

# New Paycheck Protection Program: Expert Overview and TSoftPlus Enhancements

Hosted by Wolters Kluwer

Wednesday, January 14, 2021



Wolters Kluwer

# Notice

Covers guidance posted through January 14, 2021

- *The information presented in this webinar summarizes general guidance under the CARES Act, including Guidance from the Small Business Administration and other sources, based on the existing information available at the time of the presentation*
- *It is intended only to act as a quick reference and not as a substitute for the law, regulations or official commentary*
- *There are continuing, ongoing developments in this area. Therefore, always consult official sources of information, including the regulation text and official commentary, for a complete understanding of the law, including the regulations*

**DISCLAIMER:** Content subject to change due to technical corrections, further analysis, SBA & Treasury regulations, etc.

# Today's Presenter



**Michael Fuchs**  
Director of Commercial Lending  
Wolters Kluwer

# Webinar Agenda

## Part I

- Overview of PPP
- Review of new PPP Regulations & Forms
- Q&A

# Purpose of the Paycheck Protection Program (PPP)

- Stabilizing and assisting the American economy
- Keeping American workers paid and employed
- Helping small businesses meet short-term ongoing expenses including payroll costs and other costs
- Managed jointly by the Small Business Administration (SBA) and the Department of the Treasury utilizing existing E-Tran and new forgiveness portal



U.S. Small Business  
Administration

# COVID Relief Bill: Changes to PPP

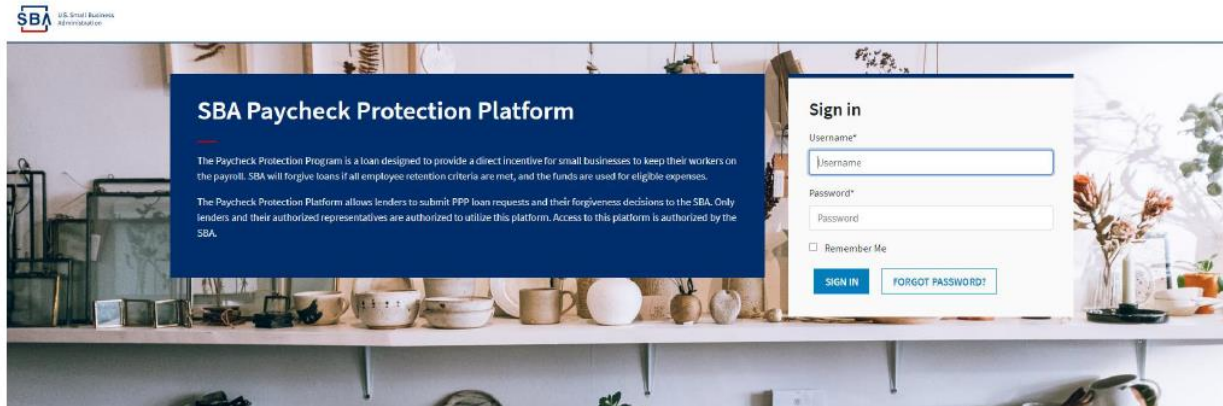
- Economic Aid to Small Businesses, Nonprofits, and Venues Act (“Economic Aid Act”)
- Signed by the President on December 27, 2020
- \$284.5 billion allocated to PPP (through March 31, 2021)
- Covers both 2<sup>nd</sup> draw loans and new initial loans
- PPP Portal opened Jan 11 (Initial Loans) & Jan 13 (2<sup>nd</sup> Draw) for community financial institutions (CDFI, MDI, CDC & Microloan Intermediaries)
- PPP Portal date for all others
  - Jan 15: Lenders with under \$1.0 billion in assets
  - Jan 19: All other PPP lenders

# SBA Guidance for 2021

- Regulations under emergency powers (Jan 6, 2021)
  - PPP-IFR-Paycheck-Protection-Program-as-Amended-by-Economic-Aid-Act
  - PPP-IFR-Second-Draw-Loans
- New/updated PPP Forms (Jan 8, 2021)
- SBA announced Forgiveness Platform API for origination for PPP (Jan 8, 2021)
  - All PPP Lenders with a Forgiveness API key are automatically provisioned
  - Authorizing Official to enable API key for Origination on Forgiveness Portal
- User Guide (Jan 11, 2021)
- Technical Guide (Jan 11, 2021)
- SBA Procedural Notice 5000-20076 regarding Loan Increases (Jan 14, 2021)

# New PPP Approval Process thru new SBA Origination Platform

- SBA has expanded the SBA Forgiveness Platform with new PPP Origination capability
- TSoftPlus uses the SBA Origination API to the expanded SBA Platform to submit PPP loan requests to SBA
- Authorizing Official enables API key for Origination on the SBA Forgiveness Portal
- Authorizing Official adds Origination permissions on the SBA Forgiveness Portal to users so they can view and edit new PPP loans
- 24-48 hour turn around





## Eligible Lenders

- All lenders that previously participated in the PPP program are eligible to participate in 2021 PPP program
- Lenders that are not 7(a) lenders and did not participate in the PPP Program need approval from SBA
  - Form 3506 for Insured Depository Institutions
  - Form 3507 for Other Lenders

# Lender Processing Fees

- Provides for PPP lender reimbursement by SBA for **new** PPP loans (initial loans and 2<sup>nd</sup> draw)
- Establishes a tiered reimbursement rate for PPP loans:
  - Loans of less than \$50,000 that is equal to the lesser of 50% of the loan principal or \$2,500
  - loans of more than \$50,000 and not more than \$350,000 equal to 5% of the loan principal
  - loans of more than \$350,000 and less than \$2,000,000 equal to 3% of the loan principal
  - loans of more than \$2,000,000 equal to 1% (for initial loans only)

# Lender Processing Fees Examples

Amount	2020 Initial Loans	2021 Initial & 2 <sup>nd</sup> Draw Loans	Difference
\$4,000	\$200	\$2,000	\$1,800
\$5,000	\$250	\$2,500	\$2,250
\$10,000	\$500	\$2,500	\$2,000
\$40,000	\$2,000	\$2,500	\$500
\$50,000	\$2,500	\$2,500	\$0
\$100,000	\$5,000	\$5,000	\$0
\$1,000,000	\$30,000	\$30,000	\$0
\$2,000,000	\$20,000	\$20,000	\$0
\$10,000,000	\$100,000	\$100,000 (Initial)	\$0

