

Self-Employed Individuals, Sole Proprietors & Independent Contractors

Small Businesses COVID-19 Relief

Updated as of July 21, 2020

Important Information

Please note that the information contained in the presentation will continue to evolve in real time as legislative and administrative responses to the crisis develop.

Applicants should be prepared for some amount of delay and uncertainty, and should be sure they have reviewed the latest legislative and administrative updates when submitting an application.

This information is current as of July 21, 2020, and should not be considered comprehensive. This is not a substitute for, and should not be relied upon as, legal or professional advice; we recommend that you consult professional advisors for guidance on your individual circumstances. Nothing contained herein creates an attorney-client relationship with Cleary Gottlieb. This information should not be construed as an endorsement of any specific financial program.

Agenda

This guide to the Paycheck Protection Program (“PPP”) is for *self-employed individuals, sole proprietors or independent contractors* who have *no employees* and who *are not claiming, want to stop claiming or are no longer eligible for unemployment insurance*.

1. PPP Overview

Understanding key terms

2. PPP Loan Application

Terminating unemployment insurance and applying for a PPP loan

3. PPP Loan Forgiveness

Applying for PPP loan forgiveness

1. PPP Overview

Background

The Paycheck Protection Program

The CARES Act established the Paycheck Protection Program (“PPP”) to provide federally guaranteed loans to small businesses to help cover payroll and certain other expenses.

- **PPP Loans:** Eligible small businesses may apply for and receive a PPP loan from a participating lender through **August 8, 2020**.
- **PPP Loan Forgiveness:** A borrower may be eligible for forgiveness of all or a portion of its PPP loan if a number of conditions are met.

Unemployment Insurance

In response to COVID, unemployment insurance was expanded in New York (and other states) to cover individuals, including self-employed workers and independent contractors, who are unemployed, partially employed, unable to work or unavailable for work, including due to:

- COVID-19 diagnosis (or symptoms and seeking diagnosis), or a member of household diagnosed
- Primary caregivers for children whose school or care facility has been closed due to COVID-19
- Cannot get to job due to quarantine (or scheduled to start a new job but cannot reach place of employment)
- Becoming primary earner because head of household died of COVID-19
- Quit employment as a direct result of COVID-19
- Had place of employment closed due to COVID-19

Under the CARES Act, all beneficiaries of unemployment insurance also received an additional \$600 per week on top of their state unemployment insurance, but this benefit is scheduled to end on **July 31, 2020**.

PPP – Key Terms

Maximum Loan Amount: 2.5 months' worth of 2019 net profit **PLUS** any Economic Injury Disaster Loan (“EIDL”) you received between 1/31/20 and 4/3/20 **MINUS** any EIDL advance you received.

Interest Rate: 1% fixed rate and SBA loan fees are typically waived.

Term: 5 years for loans received on or after June 5.

Use of Proceeds: (1) Owner compensation replacement, based on prior net earnings from self-employment, capped at the lesser of (i) 2.5 months' worth of 2019 net profit or (ii) \$20,833 **AND** (2) certain non-payroll expenses, including business mortgage interest, rent, and utilities costs (paid or incurred during Covered Period, defined below), up to certain limits.

Forgiveness:

- To be eligible for full forgiveness, must use 60% of your loan for owner compensation and no more than 40% for other eligible expenses.
- If you received an EIDL advance, SBA will reduce forgiveness by that amount.
- You need to use your PPP funds during the period starting on the date you receive your loan through the earlier of 24 weeks and 12/31/2020. The SBA calls this the “*Covered Period*”.

Repayment:

- If all or part of your loan is not forgiven, you must repay the amount that is not forgiven with interest. Those payments will be deferred until the date the SBA decides how much of your loan will be forgiven.
- If you do not apply for forgiveness within 10 months after the end of your Covered Period, you must start repaying your loan 10 months after the end of your Covered Period.

Other Terms: Loans are uncollateralized. No personal guarantee required and non-recourse to individual members of borrowers.

Additional guidance available on SSTB's website: <https://www.startsmallthinkbig.org/covid19/2020/4/16/guidance-documents-from-cleary-gottlieb>

PPP – Loan Eligibility

To be eligible for a PPP loan, your business must have the following characteristics:

Active: Must have been in operation on February 15, 2020.

Profitable: You must determine your loan amount by looking to line 31 (net profits) of your 2019 IRS Form 1040, Schedule C. If this amount is zero or less, you are not eligible for a PPP loan.

Certifications:

- Current economic uncertainty must make the loan necessary to support your ongoing operations.
- You must use the funds for owner compensation, based on 2019 net earnings from self-employment and/or make business mortgage interest payments, lease payments and utility payments.
- You must certify that you understand that not more than 40% of proceeds of the forgiven amount can be used for nonpayroll costs.

