

# Paycheck Protection Program Forgiveness Application Webinar

Presented by: Robb Blume, CEO/ President

Community **FIRST**  
Bank of Indiana

# Welcome

Thank you for choosing CFB as  
your PPP Loan Provider

Community **FIRST**  
Bank of Indiana

# Major Changes to Forgiveness Rules

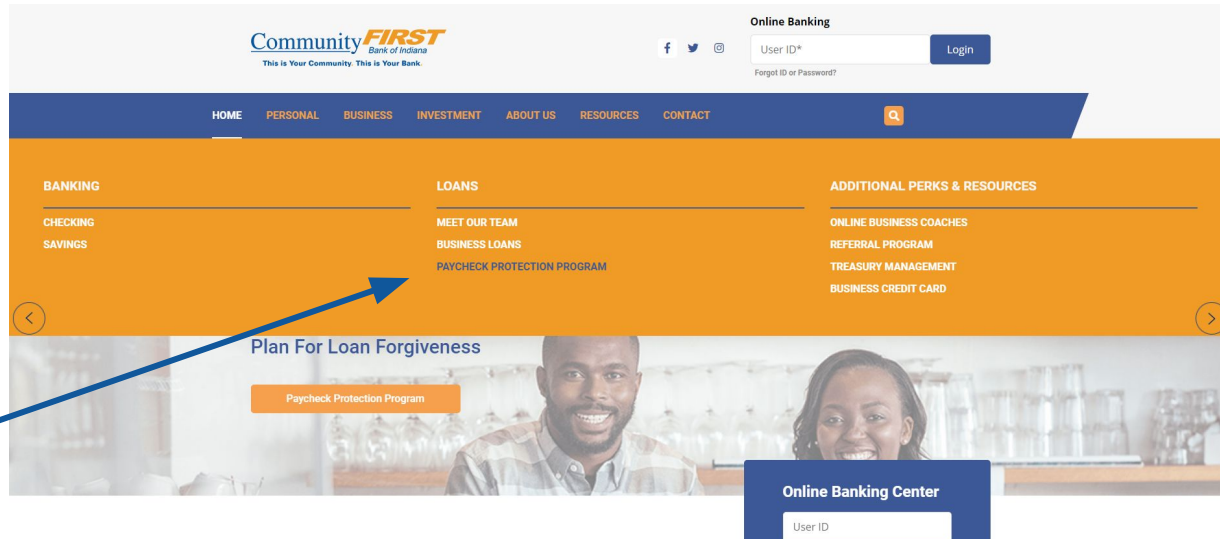
- ❑ Forgiveness period extended from 8 weeks to 24 weeks
- ❑ Reduction of required payroll percentage from 75% to 60%
  - ❑ Allows for partial forgiveness if borrower uses less than 60% of funds for payroll
- ❑ Safe Harbor Provision
  - ❑ Inability to return to same level of business activity due to compliance with Covid related federal requirements or guidance
  - ❑ Inability to rehire employees or similarly qualified employees
- ❑ Created an EZ Forgiveness Application
  - ❑ Majority of borrowers should qualify to use the EZ form
- ❑ Provides for 5-year maturity for unforgiven loans made on or after June 5
  - ❑ Loans made prior to June 5 may be extended to 5 years with mutual consent of borrower and lender
- ❑ Clarifies that, if the borrower submits application for forgiveness within 10 months after the forgiveness period, the borrower will not have to make payments on the loan before the date SBA remits forgiven amount to lender

# Our Thoughts

- ❑ Continue to keep good records. This will make the forgiveness process easier
- ❑ Do not rush to apply for forgiveness
  - ❑ Interest is automatically included in the forgiveness amount
  - ❑ Borrowers have 10 months after forgiveness period to apply
  - ❑ Lender has 60 days to process forgiveness application (we DO NOT expect to take that long)
  - ❑ SBA has 90 days to approve application
  - ❑ In total, a borrower who has an unforgiven amount may have over 1.5 years before a payment is due.
- ❑ We suggest trying to cover the full loan amount with payroll costs
  - ❑ Simplifies documentation required (not utility bills, loan statements, cancelled checks, leases, etc.)
  - ❑ Less room for error
- ❑ There are still areas open to interpretation. Borrower will be responsible for making those interpretations.
  - ❑ Examples are rent paid to related parties and what documentation is required/acceptable to documentation expenditures.

