



First National Bank of St. Ignace

P.O. Box 187

132 North State Street

St. Ignace, Michigan 49781

(906) 643-6800

(906) 643-6808 Fax

April 8, 2020

VALUED SMALL BUSINESS CUSTOMER,

As you can imagine, our bank has been inundated with requests to apply for the Small Business Administration's "Payroll Protection Program" (PPP) over the past week. The government advertised April 3 as the opening date for most businesses to make application, even though neither the SBA nor the banks who were expected to make these loans were ready on that date. As of today, our bank is ready but the SBA is not.

Due to extraordinary efforts by our lending staff, we were able to roll out an automated application process beginning on April 6. You are aware of this, as your company is one of those who successfully applied through that platform which is hosted by Lendio.

As of April 8, and after two weeks of attempting to gain access to the SBA's automated "eTran" system, we are still unable to process PPP applications any further because we still cannot get into the eTran reporting module. The SBA has been non-responsive, presumably due to the influx of activity.

In order to provide our customers with the best possible solution, we have made a decision to broker all of the PPP applications, including yours, to an established company that has existing access to the eTran system. While we do not take lightly the act of handing a customer over to another lender, at this point in time we must do what is best for the survival of many companies in our area. We simply cannot continue to wait on the SBA to get around to making access available to our bank, and jeopardize the program funds being exhausted in the meantime. Since the terms of the loan are the same for all borrowers, you will not be financially impacted by our decision.

I apologize for the length of this message, but I felt it was important for you to understand the whirlwind that we have been operating inside of. Our bank prides itself on being customer-focused and full-service, and I am proud of the herculean effort that our lending team has put into this initiative on behalf of our customers.

Thank you for your patience and understanding in this matter, and we will continue to do our best to accommodate all of your banking needs.

Sincerely yours,

James North
President & CEO

BRANCH BANKING OFFICE LOCATIONS

*St. Ignace North Bay * Cedarville * Mackinac Island*
*Naubinway * Moran Township * Newberry*

www.fnbsi.com