

**Paycheck Protection Program (PPP) Liquidity Facility (PPPLF) Documentation Guide
Reporting Requirements for Pledged PPP Loans with Modified Maturities**

This guide provides instructions for PPPLF participants that modify the maturity dates for a given pool of PPP loans that are pledged as collateral to the PPPLF. This guide is for descriptive purposes only and is not legally binding.

The PPP Flexibility Act permits PPP lenders and borrowers to agree to modify the maturity dates of existing PPP loans from two years to five years. The maturity date of a PPPLF advance must match the maturity date of the PPP loans pledged to secure the advance. Therefore, once the maturity date of some or all PPP loans in a PPP loan pool that are pledged to the PPPLF are modified from two years to five years, those PPP loans are no longer eligible as collateral for the original two-year PPPLF advance. A PPPLF participant that modifies the maturity of a PPP loan pledged to the PPPLF must:

- report the modification to the lending Reserve Bank,
- work with the lending Reserve Bank to withdraw the modified PPP loans for a given maturity date from the original two-year PPPLF collateral pool (the PPPLF participant must pay the amount of the PPPLF advance, including accrued interest, secured by the withdrawn PPP loans), and
- optionally (if it wishes to continue receiving PPPLF credit on the modified PPP loan), work with the lending Reserve Bank to modify the maturity of the PPPLF advance (or portion of the PPPLF advance) secured by the modified PPP loan from two years to five years.

Reporting Modified PPP Loans and Preparing the Two-Year PPPLF Advance

PPPLF participants must report modifications of PPP loan maturity dates by submitting the Paycheck Protection Program Liquidity Facility (PPPLF) [Individual PPP Loan Reduction Report](#) and remove the modified loan(s) from the report. Instructions for filling out the reduction report are set forth in the [Reporting Requirements for Paydowns of PPP Loans Documentation Guide](#).

Participants must report all modifications to the maturity of PPP loans pledged as collateral to the PPPLF immediately. However, if a PPPLF participant is providing regular reports once every two weeks for paydowns of PPP loans (the requirement for regular reporting of paydowns is described in greater detail in the [Reporting Requirements for Paydowns of PPP Loans Documentation Guide](#)), the participant may report modifications to PPP loan maturities within its reduction report. The participant simply will remove the modified loans from the reduction report and work with the lending Reserve Bank to pay down the amount of the PPPLF advance (and accrued interest) secured by the removed loans.

Optional: Requesting a Modified PPPLF Advance

If the PPPLF participant wishes to continue receiving PPPLF credit based on the modified loan(s), it must request a modified PPPLF advance from its lending Reserve Bank. The modified PPPLF advance will have the same maturity date as the modified PPP loan pool.

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Note: If a PPP lender and PPP borrower agree after the PPPLF termination date (currently December 31, 2020) to modify the maturity of a pledged PPP loan, the pledging PPPLF participant can still modify the maturity of the PPPLF advance (or the portion of the PPPLF advance) secured by that PPP loan. The modified PPP loan must have been pledged to the PPPLF to support an existing two-year PPPLF advance prior to the PPPLF termination date, and have remained pledged to the PPPLF at all times since the PPPLF termination

A PPPLF participant must submit two documents to request a modified PPPLF advance:

- 1) "[Transmittal Form for Pledge Collateral and Request Advance - PPPLF](#)" (advance transmittal form) and
- 2) "[Paycheck Protection Program Individual Loan Reporting Table - PPPLF](#)" (individual loan listing). The transmittal form is used to re-pledge the modified PPP loans as collateral to the PPPLF and at the same time request the modified PPPLF advance. The transmittal form must be accompanied by a list of the individual re-pledged loans in a prescribed format. The transmittal form and individual loan listing templates are available on the [PPPLF website](#). A separate transmittal form and individual loan listing must be prepared for every maturity pool.

Note: A Reserve Bank will make **only one advance** to a PPPLF participant that is secured by modified PPP loans that mature on a particular date. Once a maturity pool has been submitted and the modified PPPLF advance made, no additional PPP loan pools with that maturity date will be accepted as PPPLF collateral. If the PPPLF participant wishes to modify and re-pledge additional PPP loans with the same maturity date, it must prepay the existing modified PPPLF advance and request a new modified advance.

Reserve Bank staff will process modified PPPLF advances on the same day as the withdrawal of the modified PPP loans from the original PPPLF pledge pool in order to ensure that the total amount of PPPLF credit is not interrupted.

Submitting the Transmittal Forms and Listings:

All documentation must be submitted by email, from the email account of an individual authorized in the PPPLF Letter of Agreement to pledge PPPLF collateral and request PPPLF advances on behalf of the participant. The email must be sent to the PPPLF email address at the lending Reserve Bank and *the subject line of the email should include the phrase "PPP and PPPLF loan maturity modifications."* Email addresses for the lending Reserve Bank can be found at the [Select Your District](#) webpage. If a modified advance is requested, the advance transmittal form and associated individual loan listing should be included in the same email.

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Note: If the borrower's Authorizing Resolution requires two individuals to conduct discount window-related activities on behalf of the borrower, two individuals must ***act jointly*** to submit the transmittal form and detailed listing. *The submission email should be initiated by the first individual, forwarded to the second, and then submitted to the Reserve Bank.*

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Summary of Reporting Requirements for PPP Loan Maturity Modifications

What to Report	When to Report	What will Happen	Reporting Requirement
Modification of pledged PPP loan from 2-year to 5-year maturity	a. Immediately or b. For modifications made after forgiveness payments begin, with regular scheduled reporting of payments on pledged PPP loans	Prepayment of the portion of 2-year PPPLF advance that is based on modified loan(s)	Submit One Form: 1. Individual PPP Loan Reduction Report (reduction report) for pledged 2-year PPP maturity loan pool with modified loan(s) removed
Optional: Modification of pledged PPP loan from 2-year to 5-year maturity and Request modified PPPLF advance based on modified loans(s)	a. Immediately or b. For modifications made after forgiveness payments begin, with regular scheduled reporting of payments on pledged PPP loans	Prepayment of the portion of 2-year PPPLF advance that is based on modified loan(s) and Modification of a portion of 2-year PPPLF advance to 5-year maturity based on modified loan(s)	Submit Three Forms: 1. Individual PPP Loan Reduction Report (reduction report) Use this form to report pledge 2-year PPP maturity loan pool with modified loan(s) removed and 2. Transmittal Form to Pledge Collateral and Request Advance Use this form to request a 5-year advances based on PPP loan pool with 5-year maturities 3. Paycheck Protection Program Individual Loan Reporting Table Use this form to list the modified PPP loan for a given 5-year maturity date) Advance transmittal form and individual loan listing are required to request 5-year modified advance based on pool of modified loans Note: All three forms listed above should be included in the same email, for which the subject line should include the phrase “PPP and PPPLF loan maturity modifications”

Note: Additional documentation is required if a modified PPPLF advance is requested with a maturity date for which a 5-year PPPLF advance already exists. The lending Reserve Bank will provide more information in this situation.