**COVID-19 Loan Deferment Memorandum**

**Borrower:** [Borrower Name]

**Loan Number(s):** [Loan #(s)] **Deferment Number(s):** [Add #; should be added to log]

**Current Loan Terms**

**Loan Amount(s):** [Original loan amount]

**Outstanding balance(s):** [Most recent balance per TEA]

**Maturity date(s):** [Maturity date]

**Upcoming Repayment:** [Describe payments that would be due without the deferment.]

**Payment status:** Current [x] / Past Due [ ]

**SBLGP or other program:** Yes [ ]  / No [ ]  - If other program, please note:

**LLR:** [XX %]

**Deferment Terms**

**Deferment Period:** [Three months with option to extend three months, subject to reporting compliance. Note: SBLGP loans should by 6 months (no extension) to match the available terms under that program]

**Principal Deferment:** Yes [ ]  / No [ ]  / N/A [ ]

**Interest Deferment:** Yes [ ]  / No [ ]

**Reporting requirement:** Check-in via phone at the end of Month 2 [Get monthly cash?]

**Revised LLR:** [Suggest adding X% to existing LLR]

**Borrower Deferment Request:** [State specific deferment requested.]

**Impact of the COVID-19 crisis on borrower cash flow:** [Summarize borrower’s description of negative impact.]

**Current borrower liquidity profile** (see Exhibit A for most recent financial statements)**:**

* Cash on hand and weekly cash needs (“burn rate”): [$XX,000; $XX weekly burn rate]
* Quick ratio (cash / current liabilities): [X.X x]
* Other: [If applicable, add any narrative that would provide background on borrower’s liquidity.]

**Borrower strategy for maintaining organization during deferment period:**

Staff recommends deferment of loan payments based on the terms recommended above. There is no fee for this deferment.

Prepared by: Reviewed by:

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[Loan Associate name, title, and sig] [Lending Director name, title, and sig]

Approved by:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Chief Credit Officer

Attachments:

Exhibit A: Borrower financial statements as of [date]

Exhibit B: Draft deferment letter

Exhibit C: Draft note amendment