



# PPP LOAN FORGIVENESS

If you received a SBA Payroll Protection Program (PPP) loan through Banterra Bank, we can assist you with the next step of the program which is to apply for loan forgiveness. As a reminder, the PPP allows for all or a portion of the loan and accrued interest to be forgiven if the proceeds are used for payroll and certain non-payroll costs.

The Paycheck Protection Program Flexibility Act of 2020 ('PPP Flexibility Act'), which was signed into law on June 5, 2020, modifies the loan forgiveness process and provides significant benefits to PPP loan borrowers. On June 17, 2020, the SBA published updated forgiveness forms aligned with the PPP Flexibility Act. If you received a PPP Loan through Banterra Bank, and are ready to apply for forgiveness, please contact your lender if he or she has not already reached out to you.

## PREPARATION

Prior to notifying your lender, please review the three PPP Loan Forgiveness Application options. If your business qualifies, you can use the short form - the PPP Loan Forgiveness Application Form 3508 EZ which is available [here](#), and includes instructions. If your business does not qualify for the short form, an additional PPP Loan Forgiveness Application which was revised 6/16/20 is available [here](#), and includes instructions. The instructions and specific application information will give you a better understanding what is needed for your application process. A new simplified forgiveness application form and instructions is now available for loans \$50K and under which provides an exemption from the FTE reduction penalty and from the employee salary and wages reduction penalty. Application click [here](#). Instructions click [here](#). There are additional resources available at [sba.gov](#) and [treasury.gov](#) to help you prepare your forgiveness application. You may also want to discuss your application with your CPA.

The next step is to then contact your lender, prior to completing an application.

## APPLICATION PROCESS

Notify your lender that you are ready to apply for forgiveness and which application you will be using. Your lender will then send you an application with certain fields prepopulated such as loan numbers, date of disbursement, exact name as it appeared on the loan documents, loan amount, etc., which will make it easier on you and less chance of errors.

Banterra has 60 days from the day we receive a complete application with all the required documentation to approve, partially approve or deny the application. Both Banterra and SBA is part of the approval