# **CARES Act PPP Loan Expense Tracker & Forgiveness Calculator**

In response to the Paycheck Protection Program Flexibility Act we have created one Workbook that covers both the 8-week Covered Period and 24-week Covered Period options.

## Simply choose which version you want to use (click on one below):

Green Tabs are for the 8-week version
Blue Tabs are for the 24-week version

## Not sure which Covered Period to use?

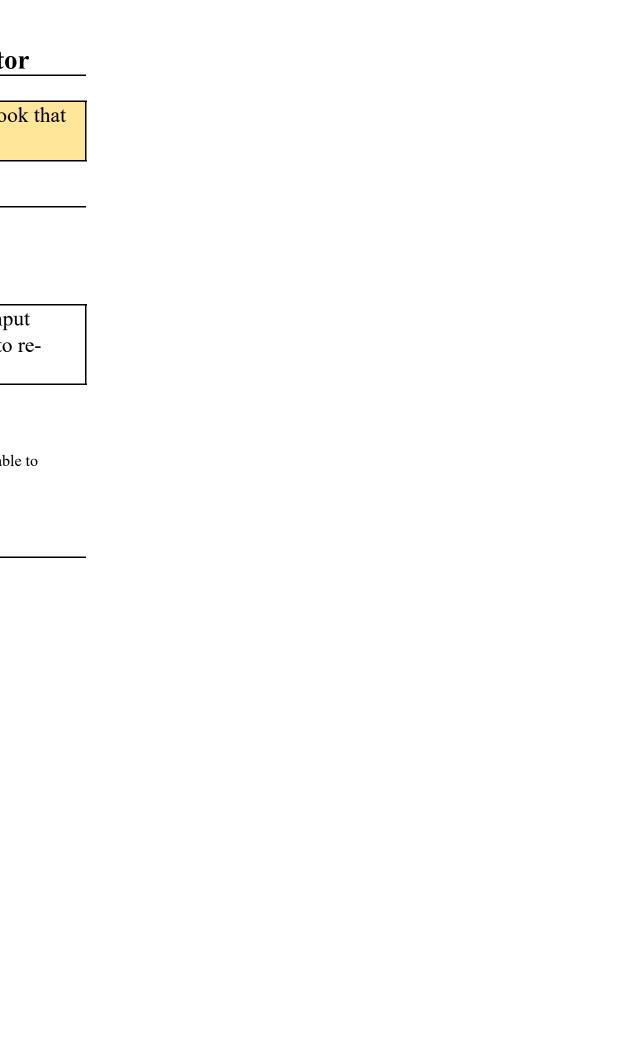
Simply start with the 8-week version, then Copy and Paste your Input data to the 24-week input worksheets, add the additional data for the extended period and continue. There is no need to reinput your data.

### Need more help?

Click here for the link to the current Instructional Video on YouTube

Note - This Instructional Video is for version 1.6 of the Excel Workbook - all of the information in the video is still applicable to this current version. This link will be updated for future editions of the Instructional Video.

Forgiveness Applications - Forms 3508 and 3508EZ - Which one do you use?



# Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

### HEALTH CARE AND PENSION CONTRIBUTIONS FOR DIFFERENT CATEGORIES OF PPP BORROWERS

| Expense Type                           | Sole Proprietor/<br>Independent<br>Contractor – No<br>Employees | Sole Proprietor<br>w/ Employees          | Partners in<br>Partnerships              | S Corporations                             | C Corporations                              |
|--|---|--|--|--|---|
| Group Health Expenses for Owners       | 0   | 0  | 0  | <b>*</b> 0                                 | As paid or incurred during 8 or 24 weeks    |
| Group Health Expenses for Employees    | N/A   | As paid or incurred during 8 or 24 weeks | As paid or incurred during 8 or 24 weeks | As paid or incurred during 8 or 24 weeks   | As paid or incurred during 8 or 24 weeks    |
| Retirement Plan Expenses for Owners    | 0   | 0  | 0  | **As paid or incurred during 8 or 24 weeks | ** As paid or incurred during 8 or 24 weeks |
| Retirement Plan Expenses for Employees | N/A   | As paid or incurred during 8 or 24 weeks | As paid or incurred during 8 or 24 weeks | As paid or incurred during 8 or 24 weeks   | As paid or incurred during 8 or 24 weeks    |

<sup>\*</sup> Payments for health insurance for more than 2% owner reported in compensation. Will likely now be subject to Owner compensation cap.

#### GETTING USED TO PERCENTAGE LIMITATIONS AND HEALTH INSURANCE/PENSION LIMITATIONS

| Key Percentages and Amounts                 |
|---|
| 2.5 divided by 12 = 20.833%                 |
| 20.833% of 2019 "payroll" or Schedule C net |
| income determine the loan amount            |
| 8/52 = 15.385%                              |
|   |
| Maximum forgiveness per employee earning    |
| more than \$100,000 for 8 weeks - \$15,385  |
| 24/52 = 46.154%                             |
| Non-owner employee                          |
| Maximum counted for 24 weeks - \$46,154     |

|          | Independent<br>Contractor  | Owner/Employee   | Non-<br>Owner/Employee   |
|----------|--|--|--|
| 8 weeks  | \$15,385   | \$15,385   | \$15,385   |
| 24 weeks | \$20,833   | \$20,833   | \$46,154   |
|          | Cannot include<br>health insurance<br>or retirement<br>plan expenses | Health insurance is considered as included in compensation – will include retirement plan expenses subject to the 2.5 months of 2019 contribution limitation | Will include<br>group health<br>insurance and<br>retirement plan<br>expenses |

<sup>\*\*</sup> Pension costs for owner employee now appear to be limited to 2.5 months' worth of the 2019 contribution amount (based on instructions to Form 3508EZ from SBA.

