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- All attendees will be muted and placed in listen-only mode for the duration the presentation.
- A Q&A session will take place at the conclusion of the presentation. You can enter questions as
 the presentation progresses by clicking on the "?" icon on the toolbar.
- This webinar is being recorded, so anyone can watch it again as needed. We will be posting it on our website at https://www.americanmomentum.bank/business/business-lending/paycheck-protection-program.
- Expanding view of webinar presentation

WELCOME

Patrick Fenech

Managing Director, SBA Lending

AMERICAN MOMENTUM BANK®



INTRODUCING CROWE LLP

Crowe LLP has a team of people focused on understanding the SBA Paycheck Protection Program, and the firm assists its clients with information and advice regarding their handling of PPP Loans.

This webinar presentation provides only a high-level overview of the SBA requirements and does not provide complete information sufficient for compliance with the SBA PPP requirements.

Crowe LLP is a public accounting, consulting and technology firm with offices around the world. Crowe uses its deep industry expertise to provide audit services to public and private entities. The firm and its subsidiaries also help clients make smart decisions that lead to lasting value with its tax, advisory and consulting services. Crowe is recognized by many organizations as one of the best places to work in the U.S. As an independent member of Crowe Global, one of the largest global accounting networks in the world, Crowe serves clients worldwide.

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Tim Reimink

Managing Director
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WEBINAR SERIES

This webinar is the second in a series of webinars intended to better inform borrowers about the requirements for submitting a request for PPP loan forgiveness. Emails will be sent prior to each webinar with a description of the topic and instructions for registering to attend.

The next webinar has not been scheduled yet. The SBA has not issued their instructions for submitting forgiveness applications and there are additional changes to the program being considered by Congress. We are committed to keeping you informed and will provide another webinar when more relevant information is available.

CROWE DISCLAIMER

This webinar presentation does not provide complete information sufficient for compliance with the SBA Paycheck Protection Program (the "PPP"), and it is does not constitute (and is not a replacement for) consultation with your counsel or other advisors to understand how the requirements of the PPP apply to your specific situation. Participants should seek advice from their own counsel or advisors before acting on information presented.

Neither the Small Business Administration nor the Department of Treasury have finalized guidance regarding requirements of the PPP. Additional information, revisions to the Interim Final Ruling, answers to frequently asked questions, and regulatory rulings continue to be published or revised. The information in this webinar presentation and any related documents is subject to change.

The overview provided in this presentation and any related documents is not – and is not intended to be – legal, accounting, tax, consulting, investment, or other professional advice or opinion by Crowe LLP. This information is not intended to create, and receipt does not constitute, a legal relationship, including without limitation an accountant-client relationship. Crowe LLP assumes no obligation to provide notification of changes in tax laws or other factors that could affect the information provided. Crowe is not responsible for any loss incurred by any person who relies on the information discussed in this webinar presentation or any related document.

TOPICS







Paycheck Protection Program Loan Forgiveness Application

- PPP Loan Forgiveness Application Form
- EZ Application
- Forgiveness Application Portal
- Hypothetical Examples

Documentation Requirements

Frequently Asked Questions

REQUIREMENT UPDATES FROM RECENT LEGISLATION

On Saturday, July 4, the President signed a law that extends the loan application deadline. Previously a
deadline of June 30, the new loan application deadline has been extended to August 8, 2020.

PPP LOAN FORGIVENESS APPLICATION



Paycheck Protection Program

Loan Forgiveness Application Revised June 16, 2020

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Schedule A Worksheet

Table 1: List employees who

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
FTE Reduction Exceptions:				
Totals:		Box 1	Box 2	Box 3

Table 2: List employees who

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

Attach additional tables if additional rows are needed

FTE Reduction Safe Harbor 2:

- Step 1. Enter the borrower's total average FTE between February 15, 2020 and April 26, 2020. Follow the same method that was used to calculate Average FTE in the PPP Schedule A Worksheet Tables. Sum across all employees and enter:
- Step 2. Enter the borrower's total FTE in the Borrower's pay period inclusive of February 15, 2020. Follow the same method that was used in step 1:_______.
- Step 3. If the entry for step 2 is greater than step 1, proceed to step 4. Otherwise, FTE Reduction Safe Harbor 2 is not applicable and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.
- Step 4. Enter the borrower's total FTE as of the earlier of December 31, 2020, and the date this application is submitted:____
- Step 5. If the entry for step 4 is greater than or equal to step 2, enter 1.0 on line 13 of PPP Schedule A; the FTE Reduction Safe Harbor 2 has been satisfied. Otherwise, FTE Reduction Safe Harbor 2 does not apply and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.

- Borrowers need to complete either the traditional application or the 3508EZ Form
- We will cover these forms in more detail in this webinar

Standard PPP
Loan Forgiveness
Calculation Form

3508EZ Form



Paycheck Protection Program PPP Loan Forgiveness Application Form 3508EZ

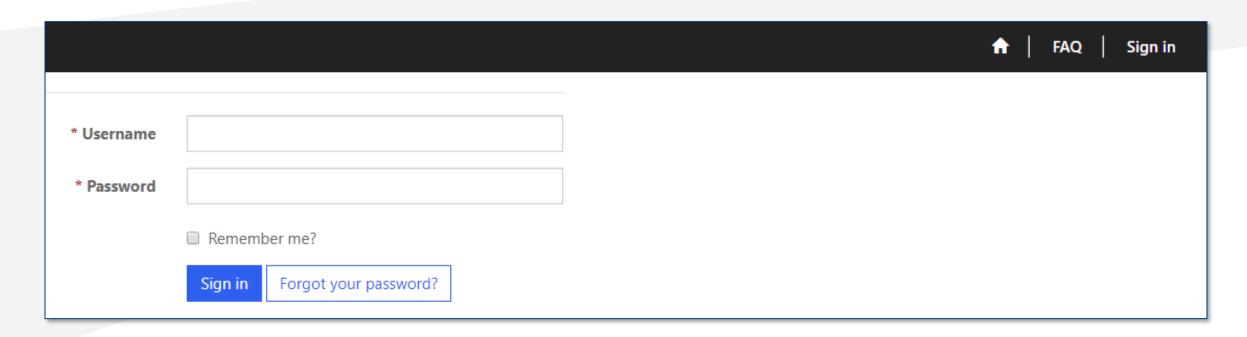
OMB Control No. 3245-0407 Expiration date: 10/31/2020

Business Legal Name ("Borrower")		DBA or Traden	ame, if applicable
Business Address		Business TIN (EIN, SSN)	Business Phone
		Primary Contact	E-mail Address
SBA PPP Loan Number:	Lender PPP Lo	an Number:	
PPP Loan Amount:	PPP Loan Disb	ursement Date:	
Employees at Time of Loan Application:	Employees at T	ime of Forgiveness Appli	cation:
EIDL Advance Amount:	EIDL Applicati	on Number:	
Payroll Schedule: The frequency with which payroll is paid	d to employees is	:	
$\ \ \square \text{Weekly} \qquad \square \text{Biweekly (every other week)}$	□ Twice a mon	th	□ Other
Covered Period: to			
Alternative Payroll Covered Period, if applicable:		to	
If Borrower (together with affiliates, if applicable) receiv	ed PPP loans in	excess of \$2 million, chec	k here: 🗆
Forgiveness Amount Calculation:			
Payroll and Nonpayroll Costs Line 1. Payroll Costs:			
Line 2. Business Mortgage Interest Payments:			
Line 3. Business Rent or Lease Payments:			
Line 4. Business Utility Payments:			
Potential Forgiveness Amounts Line 5. Add the amounts on lines 1, 2, 3, and 4:			
Line 6. PPP Loan Amount:			
Line 7. Payroll Cost 60% Requirement (divide Line 1 by 0.	60):		
Forgiveness Amount Line 8. Forgiveness Amount (enter the smallest of Lines 5,	6, and 7):		

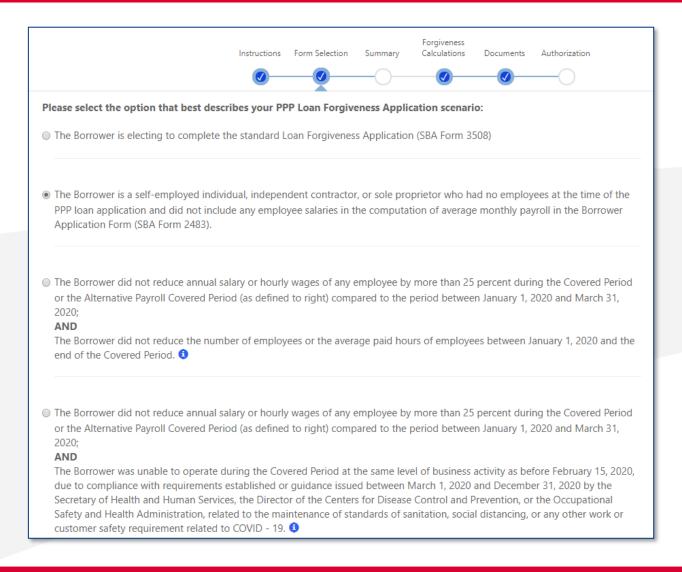
PPP Forgiveness Application Portal

You will receive a registration link provided by email to create an account. Once you have registered and created a password for your account, you will be able to access the sign in page shown below.