# Our Process

- ❑ Our Forgiveness Application Portal can be found on our PPP Webpage
  - ❑ Click <https://www.cfbindiana.com/paycheck-protection-program/>
  - ❑ Or go to CFBIndiana.com > Business > Paycheck Protection Program
  - ❑ Available after today's webinar



## Community First Bank PPP Forgiveness Application

# Our Process Application Landing Page



Community First Bank PPP Forgiveness Application

# Our Process Logging In

The screenshot shows the login page for Community First Bank. At the top left is the logo for 'Paycheck Protection Community FIRST Bank of Indiana'. At the top right are links for 'Register' and 'Login'. The page is divided into two main sections. The left section, titled 'Already registered?', instructs users to enter their email and password. It includes a note that this is not for online banking login and password, and a link for 'I forgot my password'. The right section, titled 'Create a login', instructs users to provide a valid email address and be able to receive/open PDF documents. It includes fields for full name, email address, password, birth date, and a dropdown for how they heard about the bank. Both sections have a 'Login' button at the bottom.

**Paycheck Protection Community FIRST Bank of Indiana** Register Login

### Already registered?

Please enter your email address and password below. If you can't remember your password, select the "I forgot my password" button below.

(please note: this is **not** your online banking login and password)

Email Address:

Password:

☐ Keep me logged in?

Login

[I forgot my password](#)

### Create a login

You will need to provide a valid email address and be able to receive/open PDF documents.

What is your full name?

What is your email address?

Select a password.

When is your birth date?

How did you hear about us?

You will receive an email asking you to confirm your email registration and documenting you can receive, open and read attached PDF disclosures.


Create Login

Create a login and verify your email address to continue.

## Community First Bank PPP Forgiveness Application



# Our Process Loan Lookup



Apply for **PAYCHECK PROTECTION LOAN** forgiveness  
All online!

▼

**Q** Help us locate your Paycheck Protection Loan.

<small>Please provide your business tax ID number (Please include dashes where appropriate i.e. 123-XX-XXXXXXX or SSN XXX-XX-XXXX)</small>	<input type="text" value="61-3231555"/>	<small>Please provide the amount of your Paycheck Protection Loan (Indicate dollar amount only)</small>	<input type="text" value="\$ 33400"/>
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After verifying your email address you will be asked to enter the tax ID number and loan amount to look up your PPP loan.

An accountant or authorized representative can complete the application.

## Community First Bank PPP Forgiveness Application



# Our Process Sole Proprietorships EZ App

Hover over the ⓘ symbol to see instructions related to that field.

Overview Application General Covered Period Forgiveness Calculation Documentation Certifications Demographics Submit

**Guided Walkthrough**

- ☒ **Manual Input:** I have my own or will prepare worksheets and schedules outside this software process. I will key in my results into the Forgiveness Application.
- ☐ **Walk Me Through:** I would like to use the software to walk me through the worksheets and calculations.

Covered Period: 04/20/2020 - 10/04/2020

You may submit your application anytime during your covered period when your forgiveness amount is documented.

