



April 3, 2020

Dear Valued Mission Bank Customer,

There is an unprecedented amount of anxiety in the US business landscape around the SBA Paycheck Protection Program (“PPP”) loans. We realize that the messaging from the government, press, and other sources has been contradictory and unclear. We realize this is concerning as each of you is a business and may not want to miss the opportunity to participate in the program. **Mission Bank is proud to say we are ready to participate in the program!**

Mission Bank is an SBA Preferred Lender. Mission Bank’s designation as a preferred lender gives us the ability to participate in the PPP loans. We have chosen to participate for the benefit of our customers and our communities to help everyone through a very challenging economic event. Although many banks will choose to participate, many will not due to the unfavorable terms of the loan program. These loans carry an interest rate of 1% and nominal fee reimbursement from the government. Despite the unfavorable economic factors of each loan, we are moving forward with the PPP loans for the following reasons. 1) It’s the right thing to do for our customers and communities. We believe in building strong communities by having strong local businesses. 2) Mission Bank is one of the strongest banks from a financial perspective in the US. We can use that strength to benefit our communities.

Due to the unprecedented volume of loan requests, it may take several days for us to process. We ask that you please be patient with us during this time. Our team is in overdrive to process as many applications as possible in the most efficient manner. Mission Bank has built its brand on extraordinary responsiveness, especially to loan requests. These are not ordinary times. This is a monumental challenge, but as always, our team is up for the challenge.

Mission Bank has created a more streamlined albeit conservative version of the SBA PPP loan program. Our version limits the loan dollar amount by approximately 25% from the maximum available under the SBA version. We have chosen this approach deliberately for a few reasons. By simplifying the calculation of each applicant, we reduce the administrative burden, paperwork, and time required by the borrower and the bank to process each request. Although this reduces the loan amount to any individual business, it will maximize the amount of loans we can give to more businesses as a whole. Also, our version will give our borrower a greater chance to qualify the loan to be 100% forgiven by creating a safety buffer to absorb inevitable inadvertent errors throughout the application process. In short, the Mission Bank version will allow us to move faster and process more loans for more businesses in our community at a lower risk to each borrower and the bank. ** This information is not meant to represent the exact details of the program or the exact nature of the loan forgiveness amount. These will be determined by an evaluation of each individual loan request and will vary based on the application details. **

Please reach out to your relationship manager, but also expect there to be a delay in their response to you. We know how important these funds are for your businesses, non-profits and community. We will keep you posted as more information becomes available.

Stay healthy,

A.J. Antongiovanni
President and CEO
Mission Bank