# Initial Loans vs Second Draw Loans

	Initial PPP Loans	2 <sup>nd</sup> Draw PPP Loans
Maximum Loan Amount	\$10 million	\$2 million
Calculation of Loan Amount	2.5 x Avg Monthly Payroll	2.5 x Avg Monthly Payroll 3.5 x for NAICS 72
Interest Rate	1.0%	1.0%
Term	60 months	60 months
Size Standards	500 employees (per location for some entity types) or other SBA Standards	300 employees (per location for some entity types)
Revenue Reduction	None but must certify need	25% reduction
Prior Loan Requirement	N/A	Fully Utilized Initial Loan

# Lender Hold Harmless

- Lender Hold Harmless provisions clarified
  - Lender may rely on Borrower certification or documentation
  - Attesting that certification or documentation is in accordance with PPP requirements
  - Applies to origination or forgiveness process
- Lender protection from enforcement if:
  - Lender acts in good faith relating to origination or forgiveness (substantiate with documentation of process and training programs)
  - Lender complies with other relevant regulatory requirements
- Applies to all PPP loans (before or after Economic Aid Act)

# SBA Form 2483:

## Borrower's Application Form

Updated 1/8/21 for 2021 Initial PPP Loans

Differences from the June 24, 2020 version shown on subsequent slides

OMB Control No.: 3245-0407  
Expiration Date: 7/31/2021

### Paycheck Protection Program Borrower Application Form Revised January 8, 2021

<b>Check One:</b> <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent Contractor <input type="checkbox"/> Self-Employed Individual <input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(6) organization <input type="checkbox"/> 501(c)(19) veterans organization <input type="checkbox"/> Housing cooperative <input type="checkbox"/> Tribal Business <input type="checkbox"/> Other		<b>DBA or Tradename (if applicable)</b> _____	<b>Year of Establishment (if applicable)</b> _____
<b>Business Legal Name</b> _____		<b>NAICS Code</b> _____	<b>Applicant (including affiliates, if applicable) Meets Size Standard (check one):</b> <input type="checkbox"/> No more than 500 employees (or 300 employees, if applicable) <input type="checkbox"/> SBA industry size standards <input type="checkbox"/> SBA alternative size standards
<b>Business Address (Street, City, State, Zip Code - No P.O. Box addresses allowed)</b> _____		<b>Business TIN (EIN, SSN)</b> _____	<b>Business Phone</b> _____
		<b>Primary Contact</b> _____	<b>Email Address</b> _____

<b>Average Monthly Payroll:</b> \$ _____	<b>x 2.5 = EIDL (Do Not Include Any EIDL Advance) equals:</b> \$ _____	<b>Number of Employees:</b> _____
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<b>Purpose of the loan (select all that apply):</b>	<input type="checkbox"/> Payroll Costs <input type="checkbox"/> Covered Property Damage	<input type="checkbox"/> Rent / Mortgage Interest <input type="checkbox"/> Covered Supplier Costs	<input type="checkbox"/> Utilities <input type="checkbox"/> Covered Worker Protection Expenditures	<input type="checkbox"/> Covered Operations Expenditures <input type="checkbox"/> Other (explain): _____
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**Joint Ownership**  
 If a separate sheet is necessary, attach a separate sheet if necessary.

Ownership %	TIN (EIN, SSN)	Address

*If questions (1), (2), (5), or (6) are answered "Yes," the loan will not be approved.*

Questions	Yes	No
1. Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?		
2. Has the Applicant, any owner of the Applicant, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is (a) currently delinquent, or (b) has defaulted in the last 7 years and caused a loss to the government?		
3. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business? If yes, list all such businesses (including their TINs if available) and describe the relationship on a separate sheet identified as addendum A.		
4. Did the Applicant receive an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.		
5. Is the Applicant (if an individual) or any individual owning 20% or more of the equity of the Applicant presently incarcerated or, for any felony, presently subject to an indictment, criminal information, arrestment, or other means by which formal criminal charges are brought in any jurisdiction? Initial here to confirm your response to question 5: _____		
6. Within the last 5 years, for any felony involving fraud, bribery, embezzlement, or a false statement in a loan application or an application for federal financial assistance, or within the last year, for any other felony, has the Applicant (if an individual) or any owner of the Applicant (1) been convicted; (2) pleaded guilty; (3) pleaded nolo contendere; or (4) commenced any form of parole or probation (including probation before judgment)? Initial here to confirm your response to question 6: _____		
7. Is the United States the principal place of residence for all employees included in the Applicant's payroll calculation above?		
8. Is the Applicant a franchise?		
9. Is the franchise listed in the SBA's Franchise Directory? If yes, enter the SBA Franchise Identifier Code here: _____		

SBA Form 2483 (1/21) 1

## New Entity Types Added to Form

**Check One:** ☐ Sole Proprietor ☐ Partnership ☐ C-Corp ☐ S-Corp ☐ LLC  
☐ Independent Contractor ☐ Self-Employed Individual  
☐ 501(c)(3) nonprofit ☒ 501(c)(6) organization  
☐ 501(c)(19) veterans organization ☒ Housing cooperative  
☐ Tribal Business ☐ Other

Housing cooperatives	300 employees
501(c)(6) organizations (trade & industry associations)	300 employees with limited lobbying
FCC broadcast station license holders and newspapers	500 employees per physical location
Destination Marketing Organizations	300 employees with limited lobbying

## Year Established

Year of Establishment (if applicable)

Instructions indicate self-employed individuals and independent contractors may enter “NA” but so far the API requires a full date.

Ties to the requirement that business existed on or before February 15, 2020.



## NAICS and Size Standards

NAICS Code	Applicant (including affiliates, if applicable) Meets Size Standard (check one):
	<input type="checkbox"/> No more than 500 employees (or 300 employees, if applicable) <input type="checkbox"/> SBA industry size standards <input type="checkbox"/> SBA alternative size standard

For purposes of reporting NAICS Code, applicants must match the business activity code provided on their IRS income tax filings, if applicable.

## Loan Amount: 2.5X Avg Monthly Payroll Plus EIDL Advances

<b>Average Monthly Payroll:</b>	\$	<b>x 2.5 + EIDL (Do Not Include Any EIDL Advance) equals Loan Request Amount:</b>	\$
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If Applicant is refinancing an Economic Injury Disaster Loan (EIDL): Add the outstanding amount of an EIDL made between January 31, 2020 and April 3, 2020 to Loan Request as indicated on the form. Do not add the amount of any EIDL Advance.

