PPP Updates, Guidelines & Submissions with Lendistry & SBA

Tuesday, May 26, 2020

PROGRAM BEGINS @ 2PM

Driving growth to every corner of Philadelphia
PAYCHECK PROTECTION PROGRAM – UPDATES AND APPLICATION GUIDELINES, SBA LENDING

WELCOME

SAM RHOADS
Executive Vice President & Senior Vice President, Financial Services Group

Driving growth to every corner of Philadelphia
PAYCHECK PROTECTION PROGRAM – UPDATES AND APPLICATION GUIDELINES, SBA LENDING

AGENDA

1. Lendistry – Updates on Philadelphia Applications
2. SBA – Updates on Disaster Loans and SBA Small Business Lending
3. Lendistry – PPP Application Guidelines and Process
Paycheck Protection Program
Updates for Philadelphia Applicants

CONSTANCE ANDERSON
President

THE CENTER
Non-profit Business Coaching and Technical Assistance

Driving growth to every corner of Philadelphia
Paycheck Protection Program
Updates for Philadelphia Applicants

5/22/20

176 LOANS

$6.2M TOTAL LOAN AMOUNT

$35,483 AVERAGE LOAN AMOUNT

PPP = $2M PAYCHECK PROTECTION PROGRAM

Driving growth to every corner of Philadelphia
SBA – CARES Act Updates and Small Business Lending

SONIA R. SMITH

Economic Development & Lender Relations Specialists

SHANNON DEGIGLIO

U.S. Small Business Administration

Driving growth to every corner of Philadelphia
We Are All In This Together

Financial Relief For Small Business Owners: The Road Map

WEBINAR

U.S. Small Business Administration
Our Mission

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations.
SBA’s March 17 Disaster Declaration Makes Loans Available Due to the Coronavirus (COVID-19)

- 1-year deferment of payments on Economic Injury Disaster Loans provided due to COVID-19

- Automatic deferment of previous disaster loans for homeowners, renters, and businesses through Dec. 2020

- Monthly payments made by SBA on 7(a), 504 and SBA Microloans in regular servicing status through Sept. 27, 2020

- Six monthly payments made by SBA on new 7(a), 504 and SBA Microloans funded through Sept. 27, 2020

- Emergency Capital Programs:
  - Economic Injury Disaster Loans
  - Paycheck Protection Program
What businesses are eligible to apply?

- Small agricultural businesses
- Ranchers
- Farmers
How to Apply

- Applicants visit SBA’s secure website at https://covid19relief.sba.gov/#/

- Applicants without internet access can call SBA’s Customer Service Center at 800-659-2955 (800-877-8339 for the deaf and hard-of-hearing)

- Submit inquiries by sending an email to disastercustomerservice@sba.gov.

- Correspondence can be mailed to:
  U.S. Small Business Administration
  Processing and Disbursement Center
  14925 Kingsport Road
  Fort Worth, TX 76155
Assistance From SBA Partners

Free assistance with reconstructing financial records, preparing financial statements, and submitting the loan application is available from any of SBA’s partners:

- Small Business Development Centers (SBDCs)
- SCORE Chapters
- Women's Business Centers (WBC)
- Veteran’s Business Outreach Centers

Locate Partner: [https://www.sba.gov/local-assistance](https://www.sba.gov/local-assistance)

Locate an SBDC: [https://americassbdc.org](https://americassbdc.org)

Locate a SCORE Chapter: [https://www.score.org/](https://www.score.org/)
SBA Economic Injury Disaster Loan (EIDL) 7b

Disaster Loan Assistance
Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION

STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA’s Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.
<table>
<thead>
<tr>
<th>Question</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the Applicant a Franchise? **</td>
<td></td>
</tr>
<tr>
<td>Gross Revenues for the Twelve (12) Month Prior to the Date of the Disaster (January 31, 2020)</td>
<td>$530,000</td>
</tr>
<tr>
<td>Cost of Goods Sold for the Twelve (12) Month Prior to the Date of the Disaster (January 31, 2020)</td>
<td>$200,000</td>
</tr>
<tr>
<td>Rental Properties (Residential and Commercial) Only - Lost Rents Due to the Disaster</td>
<td></td>
</tr>
<tr>
<td>Non-Profit Cost of Operations for the Twelve (12) Month Prior to the Date of the Disaster (January 31, 2020)</td>
<td></td>
</tr>
<tr>
<td>Combined Annual Operating Expenses for the Twelve (12) Months Prior to the Date of the Disaster (January 31, 2020) for All Secular Social Services Provided by the Faith Based Entity</td>
<td></td>
</tr>
<tr>
<td>List the Secular Social Services Provided by the Faith Based Entity</td>
<td></td>
</tr>
<tr>
<td>Compensation from Other Sources Received as a Result of the Disaster</td>
<td>$0</td>
</tr>
</tbody>
</table>
If anyone assisted you in completing this application, whether you pay a fee for this service or not, that person must enter their information below.

