



PeopleFund: Paycheck Protection Program – Round 2 - Disclosures

Application Process

1. Applicant submits the appropriate PPP loan application and supporting documentation using the following links:
1st time PPP borrowers: <https://peoplefund.org/paycheck-protection-program-first-draw-application/>
2nd time PPP borrowers: <https://peoplefund.org/paycheck-protection-program-second-draw-application/>
2. A PeopleFund team member will review your application and reach out within 48 hours.
3. If your application is missing any necessary documentation, a PeopleFund team member will reach out to you to obtain the missing information. If your application is completed in full and provides all necessary documentation, your loan officer will submit your application to our underwriting department for final approval and loan amount calculation.
4. Once approved, your loan officer will contact you to sign closing documents and submit banking information for disbursement.

Program FAQs

1. What type of loan should I apply for?

There are two types of loans in the PPP 2nd round – first draw loans, and second draw loans. If you are a first time PPP borrower (have not previously had a PPP loan), you will apply using the 1st draw loan application. If you currently have a PPP loan or have had a PPP loan forgiven, you will apply using the 2nd draw loan application.

2. What are the eligibility requirements?

Eligibility requirements for 1st draw loans:

- Must have under 500 employees or meet the SBA's alternative industry size standards
- Must have been open on or before 2/15/2020
- Must be in an eligible industry

Eligibility requirements for 2nd draw loans:

- Must have under 300 employees or meet the SBA's alternative industry size standards
- Must have been open on or before 2/15/2020

- Must have experienced a decrease in revenue in 2020 by at least 25% when compared to a part or all of 2019
- Must have spent all PPP funds from the previous loan
- Must be in an eligible industry

*Please note, you are NOT required to obtain forgiveness prior to applying for a 2nd draw PPP loan.

3. How will my loan amount be calculated?

Generally, loan amounts are calculated using the following formula:

Average monthly payroll for EITHER 2019 or 2020 X 2.5 = Maximum Loan Amount

If you received an EIDL between 1/31/2020 and 4/3/2020, you may elect to refinance the remaining loan amount as an addition to your PPP loan. Please note, this is only the loan portion of the program and does not include the advance as that does not have to be repaid. Additionally, if you are in an eligible NAICS classification, your loan amount may be calculated at 3.5X rather than 2.5X.

4. What documents do I need to upload in order for PeopleFund to calculate my loan amount and verify my eligibility?

Documents needed for 1st draw PPP loans:

- Driver's license
- SBA Form 2483
- Either 2019 or 2020 payroll records (the applicant can elect which year to provide payroll records from)

If you are a small business with employees, please submit payroll processor reports or 941s for the entire year. For Independent Contractors, Sole Proprietors, and Self-Employed without employees, payroll records would either be a 2019 schedule C or 2020 schedule C or 1099 form. If you elect to use 2020 as your verification year and have not yet filed 2020 taxes, you may fill out the 2020 schedule C as if you were going to file it and submit that.

Documents needed for 2nd draw PPP loans:

- SBA Form 2483-SD
- EITHER your 2019 business tax return (in full) OR 2019 Profit and Loss statement (quarterly) OR 2019 quarterly 941s
- EITHER your 2020 Profit and Loss statement (quarterly) OR 2020 quarterly 941s
- Either 2019 or 2020 payroll records (the applicant can elect which year to provide payroll records from)

If you are a small business with employees, please submit payroll processor reports or 941s for the entire year. For Independent Contractors, Sole Proprietors, and Self-Employed without employees, payroll records would either be a 2019 schedule C or 2020 schedule C or 1099 form. If you elect to use 2020 as your verification year and have not yet filed 2020 taxes, you

may fill out the 2020 schedule C as if you were going to file it and submit that. If you elect to use 2019 as your verification year, and PeopleFund already has your information on file, you will not need to upload any payroll documentation.

