



CNB BUSINESS[®] BROADCAST

NEWSLETTER FOR BUSINESS CLIENTS OF CANANDAIGUA NATIONAL BANK & TRUST

Paycheck Protection Program Forgiveness Application Access Update

Recipients of the Paycheck Protection Program loan from CNB are currently being invited to access the online PPP Forgiveness Application by email invitation only on a rolling basis. In an effort to be efficient with our borrowers efforts, CNB elected to segment the access to the application while we waited for final guidance from the Small Business Administration and our legislators, in anticipation of a simplified process and documentation requirement for loans of a certain size.

The final guidance has now been provided and resulted in a simplified loan forgiveness application and process for borrowers in this loan amount category. At this time, we are ready to invite our borrowers with loans of \$50,000 and under and will do so by email invitation.

Please note the following important time frames associated with PPP loans:

- Your loan forgiveness application may be submitted at any time during the life of the loan, provided it is received before the maturity date of the loan. However, if you do not apply for loan forgiveness within 10 months after the last day of your loan forgiveness covered period, loan payments are no longer deferred and you must begin making payments on the loan.
- Your covered period is up to 24 weeks following the date of the disbursement of funds. This is your allowable time to identify qualifying expenses for which loan proceeds were used. The covered period cannot extend past 12/31/2020.

As referenced, if you have not already received your email invitation, you will soon receive an email from CNB Customer Portal <pppforgiveupdates@cnbank.com> that will contain your invitation to the online application portal and access to specific loan information. This invitation is only valid for a 7 day period. We encourage all to confirm your enrollment and establish a password for future logins as soon as this email is received. Please note and keep this password for subsequent use.

Use of the online portal is required (i.e., no paper applications will be accepted) for the forgiveness application process. Once initial log-in steps are complete, participants may access the application at any time utilizing the established personal password on our website at CNBank.com/PPPLoanForgiveness.

PLEASE NOTE: The forgiveness application must be completed by the same Authorized Signor that completed the original loan application.

Visit CNBank.com/PPPLoanForgiveness for more information or to access the application once your credentials have been established.

Main Street Lending Program

The Federal Reserve Main Street Lending Program is designed to help small and medium-sized businesses that were in sound financial condition before the onset of the COVID-19 pandemic but now face temporary cash flow interruptions and need financial assistance to maintain their operations until they have recovered from, or adapted to, the impacts of the pandemic and the resulting economic downturn. Programs will end on 12/31/2020. Main Street Loans are not grants and cannot be forgiven.

Loan Summary:

- 5-year loans, with floating rates.
- Loans range in size from \$250,000-\$300,000,000.
- Main Street Loans will be offered and structured by your lender as appropriate.
- Principal and interest payments deferred as outlined below.
- Must have been a Pass Credit at the end of 2019.
- Subject to credit review, underwriting and approval by Bank and approved by the Federal Reserve Bank of Boston.

The Main Street Lending Program also provides access to credit for Non Profit organizations including social service organizations, hospitals, and educational institutions. The organizations must be classified as 501 C 3 or 501 C 19 under the Internal Revenue Code.

Non Profit Loan Qualifications Summary:

- 5-year loans, with floating rates.
- Loans range in size from \$250,000-\$10,000,000.
- Total non-donation revenues equal to or greater than 60% of expenses for the period from 2017 through 2019 (previously 70% revenues).
- 2019 operating margin of 2% or more, (previously 5%).
- Current days cash on hand 60 days (previously 90 days).
- Current debt repayment capacity - ratio of cash, investments and other resources to outstanding debt and certain other liabilities - of greater than 55% (previously 65%).
- Main Street Loans will be offered and structured by your lender as appropriate.
- Must have been a Pass Credit at the end of 2019.
- Subject to credit review, underwriting and approval by Bank and approved by the Federal Reserve Bank of Boston.

Visit CNBank.com/MainStreetLending or call (585) 419-0670 to speak to one of our Commercial Lenders to discuss your eligibility and start an application.

Business Fraud Threats

Whether driven by technology, changing clientele, supply/demand or a pandemic, the ways in which we conduct business continues to change. Despite its unpredictability, one thing that remains constant is the array of fraud threats aimed at businesses. Fraudsters have been actively leveraging these unprecedented times for their financial gain at historic rates. It is more important than ever to remain vigilant and understand prominent fraud threats facing businesses today. Some of the most common threats to businesses of all sizes are:

- **Business Email Compromise** - Fraudsters may perform reconnaissance on a company executive using social media outlets or target an individual to compromise an email account. Using the compromised or spoofed email, the fraudster corresponds with internal administrative staff to change payment methods for invoices or payroll and divert funds to a criminal's account. These email attacks are generally short in nature, ask to not be contacted over the phone and use formal salutations. Whenever possible, be sure to confirm any such requests over the phone and not through replying to an email.
- **Internal threats** - It is a good practice to have segregation of duties, regularly check financial statements, promote a culture of ethics and institute controls to identify suspicious staff behavior. It is also beneficial to educate staff on the variety of fraud threats that exist, discuss red flags and understand the impact a fraud event could have on your business.
- **Phishing Style Attacks** - Viruses and other forms of malware are not only deployed through malicious links but are also embedded in a variety of attachments. Once opened, the fraudster may be able to track keystrokes gaining access to websites visited, usernames, and passwords. Be sure to investigate links and do not open attachments unless they are expected. Text messaging

has become a popular channel for phishing attacks as many have grown to trust text communication methods.

- **Tech support** - A common scam in which a fraudster posing to be from a tech company calls you stating that your computer has an issue and offers to fix the problem. Their objective is to obtain your online credentials, remote computer access and/or payment.
- **Utility Scams** - Fraudsters call to inform and threaten a service disruption due to unpaid bills and they need immediate payment to avoid interruption. These phone calls typically come later in the day to enhance urgency and payment is often asked for in the form of wires or gift cards. Hang up and call the number on your bill to confirm the information.
- **IRS Scams** - An email or phone call is received from a spoofed address or number that contains threatening or urgent messaging such as tax penalties or large unauthorized purchases to provoke the recipient to act immediately. Fraudsters ask for payment and/or deploy malware to your device.

CNB offers a variety of banking solutions to help mitigate fraud threats and greatly reduce your chances of becoming the latest victim in an already challenging world. Be sure to follow us on social media to stay up to date on emerging trends and threats. Visit CNBank.com/Security for current fraud articles and resources.



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Workplace Banking Program

Good for you. Good for your employees. Our WorkPlace Banking Plan allows you to offer your employees a wide range of value-added financial services and solutions, with no additional cost or administrative burden to you.

- **Direct Deposit** - Secure and convenient for both your company and employees.
- **Financial Seminar Programs** - Virtual seminars to educate your employees about their financial futures.
- **Community Insight** - Receive newsletters with relevant business and investment news.
- **Contactless Enrollment** - Convenience for your employees to open accounts over the phone.
- **Easy Switch** - Employees can securely transfer direct deposit and recurring payments to their new CNB account from the convenience of their home using ClickSWITCH.

Visit CNBank.com/EmployerWPB to learn more about our Workplace Banking Program.

Geneva Bank Office

OPENING
SUMMER
2021!

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CNB Commercial Services

For more information, visit CNBank.com/Commercial, one of our Community Bank Offices, or call us at (585) 419-0670.