Individual Name

Name of Company

Phone Number

Street Address, City, State, Zip

Fee Charged or Agreed Upon

I give permission for SBA to discuss any portion of this application with the representative listed above.

☐ Yes  ☐ No

☑ I would like to be considered for an advance of up to $10,000.
What is the Paycheck Protection Program?

- A loan offered through participating lenders
- Find a lender at www.sba.gov/paycheckprotection/find
- Designed to provide a direct incentive for small businesses to keep their workers on their payroll

What can the funds be used for?

- Pay up to 8 weeks of payroll costs, including benefits.
- Funds can also be used to pay interest on mortgages, rent, and utilities.

Who is eligible to apply for the PPP?

- Small businesses with 500* or fewer employees
- 501-C(3) non-profits, 501 C(19) veterans' organizations, faith-based organizations, and houses of worship
- Sole proprietorships and self-employed persons
- Independent contractors
- Legal gaming enterprises
- Agricultural enterprises
PPP Loan Terms

- Maximum loan amount is $10 million
- Interest rate is 1%
- First payment deferred for 6 months
- Loan maturity is 2 years
- No collateral requirements
- No personal guarantees required
- No borrower or lender fees payable to SBA
- Program available through June 30, 2020

Paycheck Protection Program
Loan Program
Paycheck Protection Program
Loan Program

How will the PPP Loan be forgiven?
- Fully forgiven when at least 75% of the funds are used for payroll
- Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels

What are some of the businesses ineligible to apply for the PPP?
- Businesses involved in an illegal activity on the federal level (marijuana).
- Household employers (those who employ nannies or housekeepers)
- Applicants or owners that are debtors in bankruptcy
- Businesses with adequate sources of liquidity
- Hedge Funds and Private Equity firms
Borrower will owe money when loan is due if:
- Borrower uses loan amount for anything other than payroll costs, mortgage interest, rent, and utility payments over the 8 weeks after receiving the loan
- Borrower uses less than 75% of loan amount for payroll costs
- Borrower maintains staff and payroll at less than Feb. 15, 2020 levels

To qualify for loan forgiveness:
- Full-time employee headcount must be maintained
- Salaries and wages must be maintained
- Borrower has until June 30, 2020 to restore full-time employment and salary levels from any changes made between Feb. 15 and April 26
Paycheck Protection Program Loan Payroll Costs

What counts as payroll costs?

- Salary, wages, commissions, or tips
- Employee benefits including costs for:
  - Vacation, parental, family, medical, or sick leave
  - Allowance for separation or dismissal
  - Payments required for the provision of group health care benefits including insurance premiums
  - Payment of any retirement benefit

What counts as payroll costs for sole props & independent contractors?

- Wages, commissions, income, or net earnings from self-employment
Questions

www.sba.gov/coronavirus
We Are All In This Together
Thank You For Your Time

U.S. Small Business Administration
DOCUMENTS NEEDED TO APPLY

CORPORATION
Review our SBA PAYCHECK PROTECTION PROGRAM LOAN SMALL BUSINESS GUIDE on pages 8-11 to get acquainted with the loan and its requirements. You can also download the guide here.

Prep ALL your documents before starting your SBA PPP Loan Application for Corporations.

You will not be able to complete your application unless ALL required documents have been uploaded. To help you stay organized, use the following checklist to make sure you have everything you need.

### REQUIRED DOCUMENTS CHECKLIST FOR CORPORATIONS

<table>
<thead>
<tr>
<th>CORPORATIONS (LLC, C, &amp; S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll summary – detailed by employee (if completed by a recognizable third-party payroll processor minimal review is necessary – payroll validator)</td>
</tr>
<tr>
<td>IRS Form 941 (Quarterly)</td>
</tr>
<tr>
<td>IRS Form 940</td>
</tr>
<tr>
<td>Documentation to support Health Insurance and Retirement (if not received will not be included in loan calculation.</td>
</tr>
<tr>
<td>• 2019 IRS Form 1120 line 24 or IRS Form 1120-S line 18 (Health insurance) and IRS Line 23 or IRS Form 1120-S line 17 Retirement OR</td>
</tr>
<tr>
<td>• Statement for Insurance company and/or retirement company</td>
</tr>
<tr>
<td>Entity Docs</td>
</tr>
<tr>
<td>EIDL Documents (if applicable)</td>
</tr>
<tr>
<td>PPP Application</td>
</tr>
<tr>
<td>Photo ID</td>
</tr>
</tbody>
</table>
DOCUMENTS NEEDED TO APPLY

PARTNERS
BEFORE YOU BEGIN (PARTNERS)

Review our SBA PAYCHECK PROTECTION PROGRAM LOAN SMALL BUSINESS GUIDE on pages 8-11 to get acquainted with the loan and its requirements. You can also download the guide here.