# Repeal of EIDL Advance Deduction from Forgiveness

- Economic Aid Act repeals section 1110(e)(6) of the CARES Act, which requires PPP borrowers to deduct the amount of their EIDL advance from their PPP forgiveness amount.
- EIDL Advance borrowers to be made whole without regard to whether those borrowers are eligible for PPP forgiveness.
- SBA Procedure Notice 5000-20075 covers remittance of EIDL Advance
- SBA to remit EIDL Advance amount & interest to Lenders for loans previously forgiven; will not longer be deducted going forward
- Lenders to credit to loan balances and return excess amounts, if any, to Borrower

## Average Monthly Payroll

- Average Monthly Payroll, calculated by using the average monthly payroll for 2019 or 2020 at Borrower's election.
- For seasonal businesses, Borrower may elect to use average total monthly payroll for any twelve-week period selected by the Applicant between February 15, 2019 and February 15, 2020
- For new businesses, average monthly payroll may be calculated using the time period from January 1, 2020 to February 29, 2020

# Farmers, Sole Props & Partnerships

Entity Type	Tax Form	Payroll Calculation
Farmers & Ranchers	1040, Schedule F	Eligible payroll costs + lesser of (a) \$100k or (b) gross income on Schedule F minus eligible payroll costs
Sole Proprietors	1040, Schedule C	Eligible payroll costs + lesser of (a) \$100k or (b) net profit on line 31 of Schedule C
Partnerships	1065, K-1	Eligible payroll costs + for each partner, lesser of (a) \$100k or (b) net earnings of such partner, as reported on IRS Form 1065 K-1, reduced by certain expenses

# Allowable & Forgivable Use of Proceeds

Purpose of the loan (select all that apply):	<input type="checkbox"/> Payroll Costs	<input type="checkbox"/> Rent / Mortgage Interest	<input type="checkbox"/> Utilities	<input type="checkbox"/> Covered Operations Expenditures
	<input type="checkbox"/> Covered Property Damage	<input type="checkbox"/> Covered Supplier Costs	<input type="checkbox"/> Covered Worker Protection Expenditures	<input type="checkbox"/> Other (explain): <div></div>

- Expanded allowable uses of PPP loans (initial loans and 2<sup>nd</sup> draws)
  - Operational expenses for software (installed or cloud)
  - Property damage from looting and vandalism
  - Supplier costs of goods
  - Worker protection from COVID expenses such as drive thru windows, barriers, PPE, etc.
- Above are all forgivable up to 40% of PPP loan amounts
- 60% of PPP loan amounts must still be used on payroll

# Franchise Yes/No Questions

2021

8. Is the Applicant a franchise?	<input type="text"/>	<input type="text"/>
9. Is the franchise listed in the SBA's Franchise Directory? If yes, enter the SBA Franchise Identifier Code here:	<input type="text"/>	<input type="text"/>

2020 8. Is the Applicant a franchise that is listed in the SBA's Franchise Directory?

☐☐

Original question 8 split into 2 questions with added text box to enter SBA Franchise Identifier Code

**By Signing Below, You Make the Following Representations, Authorizations, and Certifications**

I certify that:

- I have read the statements included in this form, including the Statements Required by Law and Executive Orders, and I understand them.
- The Applicant is eligible to receive a loan under the rules in effect at the time this application is submitted that have been issued by the Small Business Administration (SBA) and the Department of the Treasury (Treasury) implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the Paycheck Protection Program Rules).
- The Applicant, together with its affiliates (if applicable), (1) is an independent contractor, self-employed individual, or sole proprietor with no employees; (2) if not a housing cooperative, eligible 501(c)(6) organization, or eligible destination marketing organization, employs no more than the greater of 500 employees or, if applicable, the size standard in number of employees established by SBA in 13 C.F.R. 121.201 for the Applicant's industry; (3) if a housing cooperative, eligible 501(c)(6) organization, or eligible destination marketing organization, employs no more than 300 employees; (4) if NAICS 72, employs no more than 500 employees per physical location; (5) if a news organization that is majority owned or controlled by a NAICS code 511110 or 5151 business or a nonprofit public broadcasting entity with a trade or business under NAICS code 511110 or 5151, employs no more than 500 employees (or, if applicable, the size standard in number of employees established by SBA in 13 C.F.R. 121.201 for the Applicant's industry) per location; or (6) is a small business under the applicable revenue-based size standard established by SBA in 13 C.F.R. 121.201 for the Applicant's industry or under the SBA alternative size standard.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All loan proceeds will be used only for business-related purposes as specified in the loan application and consistent with the Paycheck Protection Program Rules including the prohibition on using loan proceeds for lobbying activities and expenditures. If Applicant is a news organization that became eligible for a loan under Section 317 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, proceeds of the loan will be used to support expenses at the component of the business concern that produces or distributes locally focused or emergency information.
- I understand that SBA encourages the purchase, to the extent feasible, of American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.
- Any EIDL loan received by the Applicant (Section 7(b)(2) of the Small Business Act) between January 31, 2020 and April 3, 2020 was for a purpose other than paying payroll costs and other allowable uses for loans under the Paycheck Protection Program Rules.



The authorized representative of the Applicant must certify in good faith to all of the below by **initialing** next to each one:

☐ The Applicant was in operation on February 15, 2020, has not permanently closed, and was either an eligible self-employed individual, independent contractor, or sole proprietorship with no employees, or had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC.

☐ Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.

☐ The funds will be used to retain workers and maintain payroll; or make payments for mortgage interest, rent, utilities, covered operations expenditures, covered property damage costs, covered supplier costs, and covered worker protection expenditures as specified under the Paycheck Protection Program Rules; I understand that if the funds are knowingly used for unauthorized purposes, the federal government may hold me legally liable, such as for charges of fraud.

☐ I understand that loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, covered utilities, covered operations expenditures, covered property damage costs, covered supplier costs, and covered worker protection expenditures, and not more than 40% of the forgiven amount may be for non-payroll costs. If required, the Applicant will provide to the Lender and/or SBA documentation verifying the number of full-time equivalent employees on the Applicant's payroll as well as the dollar amounts of eligible expenses for the covered period following this loan.

☐ The Applicant has not and will not receive another loan under the Paycheck Protection Program, section 7(a)(36) of the Small Business Act (15 U.S.C. 636(a)(36)) (this does not include Paycheck Protection Program second draw loans, section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37))).

☐ The Applicant has not and will not receive a Shuttered Venue Operator grant from SBA.

☐ The President, the Vice President, the head of an Executive department, or a Member of Congress, or the spouse of such person as determined under applicable common law, does not directly or indirectly hold a controlling interest in the Applicant, with such terms having the meanings provided in Section 322 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act.

☐ The Applicant is not an issuer, the securities of which are listed on an exchange registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f).

