



Application Guide

The SBA Paycheck Protection Program (PPP) provides 8 weeks of cash flow assistance. These loans are 100% federally-guaranteed and will be granted until June 30, 2020. These loans may be forgiven if the borrowers maintain their payroll or restore their payrolls afterward.

Application Steps

- 1) Visit the Farmers State Bank Payment Protection Program web page for key program resources and requirements, such as:
 - a. Payroll Protection **Application Guide**
 - b. **Loan Eligibility Calculator**
 - c. Payroll Protection Program **Application**

Required Steps

- 2) Calculate your Maximum Eligible Loan.
 - a. You can use our **Loan Eligibility Calculator** or a similar tool of your choosing.
- 3) Fully complete and sign your Payroll Protection Program Application
 - a. **Forgiveness of the loan is not automatic or guaranteed** (see additional notes on page 2)
 - b. As detailed on the application, please make sure to complete an addendum for affiliate companies if applicable
- 4) Gather the following financial documentation, if not already on file with Farmers State Bank:
 - a. Fiscal Year End 2019 Financial Statements
 - b. Your most recent business tax return
 - i. If your business does not file its own tax return, please send applicable Schedule C of your personal tax return
- 5) Gather documentation regarding your business' 2019 payroll costs, which may include:
 - a. IRS form 940, 941, or 944 payroll tax reports for 2019
 - b. Payroll reports for 2019 including the following
 - i. Gross W-2 Wages for all employees
 - ii. Payroll details for any individual who earned more than \$100,000 in 2019. A copy of a W-2 for such employees would be an acceptable form of documentation.
 - iii. If including in loan amount calculation, documentation showing total health insurance premiums paid by the employer under a group plan (not including employee paid portion)
 - iv. If including in loan amount calculation, documentation showing the sum of all retirement plan contributions made by employer (do not include employee contributions)
 - v. If including in loan amount calculation, documentation showing any state taxes paid (SUTA) by the business

Submit your Application – You must complete ALL required steps above BEFORE submitting your application

- 6) Submit your Completed Application and all related documentation to:
 - a. Any Relationship Banker at any Farmers State Bank location
OR
 - b. Email application and supporting documents to: LoanApproval@farmersstate.com



A Farmers State Bank representative will contact you once your application has been received.

Additional Notes

Forgiveness of the loan is not automatic or guaranteed.

Forgiveness of the loan is dependent upon applicant meeting certain criteria and reporting requirements. To receive forgiveness, applicant must meet additional requirements post-close, including but not limited to:

1. Spending no less than 75% of loan funds on qualified payroll related costs
2. Spending not more than 25% of loan funds on eligible expenses including existing rent
3. Existing interest expense on mortgage loan payments, and utilities
4. Retaining or rehiring employees
5. Maintaining compensation levels

Prior to closing and funding, applicant must establish a Farmers State Bank business checking account (for loan funding).

DISCLAIMER:

Any loan made under the SBA's Paycheck Protection Program must be submitted to and approved by the SBA. There is limited funding available and so all applications submitted will not be approved and funded by the SBA. Farmers State Bank is participating in the Paycheck Protection Program to help businesses impacted by the economic impact from COVID-19. However, Farmers State Bank anticipates high volume and there may be processing delays and system failures along with other issues that interfere with Farmers State Bank taking your application or submission of any application to SBA. Farmers State Bank does not represent or guarantee that it will take your application or submit any applications taken before SBA funding is no longer available or at all. By using Farmers State Bank to seek a Paycheck Protection Program loan, you agree that Farmers State Bank is not responsible or liable to you (i) if your application is not taken by Farmers State Bank or any application is not submitted to the SBA until after SBA stops approving applications, for any reason or (ii) if your inquiry or any application is not processed. You also forever release and waive any claims against Farmers State Bank concerning failure to obtain a loan. This release and waiver applies to but is not limited to any claims concerning Farmers State Bank's (i) pace, manner or systems for processing or prioritizing your inquiry or any resulting applications, or (ii) representations by Farmers State Bank regarding the application process, the Paycheck Protection Program, or availability of funds. Participation in the SBA Paycheck Protection Program is subject to confirmation and review of payroll and financial information. Farmers State Bank will not pay fees to or otherwise compensate anyone acting as an agent of the business for advising on or assisting in the preparation of the Paycheck Protection Program application or otherwise. This release and waiver supersedes any prior communication, understanding or agreement on the issues set forth herein.