Prep ALL your documents before starting your SBA PPP Loan Application for Partners.

You will not be able to complete your application unless ALL required documents have been uploaded. To help you stay organized, use the following checklist to make sure you have everything you need.

REQUIRED DOCUMENTS CHECKLIST FOR PARTNERS

<table>
<thead>
<tr>
<th>PARTNERS – K-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 IRS Form 1065 and Schedule K-1 (Filed)</td>
</tr>
<tr>
<td>Payroll summary – detailed by employee (if completed by a recognizable third-party payroll processor minimal review is necessary – payroll validator)</td>
</tr>
<tr>
<td>IRS Form 941 (Quarterly) *not needed if no employees</td>
</tr>
<tr>
<td>IRS Form 940 *not needed if no employees</td>
</tr>
<tr>
<td>Documentation to support Health Insurance and Retirement (if not received will not be included in loan calculation.</td>
</tr>
<tr>
<td>• 2019 Form 1065 line 19 (Health insurance) and Line 18 Retirement OR</td>
</tr>
<tr>
<td>• Statement for Insurance company and/or retirement company</td>
</tr>
<tr>
<td>Entity Docs</td>
</tr>
<tr>
<td>EIDL Documents (if applicable)</td>
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<tr>
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<td>Photo ID</td>
</tr>
</tbody>
</table>
DOCUMENTS NEEDED TO APPLY

SOLE PROPRIETORS
Before you begin (sole proprietor)

Review our SBA PAYCHECK PROTECTION PROGRAM LOAN SMALL BUSINESS GUIDE on pages 8-11 to get acquainted with the loan and its requirements. You can also download the guide here.

Prep ALL your documents before starting your SBA PPP Loan Application for Sole Proprietors.

You will not be able to complete your application unless ALL required documents have been uploaded. To help you stay organized, use the following checklist to make sure you have everything you need.

**REQUIRED DOCUMENTS CHECKLIST FOR SOLE PROPRIETORS**

<table>
<thead>
<tr>
<th>SOLE PROPRIETOR WITH NO EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 1040 Schedule C – if 2019 is not file, must complete the Schedule C only (does not need to complete full 1040)</td>
</tr>
<tr>
<td>The following is used only to establish that the entity was in business for 2019 and 2020 (no analysis needed)</td>
</tr>
<tr>
<td>• 1099 MISC OR</td>
</tr>
<tr>
<td>• Bank statements (January &amp; December 2019 or yearend summary &amp; February 2020)</td>
</tr>
<tr>
<td>Fictitious Business Name (if applicable)</td>
</tr>
<tr>
<td>EIDL Documents (if applicable)</td>
</tr>
<tr>
<td>PPP Application</td>
</tr>
<tr>
<td>Photo ID</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SOLE PROPRIETOR WITH EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 1040 Schedule C – if not complete must complete (does not need to complete full 1040)</td>
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<td>The following is used only to establish that the entity was in business for 2019 and 2020 (no analysis needed)</td>
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<td>IRS Form 940</td>
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<tr>
<td>Documentation to support Health Insurance and Retirement (if not received will not be included in loan calculation).</td>
</tr>
<tr>
<td>• 2019 Schedule C Line 14 (Health insurance) and Line 19 Retirement OR</td>
</tr>
<tr>
<td>• Statement for Insurance company and/or retirement company</td>
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<tr>
<td>Fictitious Business Name (if applicable)</td>
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<td>PPP Application</td>
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<tr>
<td>Photo ID</td>
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</table>
SBA PPP LOAN RESOURCE GUIDE
WHO CAN APPLY?

All Small Businesses Eligible

Small businesses with 500 or fewer employees—including nonprofits, veteran's organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors—are eligible. Businesses with more than 500 employees are eligible in certain industries.

In addition, some special rules may make your eligible:
  • If you are in the accommodation and food services sector (NAICS 72), the 500-employee rule is applied on a per physical location basis

REMEMBER: The 500-employee threshold includes all employees: full-time, part-time, and any other status.

WILL LOANS BE FULLY FORGIVEN?

Funds are provided in the form of loans that will be fully forgiven when used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll).

Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

You must keep employees on the payroll—or rehire quickly

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.
How Much Can I Borrow?

Loans can be up to $2.5 \times$ the borrower’s average monthly payroll costs.