# PPP Borrower Demographic Information Form (Optional)

## Instructions

1. **Purpose.** Veteran/gender/race/ethnicity data is collected for program reporting purposes only.
2. **Description.** This form requests information about each of the Borrower's Principals. Add additional sheets if necessary.
3. **Definition of Principal.** The term "Principal" means:
  - For a self-employed individual, independent contractor, or a sole proprietor, the self-employed individual, independent contractor, or sole proprietor.
  - For a partnership, all general partners and all limited partners owning 20% or more of the equity of the Borrower, or any partner that is involved in the management of the Borrower's business.
  - For a corporation, all owners of 20% or more of the Borrower, and each officer and director.
  - For a limited liability company, all members owning 20% or more of the Borrower, and each officer and director.
  - Any individual hired by the Borrower to manage the day-to-day operations of the Borrower ("key employee").
  - Any trustor (if the Borrower is owned by a trust).
  - For a nonprofit organization, the officers and directors of the Borrower.
4. **Principal Name.** Insert the full name of the Principal.
5. **Position.** Identify the Principal's position; for example, self-employed individual; independent contractor; sole proprietor; general partner; owner; officer; director; member; or key employee.

Principal Name		Position
Veteran	1=Non-Veteran; 2=Veteran; 3=Service-Disabled Veteran; 4=Spouse of Veteran; X=Not Disclosed	
Gender	M=Male; F=Female; X=Not Disclosed	
Race (more than 1 may be selected)	1=American Indian or Alaska Native; 2=Asian; 3=Black or African-American; 4=Native Hawaiian or Pacific Islander; 5=White; X=Not Disclosed	
Ethnicity	H=Hispanic or Latino; N=Not Hispanic or Latino; X=Not Disclosed	


Disclosure is voluntary and will have no bearing on the loan application decision

# SBA Form 2484:

## Lender's Application Form

Updated 1/8/21 for 2021 Initial PPP Loans

Differences from the June 24, 2020 version shown on subsequent slides



**Paycheck Protection Program**  
**Lender's Application - Paycheck Protection Program Loan Guaranty**  
 Revised January 8, 2021

OMB Control No.: 3245-0487  
 Expiration Date: 7/31/2021

The purpose of this form is to collect identifying information about the Lender, the Applicant, the loan guaranty request, sources and uses of funds, the proposed structure (which includes pricing and the loan term), and compliance with SBA Loan Program Requirements. This form reflects the data fields that will be collected electronically from lenders; no paper version of this form is required or permitted to be submitted. As used in this application, "Paycheck Protection Program Rules" refers to the rules in effect at the time you submit this application that have been issued by the Small Business Administration (SBA) and the Department of the Treasury implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act.

**Instructions for Lenders:**  
 All Paycheck Protection Program (PPP) loans are processed by all Lenders under delegated authority from SBA. This application must be submitted and signed electronically in accordance with program requirements, and the information requested is to be retained in the Lender's loan file.

A. Lender Information	
Lender Name:	Lender Location ID:
Address:	City: St: Zip:
Lender Contact:	Ph: Cell or Ext:
Contact Email:	Title:

B. Applicant Information (All Applicant Ownership information provided by the Applicant on SBA Form 2483 must also be submitted electronically)	
Check One: <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent contractor <input type="checkbox"/> Self-employed individual <input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(6) organization <input type="checkbox"/> 501(c)(19) veterans organization <input type="checkbox"/> Housing cooperative <input type="checkbox"/> Tribal business <input type="checkbox"/> Other	NAICS Code:
Applicant Legal Name:	Business Tax ID:
DBA or Tradename (if applicable):	Number of Employees:
Year of Establishment (if applicable):	<input type="checkbox"/> No more than 500 employees (or 300 employees, if applicable) <input type="checkbox"/> SBA industry size standards <input type="checkbox"/> SBA alternative size standard
Applicant Size Standard (including affiliates, if applicable) (check one):	
Applicant Street Address (no P.O. Box Addresses allowed):	City, State, Zip:

Loan Term in # of Months: 60 Payment: Deferred	was calculated in accordance with the Paycheck Protection
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Program Rules and Lender must retain all such supporting documentation in Lender's file.

Interest Rate: 1% (calculated on a non-compounding, non-adjustable basis)

D. Loan Amount Information	
Average Monthly Payroll multiplied by 2.5	\$
Refinance of Eligible Economic Injury Disaster Loan (EIDL) (Do Not Include Any EIDL Advance (see Paycheck Protection Program Rules))	\$
<b>Total</b>	<b>\$</b>

SBA Form 2484 (Revised 1/21)
1

## Borrower Info matches Form 2483

B. Applicant Information <i>(All Applicant Ownership information provided by the Applicant on SBA Form 2483 must also be submitted electronically)</i>	
Applicant	Check One: <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent contractor <input type="checkbox"/> Self-employed individual <input type="checkbox"/> 501(c)(3) nonprofit <input checked="" type="checkbox"/> 501(c)(6) organization <input type="checkbox"/> 501(c)(19) veterans organization <input checked="" type="checkbox"/> Housing cooperative <input type="checkbox"/> Tribal business <input type="checkbox"/> Other
	Applicant Legal Name: _____ NAICS Code: _____
	DBA or Tradename (if applicable): _____ Business Tax ID: _____
	Year of Establishment (if applicable): _____ Number of Employees: _____
	Applicant Size Standard (including affiliates, if applicable) (check one): <input type="checkbox"/> No more than 500 employees (or 300 employees, if applicable) <input type="checkbox"/> SBA industry size standards <input type="checkbox"/> SBA alternative size standard
	Applicant Street Address (no P.O. Box Addresses allowed): _____ City, State, Zip: _____
	Applicant Primary Contact: _____ Phone: _____

# No EIDL Advance

D. Loan Amount Information	
Average Monthly Payroll multiplied by 2.5	\$
Refinance of Eligible Economic Injury Disaster Loan (EIDL) (Do Not Include Any EIDL Advance (see Paycheck Protection Program Rules))	\$
<b>Total</b>	\$

