ArborGen receives second PPP loan

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ArborGen Holdings announced today that its wholly owned subsidiary in the US, ArborGen Inc., has received approval and funding from the Small Business Administration (SBA) under the CARES Act Paycheck Protection Program (PPP) for a second loan in the amount of US$1.95 million. The funds are to be used to fund payroll costs including benefits and other business related costs due to the uncertainties caused by COVID-19.

The SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll costs, rent, mortgage interest, or utilities payments over the 8 weeks after receiving the loan. At least 60% of the forgiven amount must have been used for payroll costs which includes employee salaries, hourly wages, sick or medical leave, and group health insurance premiums.

As announced previously, ArborGen applied for a PPP loan early last year, subsequently receiving $2.335 million in May 2020. This funding allowed ArborGen to retain all employees and avoid any lay-offs during a period of significant uncertainty. ArborGen applied for forgiveness of this first PPP loan in accordance with the guidelines late last year. While this forgiveness application is still being processed, ArborGen believes it has provided the documents necessary to support the full forgiveness of the loan.

ArborGen
ArborGen is the largest commercial global seedling supplier and a leading provider of advanced genetics, for the forest industry. Employing state-of-the-art technology, ArborGen is developing high-value products that significantly improve the productivity of a given acre of land by enabling our customers to grow trees that yield more wood per acre with greater consistency and quality in a shorter period of time. For more information, please visit ArborGen's website at www.arborgen.com.

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