Please keep an eye out for the email with the registration link in case the message is moved to your spam or junk folder upon receipt.



PPP Forgiveness Application Portal – Form Selection



The PPP Application Portal will ask you to choose a situation that applies to your business. Your selection will direct you to the appropriate application form to complete (either the Standard form or the EZ form).

PPP Loan Forgiveness Application

Standard Form





PPP LOAN FORGIVENESS STANDARD FORM

Forgiveness Application Form



Paycheck Protection Program Loan Forgiveness Application Revised June 16, 2020

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

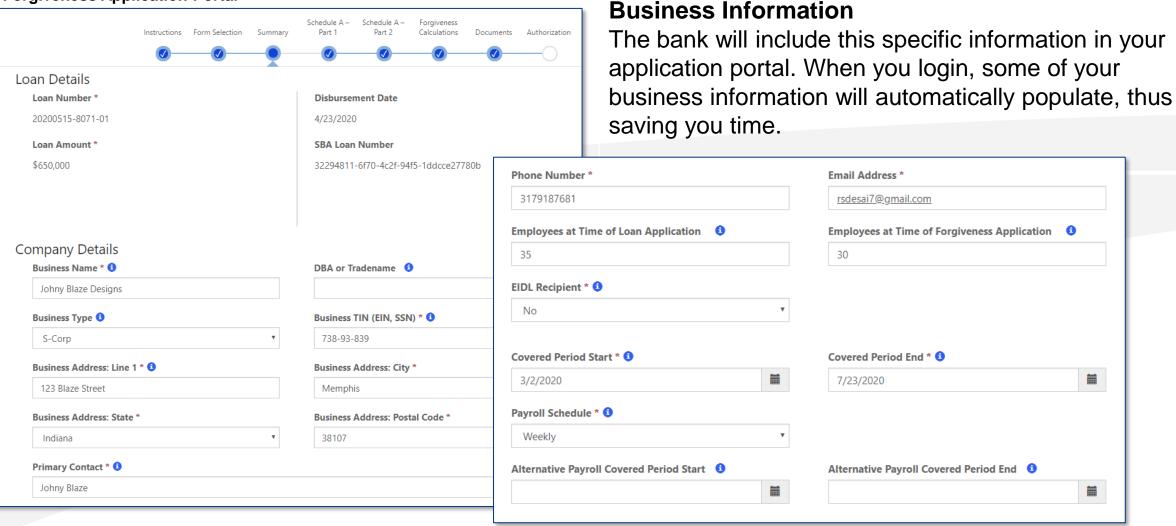
Business Legal Name ("Borrower")		DBA or Tradena	une, if applicable				
Business Address		Business TIN (EIN, SSN)	Business Phone				
		Primary Contact	E-mail Address				
SBA PPP Loan Number:	_ Lender PPP Loa	n Number:					
PPP Loan Amount:	_ PPP Loan Disbu	ırsement Date:					
Employees at Time of Loan Application:	_ Employees at T	yees at Time of Forgiveness Application:					
EIDL Advance Amount:	TDL Advance Amount: EIDL Application Number:						
Payroll Schedule: The frequency with which payroll is p	oaid to employees is:						
☐ Weekly ☐ Biweekly (every other week)	□ Twice a mon	□ Twice a month □ Monthly □ Other					
Covered Period:to							
Alternative Payroll Covered Period, if applicable:		to					
If Borrower (together with affiliates, if applicable) rec	eived PPP loans in	excess of \$2 million, check	here: 🗆				
Forgiveness Amount Calculation:							

Business Information

The first part of the Forgiveness
Calculation Form will ask for specific information including the names of contacts, PPP loan information, payroll schedules and the elected covered period, before calculating the forgiveness amount

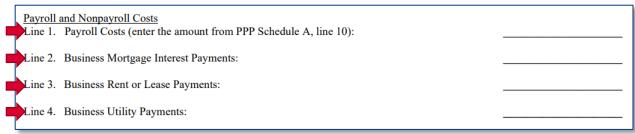
PPP LOAN FORGIVENESS STANDARD FORM

Forgiveness Application Portal

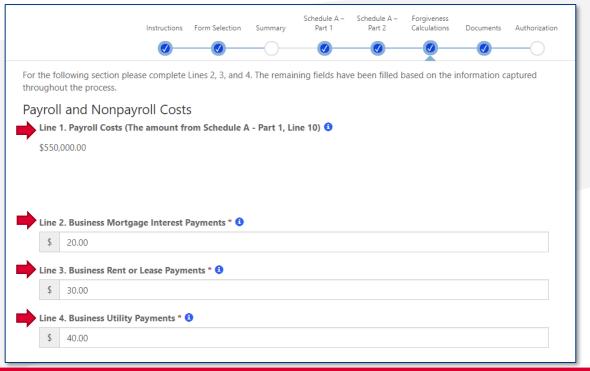


PPP LOAN FORGIVENESS CALCULATION FORM - COSTS

Forgiveness Application Form



Forgiveness Application Portal



Payro	oll and Nonpayroll Cost Calculation
1. Payroll Costs	Cash compensation for employees + total amount paid by borrower to employee health insurance + total amount paid by borrower to employee retirement plans + total amount paid to owner-employees /self-employed individual/general partners
2. Business Mortgage Interest Payments	The amount of interest payments during the Covered Period for any business loans secured by real or personal property incurred before February 15, 2020
3. Business Rent or Lease Payments	Amount of rent or lease payments for real or personal property during the Covered Period, for lease agreements in force before February 15, 2020
4. Business Utility Payments	Amount of utility payments during the Covered Period, for services that began before February 15, 2020

PPP LOAN FORGIVENESS CALCULATION FORM - ADJUSTMENTS

Forgiveness Application Form

Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):

Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:

Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):

Forgiveness Application Portal

Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

- Line 5. Total Salary/Hourly Wage Reduction (The amount from Schedule A Part 1, Line 3) § \$0.00
- Line 6. The sum of amounts on Lines 1, 2, 3, and 4, then subtract the amount entered in Line 5 \$550,090.00
- Line 7. FTE Reduction Quotient (The number from Schedule A Part 2, Line 13) 3

Adjustment for FTE and Salary/Hourly Wage Reductions

- Salary/Hourly Wage Reduction

 Calculation from Schedule A related to reductions in forgiveness tied to reductions in individual employee compensation between first quarter and Covered Period, which is subject to a Safe Harbor calculation
- 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5
- Preliminary subtotal of forgiveness amount for calculation purposes

7. FTE Reduction Quotient

Calculation from Schedule A related to reductions in full time equivalent employees (FTE) from February 15, 2020 to the Covered Period, which is subject to a Safe Harbor calculation

PPP LOAN FORGIVENESS CALCULATION FORM – FORGIVENESS AMOUNTS

Forgiveness Application Form

Potential Forgiveness Amounts

Line 8. Modified Total (multiply line 6 by line 7):

Line 9. PPP Loan Amount:

Line 10. Payroll Cost 60% Requirement (divide line 1 by 0.60):

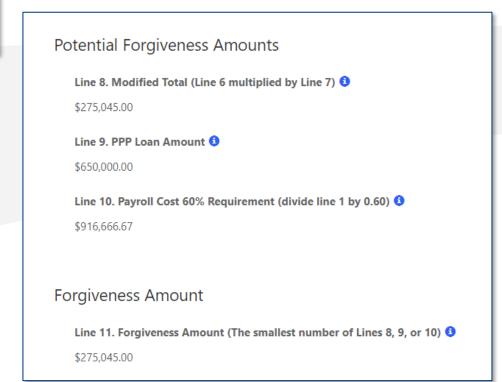
Forgiveness Amount

Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):

Potenti	al Forgiveness Amounts
8. Modified Total	Payroll Costs plus Interest Payments plus Rent Payments plus Utility Payments minus Total Salary/Hourly Wage Reduction equals preliminary total times FTE Reduction Quotient equals Modified Total
9. PPP Loan Amount	Original PPP loan amount received
10. Payroll Cost 60% Requirement	Payroll Costs divided by 0.6

The total borrower forgiveness amount will be determined by the smallest value of the following line items: Modified Total, PPP Loan Amount, or Payroll Cost 60% Requirement

Forgiveness Application Portal



The application portal will automatically select the smallest amount of lines 8, 9, or 10.

PPP LOAN FORGIVENESS CALCULATION FORM - CERTIFICATIONS

Borrowers are required to certify to several aspects regarding the determination of the forgiveness amount

The authorized representative of the Borrower certifies to all of the below by initialing next to each one.