How Do I Calculate My Monthly Average Payroll Cost?

\[
\text{PAYROLL COSTS} = \frac{\text{Sum of INCLUDED Payroll costs}}{\text{Sum of EXCLUDED Payroll costs}}
\]

Included Payroll Cost

For Employers: The sum of payments of any compensation with respect to employees that is a:

- salary, wage, commission, or similar compensation;
- payment of cash tip or equivalent;
- payment for vacation, parental, family, medical, or sick leave;
- allowance for dismissal or separation;
- payment required for the provisions of group health care benefits, including insurance premiums;
- payment of any retirement benefit;
- payment of state or local tax assessed on the compensation of the employee.

Excluded Payroll Cost

1. Compensation of an individual employee in excess of an annual salary of $100,000, as prorated for the period February 15, to June 30, 2020.
2. Payroll taxes, railroad retirement taxes, and income taxes.
3. Any compensation of an employee whose principal place of residence is outside of the United States.
4. Qualified sick leave wages for which a credit is allowed under section 7001 of the Families First Coronavirus Response Act (Public Law 116–5127); or qualified family leave wages for which a credit is allowed under section 7003 of the Families First Coronavirus Response Act.

Non Seasonal Employers

Maximum loan = $2.5 \times$ Average total monthly payroll costs incurred during the year prior to the loan date.

Seasonal Employers

Maximum loan = $2.5 \times$ Average total monthly payments for payroll costs for the 12-week period beginning February 15, 2019 or March 1, 2019 (decided by the loan recipient) and ending June 30, 2019.
HOW MUCH?

A borrower is eligible for loan forgiveness equal to the amount the borrower spent on the following items during the 8-week period beginning on the date of the origination of the loan:

- Payroll costs (using the same definition of payroll costs used to determine loan eligibility)
- Interest on the mortgage obligation incurred in the ordinary course of business
- Rent on a leasing agreement
- Payments on utilities (electricity, gas, water, transportation, telephone, or internet)

For borrowers with tipped employees, additional wages paid to those employees.

The loan forgiveness cannot exceed the principal.

HOW COULD THE FORGIVENESS BE REDUCED?

The amount of loan forgiveness calculated above is reduced if there is a reduction in the number of employees or a reduction of greater than 25% in wages paid to employees. Specifically:

**REDUCTION BASED ON REDUCTION OF NUMBER OF EMPLOYEES**

**PAYROLL COSTS**

- Option 1:
  - Average number of FTEs per month from February 15, 2019 to June 30, 2019
- Option 2:
  - Average number of FTEs per month from January 1, 2020 to February 29, 2020
- For Seasonal Employers:
  - Average number of FTEs per month from February 15, 2019 to June 30, 2019

**PAYROLL COSTS**

For any employee who did not earn during any pay period in 2019 wages at an annualized rate more than $100,000, the amount of any reduction in wages that is greater than 25% compared to their most recent full quarter.
SUBMITTING YOUR PPP APPLICATION WITH LENDISTRY
VISIT WWW.MYLENDISTRY.COM

Click [APPLY NOW] in the center box labeled, [SBA PPP LOAN].

You will be redirected to Lendistry’s SBA PPP homepage.

NOTE: Please use Google Chrome for optimal web browser experience.
THREE-STEP PROCESS: APPLY – CONNECT - REVIEW

**APPLY**
Complete our application to process your loan for review. Please upload as much information as you can in order to proceed through the review process quickly, including proof of payroll items and the SBA Application Form.

**CONNECT**
Once your application has been submitted and entered into our system, you will receive a confirmation email with a username and password to our portal. Once logged in, connect your bank account through our verified system, Plaid. You can also upload additional documents.

**REVIEW**
After your bank account has been verified, your application will be queued for review by our team. You will be updated on the progress of your application through the portal and email.
DOWNLOAD THE SBA PPP APPLICATION

CLICK HERE TO DOWNLOAD

Download and fill out the form before applying with Lendistry.
### Paycheck Protection Program
#### Borrower Application Form

**Check One:**
- [ ] Sole proprietor
- [ ] Partnership
- [ ] C-Corp
- [ ] S-Corp
- [ ] LLC
- [ ] Independent contractor
- [ ] Eligible self-employed individual
- [ ] 501(c)(3) nonprofit
- [ ] 501(c)(19) veterans organization
- [ ] Tribal business (sec. 31(b)(2)(C) of Small Business Act)
- [ ] Other

**DBA or Tradename if Applicable**

**Business Name**

**Business Address**

**Business TIN (EIN, SSN)**

**Business Phone**

( ) -

**Primary Contact**

**Email Address**

<table>
<thead>
<tr>
<th>Average Monthly Payroll:</th>
<th>$</th>
<th>x 2.5 + EIDL, Net of Advance (if Applicable)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Purpose of the loan (select more than one):</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ] Payroll</td>
</tr>
<tr>
<td>[ ] Lease / Mortgage Interest</td>
</tr>
<tr>
<td>[ ] Utilities</td>
</tr>
<tr>
<td>[ ] Other (explain):</td>
</tr>
</tbody>
</table>

**Number of Employees:**

**Applicant Ownership**

List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.