**E. General Eligibility** *(If the answer is no to any, the loan cannot be approved)*

- The Applicant has certified to the Lender that (1) it was in operation on February 15, 2020, has not permanently closed, and was either an eligible self-employed individual, independent contractor, or sole proprietorship with no employees or had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC; (2) current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant; (3) the funds will be used to retain workers and maintain payroll, or make payments for mortgage interest, rent, utilities, covered operations expenditures, covered property damage costs, covered supplier costs, and covered worker protection expenditures; and (4) the Applicant has not and will not receive another loan under the Paycheck Protection Program, section 7(a)(36) of the Small Business Act (15 U.S.C. 636(a)(36)) (this does not include Paycheck Protection Program second draw loans, section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37))). ☐ Yes ☐ No
- The Applicant has certified to the Lender that the Applicant, together with its affiliates (if applicable), (1) is an independent contractor, self-employed individual, or sole proprietor with no employees; (2) if not a housing cooperative, eligible 501(c)(6) organization, or eligible destination marketing organization, employs no more than the greater of 500 employees or, if applicable, meets the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry; (3) if a housing cooperative, eligible 501(c)(6) organization, or eligible destination marketing organization, employs no more than 300 employees; (4) if NAICS 72, employs no more than 500 employees per physical location; (5) if a news organization that is majority owned or controlled by a NAICS code 511110 or 5151 business or a nonprofit public broadcasting entity with a trade or business under NAICS code 511110 or 5151, employs no more than 500 employees (or, if applicable, the size standard in number of employees established by SBA in 13 C.F.R. 121.201 for the Applicant's industry) per location; or (6) is a small business under the applicable revenue-based size standard established by SBA in 13 C.F.R. 121.201 for the Applicant's industry or under the SBA alternative size standard. ☐ Yes ☐ No
- The Applicant has certified to the Lender that (1) it has not and will not receive a Shuttered Venue Operator grant from SBA; (2) the President, the Vice President, the head of an Executive department, or a Member of Congress, or the spouse of such person as determined under applicable common law, does not directly or indirectly hold a controlling interest in the Applicant, with such terms having the meanings provided in Section 322 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act; and (3) the Applicant is not an issuer, the securities of which are listed on an exchange registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f). ☐ Yes ☐ No

# Franchise Section matches 2483

**G. Franchise/License/Jobber/Membership or Similar Agreement** *(If a franchise and not listed in the SBA Franchise Directory, the loan cannot be approved)*

• The Applicant has represented to the Lender that it is a franchise.

☐ Yes

☐ No

• The Applicant has represented that the franchise is listed in SBA's Franchise Directory.

☐ Yes

☐ No

• If Yes, enter the SBA Franchise Identifier Code here:

# Agent Fees

**K. Fees** *(If yes, Lender may not pass any agent fee through to the Applicant or offset or pay the fee with the proceeds of this loan)*

- Has the Lender directly contracted with a third party to assist in the preparation of the loan application or application materials, or to perform other services in connection with this loan? ☐ Yes ☐ No



# Lender Certification

## SBA Certification to Financial Institution under Right to Financial Privacy Act (12 U.S.C. 3401)

By signing SBA Form 2483, Borrower Application Form in connection with this application for an SBA-guaranteed loan, the Applicant certifies that it has read the Statements Required by Law and Executive Orders, which is attached to Form 2483. As such, SBA certifies that it has complied with the applicable provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) and, pursuant to that Act, no further certification is required for subsequent access by SBA to financial records of the Applicant/Borrower during the term of the loan guaranty.

### Lender Certification

On behalf of the Lender, I certify that:

- The Lender has complied with the applicable lender obligations set forth in paragraphs C.3.a.-c. of the interim final rule "Paycheck Protection Program as Amended by Economic Aid Act" (issued on January 6, 2021), and any amendments thereto.
- The Lender has obtained and reviewed the required application (including documents demonstrating qualifying payroll amounts) of the Applicant and will retain copies of such documents in the Applicant's loan file.
- The Lender will register in sam.gov no later than thirty (30) days from the date of the first disbursement of a PPP loan made by the Lender after January 7, 2021 and will provide SBA with the Lender's unique entity identifier.

I certify that:

- Neither the undersigned Authorized Lender Official, nor such individual's spouse or children, has a financial interest in the Applicant.

Authorized Lender Official:

Date:

Signature

Type or Print Name:



**A NEW WAY TO SIGN IN** - If you already have a SAM account, use your **SAM email** for login.gov.

**Log In**

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The System for Award Management (SAM) is an official website of the U.S. government. There is no cost to use SAM. You can use this site for FREE to:

- Register to do business with the U.S. government
- Update or renew your entity registration
- Check status of an entity registration
- Search for entity registration and exclusion records

Sam.gov is where Lender's register as a recipient of federal benefits

# SBA Form 2483-SD: Borrower's Application Form Second Draw Loans Dated 1/8/21

Differences with initial PPP loan version (Form 2483) shown on subsequent slides

Paycheck Protection Program Second Draw Borrower Application Form				OMB Control No. 3245-0417 Expiration Date: 7/31/2021		
<b>Check One:</b> <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent Contractor <input type="checkbox"/> Self-Employed Individual <input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(6) organization <input type="checkbox"/> 501(c)(19) veterans organization <input type="checkbox"/> Housing cooperative <input type="checkbox"/> Tribal Business <input type="checkbox"/> Other		<b>DBA or Tradename (if applicable)</b> _____		<b>Year of Establishment (if applicable)</b> _____		
<b>Business Legal Name</b>				<b>NAICS Code</b>		
<b>Business Address (Street, City, State, Zip Code - No P.O. Box addresses allowed)</b> _____				<b>Business TIN (EIN, SSN)</b> _____		
				<b>Business Phone</b> _____		
				<b>Primary Contact</b> _____		
				<b>Email Address</b> _____		
<b>Average Monthly Payroll:</b> \$ _____		<b>± 1.5 (or ± 3.5 for NAICS 72 applicants) equals Loan Request Amount (may not exceed \$2,000,000):</b> \$ _____		<b>Number of Employees (including affiliates, if applicable, may not exceed 300):</b> _____		
<b>Purpose of the loan (select all that apply):</b> <input type="checkbox"/> Payroll Costs <input type="checkbox"/> Rent / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Covered Operations Expenditures <input type="checkbox"/> Covered Property Damage <input type="checkbox"/> Covered Supplier Costs <input type="checkbox"/> Covered Worker Protection Expenditures <input type="checkbox"/> Other (explain): _____		<b>PPP First Draw SBA Loan Number:</b> _____				
<b>Reduction in Gross Receipts of at Least 15% (Applicants for loans of \$150,000 or less may leave blank but must provide upon or before seeking loan forgiveness or upon SBA request):</b>		<b>2020 Quarter (e.g., 2Q 2020):</b> Gross Receipts: \$ _____		<b>Reference Quarter (e.g., 2Q 2019):</b> Gross Receipts: \$ _____		
<b>Address</b> _____ _____ _____						
<b>Questions (1) - (7) are answered "Yes" - the loan will not be approved.</b>						
<b>Question</b>					<b>Yes</b>	<b>No</b>
1. Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?						
2. Has the Applicant, any owner of the Applicant, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is (a) currently delinquent, or (b) has defaulted in the last 7 years and caused a loss to the government?						
3. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business? If yes, list all such businesses (including their TINs if available) and describe the relationship on a separate sheet identified as addendum A.						
4. Is the Applicant (if an individual) or any individual owning 20% or more of the equity of the Applicant presently incarcerated or, for any felony, presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? Initial here to confirm your response to question 4: _____						
5. Within the last 5 years, for any felony involving fraud, bribery, embezzlement, or a false statement in a loan application or an application for federal financial assistance, or within the last year, for any other felony, has the Applicant (if an individual) or any owner of the Applicant (1) been convicted, (2) pleaded guilty, (3) pleaded nolo contendere, or (4) commenced any form of parole or probation (including probation before judgment)? Initial here to confirm your response to question 5: _____						
6. Is the United States the principal place of residence for all employees included in the Applicant's payroll calculation above?						
7. Is the Applicant a franchise?						
8. Is the franchise listed in SBA's Franchise Directory? If yes, enter SBA Franchise Identifier Code here: _____						
SBA Form 2483-SD (1/21) <span style="float: right;">1</span>						