The dollar amount for which forgiveness is requested:

- was used to pay costs that are eligible for forgiveness (payroll costs to retain employees; business mortgage interest payments; business rent or lease payments; or business utility payments);
- includes all applicable reductions due to decreases in the number of full-time equivalent employees and salary/hourly wage reductions;
- includes payroll costs equal to at least 60% of the forgiveness amount;
- if a 24-week Covered Period applies, does not exceed 2.5 months' worth of 2019 compensation for any owneremployee or self-employed individual/general partner, capped at \$20,833 per individual; and
- if the Borrower has elected an 8-week Covered Period, does not exceed 8 weeks' worth of 2019 compensation for any owner-employee or self-employed individual/general partner, capped at \$15,385 per individual.

PPP LOAN FORGIVENESS CALCULATION FORM - CERTIFICATIONS

Borrower certifications include:

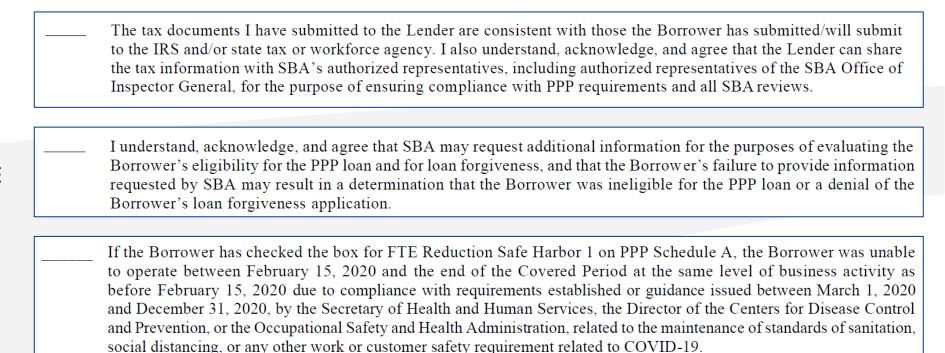
- Consequences of unauthorized use of funds
- Accurate verification of costs
- Required documentation submission
- Consequences for false statements

I understand that if the funds were knowingly used for unauthorized purposes, the federal government may pursue recovery of loan amounts and/or civil or criminal fraud charges.
The Borrower has accurately verified the payments for the eligible payroll and nonpayroll costs for which the Borrower is requesting forgiveness.
I have submitted to the Lender the required documentation verifying payroll costs, the existence of obligations and service (as applicable) prior to February 15, 2020, and eligible business mortgage interest payments, business rent or lease
payments, and business utility payments.
The information provided in this application and the information provided in all supporting documents and forms is true and correct in all material respects. I understand that knowingly making a false statement to obtain forgiveness of an SBA-guaranteed loan is punishable under the law, including 18 U.S.C. 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 U.S.C. 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

PPP LOAN FORGIVENESS CALCULATION FORM - CERTIFICATIONS

Borrower certifications include:

- Use of tax documents
- Requests for additional information
- Certify Compliance with FTE Safe Harbor





PPP LOAN FORGIVENESS CALCULATION FORM – ELIGIBILITY

Forgiveness of PPP Loans is subject to determination that the Borrower was eligible to receive the PPP loan

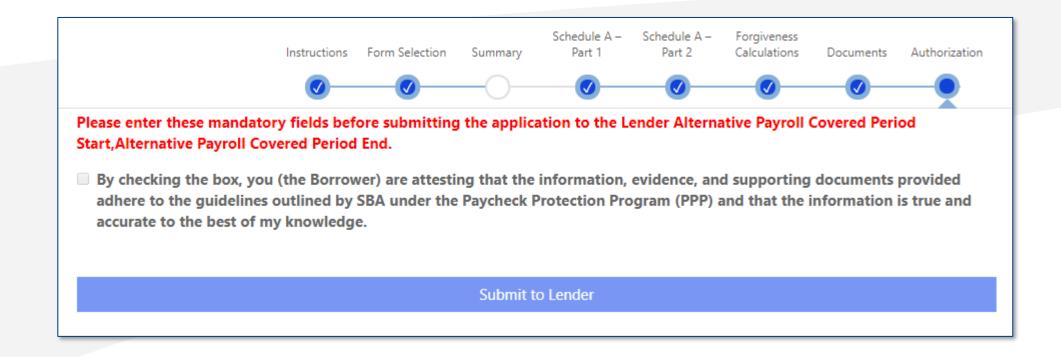
The Borrower's eligibility for loan forgiveness will be evaluated in accordance with the PPP regulations and guidance issued by SBA through the date of this application. SBA may direct a lender to disapprove the Borrower's loan forgiveness application if SBA determines that the Borrower was ineligible for the PPP loan.

Loans In Excess of \$2M

- Borrowers must indicate on the application if they received a PPP loan in excess of \$2 million
- The SBA has announced that they will review loans in excess for \$2 million to ensure that the loans were made to eligible companies

PPP LOAN FORGIVENESS CALCULATION FORM – ATTESTATION

The Forgiveness Application Portal includes an authorization section that requires borrowers to acknowledge before submitting the application. This acknowledgement certifies the borrower's understanding and signs-off on all certifications listed in the forgiveness application.



PPP SCHEDULE A – TABLE 1 AND TABLE 2 TOTALS

Forgiveness Application Form

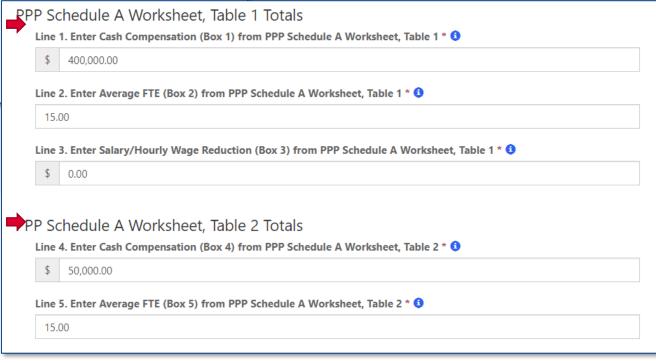
PPP Sc	hedule A Worksheet, Table 1 Totals
Line 1.	Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:
Line 2.	Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:
Line 3.	Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1:
	If the control of the state of the state of the state of the SDD Cale and A. W. state of Table 1 decise the

If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here \square and enter $\mathbf{0}$ on line 3.

Forgiveness Application Portal

PPP Schedule A Worksheet, Table 2 Totals

- Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:
- Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:
- → Table 1 is information on the U.S. resident individuals employed during the Covered Period or Alternative Payroll Covered Period and who made \$100,000 or less in 2019, or were not employed in 2019
- → Table 2 is information on the U.S. resident individuals employed during the Covered Period or Alternative Payroll Covered Period and who made more than \$100,000 in 2019
- Owners are not considered employees for purposes of these tables



PPP SCHEDULE A WORKSHEET – TABLE 1

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
FTE Reduction Exceptions:				
Totals:		Box 1	Box 2	Box 3

^{*}All payroll and non-payroll expenditures must have occurred or been incurred during the Covered Period or Alternative Covered Period

• Employee's Name

A list of each individual employee, excluding contractors, owners, partners or self-employed individuals

Employee Identifier

List the last four digits of each employee's SSN

Cash Compensation

- The sum of gross salary, wages, tips, commissions, paid leave and allowances for dismissal
- For each employee in this table, cash compensation may not exceed an annualized salary of \$100,000 during the Covered Period

PPP SCHEDULE A WORKSHEET - TABLE 1 CONT.

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

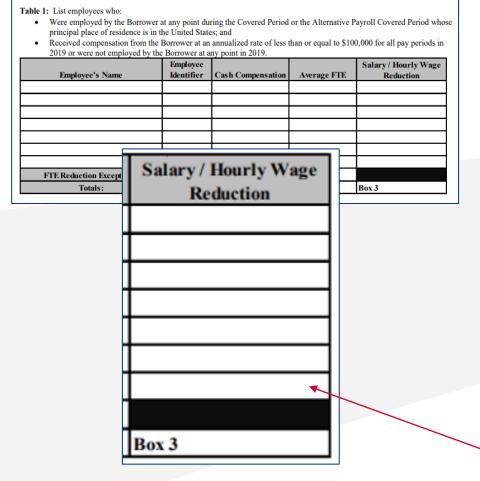
Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
FTE Reduction Exceptions:				
Totals:		Box 1	Box 2	Box 3

^{*}All payroll and non-payroll expenditures must have occurred or been incurred during the Covered Period or Alternative Covered Period

Average FTE

- For each employee, enter the average number of hours paid per week/40
- The maximum for each employee is 1.0
- Round to the nearest 10th
- Borrowers may opt to simplify this calculation and assign all employees over 40 hours 1.0, and employees under 40 hours 0.5

PPP Schedule A Worksheet – Table 1 Cont.