**Payroll and Nonpayroll Costs**  
*For lines 3-6, you are not required to report payments that you do not want to include in the forgiveness amount.*

1. Payroll Costs	\$ 10,000	3. Business Rent or Lease Payments ⓘ <i>Expense during the covered period 04/20/2020 - 10/04/2020</i>	\$
2. Business Mortgage Interest Payments ⓘ <i>Expense during the covered period 04/20/2020 - 10/04/2020</i>	\$	4. Business Utility Payments ⓘ <i>Expense during the covered period 04/20/2020 - 10/04/2020</i>	\$

**Potential Forgiveness Amounts**

5. Application Total ⓘ	\$ 10,000	7. Payroll Cost 60% Requirement ⓘ <i>(divide line 2 by 0.60)</i>	\$ 16,667
6. PPP Loan Amount	\$ 38,200		

**Forgiveness Amount**

8. Forgiveness Amount ⓘ  
*(enter the smallest of lines 5, 6, and 7)*

\$ 10,000

Previous Next

## Guided Walkthrough

- ☒ **Manual Input:** I have my own or will prepare worksheets and schedules outside this software process. I will key in my results into the Forgiveness Application.
- ☐ **Walk Me Through:** I would like to use the software to walk me through the worksheets and calculations.

For sole prop. EZ Application, you only need to complete the eight fields of forgiveness data.

# Community First Bank PPP Forgiveness Application

# Our Process EZ Application

Overview Application General Covered Period Forgiveness Calculation Documentation Certifications Demographics Submit

## EZ Application

You (the Borrower) can apply for forgiveness of your Paycheck Protection Program (PPP) loan using this SBA Form 3508EZ if you can check at least one of the three boxes below.

**Self-Employed, Independent Contractor or Sole Proprietor with no other employees**

☐ The Borrower is a self-employed individual, independent contractor, or sole proprietor who had no employees at the time of the PPP loan application and did not include any employee salaries in the computation of average monthly payroll in the Borrower Application Form (SBA Form 2483)

**No salary/wages reduced more than 25% and no FTE reduction or unable to hire/restore**

☒ The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the Covered Period or the Alternative Payroll Covered Period (as defined below) compared to the period between January 1, 2020 and March 31, 2020 (for purposes of this statement, "employees" means 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)

AND

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. (Ignore 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. Also ignore reductions in an employee's hours that the Borrower offered to restore and the employee refused. See 85 FR 33004, 33007 (June 1, 2020) for more details.

**You qualify to use form 3508EZ!**

**No salary/wages reduced more than 25% and unable to operate in during the Covered Period**

☐ The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the Covered Period or the Alternative Payroll Covered Period (as defined below) compared to the period between January 1, 2020 and March 31, 2020 (for purposes of this statement, "employees" means 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)

AND

The Borrower was unable to operate during the Covered Period at the same level of business activity as before February 15, 2020, due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020 by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19

## Standard Application

**All other scenarios**

☐ The Borrower does not meet any of the above requirements to use form 3508EZ and will fill out the standard application.

Companies with employees can select the EZ application if they had no salary reduction and no FTE reduction, or were unable to operate during the covered period by regulation.

# Community First Bank PPP Forgiveness Application

# Our Process Documentation

[Overview](#) [Application](#) [General](#) [Covered Period](#) [Forgiveness Calculation](#) [Documentation](#) [Certifications](#) [Demographics](#) [Submit](#)

### Submit Supporting Documentation

You will need to upload documentation for the categories listed below.

You need to provide documentation that supports the exact amount you show in your payroll expenses in Schedule A and your expenses in the Forgiveness worksheet.

[Payroll](#) [Mortgage Interest](#) [Rent or Lease Payments](#) [Business Utility Payments](#)

Bank account statements or 3rd party payroll provider reports documenting cash compensation paid.

File Name	Size (bytes)
<input checked="" type="checkbox"/> Open Application Items 4.2.2020.docx	13,989

Tax forms for the Covered/Alternative payroll covered period if needed. (Form 941 or equivalent payroll records).

File Name	Size (bytes)
No documents	

State quarterly business & Individual wage and unemployment insurance filings.

File Name	Size (bytes)
No documents	

Payment receipts, cancelled checks, or account statements for employer health insurance contributions.

File Name	Size (bytes)
No documents	

Payment receipts, cancelled checks, or account statements for employer retirement plans.

File Name	Size (bytes)
No documents	

Upload supporting documents.

# Community First Bank PPP Forgiveness Application

# Our Process Certifications

Overview Application General Covered Period Forgiveness Calculation Documentation Certifications Demographics Submit

## Certifications

The authorized representative of the Borrower certifies to all of the below.