## Loan Amounts

<b>Average Monthly Payroll:</b>	\$	<b>x 2.5 (or x 3.5 for NAICS 72 applicants) equals Loan Request Amount (may not exceed \$2,000,000):</b>	\$	<b>Number of Employees (including affiliates, if applicable; may not exceed 300):</b>	
<b>PPP First Draw SBA Loan Number:</b>					

Average monthly payroll is calculated the same as first draw loans using 2020 or 2019 except for new businesses.

New business use the number of months in which payroll costs were incurred rather than only the period January 1, 2020 thru February 29, 2020.

# Reduction in Gross Receipts

Reduction in Gross Receipts of at Least 25% (Applicants for loans of \$150,000 or less may leave blank but must provide upon or before seeking loan forgiveness or upon SBA request):	2020 Quarter (e.g., 2Q 2020):		Reference Quarter (e.g., 2Q 2019):	
	Gross Receipts:	\$	Gross Receipts	\$

## For loans greater than \$150,000

- Borrower must provide documentation to the lender substantiating the decline in gross receipts
- If relevant tax forms are not available, a copy of the applicant's quarterly income statements or bank statements

## For loans of \$150,000 and below

- Borrower only must certify that the Applicant has met the 25% gross receipts reduction at the time of application
- Upon or before seeking loan forgiveness (or upon SBA request) the Applicant must provide documentation that identifies the 2020 quarter meeting this requirement, identifies the reference quarter, states the gross receipts amounts for both quarters, and supports the amounts provided

# Gross Receipts

- All revenue in whatever form received or accrued, including from the sales of products or services, interest, dividends, rents, royalties, fees, or commissions, reduced by returns and allowances.
- Excludes net capital gains or losses.
- Does not include proceeds of Initial PPP Loans.
  - Ensures Borrower not disqualified due to forgiveness of an initial PPP loan
- Does not include sales or other taxes collected from customers
- Gross receipts of a borrower must be aggregated with gross receipts of its affiliates. (13 CFR § 121.103 - How does SBA determine affiliation?)
- For a nonprofits, gross receipts includes tax-exempt income, but does not include contributions, gifts, grants, and similar amounts received.

## Revenue Reduction Periods between 2020 and 2019

Business Periods in 2019	2020 Quarter	2019 Reference Quarter
All quarters in 2019	Any quarter; Annually	Matching quarter in 2020; Annually
2 <sup>nd</sup> , 3 <sup>rd</sup> and 4 <sup>th</sup> Quarters	Any quarter; Annually	Matching quarter in 2020; Annually
3 <sup>rd</sup> and 4 <sup>th</sup> Quarters	Any quarter	3 <sup>rd</sup> or 4 <sup>th</sup> Quarter
4 <sup>th</sup> Quarter	Any quarter	4 <sup>th</sup> Quarter
Not in business in 2019	2 <sup>nd</sup> , 3 <sup>rd</sup> or 4 <sup>th</sup> Quarter	1 <sup>st</sup> Quarter of 2020

## Alternative Annual Gross Receipts Reduction

- Borrowers may compare annual gross receipts in 2020 with annual gross receipts in 2019
  - Enter “Annual” in the 2020 Quarter and Reference Quarter fields
  - Submit copies of annual tax forms substantiating the annual gross receipts reduction.

# EIDL Question Removed

Question	Yes	No
1. Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the Applicant, any owner of the Applicant, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is (a) currently delinquent, or (b) has defaulted in the last 7 years and caused a loss to the government?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business? If yes, list all such businesses (including their TINs if available) and describe the relationship on a separate sheet identified as addendum A.	<input type="checkbox"/>	<input type="checkbox"/>
4. Is the Applicant (if an individual) or any individual owning 20% or more of the equity of the Applicant presently incarcerated or, for any felony, presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? Initial here to confirm your response to question 4 → <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Within the last 5 years, for any felony involving fraud, bribery, embezzlement, or a false statement in a loan application or an application for federal financial assistance, or within the last year, for any other felony, has the Applicant (if an individual) or any owner of the Applicant 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; or 4) commenced any form of parole or probation (including probation before judgment)? Initial here to confirm your response to question 5 → <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Is the United States the principal place of residence for all employees included in the Applicant's payroll calculation above?	<input type="checkbox"/>	<input type="checkbox"/>
7. Is the Applicant a franchise?	<input type="checkbox"/>	<input type="checkbox"/>
8. Is the franchise listed in SBA's Franchise Directory? If yes, enter SBA Franchise Identifier Code here: <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Did the Applicant receive an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.



# EIDL Certification Removed

I certify that:

- I have read the statements included in this form, including the Statements Required by Law and Executive Orders, and I understand them.
  - The Applicant is eligible to receive a loan under the rules in effect at the time this application is submitted that have been issued by the Small Business Administration (SBA) and the Department of the Treasury (Treasury) implementing Second Draw Paycheck Protection Program Loans under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the Paycheck Protection Program Rules).
  - The Applicant, together with its affiliates (if applicable), (1) is an independent contractor, self-employed individual, or sole proprietor with no employees; (2) employs no more than 300 employees; or (3) if NAICS 72, employs no more than 300 employees per physical location; (4) if a news organization that is majority owned or controlled by a NAICS code 511110 or 5151 business or a nonprofit public broadcasting entity with a trade or business under NAICS code 511110 or 5151, employs no more than 300 employees per location.
  - I will comply, whenever applicable, with the civil rights and other limitations in this form.
  - All loan proceeds will be used only for business-related purposes as specified in the loan application and consistent with the Paycheck Protection
- 
- Any EIDL loan received by the Applicant (Section 7(b)(2) of the Small Business Act) between January 31, 2020 and April 3, 2020 was for a purpose other than paying payroll costs and other allowable uses for loans under the Paycheck Protection Program Rules.
-

# New Initialed Certifications

The Applicant has realized a reduction in gross receipts in excess of 25% relative to the relevant comparison time period. For loans greater than \$150,000, Applicant has provided documentation to the lender substantiating the decline in gross receipts. For loans of \$150,000 or less, Applicant will provide documentation substantiating the decline in gross receipts upon or before seeking loan forgiveness for the Second Draw Paycheck Protection Program Loan or upon SBA request.