Other Loans: You can receive only one PPP loan, but you may also apply for other SBA financial assistance (including EIDLs) as long as you do not use your PPP loan for the same purpose as your other SBA financial assistance (i.e., you can't use them both to pay the owner of the business at the same time).

U.S. green card holder or citizen: The SBA's model application for a PPP loan no longer requires that applicants be U.S. legal permanent residents or citizens, but there is no written guidance addressing eligibility of other U.S. legal residents. Certain lenders have apparently denied PPP loans to U.S. legal residents if they are not LPRs or citizens.

PPP and Unemployment Insurance

PPP loans and unemployment insurance may both be available, but you cannot “double dip”.

Small business owners may be able to apply for both unemployment insurance and the PPP, *but they cannot use the PPP to pay their own salary while they are receiving unemployment insurance.*

Owners of businesses without employees may have determined that receiving unemployment insurance would be better than applying for and receiving a PPP. These individuals will need to end their unemployment insurance in order to use PPP loan proceeds to cover their compensation as business owners. The process of ending unemployment insurance can be difficult to implement in practice and will depend on the procedures in the state where you receive those benefits.

Other business owners may have wanted to use a PPP loan to continue payroll for themselves, have that loan forgiven, and then access unemployment insurance.

Businesses can combine these programs to cover different time periods or different expenses. For example, a business owner could use unemployment insurance as owner compensation and use a PPP loan to pay for eligible nonpayroll expenses (business mortgage interest, rent, or utility payments); however, spending more than 40% of PPP loan proceeds on nonpayroll expenses will reduce loan forgiveness and *a business owner that spends its entire PPP loan on nonpayroll expenses will not be eligible for loan forgiveness.* The analysis will depend on your individual situation.

2. PPP Loan Application

Applying for a PPP Loan

With the additional \$600 in unemployment insurance set to expire on July 31, some small business owners may be reassessing their financial situations and considering whether to apply for a PPP loan.

Step One: Ensure that your unemployment insurance has terminated.

- In some states (including New York), you will need to stop certifying eligibility to receive unemployment insurance with the relevant state department. Check with your state's unemployment insurance authority to determine how to terminate benefits.
- Note that this step may be difficult to implement in practice.

Step Two: Find a PPP lender.

- Use a participating bank or certain online financing companies (e.g., PayPal and BlueVine).
- Consider applying to a bank with which you have an existing relationship since the bank may already have certain information about your business on file. Ask your bank if it is an eligible PPP lender.
- Find a PPP lender near you using the SBA's website at: <https://www.sba.gov/paycheckprotection/find>.

Step Three: Complete your bank's application and submit by **August 8**.

- Please note that each lender may have its own form.
- This model SBA form is available at: <https://home.treasury.gov/system/files/136/PPP-Borrower-Application-Form.pdf>.

SBA Model PPP Application Form

Page One: Requires information about your business.

• **PPP Loan Amount:**


- Average Monthly Payroll: Find your 2019 IRS Form 1040 Schedule C line 31 net profit amount. If this amount is over \$100,000, reduce it to \$100,000. ***If this amount is zero or less, you are not eligible for a PPP loan.*** Divide the amount on line 31 by 12 to calculate your average monthly net profit amount.
- Multiply the amount in the previous step by 2.5.
- Add outstanding amount of any EIDL made between January 31 and April 3, 2020 that you seek to refinance, less the amount of any EIDL advance.

• **EIDL:** If the applicant received an EIDL between January 31 and April 3, 2020, they will need to provide details about that loan.

• **Prior SBA loans:** PPP loan applications may not be approved for borrowers that are delinquent on an existing SBA loan or defaulted on an SBA loan in the last seven years.

• **Criminal history:** The application indicates that an applicant will not be eligible for a PPP loan if the applicant is presently incarcerated or subject to a pending criminal charge for a felony or has been convicted of a felony involving fraud, bribery, embezzlement or a false statement on an application for a loan or for federal financial assistance within the last five years or of any other felony within the last year.

Remember: Each lender may have its own form and require businesses to provide different information or documents to apply for a loan.