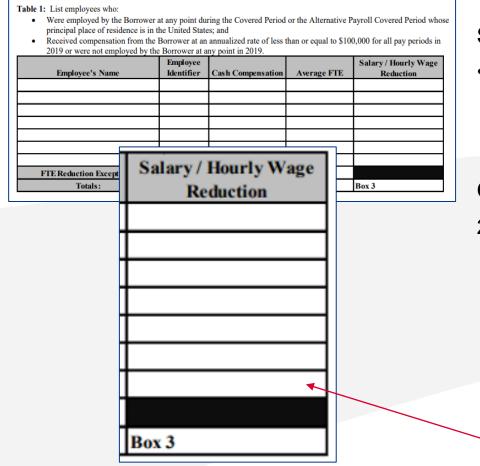
Salary/Hourly Wage Reduction Calculation

- Reduction of Payroll Costs for Forgiveness purposes by any salary/hourly wage reductions greater than 25% from base period to Covered Period
 - ➤ If there is less than a 25% reduction, then there is no reduction of the forgiveness amount
 - ➤ There is a Safe Harbor provision

Calculation

- 1. Determine if pay was reduced more than 25%
 - a) Enter the average annual salary or hourly wage during the Covered Period or Alternative Payroll Covered Period
 - b) Enter the average annual salary or hourly wage between January 1, 2020 and March 31, 2020
 - c) Divide the value in 1.a) by the value in 1.b)
 - d) If c) is 0.75 or more, enter zero in the column above box 3 on the worksheet, otherwise, proceed to step 2

PPP Schedule A Worksheet – Table 1 Cont.



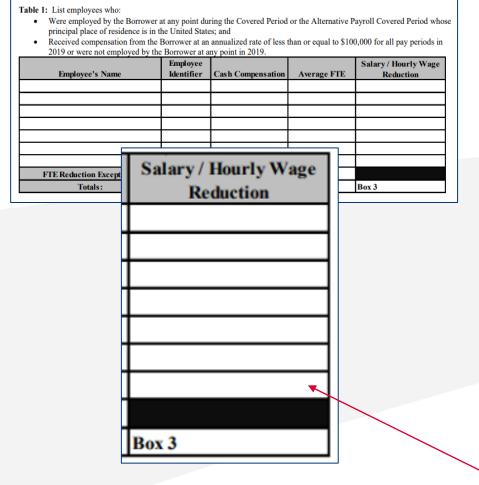
Salary/Hourly Wage Reduction Safe Harbor

 If pay rate at the time the application is submitted or December 31, 2020 (whichever is earlier) is equal to or greater than at February 15, there is no deduction to forgiveness amount.

Calculation

- 2. Determine if the salary/hourly wage reduction Safe Harbor is met
 - a) Enter the annual salary or hourly wage as of February 15, 2020
 - b) Enter the average annual salary or hourly wage during the Covered Period
 - If 2.b) is greater than or equal to 2.a), move to step 3
 - Otherwise, proceed to 2.c)
 - Enter the average annual salary or hourly wage as of the earlier of December 31, 2020 or the submission date of the application
 - If 2.c) is greater than or equal to 2.a) the Safe Harbor has been met
 - Enter zero in the column above box 3 on the worksheet

PPP Schedule A Worksheet – Table 1 Cont.



Salary/Hourly Wage Reduction

- Dollar amount of reduction in pay rate beyond 25% calculated for the Covered Period
 - ➤ Base period for comparison is first quarter of 2020
 - Separate calculations for hourly rate or annual salary basis

Calculation

- 3. Determine the Salary/Hourly Wage Reduction
 - a) Multiply the amount entered in 1.b) by 0.6
 - b) Subtract the amount entered in 1.a) from 3.a)
 - If the employee is an hourly worker, compute the total amount of reduction that exceeds 25% as follows:
 - Enter the average number of hours worked per week between January 1, 2020 and March 31, 2020
 - Multiply the amount entered in 3.b) by the amount in 3.c). Multiply this amount by 8 or 24 (to compute the total for the Covered Period). Enter this value in the column above box 3 for that employee.
 - If the employee is a salaried worker, compute the total amount of reduction that exceeds 25% as follows
 - e) Multiply the amount entered in 3.b) by 8 or 24 for the Covered Period. Divide this amount by 52. Enter this value in the column above box 3 for that employee.

PPP SCHEDULE A WORKSHEET – TABLE 2

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

Applies to employees with annual compensation in 2019 over \$100,000

- ➤With a limit of \$15,835 on cash compensation for an eight week Covered Period
- ➤ The Salary/Hourly Wage Reduction provision does not apply for these employees
- > FTE is determined the same way as in Table 1

^{*}All payroll expenditures must have occurred or been incurred during the Covered Period or Alternative Covered Period

PPP Schedule A worksheet – Forgiveness application Portal

The portal provides a downloadable worksheet to help you calculate your Table 1 and Table 2 totals.

For the following sections (PPP Schedule A Worksheet, Table 1, Table 2, and Compensation to Owners) a worksheet has been provided to assist you in completing these sections. The worksheet is not required, but rather provided as tool.

The fields will be filled in based on the information captured within the worksheet. Please download the worksheet by clicking on the download link below and follow the embedded instructions. Once the worksheet is completed please update the respective fields below and upload the completed worksheet to the Documents section under the Payroll folder. Download Schedule A Worksheet

16												41 1 2	correct for such reduction may apply	•
	n in loan forgiveness may occur due to a reduction rsion of the PPP Tool does not adjust for repayn			,						•			reductions during the period betwe	en February 15, 2020 a
	nployees are those employees who during 2019							e operation of	tilis fule, tile Pi	PP TOOI Call De C	ipuateu to rene	ct that guida	end of the 8-week covered period a	nd prior to June 30. If
Flotected en	inployees are those employees who during 2019	dia not receive wa	ges during any pay	period in exces	3 01 \$100,000 011	an annuanzeu	Dasis.						guidance.	
													Protected employees are those emp	ployees who during 20
Total reducti	on in loan forgiveness for reduction in wages:	(2,277)											· · · · · · · · · · · · · · · · · · ·	,
			Subtotals:	0	62,629	0	62,629	0	62,631	0	62,631		Total reduction in loan forgiveness	or reduction in wage
	Employee Infor	rmation				Ing	put Wage Amoun	ts Week by W	eek				,,,	
PE Flag	Employee Identifier	2019 Wages	Date of Hire	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	Reducti		
	Employee Identifier	2015 Wages	(if in 2019)									Loan Forg	Protected Employee Identifier	Prior Full Calendar
~	¥	7	*	-	~	-	~	7	¥	Ψ.	~			Quarter Wages
Р	Employee	58,605			1,000		1,000		1,000		1,000		-	▼
Р	Employee	40,000 120,000			900 2,500		900 2,500		900 2,500		900 2,500		Protected Employee	10,000
D	Employee Employee	40.000			2,500		2,500		2,500		2,300		Protected Employee	10,000
	Employee	17,000	8/12/2019		900		900		900		900		Protected Employee	10,000
Р	Employee	40,000	0,12,2013		1.000		1,000		1,000		1,000		Protected Employee	
Р	Employee	40,000			900		900		900		900			10,000
	Employee	120,000			2,500		2,500		2,500		2,500		Protected Employee	10,000
P	Employee	23,000	6/1/2019		900		900		900		900		Protected Employee	10,000
P	Employee	40,000			900		900		900		900		Protected Employee	10,000
р	Employee	40,000			1,000		1,000		1,000		1,000		Protected Employee	10,000
Р	Employee	40,000			900		900		900		900		Protected Employee	10,000
	Employee	120,000			2,500		2,500		2,500		2,500		Protected Employee	10,000
P	Employee	40,000			900		900		900		900		Protected Employee	10,000
Р	Employee	40,000			900		900		900		900		Protected Employee	
P P	Employee Employee	40,000 40,000			1,000 900		1,000		1,000 900		1,000 900			10,000
Р	remployee	40,000			900;		900		900:		900		Protected Employee	10,000

If a reduction in loan forgiveness may occur due to a reduction in the wages paid to protected employees during the covered period, an opportunity to correct for such reduction may apply if such wages are restored no later than June 30, 2020. However, this correction opportunity is limited to wage reductions during the period between February 15, 2020 and April 26, 2020. This version of the PPP Tool does not adjust for repayment of wages after the end of the 8-week covered period and prior to June 30. If guidance clarifies the operation of this rule, the PPP Tool can be updated to reflect that guidance.

Protected employees are those employees who during 2019 did not receive wages during any pay period in excess of \$100,000 on an annualized basis.