<table>
<thead>
<tr>
<th>Owner Name</th>
<th>Title</th>
<th>Ownership %</th>
<th>TIN (EIN, SSN)</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
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</tr>
</tbody>
</table>

**If questions (1) or (2) below are answered “Yes,” the loan will not be approved.**

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**These questions must be answered “NO” based on all owners. If “YES” on #3 and #4, addendum is required.**

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
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</thead>
<tbody>
<tr>
<td>3.</td>
<td></td>
<td></td>
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</tbody>
</table>

**Auto-decline if "YES" on #5 and #6. Must be initialed by an Authorized Rep.**

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
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<td></td>
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</tbody>
</table>

**Initial here to confirm your response to question 5** →

<table>
<thead>
<tr>
<th>Question</th>
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<th>No</th>
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</thead>
<tbody>
<tr>
<td>6.</td>
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<td></td>
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</tbody>
</table>

**Initial here to confirm your response to question 6** →

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.</td>
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<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Paycheck Protection Program
Borrower Application Form

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 eight-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 25% 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 ___________________________

All must be initialed by Authorized Rep.

Must be signed by Authorized Rep.
Begin your application by filling out the general contact information for the **primary owner** of the business. **NOTE:** You may also use the contact information of an authorized representative.

### INFORMATION NEEDED

- First Name
- Last Name
- E-mail
- Phone Number
- Address
- Social Security

### Contact Details

<table>
<thead>
<tr>
<th>Primary Owner First Name</th>
<th>Primary Owner Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alyssa</td>
<td>Davis</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Primary Owner E-Mail</th>
<th>Primary Owner Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="mailto:Alyssa@luuslemons.com">Alyssa@luuslemons.com</a></td>
<td>555-555-5555</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Primary Owner Address</th>
<th>Primary Owner Address 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>330 E LAMBERT RD STE 275</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Primary Owner City</th>
<th>Primary Owner State</th>
</tr>
</thead>
<tbody>
<tr>
<td>BREA</td>
<td>CA - California</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Primary Owner ZIP</th>
<th>Primary Owner Social Security#</th>
</tr>
</thead>
<tbody>
<tr>
<td>92821</td>
<td>000-00-0001</td>
</tr>
</tbody>
</table>
STEP 2: BUSINESS INFORMATION

INFORMATION NEEDED

- Business Name
- Business EIN
- Business Phone #
- Business Type
- State of Incorporation
- Business Address
- Date Business Established
- Business Website
- Rent/Own Business Location
- What Does Your Business Do?
- What Type of Business is it
- Tell us More?
- NAICS Code
### STEP 3: BUSINESS DATA FOR LOAN

#### INFORMATION NEEDED

- Purpose of the Loan
- Amount Requested
- Will This loan Create More Jobs?
- # of Current Employees
- # of Jobs Created
- # of Jobs Retained
- Average Monthly Payroll
- Women Owned Business?
- Veteran?
- Disabled?
- Race
- Ethnicity
- Franchise
- Current SBA Economic Disaster Injury Loan Balance
- Rural?
- 10KSB Scholar / Alumni
- Do 50% of more your employees earn less than $51,859?

