Protecting the Bank from Lawsuits – making loans that go against every regulation
- The Unknowns of Forgiveness
- Reduced Staff - Running a Bank from Home
 - Proud of our Employees!
 - Typical Schedule (next slide)

WHEN PPP LOANS ARE YOUR LIFE





SBA PPP

TYPICAL DAY OF PPP

- Accessing SBA site to enter loans for PPP approval 24/7
- Preparing Loan Docs for approved Loans
- Scheduling Closings for approved Loans (must be within 10 calendar days of approval)
 - Adhering to Health Standards
 - One Customer at a Time
 - Closings Off-site, Nights and Weekends
- Answering phone calls, texts and emails 24/7

BANKERS



SBA PPP Forgiveness

Banks

ENTERING THE FORGIVENESS PHASE

- Adjusted to new norm – benefitting from Community Bank network
- Collecting Origination Fees / Dealing with Agents
- Still waiting on final ruling from Congress on Forgiveness
- Assisting Customers with Complex Forgiveness Application
- Entering in Data with no guidance
- No indication of time frame for forgiveness



SBA PPP – HAS IT MADE A DIFFERENCE?

- Local Businesses/Farms/Ind Contractors Saved by PPP Funds
 - Snappy Tomato Pizza family
 - Family farm story of closing 7 loans around the dinner table for all the workhands; walking across a cornfield to get closing documents signed. Watching a farmer cry tears of relief.
- Developing a Strong Network of Community Banks Helping Each Other
- New customers and improved relationships





HOW CAN YOU HELP?

- Speak up for community banks to the KDFI and your constituents
- Ease regulatory burden regarding SBA PPP loans
- Encourage KDFI to support banks along with FDIC, Federal Reserve and OCC (State plays a role in bank exams – the federal agencies parallel them)
- Educate your peers and other members of the legislature and congress regarding our story.

THANK YOU



Bluegrass Community
Bankers Association

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