(2,277)

Protected Employee Identifier	Prior Full Calendar Quarter Wages	25% of Prior Full Calendar Quarter Wages (A)	Projected Wages During Covered Period	Actual Wages During Covered Period	Reduction in Wages During Covered Period (B)	Excess of (B) over (A)
Protected Employee	10,000	2,500	6,154	4,000	2,154	0
Protected Employee	10,000	2,500	6,154	3,600	2,554	54
Protected Employee	10,000	2,500	6,154	3,600	2,554	54
Protected Employee	10,000	2,500	6,154	3,575	2,579	79
Protected Employee	10,000	2,500	6,154	4,000	2,154	0
Protected Employee	10,000	2,500	6,154	3,600	2,554	54
Protected Employee	10,000	2,500	6,154	3,600	2,554	54
Protected Employee	10,000	2,500	6,154	3,575	2,579	79
Protected Employee	10,000	2,500	6,154	4,000	2,154	0
Protected Employee	10,000	2,500	6,154	3,600	2,554	54
Protected Employee	10,000	2,500	6,154	3,575	2,579	79
Protected Employee	10,000	2,500	6,154	3,575	2,579	79
Protected Employee	10,000	2,500	6,154	4,000	2,154	0
Protected Employee	10,000	2,500	6,154	3,600	2,554	54

PPP SCHEDULE A WORKSHEET - TOTAL PAYROLL COSTS

Forgiveness Application Form

Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period

- Line 6. Total amount paid by Borrower for employer contributions for employee health insurance:
- Line 7. Total amount paid by Borrower for employer contributions to employee retirement plans:
- Line 8. Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:

Compensation to Owners

Line 9. Total amount paid to owner-employees/self-employed individual/general partners:

This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and paymen

Total Payroll Costs

Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):

Total Payroll Costs are the aggregate of:

- Compensation to employees making \$100,000 or less in 2019 (Table 1)
- Compensation to employees making more than \$100,000 in 2019 limited to \$15,385 per person for an 8-week period or \$46,154 for a 24-week period (Table 2)
- Amounts paid for health insurance, retirement plans and state/local payroll taxes
- Compensation to owners

Forgiveness Application Portal

Non-C	Cash Compensation Payroll Costs During the Covered Period or the Alternative Payrol
Cover	ed Period
Line	6. Total amount paid or incurred by Borrower for employer contributions for employee health insurance * 🐧
\$	50,000.00
Line	7. Total amount paid or incurred by Borrower for employer contributions to employee retirement plans * ①
\$	10,000.00
Line *	8. Total amount paid or incurred by Borrower for employer state and local taxes assessed on employee compensation
\$	15,000.00
	ensation to Owners
Line	9. Total amount paid to owner-employees/self-employed individual/general partners. * 1
\$	25,000.00
otal F	Payroll Costs
Line	10. Payroll Costs (Sum of Lines 1, 4, 6, 7, 8, and 9)
\$550	,00.00

PPP Schedule A Worksheet – FTE Reduction Quotient

- Forgiveness amount is adjusted by the FTE Reduction Quotient, which is the ratio of Covered Period FTE calculated in Tables 1 and 2 compared to base reference period FTE
- Reference period is same period used in PPP Loan Application of:
 - February 15, 2019 and June 30, 2019; or
 - January 1, 2020 and February 29, 2020; or
 - Also, in the case of a seasonal employer, any consecutive twelve-week period between May 1, 2019 and September 15, 2019
- A Safe Harbor provision exists.

Full-Time Equivalency (FTE) Reduction Calculation If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here □, skip lines 11 and 12 and enter 1.0 on line 13.
Line 11. Average FTE during the Borrower's chosen reference period:
Line 12. Total Average FTE (add lines 2 and 5):
Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:

PPP Schedule A Worksheet – FTE Reduction Safe Harbor

Full-Time Equivalency (FTE) Reduction Calculation

If you satisfy **any** of the following three criteria, check the appropriate box, skip lines 11 and 12, and enter **1.0** on line 13; otherwise, complete lines 11, 12, and 13:

No reduction in employees or average paid hours: If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here \Box .

FTE Reduction Safe Harbor 1: If you were unable to operate between February 15, 2020, and the end of the Covered Period at the same level of business activity as before February 15, 2020 due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020, by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration related to the maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to COVID-19, check here □.

FTE Reduction Safe Harbor 2: If you satisfy FTE Reduction Safe Harbor 2 (see PPP Schedule A Worksheet), check here □.

FTE Reduction Adjustments

- An offer for rehire made in good faith was rejected by the employee
- An employee who voluntarily resigned or requested and received a reduction in hours
- Employers were unable to hire similarly qualified employees

- Safe Harbor, if:
 - ➤ No FTE reduction between January 1, 2020 and end of Covered Period
 - Safe Harbor 1 applies
 - Safe Harbor 2 applies

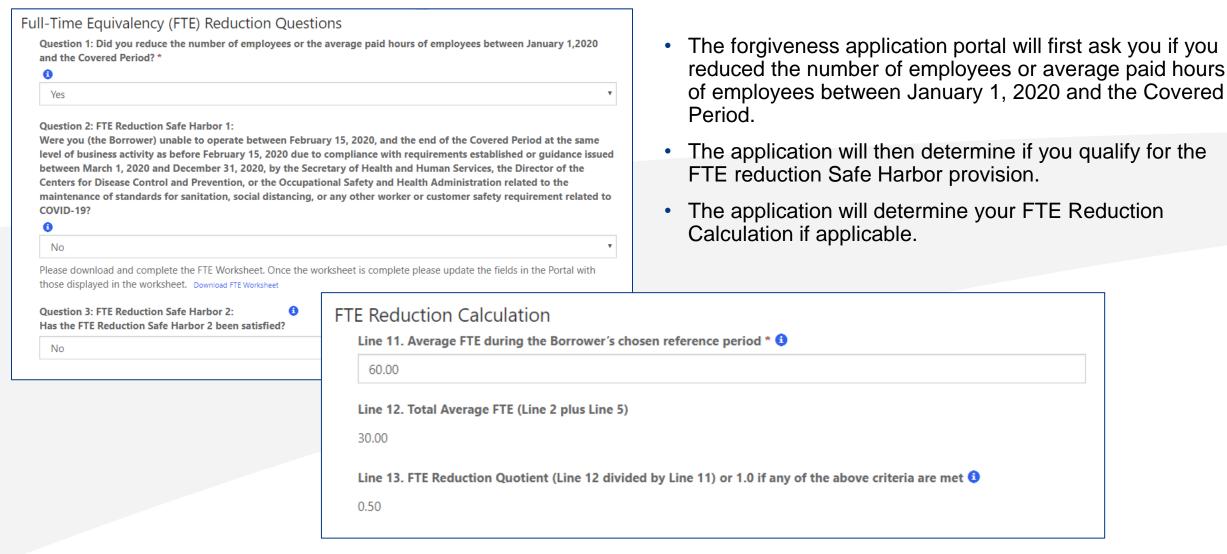
FTE Reduction Safe Harbor 1:

 Employers were unable to return to the same level of business activity as it was operating at before February 15, 2020, due to compliance with Covid-19 requirements

FTE Reduction Safe Harbor 2:

FTE restored to February 15 level at the earlier of the date the application is submitted or December 31, 2020

PPP Schedule A Worksheet – FTE Reduction Quotient





CRITERIA FOR USE OF EZ APPLICATION FORM

	Condition 1	AND Condition 2		
Option 1	The Borrower is a self-employed individual, independent contractor, or sole proprietor;	Had no employees at the time of the PPP loan application and did not include any employee salaries in the computation of average monthly payroll in the Borrower Application Form (SBA Form 2483).		
Option 2	The Borrower did not reduce annual salary or hourly wages of any employee (who made \$100,000 or less in 2019) by more than 25 percent during the Covered Period or the Alternative Payroll Covered Period (as defined below) compared to the period between January 1, 2020 and March 31, 2020;	The Borrower did not reduce the number of employees or the average paid hours of employees between January 1, 2020 and the end of the Covered Period. (Subject to the Safe Harbor provisions for inability to rehire)		
Option 3	The Borrower did not reduce annual salary or hourly wages of any employee (who made \$100,000 or less in 2019) by more than 25 percent during the Covered Period or the Alternative Payroll Covered Period (as defined) compared to the period between January 1, 2020 and March 31, 2020.	The Borrower was unable to operate during the Covered Period at the same level of business activity as before February 15, 2020, due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020 by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19.		

