

Paycheck Protection Program Update May 14, 2020

Necessity Certification & Forgiveness Calculation





- + Current Status
 - + \$118 billion remains





Necessity Certification & Liquidity

- + Loans under \$2 million
- Loans \$2 million+ will be subject to SBA review
 - + Demonstrate you have met all standards
 - + If SBA is not satisfied, they will require repayment of loan
 - + No additional administrative penalties or referrals
- + We will provide additional guidance to help you prepare for SBA









+ Factors to Consider

- + Current economic situation and volatility
- + Evaluate actual and projected revenue, expenses and cash flow
- + Forecast impact of revenue shortfalls on staffing and operational decisions
- + Review availability of other liquid assets
- + Fiscal and reputational risks



Loan Forgiveness - What We Know - Updated

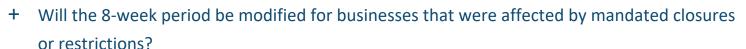
- Forgiveness will not be impacted if:
 - + Employees are replaced with other employees
 - + Headcount tested, not specific employees
 - + Employees who reject a written offer of reemployment are excluded from the reduction calculation
 - + May still impact forgiveness if <75% of the loan is spent





Loan Forgiveness - What We Don't Know





- + What happens if a business cannot fully use 75% of the funds on payroll within the 8-week period?
- + What does "costs incurred and payments made" mean?





Loan Forgiveness - Documentation to Assemble



- + Expected Forgiveness Documents will vary for each lending institution
 - + Reports from payroll provider or payroll system
 - + Payroll tax filings to the IRS
 - + State income, payroll and unemployment filings
 - + Documentation verifying payments on mortgages, rent and utilities
 - + Borrower certifications



Meet Up Thursdays at 1 PM ET JewishTogether.org/virtual-meetups

Email SBALoans@jfna.org