<table>
<thead>
<tr>
<th>Business Data For Loan:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose of the Loan</strong></td>
</tr>
<tr>
<td>- Payroll</td>
</tr>
<tr>
<td><strong>Amount Requested</strong></td>
</tr>
<tr>
<td>- $0,000</td>
</tr>
<tr>
<td><strong>Will This Loan Create More Jobs?</strong></td>
</tr>
<tr>
<td>- No</td>
</tr>
<tr>
<td><strong># of Current Employees</strong></td>
</tr>
<tr>
<td>- 5</td>
</tr>
<tr>
<td><strong># of Jobs Created (6/30/June)</strong></td>
</tr>
<tr>
<td>- 0</td>
</tr>
<tr>
<td><strong># of Jobs Retained</strong></td>
</tr>
<tr>
<td>- 0</td>
</tr>
<tr>
<td><strong>Average Monthly Payroll</strong></td>
</tr>
<tr>
<td>- $0,000</td>
</tr>
<tr>
<td><strong>Women Owned Business?</strong></td>
</tr>
<tr>
<td>- Yes</td>
</tr>
<tr>
<td><strong>Veteran?</strong></td>
</tr>
<tr>
<td>- No</td>
</tr>
<tr>
<td><strong>Disabled?</strong></td>
</tr>
<tr>
<td>- No</td>
</tr>
<tr>
<td><strong>Race</strong></td>
</tr>
<tr>
<td>- Asian</td>
</tr>
<tr>
<td><strong>Ethnicity</strong></td>
</tr>
<tr>
<td>- Not Hispanic or Latino</td>
</tr>
<tr>
<td><strong>Franchise</strong></td>
</tr>
<tr>
<td>- No</td>
</tr>
<tr>
<td><strong>Current SBA Economic Disaster Injury Loan Balance?</strong></td>
</tr>
<tr>
<td>- $0</td>
</tr>
<tr>
<td><strong>10KSB Scholar / Alumni</strong></td>
</tr>
<tr>
<td>- Yes</td>
</tr>
<tr>
<td><strong>Do 50% of more your employees earn less than $51,859?</strong></td>
</tr>
<tr>
<td>- Yes</td>
</tr>
</tbody>
</table>
STEP 4: PRIMARY OWNER  
BACKGROUND INFORMATION

INFORMATION NEEDED

- Have you ever been convicted of a crime?
- Do you have a tax lien?
- Have you ever defaulted on a government loan? (Including SBA loan, Student loan)
- Does the business have existing SBA debt?
- Are there any legal actions pending against you? (or your spouse)
- Have you exhausted all personal and non-SBA financing options?
- Are the majority owners of the business U.S. Citizens or Legal permanent residents?
- Have you submitted a loan request to SBA or any other agency or financial institution in connection with Covid-19?
STEP 5: SUBMISSION CONFIRMATION

Confirm the CAPTCHA and click [SUBMIT]. You will receive the following message when your application has been successfully submitted.

You will receive an email confirmation with your Lendistry Portal login credentials.

Click the link in the email to activate your account.
STEP 7: UPDATE PORTAL PASSWORD

In your confirmation email, you will receive your portal username and password. Use those login credentials to sign into the portal and update your password.
Log back into the portal to upload pending documents, connect your bank info, and complete your payroll calculator by clicking [UPLOAD DOCUMENTS AND BANK INFO].

There are three tabs that you must complete:
1. Upload Documents
2. Bank Info
3. Payroll Calculator

Each tab must be filled and completed for your loan to process.
Before you begin, choose your business type in the drop-down menu.

**BUSINESS TYPES**

Choose from the following business types:

1. Corporation
2. Partnership
3. Limited Partnership (LP)
4. Limited Liability Partnership (LLP)
5. Limited Liability Company (LLC)
6. Sole Proprietor (Without Employees)
7. Professional Corporation
8. Non-Profit
9. Sole Proprietor (With Employees)

A notification will appear once you have successfully selected your business type.
STEP 10: UPLOAD DOCUMENTS

After you’ve selected your business type, begin uploading ALL listed documents. These documents are required, and your loan cannot be processed until all have been uploaded to the Portal.

1. Select a document from the list.
2. Click [BROWSE] to locate the document on your device.
3. Once you’ve selected the document from your device, it will appear on the portal screen. Click [UPLOAD] to complete the upload. **NOTE:** Enter the document password if one is required for access.
4. The status of the document will change from [PENDING] to [COMPLETED] once it has been successfully uploaded into the Portal.

Continue uploading documents until all have been marked as [COMPLETED].
### REQUIRED DOCUMENTS
FOR EACH BUSINESS TYPE