Business Legal Name ("Borrower")



Paycheck Protection Program PPP Loan Forgiveness Application Form 3508EZ

Expiration date: 10/31/2020 DBA or Tradename, if applicable

OMB Control No. 3245-0407

Business Address		Business TIN (EIN, SSN)	Business Phone	
			() -	
		Primary Contact	E-mail Address	
SBA PPP Loan Number:	Lender PPP Lo	nn Number:		
PPP Loan Amount:	PPP Loan Disbu	ursement Date:		
Employees at Time of Loan Application: Employees at Time of Forgiveness Application:			cation:	
EIDL Advance Amount: EIDL Application Number:				
Payroll Schedule: The frequency with which payroll is pa	aid to employees is	:		
☐ Weekly ☐ Biweekly (every other week)	☐ Twice a mon	th	□ Other	
Covered Period: to				
Alternative Payroll Covered Period, if applicable:		to		
If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here: \Box				
Forgiveness Amount Calculation:				

Business Information

The first part of the Forgiveness calculation form will ask for specific information including the names of contacts, PPP loan information, payroll schedules and the elected covered period, before calculating the forgiveness amount

Forgiveness Application Portal Business Information Schedule A - Schedule A -Foraiveness Instructions Form Selection Summary Calculations Documents Authorization When you login, most of your business information will Loan Details automatically populate. Loan Number * **Disbursement Date** 20200515-8071-01 4/23/2020 **SBA Loan Number** Loan Amount * \$650,000 32294811-6f70-4c2f-94f5-1ddcce27780b Phone Number * **Email Address *** 3179187681 rsdesai7@gmail.com Employees at Time of Forgiveness Application 1 Company Details 35 30 Business Name * 6 DBA or Tradename 6 EIDL Recipient * 0 Johny Blaze Designs No Business TIN (EIN, SSN) * 1 Business Type 0 738-93-839 S-Corp Covered Period Start * 1 Covered Period End * 6 Business Address: Line 1 * 1 **Business Address: City *** 3/2/2020 7/23/2020 123 Blaze Street Memphis Payroll Schedule * 6 **Business Address: State * Business Address: Postal Code *** Weekly Indiana 38107 Primary Contact * 6 Alternative Payroll Covered Period Start 1 Alternative Payroll Covered Period End 0 Johny Blaze

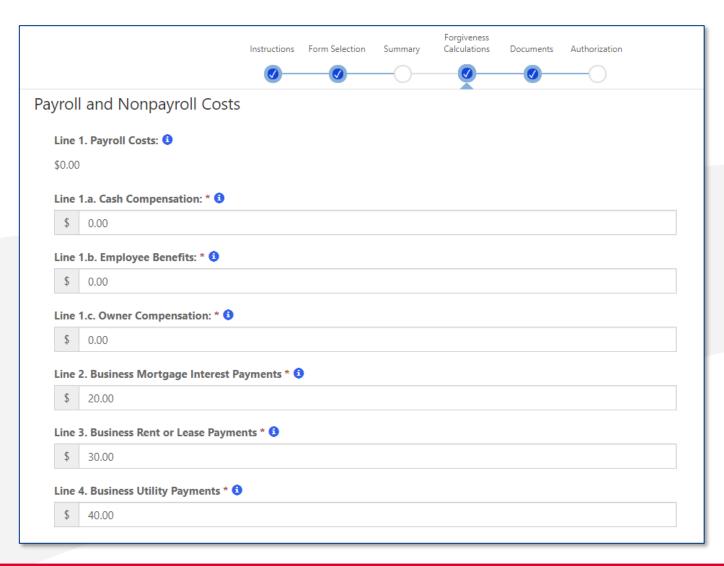
Forgiveness Amount Calculation:	
Payroll and Nonpayroll Costs Line 1. Payroll Costs:	
Line 2. Business Mortgage Interest Payments:	
Line 3. Business Rent or Lease Payments:	
Line 4. Business Utility Payments:	
Potential Forgiveness Amounts Line 5. Add the amounts on lines 1, 2, 3, and 4:	
Line 6. PPP Loan Amount:	
Line 7. Payroll Cost 60% Requirement (divide Line 1 by 0.60):	
Forgiveness Amount Line 8. Forgiveness Amount (enter the smallest of Lines 5, 6, and 7):	

Forgiveness Amount Calculation

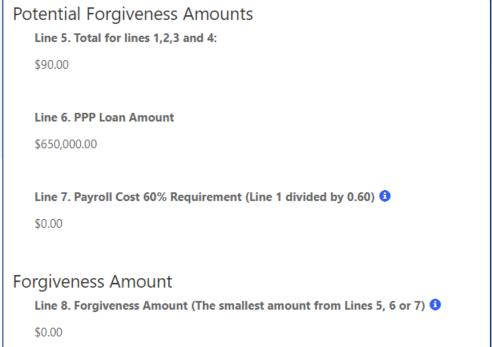
The forgiveness amount calculation form is similar to the standard form. However, the forgiveness amount calculation on the EZ form is simply based on qualifying payroll and nonpayroll costs. The forgiveness amount is the smallest of the following:

- Payroll and non-payroll costs during the Covered Period
- The original PPP loan amount
- The percentage of the original loan amount spent on payroll costs

PPP LOAN FORGIVENESS 3508EZ FORM ON PORTAL



The Forgiveness Application portal will ask for all eligible payroll and non-payroll costs. The portal totals the potential forgiveness amounts and determines the final forgiveness amount based on the lesser of lines 5, 6, and 7.



By Signing Below, You Make the Following Representations and Certifications on Behalf of the Borrow The Authorized Representative of the Borrower certifies to all of the below by initialing next to each one.	wer:
 The dollar amount for which forgiveness is requested: was used to pay costs that are eligible for forgiveness (payroll costs to retain employees; be payments; business rent or lease payments; or business utility payments); 	business mortgage interest
 includes payroll costs equal to at least 60% of the forgiveness amount; if a 24-week Covered Period applies, does not exceed 2.5 months' worth of 2019 comp 	I understand that if the funds were knowingly used for unauthorized purposes, the federal government may pursue recover of loan amounts and/or civil or criminal fraud charges.
 employee or self-employed individual/general partner, capped at \$20,833 per individual; a if the Borrower has elected an 8-week Covered Period, does not exceed 8 weeks' worth or any owner-employee or self-employed individual/general partner, capped at \$15,385 per individual/general partner. 	The Borrower did not reduce salaries or hourly wages by more than 25 percent for any employee during the Covered Period of Alternative Payroll Covered Period compared to the period between January 1, 2020 and March 31, 2020. For purpose of this certification, the term "employee" includes only those employees that did not receive, during any single period during the state of the s
any owner-employee or sent-employed murvidual/general partner, capped at \$15,585 per n	The Borrower has accurately verified the payments for the eligible payroll and nonpayroll costs for which the Borrower requesting forgiveness.
	I have submitted to the Lender the required documentation verifying payroll costs, the existence of obligations and servic (as applicable) prior to February 15, 2020, and eligible business mortgage interest payments, business rent or lease payment and business utility payments.
Certification Borrowers completing the EZ form must also provide formal	The information provided in this application and the information provided in all supporting documents and forms is true and correct in all material respects. I understand that knowingly making a false statement to obtain forgiveness of an SBA guaranteed loan is punishable under the law, including 18 USC 1001 and 3571 by imprisonment of not more than five year and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than thirt years and/or a fine of not more than \$1,000,000.
certification that they comply with the requirements of the	The tax documents I have submitted to the Lender are consistent with those the Borrower has submitted/will submit the IRS and/or state tax or workforce agency. I also understand, acknowledge, and agree that the Lender can share the

tax information with SBA's authorized representatives, including authorized representatives of the SBA Office of

I understand, acknowledge, and agree that SBA may request additional information for the purposes of evaluating the Borrower's eligibility for the PPP loan and for loan forgiveness, and that the Borrower's failure to provide information requested by SBA may result in a determination that the Borrower was ineligible for the PPP loan or a denial of the

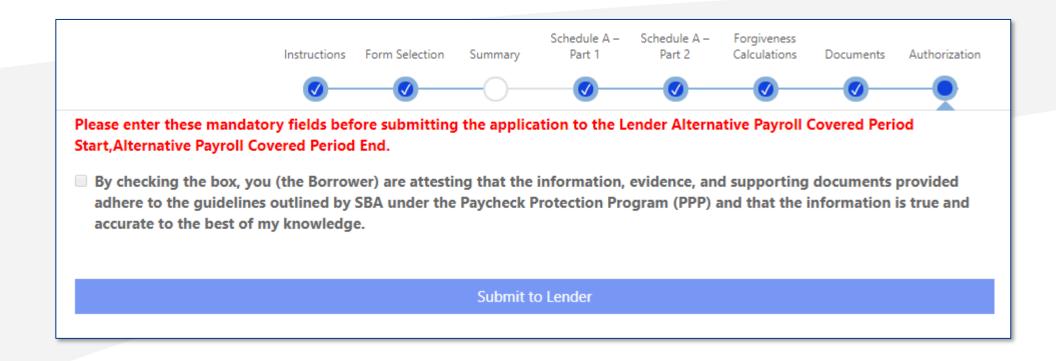
Inspector General, for the purpose of ensuring compliance with PPP requirements and all SBA reviews.

Borrower's loan forgiveness application.

program.

PPP LOAN FORGIVENESS CALCULATION FORM – ATTESTATION

The Forgiveness Application Portal includes an authorization section that required borrowers to acknowledge before submitting the application to the lender. This acknowledgement certifies the borrower's understanding and signs-off on all certifications listed in the forgiveness application.