The Applicant received a First Draw Paycheck Protection Program Loan and, before the Second Draw Paycheck Protection Program Loan is disbursed, will have used the full loan amount (including any increase) of the First Draw Paycheck Protection Program Loan only for eligible expenses.

The Applicant has not and will not receive another Second Draw Paycheck Protection Program Loan.

# New Initialed Certifications

## *Continued*


The Applicant is not a business concern or entity (a) for which an entity created in or organized under the laws of the People's Republic of China or the Special Administrative Region of Hong Kong, or that has significant operations in the People's Republic of China or the Special Administrative Region of Hong Kong, owns or holds, directly or indirectly, not less than 20 percent of the economic interest of the business concern or entity, including as equity shares or a capital or profit interest in a limited liability company or partnership; or (b) that retains, as a member of the board of directors of the business concern, a person who is a resident of the People's Republic of China.

The Applicant is not required to submit a registration statement under section 2 of the Foreign Agents Registration Act of 1938 (22 U.S.C. 612).

The Applicant is not a business concern or entity primarily engaged in political or lobbying activities, including any entity that is organized for research or for engaging in advocacy in areas such as public policy or political strategy or otherwise describes itself as a think tank in any public documents.

# SBA Form 2484-SD: Lender's Application Form Second Draw Loans Dated 1/8/21

Differences with initial PPP loan version (Form 2484) shown on subsequent slides

 **Paycheck Protection Program**  
**Lender's Application - Paycheck Protection Program Loan Guaranty**  
**Revised January 8, 2021**

OMB Control No.: 3245-0407  
Expiration Date: 7/31/2021

The purpose of this form is to collect identifying information about the Lender, the Applicant, the loan guaranty request, sources and uses of funds, the proposed structure (which includes pricing and the loan terms), and compliance with SBA Loan Program Requirements. This form reflects the data fields that will be collected electronically from lenders; no paper version of this form is required or permitted to be submitted. As used in this application, "Paycheck Protection Program Rules" refers to the rules in effect at the time you submit this application that have been issued by the Small Business Administration (SBA) and the Department of the Treasury implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act.

**Instructions for Lenders**  
All Paycheck Protection Program (PPP) loans are processed by all Lenders under delegated authority from SBA. This application must be submitted and signed electronically in accordance with program requirements, and the information requested is to be retained in the Lender's loan file.

**A. Lender Information**

Lender Name:	Lender Location ID:		
Address:	City:	St:	Zip:
Lender Contact:	Ph:	Cell or Ext:	
Contact Email:	Title:		

**B. Applicant Information (All Applicant Ownership information provided by the Applicant on SBA Form 2483 must also be submitted electronically)**

Check One: ☐ Sole proprietor ☐ Partnership ☐ S-Corp ☐ LLC ☐ Independent contractor  
☐ Self-employed individual ☐ 501(c)(3) nonprofit ☐ 501(c)(19) veterans organization ☐ Housing cooperative ☐ Tribal business ☐ Other

Applicant Legal Name: NAICS Code:  
DBA or Tradename (if applicable): Business Tax ID:  
Year of Establishment (if applicable): Number of Employees:  
Applicant Size Standard (including affiliates, if applicable) (check one): ☐ No more than 500 employees (or 300 employees, if applicable)  
☐ SBA industry size standards  
☐ SBA alternative size standard

Applicant must provide documentation to Lender supporting how the loan amount was calculated in accordance with the Paycheck Protection Program Rules and Lender must retain all such supporting documentation in Lender's file.

Interest Rate: 1% (calculated on a non-compounding, non-adjustable basis)

**D. Loan Amount Information**

Average Monthly Payroll multiplied by 2.5	\$
Refinance of Eligible Economic Injury Disaster Loan (EIDL) (Do Not Include Any EIDL Advance (see Paycheck Protection Program Rules))	\$
Total	\$

SBA Form 2484 (Revised 1/21) 1

# Applicant Section includes matching reduction in Gross Receipts

<b>B. Applicant Information</b> <i>(All Applicant Ownership information provided by the Applicant on the 2483-SD must also be submitted electronically)</i>			
Applicant	Check One: <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent contractor		
	<input type="checkbox"/> Self-employed individual <input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(6) organization		
	<input type="checkbox"/> 501(c)(19) veterans organization <input type="checkbox"/> Housing cooperative <input type="checkbox"/> Tribal business <input type="checkbox"/> Other		
	Applicant Legal Name:		NAICS Code:
	DBA or Tradename (if applicable):		Business Tax ID:
	Year of Establishment (if applicable):		Number of Employees:
	Applicant Street Address (no P.O. Box Addresses Allowed):		City, State, Zip:
	Applicant Primary Contact:		Phone:
	SBA Loan Number for First Draw PPP Loan :		
	<div> <div> Reduction in Gross Receipts of at Least 25% (must provide for loans of more than \$150,000; provide for loans of \$150,000 or less ONLY if Applicant provided documentation and lender performed good faith review): </div> <div> <div>2020 Quarter:</div> <div>Reference Quarter:</div> </div> <div> <div>Gross Receipts \$</div> <div>Gross Receipts: \$</div> </div> </div>		

# Loan Amount Calculation

D. Loan Amount Information		
Average Monthly Payroll multiplied by 2.5	(or multiplied by 3.5 for NAICS 72 applicants)	\$
<b>Total</b>	(may not exceed \$2,000,000)	\$