<table>
<thead>
<tr>
<th>CORPORATION</th>
<th>PARTNERS – K-1</th>
<th>SOLE PROPRIETOR (NO EMPLOYEES)</th>
<th>SOLE PROPRIETOR (WITH EMPLOYEES)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Payroll summary – detailed by employee (if completed by a recognizable third-party payroll processor minimal review is necessary – payroll validator)</td>
<td>1. 2019 IRS Form 1065 and Schedule K-1 (Filed)</td>
<td>1. 2019 1040 Schedule C – if 2019 is not file, must complete the Schedule C only (does not need to complete full 1040)</td>
<td>1. 2019 1040 Schedule C – if not complete must complete (does not need to complete full 1040)</td>
</tr>
<tr>
<td>2. IRS Form 941 (Quarterly)</td>
<td>2. Payroll summary – detailed by employee (if completed by a recognizable third-party payroll processor minimal review is necessary – payroll validator)</td>
<td>2. The following is used only to establish that the entity was in business for 2019 and 2020 (no analysis needed)</td>
<td>2. The following is used only to establish you were in business for 2019 and 2020</td>
</tr>
<tr>
<td>3. IRS Form 940</td>
<td>3. IRS Form 941 (Quarterly) *not needed if no employees</td>
<td>• 1099 MISC (refer to Box7) OR</td>
<td>• 1099 MISC (refer to Box7) OR</td>
</tr>
<tr>
<td>4. Documentation to support Health Insurance and Retirement (if not received will not be included in loan calculation)</td>
<td>4. IRS Form 940 *not needed if no employees</td>
<td>• Bank statements (January &amp; December 2019 or yearend summary &amp; February 2020)</td>
<td>• Bank statements (January &amp; December 2019 or yearend summary &amp; February 2020)</td>
</tr>
<tr>
<td>5. Entity Docs</td>
<td>5. Documentation to support Health Insurance and Retirement (if not received will not be included in loan calculation)</td>
<td>3. Fictitious Business Name (if applicable)</td>
<td>3. Fictitious Business Name (if applicable)</td>
</tr>
<tr>
<td>6. EIDL Documents (if applicable)</td>
<td>• 2019 Form 1065 line 19 (Health insurance) and Line 18 Retirement OR</td>
<td>4. EIDL Documents (if applicable)</td>
<td>4. EIDL Documents (if applicable)</td>
</tr>
<tr>
<td>7. SBA PPP Application (Click Here to Download)</td>
<td>• Statement for Insurance company and/or retirement company</td>
<td>5. SBA PPP Application (Click Here to Download)</td>
<td>5. SBA PPP Application (Click Here to Download)</td>
</tr>
</tbody>
</table>

**PREP ALL DOCUMENTS BEFORE SUBMITTING APPLICATION**

This will help ensure you have everything you need to help your loan application process move quicker.
STEP 11: LINK BANK ACCOUNT

Once you have uploaded ALL required documents, click [CONTINUE] to link your bank account to the portal. Enter the routing and account numbers to set up a direct deposit for your funds. Account Name MUST match your Business Name, as reflected in your bank statements.

NOTE: Both steps are required and must be completed for your application to be processed. Click [CONTINUE] when both are completed.

After clicking on [Link Your Bank] to connect your bank to the portal, a pop-up window will open. Click [Continue] to select your banking institution and sign into your online banking account. This will allow Lendistry to access your business bank statements.

Please note that Lendistry DOES NOT have access to your Online Banking ID and Password. We are only able to view your banking accounts, which are used to verify that your bank statements are accurate.
After linking your bank account, click [CONTINUE] to upload your payroll calculator.

**LOAN CALCULATORS**

There are three loan calculators available:

1. Payroll Calculator for C-Corp, S-Corp, & Partnerships
2. Sole Proprietor with Employees
3. Sole Proprietor without Employees

**COMPLETE ONLY ONE CALCULATOR THAT IS MOST RELEVANT TO YOUR COMPANY.**
STEP 12: UPLOAD PAYROLL CALCULATOR

PAYCHECK PROTECTION PROGRAM
Payroll Calculator for C-Corp, S-Corp & Partnerships

Company Name: [Name]
Period Represented: From: [mm/dd/yyyy] - To: [mm/dd/yyyy]

WAGES

<table>
<thead>
<tr>
<th>EMPLOYEE NAME</th>
<th>Gross Wages (TOTAL)</th>
<th>Gross Wages (100k Cap)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

Add New Employee

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>$0</th>
<th>$0</th>
</tr>
</thead>
</table>

Annual Group Health Insurance: $0
Annual Retirement Benefit Costs: $0
State Unemployment & Local Taxes on Employee Compensation: $0

1065 K-1 (Max $100,000) 14a: $0 179: $0

EIDL - Economic Injury Disaster Relief Loan:
TOTAL PAYROLL: $0
Submit

PPP loans covers payroll costs, including costs for employee vacation, parental, family, medical, and sick leave. However, the CARES Act excludes qualified sick and family leave wages for which a credit is allowed under sections 7001 and 7003 of the Families First Coronavirus Response Act (Public Law 116-127).

Required Documentation:

1. Payroll Costs - Lendistry Payroll Register and supporting payroll documentation including Form 940 & 941 should be provided. Detailed payroll report from third-party or produced internally should also be included.
2. Group Health Insurance - Include invoice and supporting proof of payment documentation
3. State Unemployment Tax & Local Tax - Include state and local tax filing reports.
4. If you pay a Retirement Benefits - Include invoice and supporting proof of payment documentation by the plan administrator.
5. If you have an EIDL (Economic Injury Disaster Relief Loan) and want to include this as part of your PPP Loan - Include all loan documentation with outstanding amount identified, plus any "advance" under an EIDL COVID-19 loan
6. 1065 K-1