HYPOTHETICAL EXAMPLE #1

Situation

A business has three U.S. resident employees, each of whom had an annual salary of \$52,000 and one owner who had an annual salary of \$100,000. Related benefit costs included in payroll costs amount to \$10,647 for the employees for an eight week Covered Period. The business received a PPP Loan of \$66,000.

No changes in FTE or employee compensation have occurred since the beginning of the year.



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")		DBA or Tradename, if applicable		
SAMPLE Corp				
Business Address		Business TIN (EIN, SSN)	Business Phone	
123 Main Street	1	XXXXXXX	(XXX) XXX -XXXX	
Anytown, MA 00000		Primary Contact	E-mail Address	
Allytown, MA 00000		John Smith	JSmith@sample.com	
SBA PPP Loan Number: XXXXXXX	Lender PPP Loa	n Number: XXXX		
PPP Loan Amount: 66,000.00			7, 2020	
Employees at Time of Loan Application: 3				
Employees at Time of Forgiveness Application:				
EIDL Advance Amount: 0	EIDL Application	n Number:		
Payroll Schedule: The frequency with which payroll is pa	aid to employees is:			
☐ Weekly ■ Biweekly (every other week)	☐ Twice a mont	h 🗆 Monthly	□ Other	
Covered Period: 4/27/2020 to 6/21	1/2020			
Alternative Payroll Covered Period, if applicable:		to		
If Borrower (together with affiliates, if applicable) recei	ived PPP loans in e	xcess of \$2 million, check	here: 🗆	

HYPOTHETICAL EXAMPLE #1 – SCHEDULE A TABLES 1 & 2

FTE Reduction Safe Harbor:

- Step 1. Enter the borrower's total average FTE between February 15, 2020 and April 26, 2020 was used to calculate Average FTE in the PPP Schedule A Worksheet Tables. Sum ac
- Step 2. Enter the borrower's total FTE in the Borrower's pay period inclusive of February 15, that was used in step 1: 3
- Step 3. If the entry for step 2 is greater than step 1, proceed to step 4. Otherwise, the FTE Red applicable and the Borrower must complete line 13 of PPP Schedule A by dividing lin
- Step 4. Enter the borrower's total FTE as of June 30, 2020: ______.
- Step 5. If the entry for step 4 is greater than or equal to step 2, enter 1.0 on line 13 of PPP Sch Harbor has been satisfied. Otherwise, the FTE Reduction Safe Harbor does not apply line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.

PPP Schedule A Worksheet

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

	Employee			Salary / Hourly Wage
Employee's Name	Identifier	Cash Compensation	Average FTE	Reduction
Joe Smith	1100	8,000	1	0
Mary Jones	2200	8,000	1	0
Mark Brown	3300	8,000	1	0
FTE Reduction Exceptions:				
Totals:		x 1 24,000	x 23	ox 30

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

HYPOTHETICAL EXAMPLE #1 - SCHEDULE A

PPP Schedule A	
PPP Schedule A Worksheet, Table 1 Totals	
Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	→ 24,000
Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	→ 3
Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here □ and enter 0 on line 3.	<u>0</u>
PPP Schedule A Worksheet, Table 2 Totals	_
Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	0
Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	0
Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Cover	red Period
Line 6. Total amount paid by Borrower for employer contributions for employee health insurance:	8,000
Line 7. Total amount paid by Borrower for employer contributions to employee retirement plans:	2,000
Line 8. Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	→ <u>647</u>
Compensation to Owners	
Line 9. Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	15,385
Total Payroll Costs	
Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	→ <u>50,032</u>

Full-Time Equivalency (FTE) Reduction Calculation If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here □, skip lines 11 and 12 and enter 1.0 on line 13.			
Line 11. Average FTE during the Borrower's chosen reference period:	3		
Line 12. Total Average FTE (add lines 2 and 5):	3		
Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is	1.0		

HYPOTHETICAL EXAMPLE #1 – FORGIVENESS AMOUNT

Forgiveness Amount Calculation:	
Payroll and Nonpayroll Costs Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):	50,032
Line 2. Business Mortgage Interest Payments:	8,000
Line 3. Business Rent or Lease Payments:	4,000
Line 4. Business Utility Payments:	4,000
Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):	0
Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:	66,032
Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):	1.0
Potential Forgiveness Amounts Line 8. Modified Total (multiply line 6 by line 7):	66,032
Line 9. PPP Loan Amount:	66,000
Line 10. Payroll Cost 60% Requirement (divide line 1 by 0.60):	83,387
Forgiveness Amount Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):	66,000

HYPOTHETICAL EXAMPLE #2 – FTE REDUCTION

Situation

A business has three U.S. resident employees, each of whom had an annual salary of \$52,000 (\$25/hour) and one owner who had an annual salary of \$100,000. Related benefit costs included in payroll costs amount to \$10,647 for the employees for an eight week Covered Period. The business received a PPP Loan of \$66,000.

One employee had their hours reduced by 50% beginning in February due to a reduction in customer activity and hours have not since been increased.



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")		DBA or Tradename, if applicable		
SAMPLE Corp				
Business Address		Business TIN (EIN, SSN)	Business Phone	
123 Main Street		XXXXXXX	(XXXX) XXXX -XXXXX	
Anytown, MA 00000		Primary Contact John Smith	E-mail Address JSmith@sample.com	
SBA PPP Loan Number: XXXXXXX	Lender PPP Lo	an Number: XXXX		
PPP Loan Amount: 66,000.00			27, 2020	
Employees at Time of Loan Application: 3	_			
Employees at Time of Forgiveness Application.	<u> </u>			
EIDL Advance Amount: 0 EIDL Application N		on Number:		
Payroll Schedule: The frequency with which payroll is	paid to employees is	:		
☐ Weekly ■ Biweekly (every other week)	☐ Twice a mon	th	□ Other	
Covered Period: 4/27/2020 to 6/2	21/2020			
Alternative Payroll Covered Period, if applicable: _		to		
If Borrower (together with affiliates, if applicable) re	ceived PPP loans in	excess of \$2 million, chec	k here: 🗆	

HYPOTHETICAL EXAMPLE #2 – SCHEDULE A TABLES 1 & 2

PPP Schedule A Worksheet

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
Joe Smith	1100	8,000	1	0
Mary Jones	2200	8,000	1	0
Mark Brown	3300	4,000	0.50	0
FTE Reduction Exceptions:				
Totals:		B. 1 20,000	22.5 x 22.5	Box 30

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

HYPOTHETICAL EXAMPLE #2 - SCHEDULE A

PPP Schedule A Worksheet, Table 1 Totals				
Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	20,000			
Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	2.5			
	0			
Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here □ and enter 0 on line 3.	<u> </u>			
PPP Schedule A Worksheet, Table 2 Totals				
Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	0			
Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	0			
Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period				
Line 6. Total amount paid by Borrower for employer contributions for employee health insurance:	8,000			
Line 7. Total amount paid by Borrower for employer contributions to employee retirement plans:	2,000			
Line 8. Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	539			
Compensation to Owners				
Line 9. Total amount paid to owner-employees/self-employed individual/general partners:	15,385			
This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.				
Total Payroll Costs				
Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	45,924			

 Full-Time Equivalency (FTE) Reduction Calculation

 If you have not reduced the number of employees or the average paid hours of your employees between

 January 1, 2020 and the end of the Covered Period, check here □, skip lines 11 and 12 and enter 1.0 on line 13.

 Line 11. Average FTE during the Borrower's chosen reference period:

 Line 12. Total Average FTE (add lines 2 and 5):

 Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:

HYPOTHETICAL EXAMPLE #2 – FORGIVENESS AMOUNT

Forgiveness Amount Calculation:		
Payroll and Nonpayroll Costs Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):	⇒	45,924
Line 2. Business Mortgage Interest Payments:		8,000
Line 3. Business Rent or Lease Payments:		4,000
Line 4. Business Utility Payments:		4,000
Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):		0
Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:	→	61,924
Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):	→	0.833
Potential Forgiveness Amounts Line 8. Modified Total (multiply line 6 by line 7):	→	51,583
Line 9. PPP Loan Amount:		66,000
Line 10. Payroll Cost 60% Requirement (divide line 1 by 0.60):		76,540
Forgiveness Amount Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):	⇒	51,583

HYPOTHETICAL EXAMPLE #3 – SALARY REDUCTION

Situation

A business has three U.S. resident employees, each of whom had an annual salary of \$52,000 (\$25/hour) and one owner who had an annual salary of \$100,000. Related benefit costs included in payroll costs amount to \$10,647 for the employees for an eight week Covered Period. The business received a PPP Loan of \$66,000.

One employee had their pay cut by 30% beginning in April.



