

Paycheck Protection Program

Minimum Documentation Requirements for Existing Customers

Lender Obligation

Confirm receipt of borrower certifications contained in Paycheck Protection Program Application form issued by the Administration;

SBA Form 2843 (Paycheck Protection Program Application Form)

Confirm receipt of information demonstrating that a borrower had employees for whom the borrower paid salaries and payroll taxes on or around February 15, 2020 or for an 8-week period between February 15, 2019 and June 30, 2019.

Salaries and payroll taxes paid on or around February 15, 2020

OR

Seasonal businesses - salaries and payroll taxes paid for an 8-week period between February 15, 2019 and June 30, 2019

Confirm the dollar amount of average monthly payroll costs for the preceding calendar year by reviewing the payroll documentation submitted with the borrower's application

Support for Requested Loan Amount

Support for Average Monthly Payroll Cost

Salaries, wages, commissions, or similar compensation paid for previous 12 months

OR

Salaries, wages, commissions, or similar compensation paid for the 12 months ended December 31, 2019

Compensation of an individual employee in excess of an annual salary of \$100,000

Any compensation of an employee whose principal place of residence is outside of the United States

Payment for the provision of employee benefits (if applicable)

Group health coverage including premiums

Retirement benefits

State and local taxes assessed on compensation of employees

Minimal Documentation Required

Completed and signed copy of SBA Form 2843 (Paycheck Protection Program Application Form)

Payroll report including salaries and payroll taxes paid on or around February 15, 2020

Payroll report including salaries and payroll taxes paid between February 15, 2019 and June 30, 2019. One payroll report during this period is sufficient.

Borrower calculation of requested loan amount as included on application including calculation of Average Monthly Payroll Cost

Copy of internal payroll reports for 2020 payroll costs included and quarterly payroll tax filings (Form 941) for 2019 payroll costs included

Copy of payroll tax reports for each quarter of 2019 (Form 941) or Form W-3 for calendar year 2019

Report of payroll by employee for the previous 12 months or 12 months ended December 31, 2019

Report of payroll by employee for the previous 12 months or 12 months ended December 31, 2019

Supporting documentation for amounts paid and included in "average monthly payroll costs"

Supporting documentation for amounts paid and included in "average monthly payroll costs"

Copy of state and local unemployment tax reports

Required documentation should be available for most applicants. Alternative documentation provided will also be considered.

Paycheck Protection Program

PPP Loan Calculation Example

	<u>Total - 12 months</u>	<u>Monthly</u>
Salaries, wages, commissions, or similar compensation paid for previous 12 months or for the 12 months ended December 31, 2019	\$ 300,000.00	\$ 25,000.00
Less: compensation of an individual employee in excess of an annual salary of \$100,000	(15,000.00)	(1,250.00)
Less: any compensation of an employee whose principal place of residence is outside of the United States	(24,000.00)	(2,000.00)
Group health coverage including premiums	60,000.00	5,000.00
Retirement benefits (e.g. 401k match contribution)	9,000.00	750.00
State and local taxes assessed on compensation of employees	<u>2,400.00</u>	<u>200.00</u>
Total PPP Payroll Costs	\$ 332,400.00	\$ 27,700.00
PPP Multiplier (2.5x)		<u>2.50</u>
PPP Loan Amount		<u><u>\$ 69,250.00</u></u>