**Paycheck Protection Program
Borrower Application Form Revised June 24, 2020**

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

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		DBA or Tradename if Applicable		
<input type="checkbox"/> Independent contractor <input type="checkbox"/> Eligible self-employed individual				
<input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(19) veterans organization				
<input type="checkbox"/> Tribal business (sec. 31(b)(2)(C) of Small Business Act) <input type="checkbox"/> Other				
Business Legal Name				
Business Address		Business TIN (EIN, SSN)	Business Phone	
		() -		
		Primary Contact	Email Address	
Average Monthly Payroll:	\$	x 2.5 + EIDL, Net of Advance (if Applicable) Equals Loan Request:	\$	
Purpose of the loan (select more than one):		Number of Employees:		
<input type="checkbox"/> Payroll <input type="checkbox"/> Lease / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Other (explain):				
Applicant Ownership				
List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.				
Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address
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 currently delinquent or 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 with any other business? If yes, list all such businesses and describe the relationship on a separate sheet identified as addendum A.	<input type="checkbox"/>	<input type="checkbox"/>		
4. Has the Applicant received 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.	<input type="checkbox"/>	<input type="checkbox"/>		
Question	Yes	No		
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, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? Initial here to confirm your response to question 5 →	<input type="checkbox"/>	<input type="checkbox"/>		
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 →	<input type="checkbox"/>	<input type="checkbox"/>		
7. Is the United States the principal place of residence for all employees of the Applicant included in the Applicant's payroll calculation above?	<input type="checkbox"/>	<input type="checkbox"/>		
8. Is the Applicant a franchise that is listed in the SBA's Franchise Directory?	<input type="checkbox"/>	<input type="checkbox"/>		

SBA Model PPP Application Form

Page Two: Requires you to make certifications and authorizations, including:

- **Need:** That current economic uncertainty makes the PPP loan request necessary to support the applicant's ongoing operations.
- **Use of proceeds:** That you will use the proceeds consistently with PPP rules, and you understand that not more than 40% of the loan amount that is forgiven can be used for nonpayroll costs. Knowingly using the loan for unauthorized purposes could result in fraud charges.
- **Documentation:** That you agree to provide documentation to the lender to verify your use of the PPP loan proceeds.
- **Criminal background check:** That you are authorizing SBA to request a criminal background check on you.
- **For borrowers without employees:** The model application requires applicants to certify that they had employees for whom they paid salaries and payroll taxes as reported on Form 1099-MISC. However, the SBA explicitly has made PPP loans available to self-employed individuals, sole proprietors and independent contractors without employees. If your lender requires you to make this certification, you can consider (i) contacting your lender to explain your circumstances or (ii) certifying that you employ yourself and pay yourself compensation as a business owner.



Paycheck Protection Program Borrower Application Form Revised June 24, 2020

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

CERTIFICATIONS AND AUTHORIZATIONS

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) implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (the Paycheck Protection Program Rule).
- The Applicant (1) is an independent contractor, eligible self-employed individual, or sole proprietor or (2) employs no more than the greater of 500 or employees or, if applicable, the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All SBA loan proceeds will be used only for business-related purposes as specified in the loan application and consistent with the Paycheck Protection Program Rule.
- To the extent feasible, I will purchase only American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.
- Any loan received by the Applicant under 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 loans under the Paycheck Protection Program Rule.

For Applicants who are individuals: I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.

CERTIFICATIONS

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 and 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 mortgage interest payments, lease payments, and utility payments, as specified under the Paycheck Protection Program Rule; 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.
- The Applicant will provide to the Lender documentation verifying the number of full-time equivalent employees on the Applicant's payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the 24-week period following this loan.
- I understand that loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities, and not more than 40% of the forgiven amount may be for non-payroll costs.
- During the period beginning on February 15, 2020 and ending on December 31, 2020, the Applicant has not and will not receive another loan under the Paycheck Protection Program.
- I further certify that the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects. I understand that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including under 18 USC 1001 and 3571 by imprisonment of not more than five years 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 \$5,000; and, if submitted to a federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.
- I acknowledge that the lender will confirm the eligible loan amount using required documents submitted. I understand, acknowledge and agree that the Lender can share any tax information that I have provided with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

Signature of Authorized Representative of Applicant

Date

Print Name

Title

Apply for a PPP Loan

Lenders may require small business applicants to submit additional documents with their PPP loan application. Small businesses may want to have the following documents ready to submit with their application upon request:

- ***Organizing documents*** (articles of organization or other governance documents)
- ***2019 IRS Form 1040 Schedule C*** (to verify loan amount)
- ***2019 IRS Form 1099-MISC*** (detailing compensation received as an independent contractor)
- ***Invoices, bank statements or accounting records for 2019 and 2020*** (to establish you were self-employed in 2019 and in operation on February 15, 2020)

3. PPP Loan Forgiveness

Apply for PPP Loan Forgiveness

Borrowers can apply for PPP loan forgiveness anytime before maturity, including before the end of the borrower's Covered Period, as long as the borrower has spent all of the proceeds for which it plans to seek forgiveness.

If you are a self-employed individual, sole proprietor or independent contractor without employees, you can apply for forgiveness of your PPP loan using the SBA's "EZ" application form.

