

S&T BANK PPP FORGIVENESS APPLICATION CHECKLIST (Revised January 19, 2021)

This checklist should be used with the 3508EZ Form or 3508 Form

The Small Business Administration (SBA) published the Loan Forgiveness Application and Instructions for Borrowers of the Paycheck Protection Program as can be found on the SBA website (www.sba.gov.) The application and instructions can also be obtained by visiting [S&T Bank's website](#). The following is a list of required documents that must be provided to process your PPP Loan Forgiveness Application. Supporting documentation is only required for the items claimed on your forgiveness application; all items below may not be applicable. You may want to consider discussing forgiveness with your tax/financial advisor before applying.

Please mark the applicable boxes to indicate the information that you are providing and return this checklist with your application:

PPP Loan Forgiveness Application Form 3508EZ, only if eligibility requirements are met.
The 3508EZ Form is a shorter application process if certain conditions are met as outlined in the 3508EZ Instructions for Borrower – Checklists for Using SBA Form 3508EZ. Check if you have determined that eligibility requirements are met.

OR

**PPP Loan Forgiveness Application Form 3508 -Revised as of January 19, 2021
(PPP Loan Forgiveness Calculation Form)**

PPP Schedule A (Revised as of January 19, 2021) (if using the 3508 form)

Application is complete with wet initials and signature (e-signatures are not accepted).
This application can be submitted electronically through SBA@stbank.com.

Important Note: To obtain full forgiveness, make sure you have used all your PPP funds for eligible expenses and have documentation supporting the expenses as provided below.

Payroll: Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period. Please provide documentation to support each of the following categories. (Note: SBA allowable documentation for each category is listed below the category)

- a. **Documentation supporting the amount of cash compensation paid to employees:**
 - i. Third-party payroll service provider reports, or
 - ii. Bank account statements

- b. **Payroll tax filings reported, or that will be reported, to the IRS:**
 - i. Tax Forms (i.e. Form 941), or
 - ii. Third-party payroll service provider reports

c. **State quarterly business and individual employee wage reporting and unemployment insurance tax filings reported, or that will be reported, to the state:**

- i. Tax Forms*, or
- ii. Third-party payroll service provider reports

* Form Examples include:

Pennsylvania: PA UC-2 *Employer's Report for Unemployment Compensation* and PA UC-2A *Employer's Quarterly Report of Wages Paid to Each Employee*

New York: NYS-45 *Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance Return*

Ohio: IT 942 *Quarterly Reconciliation Return*

d. Documentation of the amount of any employer contributions to employee group health, life, disability, vision or dental insurance and retirement plans included in the forgiveness amount (PPP Schedule A lines (6) and (7) for SBA Form 3508 or line 1 of 3508EZ):

- i. Payment Receipts, or
- ii. Cancelled checks, or
- iii. Account statements

FTE (required when submitting 3508EZ): Documentation showing (at the election of the Borrower):

- i. If applicant checked only the second checkbox on page 1 of the 3508EZ instructions, the average number of full-time equivalent employees on payroll employed by the Borrower on January 1, 2020 and at the end of the Covered Period

FTE (required when submitting 3508): Documentation showing (at the election of the Borrower):

- i. the average number of FTE employees on payroll per week employed by the Borrower between February 15, 2019 and June 30, 2019; or
- ii. the average number of FTE employees on payroll per week employed by the Borrower between January 1, 2020 and February 29, 2020; or
- iii. in the case of a seasonal employer, the average number of FTE employees on payroll per week employed by the Borrower between February 15, 2019 and June 30, 2019; between January 1, 2020 and February 29, 2020; or any consecutive 12-week period between February 15, 2019 and February 15, 2020

The selected time period must be the same time period selected for purposes of completing PPP Schedule A, line 11. Documents may include payroll tax filings reported, or that will be reported, to the IRS (typically, Form 941) and state quarterly business and individual employee wage reporting and unemployment insurance tax filings reported, or that will be reported, to the relevant state. Documents submitted may cover periods longer than the specific time period.

Nonpayroll: Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period. Please provide documentation to support each of the following categories claimed. (Note: SBA allowable documentation for each category is listed below the category)

- e. Business mortgage interest payments:
 - i. Copy of Lender amortization schedule and receipts or cancelled checks verifying eligible payments from the Covered Period; or
 - ii. Lender account statements (February 2020 to one month after Covered Period)

- f. Business rent or lease payments:
 - i. Copy of current executed lease agreement and receipts or cancelled checks verifying eligible payments from the Covered Period; or
 - ii. Lessor account statements (February 2020 to one month after Covered Period)

- g. Eligible business utility payments (electricity, gas, water, transportation, telephone, or internet access):
 - i. Copies of utility invoices (from February 2020 and those paid during the Covered Period) and utility receipts, or cancelled checks, or account statements verifying those eligible payments

- h. Eligible Covered Operations Expenditures (as defined on page 3 of instructions for the Paycheck Protection Program Loan Forgiveness Application Form 3508 - Revised January 19, 2021)
 - i. Covered operations expenditures: Copy of invoices, orders, or purchase orders paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments

- i. Eligible Covered property damage costs (as defined on page 3 of the instructions for the Paycheck Protection Program Loan Forgiveness Application Form 3508 - Revised January 19, 2021)
 - i. Covered property damage costs: Copy of invoices, orders, or purchase orders paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments, and documentation that the costs were related to property damage and vandalism or looting due to public disturbances that occurred during 2020 and such costs were not covered by insurance or other compensation.

- j. Eligible Covered Supplier Costs (as defined on page 3 of instructions for the Paycheck Protection Program Loan Forgiveness Application Form 3508 Revised January 19, 2021)
 - i. Covered supplier costs: Copy of contracts, orders, or purchase orders in effect at any time before the Covered Period (except for perishable goods), copy of invoices, orders, or purchase orders paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments.

- k. Eligible Covered Worker Protection Expenditures (as defined on page 3 of instructions for the Paycheck Protection Program Loan Forgiveness Application Form 3508 Revised January 19, 2021)
 - i. Covered worker protection expenditures: Copy of invoices, orders, or purchase orders paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments, and documentation that the expenditures were used by the Borrower to comply with applicable COVID-19 guidance during the Covered Period.

PPP Borrower Demographic Information Form (optional) located within the Form 3508EZ or Form 3508. If submitting, complete Principal Name and Position

Itemized calculation detailing the individual line items used in the computation of the Covered Period for Payroll Costs (Line 1 of Form 3508EZ or Form 3508).

Key Terms

The following are a few key terms reflecting changes and/or clarifications from the original PPP loan guidance:

- Covered Period: The Covered Period begins on the date the loan was originally disbursed. It ends on a date selected by the Borrower that is at least 8 weeks following the date of loan disbursement and not more than 24 weeks after the date of loan disbursement. For example, if the Borrower received their PPP loan proceeds on Monday, April 20, 2020, the first day of the Covered Period is Monday, April 20, 2020 and the final day of the Covered Period is any date selected by the Borrower between Sunday, June 14, 2020 and Sunday, October 4, 2020.
- Full-Time Equivalency (FTE) – the SBA has clarified this definition to be a **40-hour week**. For each employee, enter the average number of hours paid per week, divide by 40, and round the total to the nearest tenth. The maximum for each employee is capped at 1.0. A simplified method that assigns a 1.0 for employees who work 40 hours or more per week and 0.5 for employees who work fewer hours may be used at the election of the Borrower.

Applications for Forgiveness need to be submitted to SBA@stbank.com with the subject line containing SBA PPP.