Refinance of EIDL Loan omitted



**E. General Eligibility** *(If the answer is no to any, the loan cannot be approved)*

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• The Applicant has certified to the Lender that (1) it was in operation on February 15, 2020, has not permanently closed, and was either an eligible self-employed individual, independent contractor, or sole proprietorship with no employees or had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC; (2) current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant; (3) it received a First Draw Paycheck Protection Program Loan and, before the Second Draw PPP Loan is disbursed, will have used the full loan amount (including any increase) of the First Draw Paycheck Protection Program Loan only for eligible expenses; (4) the funds will be used to retain workers and maintain payroll, or make payments for mortgage interest, rent, utilities, covered operations expenditures, covered property damage costs, covered supplier costs, and covered worker protection expenditures.</li></ul> | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <ul style="list-style-type: none"><li>• The Applicant has certified to the Lender that it has realized a reduction in gross receipts in excess of 25% relative to the relevant comparison time period. For loans greater than \$150,000 (or if the loan is \$150,000 or less and the Applicant provides documentation of revenue reduction with its application), the Applicant has provided documentation to the Lender substantiating the decline in gross receipts and the Lender has confirmed the dollar amount and percentage of the Applicant's decline in gross receipts by performing a good faith review, in a reasonable time, of the Applicant's calculations and of the gross receipts documentation provided by the Applicant. For loans of \$150,000 or less that have not provided documentation, the Applicant has certified to the Lender that it will provide documentation substantiating the decline in gross receipts upon or before seeking loan forgiveness or upon SBA request.</li></ul>   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <ul style="list-style-type: none"><li>• The Applicant has certified to the Lender that the Applicant, together with its affiliates (if applicable), (1) is an independent contractor, self-employed individual, or sole proprietor with no employees; (2) employs no more than 300 employees; (3) if NAICS 72, employs no more than 300 employees per physical location; or (4) if a news organization that is majority owned or controlled by a NAICS code 511110 or 5151 business or a nonprofit public broadcasting entity with a trade or business under NAICS code 511110 or 5151, employs no more than 300 employees per location.</li></ul>   | <input type="checkbox"/> Yes <input type="checkbox"/> No |



- The Applicant has certified to the Lender that (1) it has not and will not receive a Shuttered Venue Operator grant from SBA; (2) the President, the Vice President, the head of an Executive department, or a Member of Congress, or the spouse of such person as determined under applicable common law, does not directly or indirectly hold a controlling interest in the Applicant, with such terms having the meanings provided in Section 322 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act; (3) the Applicant is not an issuer, the securities of which are listed on an exchange registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f); (4) the Applicant is not a business concern or entity (a) for which an entity created in or organized under the laws of the People's Republic of China or the Special Administrative Region of Hong Kong, or that has significant operations in the People's Republic of China or the Special Administrative Region of Hong Kong, owns or holds, directly or indirectly, not less than 20 percent of the economic interest of the business concern or entity, including as equity shares or a capital or profit interest in a limited liability company or partnership; or (b) that retains, as a member of the board of directors of the business concern, a person who is a resident of the People's Republic of China; (5) the Applicant is not required to submit a registration statement under section 2 of the Foreign Agents Registration Act of 1938 (22 U.S.C. 612); and (6) the Applicant is not a business concern or entity primarily engaged in political or lobbying activities, including any entity that is organized for research or for engaging in advocacy in areas such as public policy or political strategy or otherwise describes itself as a think tank in any public documents.

☐ Yes ☐ No

- The Applicant has certified to the Lender that the Applicant has not and will not receive another Second Draw Paycheck Protection Program Loan.

☐ Yes ☐ No



# Loan Increase Process (SBA Procedural Notice 5000-20076)

- Economic Aid Act allows for increases of 2020 Initial PPP Loans in certain cases (i.e., Section 312, 313 & 336):
  - Borrowers that returned or repaid some or all the initial loan
  - Partnerships – loan did not include partner compensation
  - Farmers and Ranchers – Schedule F gross income
  - Seasonal Employers – more flexible choice of 12-week period
- Increases submitted in E-Tran Servicing System by Lender of Record (outside the scope of the new SBA Origination Platform and API)
- Opens January 25, 2021 and must be completed by March 31, 2021 (subject to funding availability)
- Not available if Forgiveness Amount remitted by SBA
- SBA will increase lender processing fees based on 2020 rules

## Borrowers eligible for Re-application for Initial Loan in 2021

- Borrowers that repaid a First Draw Loan in full:
  - Received a First Draw Loan in 2020
  - Lender reported to SBA before 12/27/20 that Borrower fully repaid the loan (i.e., 1502 Report)
  - SBA has not remitted a forgiveness payment on that loan
- Borrower may reapply for a new First Draw Loan (subject to current rules)
- Covers Borrower that can now use the loan proceeds due to expanded allowable uses and/or length of covered period
- Loan must be reported to SBA as “cancelled”; if reported as “paid in full” lender must change to cancel

## Other Borrowers eligible for Loan Increase

- Borrowers that returned or repaid part of a First Draw Loan:
  - Received a First Draw Loan in 2020
  - Lender reported to SBA before 12/27/20 that Borrower repaid the loan in part (i.e., 1502 Report)
  - SBA has not remitted a forgiveness payment on that loan
- Borrower may request a loan increase equal to the amount retained and previously approved. Increase must be reported on first 1502 report after re-disbursement
- Covers Borrower that can now use the loan proceeds due to expanded allowable uses and/or length of covered period
- No processing fees paid if SBA previously paid lender processing fee based on fully disbursed amount

# Other Borrowers eligible for Loan Increase

## *Continued*

- Borrowers that did not accept the full amount of a First Draw Loan:
  - Received a First Draw Loan in 2020 but did not accept the full amount
  - Lender reported the loan as partially disbursed and **did not** process a decrease in E-Tran
  - SBA has not remitted a forgiveness payment on that loan
- Lender may make a second disbursement on the loan up to the fully approved amount in E-Tran. Increase must be reported on first 1502 report after re-disbursement
- Covers Borrower that can now use the loan proceeds due to expanded allowable uses and/or length of covered period
- Full processing fees will be paid to lender because it hasn't been previously paid

## Other Borrowers eligible for Loan Increase (or Re-application)

- Borrowers that did not accept the full amount of a First Draw Loan:
  - Received a First Draw Loan in 2020 but did not accept the full amount
  - Lender reported the loan as partially disbursed and **did** process a decrease in E-Tran
  - SBA has not remitted a forgiveness payment on that loan
- Lender **may process an increase in E-Tran** and make a second disbursement on the loan up to the fully approved amount in E-Tran. Increase must be reported on first 1502 report after re-disbursement
- Covers Borrower that can now use the loan proceeds due to expanded allowable uses and/or length of covered period
- Full processing fees will be paid to the lender because it has not been previously paid

Please use chat to submit your question.

# Q&A

## Additional Resources TSoftPlus™

Wolters Kluwer PPP Solutions:

- Fast track your TSoftPlus implementation and go to [www.wolterskluwer.com/en/solutions/tsoftplus/sba-tsoftplus](http://www.wolterskluwer.com/en/solutions/tsoftplus/sba-tsoftplus)
- **To Get Started**
  - **Contact your Wolters Kluwer sales representative**
  - **Or Email:** [complianceoneinterface@wolterskluwer.com](mailto:complianceoneinterface@wolterskluwer.com)
- For TSoftPlus Support:
  - (800) 274-2711
  - [Tsoftsup@wolterskluwer.com](mailto:Tsoftsup@wolterskluwer.com)