Assertion	Confirm
<p>1 The dollar amount for which forgiveness is requested:</p> <ul style="list-style-type: none"><li>• 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);</li><li>• includes all applicable reductions due to decreases in the number of full-time equivalent employees and salary/hourly wage reductions;</li><li>• includes payroll costs equal to at least 60% of the forgiveness amount;</li><li>• 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</li><li>• 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.</li></ul>	<input checked="" type="checkbox"/>
2 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.	<input checked="" type="checkbox"/>
3 The Borrower has accurately verified the payments for the eligible payroll and nonpayroll costs for which the Borrower is requesting forgiveness.	<input checked="" type="checkbox"/>
4 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.	<input checked="" type="checkbox"/>
5 The information provided in this application and the information provided in all supporting documents and forms is true and correct in all material respects. I understand that knowingly making a false statement to obtain forgiveness of an SBA-guaranteed loan is punishable under the law, including 18 U.S.C. 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 U.S.C. 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.	<input checked="" type="checkbox"/>
6 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.	<input checked="" type="checkbox"/>
7 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.	<input checked="" type="checkbox"/>
8 If the Borrower has checked the box for FTE Reduction Safe Harbor 1 on PPP Schedule A, 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.	<input checked="" type="checkbox"/>

Accept certifications.

# Community First Bank PPP Forgiveness Application

# Our Process Certifications

OverviewApplicationGeneralCovered PeriodForgiveness CalculationDocumentationCertificationsDemographicsSubmit

Certifications

The authorized representative of the Borrower certifies to all of the below.

Assertion	Confirm
1 The dollar amount for which forgiveness is requested: <ul style="list-style-type: none"><li>• 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);</li><li>• includes payroll costs equal to at least 60% of the forgiveness amount;</li><li>• 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</li><li>• 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.</li></ul>	<input checked="" type="checkbox"/>
2 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.	<input checked="" type="checkbox"/>
3 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.	<input checked="" type="checkbox"/>
4 The Borrower has accurately verified the payments for the eligible payroll and nonpayroll costs for which the Borrower is requesting forgiveness.	<input checked="" type="checkbox"/>
5 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.	<input checked="" type="checkbox"/>
6 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.	<input checked="" type="checkbox"/>
7 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.	<input checked="" type="checkbox"/>
8 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.	<input checked="" type="checkbox"/>

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

Assertion	Confirm
1 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).	<input checked="" type="checkbox"/>
2 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.	<input checked="" type="checkbox"/>

The certifications for the EZ application have two additional options.

## Community First Bank PPP Forgiveness Application



# Our Process Demographics

[Overview](#) [Application](#) [General](#) [Covered Period](#) [Forgiveness Calculation](#) [Documentation](#) [Certifications](#) [Demographics](#) [Submit](#)

## PPP Borrower Demographics Information Form (Optional)

*This form requests information about each of the Borrower's Principals.*

Veteran/gender/race/ethnicity data is collected for program reporting purposes only.

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

**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.

	Veteran	Gender	Race	Ethnicity
Principal Name ⓘ	<input type="radio"/> Non-Veteran	<input type="radio"/> Male	<input type="checkbox"/> American Indian or Alaska Native	<input type="radio"/> Hispanic or Latino
Position ⓘ	<input type="radio"/> Veteran	<input type="radio"/> Female	<input type="checkbox"/> Asian	<input type="radio"/> Not Hispanic or Latino
	<input type="radio"/> Service-Disabled Veteran	<input checked="" type="radio"/> Not Disclosed	<input type="checkbox"/> Black or African-American	<input checked="" type="radio"/> Not Disclosed
	<input type="radio"/> Spouse of Veteran		<input type="checkbox"/> Native Hawaiian or Pacific Islander	
	<input checked="" type="radio"/> Not Disclosed		<input type="checkbox"/> White	
			<input checked="" type="checkbox"/> Not Disclosed	

Complete the demographic data (optional).