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")		DBA or Tradename, if applicable	
SAMPLE Corp			
Business Address		Business TIN (EIN, SSN)	Business Phone
123 Main Street		XXXXXXX	(XXX) XXX -XXXX
Anytown, MA 00000		Primary Contact	E-mail Address
Allytown, MA 00000		John Smith	JSmith@sample.com
SBA PPP Loan Number: XXXXXXX	Lender PPP Loa	nn Number: XXXX	
PPP Loan Amount: 66,000.00			27, 2020
Employees at Time of Loan Application: 3			
imployees at Time of Porgiveness Application.			
EIDL Advance Amount: 0	EIDL Application	on Number:	
Payroll Schedule: The frequency with which payroll is payroll	aid to employees is:	:	
☐ Weekly ■ Biweekly (every other week)	☐ Twice a mon	th	Other
Covered Period: 4/27/2020 to 6/2	1/2020		
_		to -	
Alternative Payroll Covered Period, if applicable:			

HYPOTHETICAL EXAMPLE #3 – SCHEDULE A TABLES 1 & 2

PPP Schedule A Worksheet

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

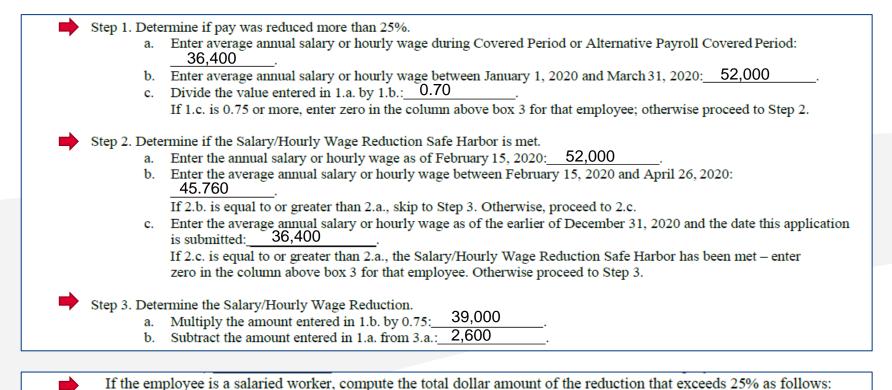
	Employee			Salary / Hourly Wage
Employee's Name	Identifier	Cash Compensation	Average FTE	Reduction
Joe Smith	1100	8,000	1	0
Mary Jones	2200	8,000	1	0
Mark Brown	3300	5,600	1	400
FTE Reduction Exceptions:				
Totals:		Box 1 21,600	Box 23	Box 3 400

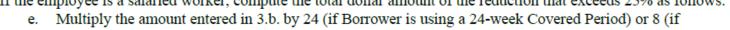
Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

HYPOTHETICAL EXAMPLE #3 – SALARY/HOURLY WAGE REDUCTION





Borrower is using an 8-week Covered Period): 20,800 . Divide this amount by 52: 400 . Enter this value in the column above box 3 for that employee.

HYPOTHETICAL EXAMPLE #3 – SCHEDULE A

PPP Schedule A	
PPP Schedule A Worksheet, Table 1 Totals	
Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	21,600
Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	3
→	400
Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here □ and enter 0 on line 3.	
PPP Schedule A Worksheet, Table 2 Totals	
Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	0
Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	0
Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Peri	
Non-Cash Compensation 1 a from Costs During the Covered 1 eriod of the Attendance 1 a from Covered 1 erio	8,000
Line 6. Total amount paid by Borrower for employer contributions for employee health insurance:	
Line 7. Total amount paid by Borrower for employer contributions to employee retirement plans:	2,000
Line 8. Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	582
Compensation to Owners	
Line 9. Total amount paid to owner-employees/self-employed individual/general partners:	15,385
This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	
Total Payroll Costs	
Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	47,567

Full-Time Equivalency (FTE) Reduction Calculation If you have not reduced the number of employees or the average paid hours of your employees between	
January 1, 2020 and the end of the Covered Period, check here □, skip lines 11 and 12 and enter 1.0 on	
Line 11. Average FTE during the Borrower's chosen reference period:	3
Line 12. Total Average FTE (add lines 2 and 5):	3
Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:	1.0

HYPOTHETICAL EXAMPLE #3 – FORGIVENESS AMOUNT

Forgiveness Amount Calculation:	
Payroll and Nonpayroll Costs Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):	47,567
Line 2. Business Mortgage Interest Payments:	8,000
Line 3. Business Rent or Lease Payments:	4,000
Line 4. Business Utility Payments:	4,000
Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):	400
Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:	63,167
Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):	1.0
Potential Forgiveness Amounts Line 8. Modified Total (multiply line 6 by line 7):	63,167
Line 9. PPP Loan Amount:	66,000
Line 10. Payroll Cost 60% Requirement (divide line 1 by 0.60):	79,278
Forgiveness Amount Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):	63,167

PPP Loan Forgiveness Application Documentation



SUMMARY OF DOCUMENTATION

- Documents that Borrower Must Submit with its PPP Loan Forgiveness Application
 - PPP Loan Forgiveness Application
 - PPP Loan Forgiveness Calculation Form
 - PPP Schedule A
 - Documentation verifying
 - Payroll Cost Amounts
 - Employee Headcount and FTE
 - Nonpayroll Cost Amounts and associated contracts
- Documentation must be retained for 6 years, including:
 - Schedule A Tables and Worksheets
 - Supporting documentation
- Optional Borrower Demographic Form may also be submitted

SUMMARY OF DOCUMENTATION – EZ FORM

- Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period or the Alternative Payroll Covered Period
- Documentation verifying the existence of obligations/services prior to February 15, 2020 and eligible payments from the Covered Period for the following
 - Business mortgage interest
 - Rent or lease payments
 - Business utility payments
- Documentation that must be retained for 6 years
 - Documentation supporting that compensation was not reduced by more than 25% during the Covered Period
 - This includes payroll records that separately list each employee and show the amounts paid to each employee between January 1, 2020 and March 31, 2020 and during the Covered Period
 - Documentation certifying that the Borrower did not reduce the number of employees or the average number of hours paid between January 1, 2020 and the end of the Covered Period
 - All records relating to the Borrower's PPP loan

SUMMARY OF DOCUMENTATION – FTE SAFE HARBOR

- Documentation regarding any employee job offers and refusals including
 - Refusals to accept restoration of reductions in hours
 - Firings for cause
 - Voluntary resignations
 - Written requests by an employee for reductions in work schedule
 - Any inability to hire similarly qualified employees for unfilled positions before December 31, 2020
- Documentation supporting that the Borrower was unable to operate between February 15, 2020 and the
 end of the Covered Period at the same level of business activity before February 15, 2020 due to
 compliance with requirements established by the Secretary of Health and Human Services





LIST OF FAQ TOPICS

- Portal Access
- Questions While Completing the Application
- Application Submission Timeline
- Forgiveness Confirmation

PORTAL ACCESS

What if I cannot access the portal to complete and submit my forgiveness application?

 Contact your American Momentum lender who will arrange to have an email sent to you with a URL to register. If you are still unable to access the portal, contact your lender or relationship manager, and provide screenshots of the error messages you have received.

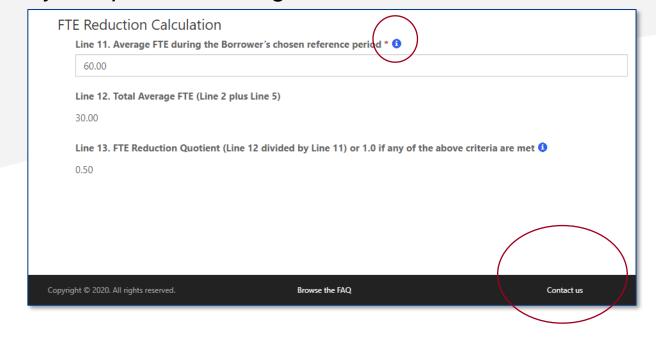
QUESTIONS WHILE COMPLETING THE APPLICATION

What if I am in the portal and have a question as I am filling out the application?

The portal has "?" symbols located next to a variety of entries which provide additional information.

• The forgiveness application portal has a "Contact Us" icon in the bottom right corner. If you have a question while filling out the application, submit your question through this feature and it will be

sent to our team to answer your question.



APPLICATION SUBMISSION TIMELINE

When should I submit my forgiveness application?

 While American Momentum is prepared to accept forgiveness applications, the SBA is not accepting applications from lenders at this time. You may submit your application to American Momentum once you are registered in the portal. We recommend, however, that you wait to submit your application until the SBA begins accepting applications. This will ensure processing of the application using the most current guidance, and will not start the 60-day processing period prematurely.

FORGIVENESS CONFIRMATION

When will I hear an answer from your on my final forgiveness amount?

After receiving a complete application, American Momentum has up to 60 days to submit the
application to the SBA, and the SBA has up to 90 days to determine the final forgiveness amount.
You will receive an answer regarding your final forgiveness amount up to 150 days after you
submit your forgiveness application. American Momentum expects to process your application
more quickly than the deadlines required.



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THANK YOU.