



PPP Loan Forgiveness Guidance and FAQ's

Q: Can I email my application or mail in the paper application?

No, Celtic will not accept paper or e-mailed applications for forgiveness. If you received a PPP loan through Celtic Bank or our partnerships, please do not attempt to submit the application downloaded from the SBA site. All forgiveness applications for Celtic Bank PPP loans MUST be submitted using the Celtic Bank online PPP forgiveness portal.

Q: How can I submit a PPP Application?

No, Celtic will not accept paper or e-mailed applications for forgiveness. If you received a PPP loan through Celtic Bank or our partnerships, please do not attempt to submit the application downloaded from the SBA site. All forgiveness applications for Celtic Bank PPP loans MUST be submitted using the Celtic Bank online PPP forgiveness portal.

Q: What items should I have ready to prepare for my PPP application process?

You will want to make sure you have utilized the funds for eligible costs within the covered period. You'll need to calculate salary reduction conditions for the entire covered period and should be ready to provide documentation for all your eligible expenses when you complete your application.

Q: What is the deadline for submitting for forgiveness?

There currently is no "hard PPP forgiveness application deadline". Each customer has ample time for the submission of their PPP forgiveness application and there is no immediate/urgent need to apply for PPP loan forgiveness, you have until the maturity date of your loan to submit a PPP application.

Q: Does waiting to apply for PPP forgiveness mean I have to start repaying the loan?

The SBA and Treasury have not released any set application deadlines to date. As such, if you submit your loan forgiveness application within 10 months of the end of the covered period, you will not have to make any payments of principal or interest on your loan before the date on which the SBA makes a final decision on the loan forgiveness amount.

Use this time to gather all your documents and perfect your calculations. Taking your time can help prevent errors on the application and ensure you have all the supplemental documents ready to go.

Q: How will I know if I received full forgiveness?

Once you submit your PPP loan forgiveness application, it will be reviewed, and you will be notified of the decision. You will also be notified of the amount that is being forgiven, any outstanding balance and a due date for your first payment, if applicable. We will continue to keep you updated on key dates by email and on this site, as you continue through the forgiveness process.

Q: What is the timetable for receiving a decision after I submit my application?

Celtic Bank has 60 days from the date we receive a **completed** PPP loan forgiveness application to issue a decision recommendation to the SBA. The SBA has 90 days from receipt of that application to confirm the forgiveness amount. Celtic Bank is required to notify you in writing if we have issued a decision denying the loan forgiveness application or any amounts.

Please note that the Celtic Bank 60-day timetable will start on the day that we receive, through our forgiveness portal, a fully completed forgiveness application and supporting documentation. The 60-day timetable will not begin if Celtic Bank rejects an application due to incomplete information or documentation. The decision of accepting or rejecting an application will be at the sole discretion of Celtic Bank.

Q: What is the process for paying my PPP loan in full?

If you'd like to make a complete payoff of your PPP loan, please send a written request to our loan servicing team at PPPpayoffs@celticbank.com. At a minimum, your request must include the following:

- Your full name and contact information (Phone Number & Physical Address)
- Loan number, loan amount, and the borrower name on that loan.
- The date in which you would like to pay off your PPP loan

Customers requesting a complete payoff of their PPP loan will be responsible for paying all outstanding principal as well as any accrued interest. Please allow 2 business days and Celtic Bank will respond to your email with the calculated pay-off figures and instructions on making the payment.

Q: Which of the two forgiveness application forms should I use, 3508 or 3508-EZ?

You can use Form 3508-EZ if you meet one of the following conditions:

- **Condition 1** - The Borrower is a self-employed individual, independent contractor, or sole proprietor who had no employees at the time of the PPP loan application and did not include any employee salaries in the computation of average monthly payroll in the Borrower Application Form (SBA Form 2483); **OR**
- **Condition 2** - The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the Covered Period or the Alternative Payroll Covered Period (as defined below) compared to the period between January 1, 2020 and March 31, 2020, (for purposes of this statement, "employees" means only those employees that did not receive, during any single period during 2019, wages or salary at an annualized rate of pay in an amount more than \$100,000); **AND**
- The Borrower did not reduce the number of employees or the average paid hours of employees between January 1, 2020, and the end of the Covered Period. (Ignore reductions that arose from an inability to rehire individuals who were employees on February 15, 2020 if the Borrower was unable to hire similarly qualified employees for unfilled positions on or before December 31, 2020. Also ignore reductions in an employee's hours that the Borrower offered to restore, and the employee refused.) See 85 FR 33004, 33007 (June 1, 2020) for more details; **OR**
- **Condition 3** - The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the Covered Period or the Alternative Payroll Covered Period (as defined below) compared to the period between January 1, 2020 and March 31, 2020, (for purposes of this statement, "employees" means

only those employees that did not receive, during any single period during 2019, wages or salary at an annualized rate of pay in an amount more than \$100,000); **AND**

- The Borrower was unable to operate during the Covered Period at the same level of business activity as before February 15, 2020, due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020, by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19.

If you do not meet one of these conditions, you should use the regular loan forgiveness application, Form 3508.

Q: What supporting documentation must be submitted with my application?

The required documentation varies dependent upon which of the two forms are used for forgiveness application, 3508 or 3508-EZ. Below are the required documents specific to each form.