# Community First Bank PPP Forgiveness Application



# Our Process Submitting Application

Overview

Application

General

Covered Period

Forgiveness Calculation

Documentation

Certifications

Demographics

Submit

Submit Your Application

When you've completed this application and there are no validation errors found, the next step is to submit the application for review and processing.

E-Sign Disclosures

Disclosures can be provided in electronic form for the account(s) you have selected to be opened online. Before obtaining products or services electronically, you must read and indicate your acceptance of the terms outlined below. If you do not consent, you will not be able to proceed with the online account opening process. You may contact us at the number or address listed below to open a new account.

In this consent "we", "us", and "our" are used to refer to Sample Financial. All of the disclosures being provided to you may, at our discretion, be in electronic form, and you will be able to review them online in addition to downloading and/or printing them. Your consent applies only to the disclosures and notices applicable to the account(s) opened during this online session.

Disclosures provided in electronic form will not be distributed in paper form. After consenting, if you wish to obtain a paper copy of the disclosure(s), you can do so free of charge by calling us or writing us. Our address and phone number are listed below.

You have the right to withdraw your consent at any time, at no cost to you, by calling or writing us. Our address and phone number are listed below.

By consenting to receive disclosures and notices electronically, you agree to provide us with the information (such as current email address) necessary to communicate with you electronically. You are required to update us with any changes in such information by calling or writing us. Our address and phone number are listed below.

The following lists the hardware and software requirements necessary for access to and retention of the information being provided to you in electronic form. By consenting to receive the disclosures online, you will also be verifying you meet the necessary hardware and software requirements to view the disclosures.

A personal computer or other device capable of accessing the internet  
A web browser which supports 128-bit SSL encrypted communications  
Software that permits you to receive and access Portable Document Format (PDF) files, such as Adobe Acrobat Reader version 5.1 or higher (available for downloading at <http://www.adobe.com/products/acrobat/readstep2.html>).

Sample Financial  
4811 Lansing Dr.  
Austin, TX 78745  
555-555-1234

Electronic Consent

☒ I confirm that the internet access device(s) I will use to receive the related legal disclosures, agreements and instructions meet(s) the system requirements described above, and I consent to receiving the related legal disclosures, agreements, signature card and the instructions electronically.

☐ I DO NOT consent to receiving the related legal disclosures, agreements and instructions electronically.

Application Consent

☒ Yes, I hereby apply for the forgiveness herein described and certify that I am authorized to submit this application on behalf of the entity and information herein.

☐ No, I do not wish to apply for the forgiveness herein described.

Accept e-sign and authorize submission of application.

## Community First Bank PPP Forgiveness Application

# Helpful Links

- ❑ **PPP Loan Forgiveness Application 3508EZ Form**

<https://www.cfbindiana.com/wp-content/uploads/2020/06/3508EZ-PPP-Forgiveness-Application-3508EZ-Revised-06.16.2020.pdf>

- ❑ Instructions for Form 3508EZ

<https://www.cfbindiana.com/wp-content/uploads/2020/06/Instructions-PPP-Loan-Forgiveness-Application-Form-EZ-Instructions-Revised-06.16.2020.pdf>

- ❑ **PPP Loan Forgiveness Application Form (Revised as of 6/16/2020)**

<https://www.cfbindiana.com/wp-content/uploads/2020/06/PPP-Loan-Forgiveness-Application-Revised-6.16.2020.pdf>

- ❑ Instructions for Loan Forgiveness Application

<https://www.cfbindiana.com/wp-content/uploads/2020/06/Instructions-for-Loan-Forgiveness-App.pdf>

- ❑ **Link to all previous PPP Forgiveness Updates & Application Portal**

<https://www.cfbindiana.com/paycheck-protection-program/>

- ❑ **Treasury FAQs**

<https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Frequently-Asked-Questions.pdf>

Community First Bank **PPP Forgiveness Application**

# Questions

Please send us your questions  
through the chat feature!

Community **FIRST**  
Bank of Indiana