

# Frequently Asked Questions

## FAQs about the Small Business Administration's (SBA) Paycheck Protection Program (PPP)

### APPLYING FOR A LOAN

#### What makes this loan unique?

This is a new loan program, signed in as the Coronavirus Aid, Relief and Economic Security Act (CARES Act) CARES Act within the Small Business Administration (SBA), established in response to the COVID-19 pandemic and its impact to small businesses. One of the most unique features is that you can apply for loan forgiveness as soon as 8 weeks after receiving the funds, so it acts much like a grant if the full amount of the request is approved. If not forgiven, loan payments are waived for the first 6 months.

#### Who is eligible for a PPP loan?

Small businesses, including sole proprietors, independent contractors, self-employed individuals, nonprofit organizations, tribal business concerns, and Veterans' organizations, that were in operation prior to February 15, 2020, are eligible to apply. The small business must have 500 or fewer employees (contractors or salaried). An exception to this is a restaurant or hospitality with more than one location, can have over 500 employees in total. Businesses must have paid salaries and payroll taxes (and/or independent contractors) as reported on 2019 Form 1099-MISC.

#### Will I need to pledge collateral or a personal guarantee to qualify for a PPP loan?

- No personal guarantees will be required.
- No collateral will be required.
- The interest rate will be one percent (100 basis points).
- We will be permitted to rely on certifications of the borrower in order to determine eligibility of the borrower and the use of loan proceeds.

#### Can I apply for more than one PPP loan?

No, an eligible borrowing business may not receive more than one PPP loan.

#### If this loan is taken now, can I get additional SBA funds in the future?

It is our understanding that these funds will not affect your future SBA loan applications or total dollars allowed from the SBA, but we are awaiting final guidance from SBA on this.

### APPLICATION SUBMISSION, PROCESSING AND STATUS

#### If I don't have all of the information available, can I still apply and provide the additional documentation later?

If we don't receive all of the necessary documentation, it will prevent your application from proceeding. In addition, if your business has multiple owners, complete inputs are needed from both / all owners. Applications will be "paused" until we receive all documentation.

**The following documents are needed to provide confirmation of your payroll and calculation of the loan amount.**

- Calculation identifying average 12-month payroll
- 2019 payroll cost and year-to-date payroll cost through February 15, 2020
- Number of employees as of December 31, 2019 and February 15, 2020
- Payroll tax filings OR Form 1099-MISC
- Income and expenses for sole proprietorship
- Bank records demonstrating qualifying payroll amount
- List of employees/independent contractors/sole proprietors – earning more than \$100,000 in compensation
- Independent contractors and self-employed individuals will need to provide one of the following; 2019 IRS 1040 Schedule C, 1099 Payroll (IRS Form 1096), or IRS Form 1099 MISC. If not available, please provide evidence of January and February 2020 earnings

**What should I do if I am having trouble sending my documentation through?**

You may be having difficulties because of large file sizes. Files must be less than 20 MB each (with a maximum of 200 MB across all documents) or they will not upload. Incomplete documentation means that your application will not proceed. Here are some suggestions for reducing the size of your documentation so that it will fully upload:

- Save file to a PDF
- Save documents as a Zip file
  - Go to the folder where you've saved the file you want to compress
  - Select the specific file you want to zip and right click on it
  - "Send To" from the pop up menu that appears
  - Select "Compressed (zipped) folder" from the sub-menu

**After I submit my application, what happens next? How do I know it's being processed?**

After submitting your application, you can expect the following:

- Email confirming the receipt of your application, including an Application ID number
- Email notifying you of loan decision, either approved or declined. (Volume is high, so processing times are long. Your Relationship Manager may reach out, but we ask that you don't call for status updates that might slow down processing times. Thank you for your patience.)
- Finally, you will receive a DocuSign message to securely capture loan signatures and authorizations

**I have a question that's not answered on your website. Where can I go for help?**

For additional questions on the PPP program, you can reach out to your Relationship Manager, call our specialized Customer Care Agents at **833.363.7979** or reach out through our dedicated customer service email box **SBAQuestions@AtlanticUnionBank.com**. We've also included some links to Other Helpful Resources at the bottom of our web page.