LOAN VALUE WILL BE DETERMINED BASED ON INFORMATION PROVIDED
## PAYCHECK PROTECTION PROGRAM

### LOAN CALCULATOR - SOLE PROPRIETOR - WITH EMPLOYEES

<table>
<thead>
<tr>
<th>Maximum Loan Amount</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(100k cap)</td>
</tr>
</tbody>
</table>

#### Payroll Costs:

**Net Profit - 2019 1040 with Schedule C Line 31**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan - Mar</td>
<td>$0</td>
</tr>
<tr>
<td>Apr - Jun</td>
<td>$0</td>
</tr>
<tr>
<td>July - Sept</td>
<td>$0</td>
</tr>
<tr>
<td>Oct - Dec</td>
<td>$0</td>
</tr>
<tr>
<td>Total</td>
<td>$0</td>
</tr>
</tbody>
</table>

#### Deductions:

- Amount paid to any individuals above $100k in 2019: $0
- Amount paid to any individual(s) who principal place of residents is outside the U.S.: $0

#### Total Payroll Loan Value

**Total 2019 Eligible Wages & Tips**: $0

**Health Insurance Contributions - Form 1040 Schedule C Line 14**: $0

**Retirement Contributions - Form 1040 Schedule C Line 19**: $0

**State Unemployment Tax Act (SUTA) - from state quarterly wage report forms**: $0

**Total Eligible Payroll Cost 2019**: $0

**Total Average Monthly Cost**: $0

**Total Payroll Loan Value**: $0

### EIDL - Economic Injury Disaster Relief Loan (if applicable):

- **Outstanding Amount, less any "advance" under on EIDL COVID-19 loan**: $0
  - **Subtotal a)**: $0
  - **MAXIMUM LOAN AMOUNT [Lesser of a) or $10,000,000]**: $0
  - **BORROWER REQUESTED AMOUNT (From PPP Application)**: $0

### Required Documentation

1. **2019 Net Profit - Form 1040 with Schedule C**: Regardless of whether you have yet filed a 2019 tax return with the IRS, you must provide the 2019 Form 1040 Schedule C with your PPP loan application to substantiate the applicant's PPP loan amount.
2. **IRS Form 941, all four quarters in 2019 (or equivalent payroll processor records containing similar information as Form 941)**.
3. **State Unemployment Tax Act (SUTA) - from state quarterly wage report forms (or equivalent payroll processor records)**.
5. **Proof of Employer Retirement and Health Insurance Contributions, if applicable**.
6. **EIDL - Include loan documentation (if applicable)**

**LOAN VALUE WILL BE DETERMINED BASED ON INFORMATION PROVIDED**
### PAYCHECK PROTECTION PROGRAM
**LOAN CALCULATOR - SOLE PROPRIETOR - NO EMPLOYEES**

<table>
<thead>
<tr>
<th>Maximum Loan Amount</th>
<th>Net Profit</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Monthly</td>
</tr>
</tbody>
</table>

#### Payroll Costs:
- **Net Profit - 2019 Form 1040 Schedule C Line 31**
- Total Payroll Loan Value

#### EIDL - Economic Injury Disaster Relief Loan (if applicable):
- Outstanding Amount, less any “advance” under an EIDL COVID-19 loan

#### Required Documentation:
1. 2019 Net Profit - Form 1040 with Schedule C - Regardless of whether you have yet filed a 2019 tax return with the IRS, you must provide the 2019 Form 1040 Schedule C with your PPP loan application to substantiate the applied-for PPP loan amount.
2. 1099-MISC detailing nonemployee compensation received (Box 7), invoice, bank statement, or book of record to establish you are self-employed.
3. 2020 invoice, bank statement, or book of record to establish you were in operation on or around February 15, 2020.
4. EIDL - Include loan documentation (if applicable).

**LOAN VALUE WILL BE DETERMINED BASED ON INFORMATION PROVIDED**
STEP 13: REVIEW
PPP LOAN APPLICATION

After you submit your payroll calculator, click the icon to toggle back to the status of your application. The status of your Bank Info and Payroll Calculator should both be marked as [COMPLETED].
STEP 14: REVIEW

PPP LOAN APPLICATION

After ALL pending items have been marked as [COMPLETED], click [CONTINUE] to review your application.

Your application responses will be auto-populated in the portal. Click through each category to review your responses.

NOTE: Please make sure the contact information for the primary owner is accurate. You may also use the contact information of an authorized representative.
PAYCHECK PROTECTION PROGRAM
$10,000,000 PARTNERSHIP

Driving growth to every corner of Philadelphia
Good business credit is the silent yet powerful signal that your company can be trusted to manage its money, just as good personal credit is the silent yet powerful signal that you can be trusted to manage your own money.