

## PPP Borrower Application Tips and FAQs

*Last updated 2021.01.22*

The recently signed \$900 billion stimulus package includes another \$284 billion for the Paycheck Protection Program (PPP). Applications are being accepted until March 31.

There is plenty of funding available for this round of funding. Please take the time to review your eligibility, gather your documents and completing your PPP online application. **We are accepting applications from deposit customers only** and will help you step-by-step through our online application process.

Below are helpful tips and Q&A's to help streamline the PPP application process. Please review carefully and contact your relationship manager if you have additional questions:

- **Step 1: Determine whether you are a new or returning applicant.**

A new (**First Draw**) applicant is someone who has never received a PPP loan from our Bank or another lender. To prepare, please review [SBA Form 2483](#).

A returning (**Second Draw**) applicant is someone who has received a PPP loan from our Bank or another lender before. If you are in this category, please review [SBA Form 2483-SD](#).

- **Step 2: Review the eligibility requirements for your applicant type.**

[Our website](#) has a basic overview of eligibility for both types of borrowers. You should also closely review the SBA's information on eligibility and eligible payroll costs:

[First Draw Overview](#)

[Second Draw Overview](#)

- **Step 3: Calculate your payroll costs.**

Payroll cost calculations are the same for both applicant types:

Sum of average monthly ELIGIBLE payroll costs - Sum of average monthly EXCLUDED payroll costs = **AVERAGE MONTHLY PAYROLL COSTS**

For clarification on how to calculate your payroll costs, please review the [resource](#) found on the U.S. Small Business Administration (SBA) website.

- **Step 4: Prepare your documentation.**

The updated documentation table below will assist you with gathering the correct information and documents needed to apply:

<b>Businesses with Employees:</b>	<b>Sole Proprietorships and Independent Contractors</b>
<ul style="list-style-type: none"> <li>▪ 2019 and/or 2020 IRS 940, 941 or 944 payroll tax reports</li> <li>▪ Payroll statement or similar documentation to demonstrate operations on 02/15/20</li> <li>▪ For S or C Corps: Equivalent payroll processor records or IRS Wage and Tax</li> </ul>	<ul style="list-style-type: none"> <li>▪ Form 1040 Schedule C or F for 2019 and/or 2020 (Self-employed individuals with no employees must submit Form 1099-MISC in addition to 1040 Schedule C or F)</li> <li>▪ Payroll tax filings</li> </ul>

<p>Statements, along with the filed business tax return</p> <ul style="list-style-type: none"> <li>▪ Summary of payroll expenses for Individual Employees with cash compensation over \$100,000</li> <li>▪ K-1 (IRS 1065) for Partnership Self Employed employment income</li> <li>▪ General Ledger Reports or statements to assist with Health Care and Retirement benefits (S or C Corps may use IRS Form 1120 or IRS 1120-S)</li> <li>▪ State Quarterly Wage Reporting Forms</li> <li>▪ <b>Non-Profit Applicants:</b> Documentation proving you are authorized to borrow on behalf of the non-profit, if applicable</li> <li>▪ <b>Second Draw Applicants:</b> Documentation demonstrating 25% reduction in gross receipts for loans greater than \$150,000 is required. Including, but not limited to, tax forms, quarterly income statement, or bank statement. If the loan is \$150,000 or less, you have the option to provide at application, however, you must minimally supply by loan forgiveness.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Payroll statement or similar documentation to demonstrate operations on 02/15/20</li> <li>▪ Bank statements to demonstrate payroll disbursements</li> <li>▪ General Ledger Reports or statements to assist with Health Care and Retirement benefits</li> <li>▪ State Quarterly Wage Reporting Forms</li> <li>▪ <b>Second Draw Applicants:</b> Documentation demonstrating 25% reduction in gross receipts for loans greater than \$150,000 is required. Including, but not limited to, tax forms, quarterly income statement, or bank statement. If the loan is \$150,000 or less, you have the option to provide at application, however, you must minimally supply by loan forgiveness.</li> </ul>
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**In addition to gathering your documents, remember:**

- Second Draw applicants will need to provide their SBA loan number and original loan amount during the application process. If you received your initial PPP loan with another lender, the SBA loan number may be on your note or you can contact the lender to obtain it.
- Documents must be non-password protected.
- **Step 5: Complete the online application**  
 It is recommended that a business owner, or someone that has authority to sign the loan note, completes the online PPP application to streamline the PPP application process. If you are a **returning PPP borrower**, we will provide you with a link to log in. If you are a **new PPP borrower**, work with your relationship manager on how to access our online portal.

**FAQs:**

**Q: I'm already a PPP loan customer with you, how do I submit my second draw application?**

**A:** Be sure to review the eligibility requirements, terms and uses of the PPP funds for a second draw, gather the required documentation then contact your relationship manager to discuss next steps.

**Q: I'm already a bank customer and this is my first PPP loan -- how do I submit a first draw application?**

**A:** Be sure to review the eligibility requirements, terms and uses of the PPP funds for a second draw, gather the required documentation, then contact your branch, or relationship manager to discuss next steps.

**Q: I'm concerned that the PPP funding will run out – can I just submit my application now?**

**A:** It seems that there is less demand this time around with eligibility rule changes, the max loan limitation of \$2 million, and borrowers having to requalify with the revenue reduction. Everything we are hearing leads us to believe funding will not run out anytime soon and you have until March 31 to submit your application.

**Q: I'm ready to submit my application – can't you just give me a link to apply?**

**A:** Our online portal is ready but is not a public link. Reach out to your relationship manager if you are already a PPP borrower with us or to your local branch or commercial manager to get application information.

**Q: I'm not sure I have all the documents needed to submit an application?**

**A:** Be sure to review the list of documentation required for your situation. Each application is different based on your type of business and which loan you are applying for but you will need quarterly financial statements, monthly (or quarterly) bank statements (showing deposits from the relevant quarters), and your annual IRS income tax filings.

**Q: I'm not sure how to calculate my payroll costs and what documentation to provide?**

**A:** For clarification on how to calculate your payroll costs and what documentation to provide based on entity type, review our chart above. More details can be found at [resource](#) on at SBA.gov.

**Q: What can I expect after I submit my application?**

**A:** You will receive an email notification confirming your submission, along with updates as your application is processed. We will contact you if we need any additional information.

**Q: When will my loan be funded?**

**A:** Once the SBA approves your application, our teams will be working diligently to get funding into your account.