5. I need assistance with my application, where can I get help?

You can reach out to us at any time by calling the Loan Officer in your area. Staff contact information can be found here: <https://peoplefund.org/about-us-small-business-loans/staff/>

You can also reach us using our general contact us form and your inquiry will be routed to the appropriate team member: <https://peoplefund.org/contact-us/>

If you are looking for more extensive assistance, you can set up an appointment with our business coaching team: <https://peoplefund.org/intake/>

6. If I apply for a loan and submit all documentation, will you be able to fund my request?

PeopleFund is dedicated to ensuring all eligible small business owners who qualify for the PPP 1st or 2nd draw loans are approved. We will not know if we will be able to fund your specific request until we review your application. Once your application is reviewed, a PeopleFund team member will reach out to you to verify your request and with additional information. For more information in program guidelines, eligibility concerns, and updated forms, please visit: <https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>

7. What are the eligible uses of funds for my PPP loan?

- Eligible payroll costs
- Mortgage interest
- Rent/lease
- Utilities
- Refinancing and SBA EIDL made between 1/31/2020 and 4/3/2020
- Covered operation expenditures*
- Covered property damage costs related to damage, vandalism, and looting that occurred in 2020 and was not covered by insurance
- Covered supplier costs*
- Covered worker protection expenditures*

*A detailed list of all covered costs can be found on page 49 of the following Internal Final Rule: <https://home.treasury.gov/system/files/136/PPP-IFR-Paycheck-Protection-Program-as-Amended-by-Economic-Aid-Act.pdf>

8. How do I obtain forgiveness?

Generally, forgiveness requires that you 1) spend your PPP funds only on eligible expenses and 2) that your document proof of your eligible expenses in the appropriate way. Forgiveness may

also require that you do not decrease employee headcount, salary, hours, or wages or hire/attempt to hire back employees that were laid off or furloughed among other requirements. Additionally, you MUST spend at least 60% of the funds on payroll in order for forgiveness not to be reduced.

Documents you may need for forgiveness include payroll reports, state and federal tax filing statements, benefit statements, mortgage interest or rent, lease, or utility invoices or receipts, documents establishing that mortgage, lease, and utility agreements were in place prior to 2/15/2020, and anything additional that may help establish proof of funds spent.

You may apply for forgiveness through PeopleFund once you have spent your PPP funds or at the end of your spending period – an elected period either 8 weeks or 24 weeks from the date of your loan disbursement or alternative covered period.

9. What are the loan terms?

This is a loan at 1% interest for a maximum of 5 years.

10. When do I have to start paying my loan back?

You have 10 months from the date of disbursement to the date of your first loan repayment. If you submit an application for loan forgiveness to PeopleFund prior to the end of your deferral period, your deferral period will extend until the Small Business Administration issues an official forgiveness determination.

Disclosures

*PeopleFund is a participant lender in the Paycheck Protection Program – Round 2. Although we are a lender administering the program, all program rules and regulations have been determined by the Small Business Administration and U.S. Department of the Treasury. PeopleFund is unable to approve businesses who do not meet the program guidelines.

*If approved, your loan amount will be calculated using methodology the Small Business Administration and U.S. Department of the Treasury has set. Though the general formula can be found in FAQ #3 of this document, there are exceptions and alternatives that may depend on industry type and affiliation standards. Although many businesses may be eligible under general standards, you may be subject to an alternative calculation.

*If approved, your loan amount will be calculated using methodology the Small Business Administration and U.S. Department of the Treasury has set. The PeopleFund underwriting team is responsible for ensuring loan amounts are calculated correctly. The loan amount you expect to receive may differ from the loan amount we can award you based on the way our team calculates your loan amount. PeopleFund cannot ensure that the loan amount you request is the loan amount you will receive.

*Applicants must attest to all borrower certifications listed on applications 2483 and 2483-SD. In the case that an applicant submits fraudulent data and certifies a statement incorrectly, PeopleFund will be unable to move forward with the application and the Small Business Administration may decide to pursue legal action.

*Applying for a PPP round 2 1st or 2nd draw loan does not guarantee a decision to lend. Your application will be reviewed for eligibility criteria and a decision will be made following that review.

*This program is currently set to end 3/31/2021.

Application Assistance

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Change Notice and Agreement

The information within this document is accurate as of this time, but is subject to change at any time as a result of potential legislative changes made to the Paycheck Protection Program.

By submitting your Paycheck Protection Loan application to PeopleFund, you agree to and are responsible for reading and understanding all disclosures held herein.