Forgiveness Form 3508-EZ Required Documentation

- **Payroll Supporting Documentation:** Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period or the Alternative Payroll Covered Period consisting of each of the following:
 - Bank account statements or third-party payroll service provider reports documenting the amount of cash compensation paid to employees.
 - Tax forms (or equivalent third-party payroll service provider reports) for the periods that overlap with the Covered Period or the Alternative Payroll Covered Period: i. 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.
 - Payment receipts, cancelled checks, or account statements documenting the amount of any employer contributions to employee health insurance and retirement plans that the Borrower included in the forgiveness amount.
 - Proof of 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.
- **Nonpayroll Supporting Documentation:** Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period.
 - Business mortgage interest payments: Copy of lender amortization schedule and receipts or cancelled checks verifying eligible payments from the Covered Period; or lender account statements from February 2020 and the months of the Covered Period through one month after the end of the Covered Period verifying interest amounts and eligible payments.
 - Business rent or lease payments: Copy of current lease agreement and receipts or cancelled checks verifying eligible payments from the Covered Period; or lessor account statements from February 2020 and from the Covered Period through one month after the end of the Covered Period verifying eligible payments.
 - Business utility payments: Copy of invoices from February 2020 and those paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments
- PPP Loan Forgiveness Calculation Form
- PPP Schedule A

Forgiveness Form 3508 Required Documentation

- **PPP Loan Forgiveness Calculation Form**
- **PPP Schedule A**
- **Payroll Supporting Documentation:** Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period or the Alternative Payroll Covered Period consisting of each of the following:
 - Bank account statements or third-party payroll service provider reports documenting the amount of cash compensation paid to employees.
 - Tax forms (or equivalent third-party payroll service provider reports) for the periods that overlap with the Covered Period or the Alternative Payroll Covered Period:
 - 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.
 - Payment receipts, cancelled checks, or account statements documenting the amount of any employer contributions to employee health insurance and retirement plans that the Borrower included in the forgiveness amount (PPP Schedule A, lines (6) and (7)).
- **FTE Supporting Documentation:** Documentation showing (at the election of the Borrower):
 - the average number of FTE employees on payroll per week employed by the Borrower between February 15, 2019 and June 30, 2019;
 - the average number of FTE employees on payroll per week employed by the Borrower between January 1, 2020 and February 29, 2020; or
 - 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 May 1, 2019 and September 15, 2019.

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 Supporting Documentation:** Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period.
 - Business mortgage interest payments: Copy of lender amortization schedule and receipts or cancelled checks verifying eligible payments from the Covered Period; or lender account statements from February 2020 and the months of the Covered Period through one month after the end of the Covered Period verifying interest amounts and eligible payments.
 - Business rent or lease payments: Copy of current lease agreement and receipts or cancelled checks verifying eligible payments from the Covered Period; or lessor account statements from February 2020 and from the Covered Period through one month after the end of the Covered Period verifying eligible payments.
 - Business utility payments: Copy of invoices from February 2020 and those paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments.

Additional Information and Resources on PPP Loan Forgiveness: More information on SBA PPP loan forgiveness can be found on the [SBA PPP](#) site. Specific links to forms, resource pages, and instruction information are listed below.

- **How to Complete Forgiveness Forms?** Instructions for PPP Loan Forgiveness Application Form 3508 and Form 3508EZ, including details on required documents, can be found on the following pages:
 - [PPP Forgiveness Application \(Form 3508-EZ\)](#)
 - [PPP Forgiveness Form 3508-EZ Instructions](#)
 - [PPP Forgiveness Application \(Form 3508\)](#)
 - [PPP Forgiveness Form 3508 Instructions](#)
- **Helpful Websites and Information:** The following links provide more detailed information on the PPP loan program and PPP loan forgiveness.
 - [Treasury PPP Program Information Sheet](#)
 - [SBA PPP Frequently Asked Questions \(FAQs\) on Loan Forgiveness](#)
 - [U.S. Department of The Treasury PPP Assistance](#)
- Trouble Accessing the Application Link that was sent or for questions pertaining to the Celtic Bank Process? Please reach out to our team at ppploanforgiveness@celticbank.com.

From: no-reply@celticbank.com <nintex@workflowcloud.com>
Sent: Tuesday, December 29, 2020 4:42 PM
To: kirkc05@verizon.net
Subject: Start Your PPP Loan Forgiveness Application
Attachments: PPP Forgiveness FAQ.pdf

Hi Linda

Ready to complete your Forgiveness Application?

Documents Needed (Please come prepared!)

To successfully complete your application you must provide documentation showing how your PPP funds were spent. Here is a list of the documents we will accept:

Payroll documents may include ...

- Business bank account statements
- 3rd party payroll provider reports
- Payroll IRS tax forms (941s)
- Copies of quarterly state business and individual wage reporting
- Copies of unemployment insurance paid/reported
- Proof of employer contributions to health insurance, retirement plans
- Proof of employee headcount

Non-payroll documents may include ...

Business Mortgage Interest Payments

- Copy of lender amortization schedule and receipts
- Cancelled checks verifying eligible payments
- Lender account statements

Business Rent/Lease Payments

- Copy of current lease agreement and receipts
- Cancelled checks verifying eligible payments
- Lessor account statements

Business Utility Payments

- Business utility payments

- Cancelled checks verifying eligible payments
- Account Statements

Thank you,

Here is the link to your PPP Loan Forgiveness Application. Please click on this link to begin.

Please complete this form: [PPP Forgiveness Form](#)