

Updates as we approach the PPP Forgiveness

“Additional Updates Requirement PPP Loan Forgiveness”

Please note preliminary informational emails were sent in the last few weeks as you see below. There will be a follow up email sent on the 8 week anniversary of when you signed your PPP loan. That email will be and invitation to apply for forgiveness

Some of the key changes are:

- Expansion of the “covered period” for loan forgiveness went from 8 to 24 weeks
- Reduction of the portion of proceeds that must be spent on payroll costs from 75% to 60%
- Establishment of safe harbors for businesses that, due to compliance with health and safety guidelines, have been unable to return to the level of business activity they had before COVID-19
- SBA has issued a new PPP Loan Forgiveness Application and a PPP Loan Forgiveness EZ Application

Frequently asked questions:

- Do I need my SBA and/or loan number - we will not need this information when submitting Forgiveness Application, we have this information in our files
- Forgiveness eligibility – please consult with your CPA or tax preparer and/or attorney
- Should I apply at the 8 weeks or wait 24 weeks? – Consult with your CPA, if you are ready you should apply and not wait for deadline
- When should we have SBA forgiveness confirmation? - BankUnited has 30 days to review and submit the forgiveness request and the SBA has 90 days to approve

What should I be doing to be ready:

1. Visit www.sba.gov for updates
2. Contact your accountant for guidance
3. Review new PPP applications, you will complete online however it is good to review ahead of time
4. Prepare your supporting documentation
5. Be on the lookout for emails from BankUnited for the application portal

Tips for completing application:

- When completing application before entering “Submit” instead enter “Save and come back later” – review and make changes if needed before submitting
- Customers with multiple applications, please upload supporting documentation as you finish each application to ensure the documents correlate to appropriate application
- When uploading documentation per document category, if more than one page please upload a file to include all pertaining documents

Additional Updates Regarding PPP Loan Forgiveness

The Small Business Administration (SBA), in conjunction with the Treasury Department, has issued additional guidance concerning the Paycheck Protection Program (PPP) loan forgiveness process. Specifically, the SBA has issued a new PPP Loan Forgiveness Application and a PPP Loan Forgiveness EZ Application, along with accompanying instructions and a new Interim Final Rule. The new applications reflect revisions made to the PPP by the Paycheck Protection Program Flexibility Act of 2020 (the “Act”).

Some of the key changes resulting from the Act include:

- Expansion of the “covered period” for loan forgiveness to 24 weeks from 8 weeks (Borrowers that received loans before June 5 can choose between using the original eight-week covered period or the new 24-week covered period)
- Reduction of the proportion of proceeds that must be spent on payroll costs to 60% from 75%
- Establishment of safe harbors for businesses that, due to compliance with health and safety guidelines, have been unable to return to the level of business activity they had before COVID-19

The revised applications, instructions and interim final rule are available in the links below:

- [PPP Loan Forgiveness Application](#)
- [PPP Loan Forgiveness Application Instructions for Borrowers](#)
- [PPP EZ Loan Forgiveness Application](#)
- [PPP EZ Loan Forgiveness Application Instructions for Borrowers](#)
- [Interim Final Rule](#)

The new EZ PPP Loan Forgiveness Application requires fewer calculations and less documentation than previously required and is expected to ease the forgiveness application process for many PPP borrowers. Generally, the EZ application can be used by borrowers that meet one of the following criteria (complete information is available in the EZ application instructions linked above):

- Applied for the PPP loan as self-employed, an independent contractor or a sole proprietor with no employees.
- Did not reduce salary or wages for any employee by more than 25%, and did not reduce the number or hours of their employees (excepting laid-off employees who refused an offer to return).
- Did not reduce salary or wages for any employee by more than 25% during the covered period and experienced reductions in business activity as a result of health directives related to COVID-19.

Please visit the [Small Business Administration \(SBA\) website](#) for additional resources on the loan forgiveness program guidelines and up-to-date information on effects of the new Act. We recommend you familiarize yourself with the details provided by the SBA and Treasury Department prior to beginning your application for forgiveness.