➤ **EZ Application:**

- **Form:** <https://home.treasury.gov/system/files/136/PPP-Forgiveness-Application-3508EZ.pdf>
- **Instructions:** <https://home.treasury.gov/system/files/136/PPP-Loan-Forgiveness-Application-Form-EZ-Instructions.pdf>

If you have employees, you may need to apply for forgiveness using the SBA's longform "standard" application.

➤ **Standard Application**

- **Form:** <https://home.treasury.gov/system/files/136/3245-0407-SBA-Form-3508-PPP-Forgiveness-Application.pdf>
- **Instructions:** https://home.treasury.gov/system/files/136/PPP-Loan-Forgiveness-Application-Instructions_1_0.pdf

Borrowers may also apply for forgiveness using equivalent application forms from their lenders. Check with your lender to confirm their application requirements.

Form 3508EZ

Page 1: Provide information about the business and your PPP loan.

- **EIDL advance:** If you applied for and received an EIDL advance (a grant), SBA will deduct the EIDL advance from the forgiveness amount.
- **Nonpayroll costs:** You do not need to include nonpayroll costs (lines 2-4) if you are not seeking forgiveness for them; in order to get forgiveness for these costs, you must have claimed or been entitled to claim a deduction for these expenses on your 2019 Form 1040 Schedule C.
- **Regulations and guidance:** Your loan forgiveness application will be reviewed in accordance with PPP regulations and guidance issued by SBA through the date of the application – you must carefully monitor for new regulations and guidance.



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 Tradename, if applicable	
Business Address		Business TIN (EIN, SSN)	Business Phone
		Primary Contact	E-mail Address

SBA PPP Loan Number: _____ Lender PPP Loan Number: _____

PPP Loan Amount: _____ PPP Loan Disbursement Date: _____

Employees at Time of Loan Application: _____ Employees at Time of Forgiveness Application: _____

EIDL Advance Amount: _____ EIDL Application Number: _____

Payroll Schedule: The frequency with which payroll is paid to employees is:

Weekly Biweekly (every other week) Twice a month Monthly 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:

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): _____

Form 3508EZ

Page 2: Certifications and representations, including:

- **Use of proceeds:**
 - You used the amount for which forgiveness is requested to pay eligible expenses, and at least 60% was used for payroll expenses (i.e., owner compensation).
 - Payments to owner-employee or self-employed individual did not exceed 2.5 months' worth of 2019 compensation (or \$20,833, if lower).
- **Eligibility:** You are eligible to apply for forgiveness using an EZ application.
- **Accuracy:** You have verified the payments for which you are requesting forgiveness and the information submitted is true and correct.

Page 3: Optional demographic information form.



Paycheck Protection Program PPP Loan Forgiveness Application Form 3508EZ

By Signing Below, You Make the Following Representations and Certifications on Behalf of the Borrower:
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 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 owner-employee 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.
- 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 did not reduce salaries or hourly wages by more than 25 percent for any employee during the Covered Period or Alternative Payroll Covered Period compared to the period between January 1, 2020 and March 31, 2020. For purposes of this certification, the term "employee" includes only those employees that did not receive, during any single period during 2019, wages or salary at an annualized rate of pay in an amount more than \$100,000.
- 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 USC 1001 and 3571 by imprisonment of not more than five years 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 \$5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.
- The tax documents I have submitted to the Lender are consistent with those the Borrower has submitted/will submit to 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 Inspector General, for the purpose of ensuring compliance with PPP requirements and all SBA reviews.
- 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 Borrower's loan forgiveness application.

In addition, the Authorized Representative of the Borrower must certify by **initialing at least ONE** of the following two items:

- 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 (other than any reductions that arose from an inability to rehire individuals who were employees on February 15, 2020, if the Borrower was unable to hire similarly qualified employees for unfilled positions on or before December 31, 2020, and reductions in an employee's hours that a borrower offered to restore and were refused).
- The Borrower was 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 of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19.

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.

Signature of Authorized Representative of Borrower

Date

Print Name
SBA Form 3508EZ (06/20)
Page 2

Title

EZ Application Additional Documents

You will also need to submit documents to your lender to verify your expenses in order to apply for forgiveness on the EZ form. These additional documents may include:

- 2019 IRS Form 1040 and related supporting documents (e.g., bank account statements or third-party payroll service provider reports).
- Applicable nonpayroll documents (e.g., relating to business mortgage interest, rent, lease or utilities), such as:
 - Copies of lender amortization schedule, invoices, and/or lease agreement.
 - Receipts, cancelled checks and/or account statements verifying eligible payments.

The applications also require that you keep everything related to the loan and loan forgiveness application for 6 years after your loan is forgiven or repaid in full.



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