| C&L Value Advisors, LLC   |                          | 6-17-20 UPDA                               | TED TO R  | EFLECT 6-        | 17-20 IFR an   | d PPPFA c                            | hanges.                             |                       |                              |           |   |  |  |
|---|--------------------------|--|---|------------------|--|--------------------------------------|-------------------------------------|-----------------------|------------------------------|-----------|---|--|--|
| Kevin A. Cameron, CPA Phone 813-286-7373  | <u>kcameron@</u>         | clvalue.com                                |   |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| Paycheck Protection Loan Forgiveness Expen  | se Tracker               |  |   |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| Hover over yellow cells for tips  Enter Company name:   |                          | Enter dat                                  | a in the lig  | ght blue ce      | ells only  |                                      |                                     |                       |                              |           |   |  |  |
| Enter Company name.   |                          |  |   |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| Covered Period:   |                          |  | TT1: 1 4 4  | C 0 1            | . 1  |                                      |                                     |                       |                              |           |   |  |  |
| What date did your loan fund (money was released to you)? This is the end date you use for measuring loan forgiveness:  |                          |  | This is the start<br>This is the end of                 |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| For borrowers with bi-weekly or more frequent payroll (using this   |                          |  |   |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| Alternative Payroll Covered Period is optional)  Alternative Payroll Covered Period (optional):   |                          |  |   |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| Enter first date of the first pay period AFTER the loan funding date  |                          |  |   |                  | tive Payroll 8 wee   |                                      |                                     |                       |                              |           |   |  |  |
| The is the end date you use for Payroll expenses only   |                          |  | This is the end of                                      | of your Alternat | ive Payroll 8 week   | k period                             |                                     |                       |                              |           |   |  |  |
| Enter the above dates/time periods on your Loan Forgiveness Applic  | ation with your Le       | nder                                       |   |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| Enter the amount of loan received Enter the amount of your EIDL Advance (Grant)   |                          | \$ -<br>\$ -                               | This amount sho   | ould not exceed  | \$10,000   |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | Click Here for Quick Reference Charts for More Guidance |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   | (Click on cell for       | instructions)                              |   |                  | HEALTH   |                                      |                                     | INTEREST ON           | iipayron Cos                 |           | SUPPORTING  |  |  |
| DESCRIPTION   | DATE EXPENSE<br>INCURRED | DATE EXPENSE<br>PAID OR PAY<br>PERIOD DATE | TOTAL   | GROSS<br>PAYROLL | INSURANCE<br>(exclude S Corp<br>Shareholder<br>Health Ins) | STATE &<br>LOCAL<br>PAYROLL<br>TAXES | RETIREMENT<br>PLAN<br>CONTRIBUTIONS | MORTGAGES<br>IN PLACE | RENT OR<br>LEASE<br>PAYMENTS | UTILITIES | DOCUMENTS ATTACHED? Yes or No (Click here to access the Instructions) |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  |                  |  |                                      |                                     |                       |                              |           |   |  |  |
| Totals  |                          |  | 0.00  | 0.00             | 0.00   | 0.00                                 | 0.00                                | 0.00                  | 0.00                         | 0.00      |   |  |  |
| Totals  Enter gross pay to ANY individual in excess of \$15,385 (but, for any owner enter any excess over the lesser of \$15,385 or 8/52 of total 2019 compensation - See PPP Schedule A Worksheets for more guidance): |                          |  | 0.00  | 0.00             | 0.00   | 0.00                                 | 0.00                                | 0.00                  | 0.00                         | 0.00      |   |  |  |
|   |                          |  | 0.00  | 0.00             |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  | 0.00             |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  | 0.00             |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  | 0.00             |  |                                      |                                     |                       |                              |           |   |  |  |
|   |                          |  | 0.00  | 0.00             |  |                                      |                                     |                       |                              |           |   |  |  |
| Adjusted Totals   |                          |  | 0.00  | 0.00             | Make sure this to  | otal agrees with                     | your input of                       |                       |                              |           |   |  |  |
|   |                          |  | 3.00  |                  | applicable salary<br>Worksheets - If i                     | /wages on the I                      | PPP Schedule A                      |                       |                              |           |   |  |  |
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| Secretarion Advisors, LLC 2020 Do not reproduce or distribute without   | capiess written cor      | isent of owner.                            |   |                  |  |                                      |                                     |                       |                              |           |   |  |  |

| C&L Value Advisors, LLC<br>Kevin A. Cameron, CPA   | 20 IFR and                    | PPPFA ch                      | anges.                     |                            |                               |                            |                         |                |                              |                                |
|--|-------------------------------|-------------------------------|----------------------------|----------------------------|-------------------------------|----------------------------|-------------------------|----------------|------------------------------|--------------------------------|
| Phone 813-286-7373 PPP Schedule A Worksheets   |                               |                               |                            |                            |                               |                            |                         |                |                              |                                |
| Hover over yellow cells for tips Company name:   | 0                             |                               | ta in the l                | ight blue (                | cells only                    |                            |                         |                |                              |                                |
| Company name.  |                               |                               |                            | 1                          |                               |                            |                         |                |                              |                                |
| Table 1 - For employees making less than \$100,0   | 00 per year                   | OR were i                     | not employ                 | ed during 2                | 2019                          | _                          | ,                       | 1              |                              | If Vac                         |
|  |                               |                               |                            | If employee                |                               |                            |                         |                | Did you                      | If Yes -<br>CLICK<br>HERE to g |
|  |                               |                               |                            | worked part-               | Do you elect to use .5 FTE    |                            |                         |                | reduce the Employee's        | to the Pay Reduction           |
|  |                               | Cash                          | Does                       | the 8 week period enter    | for employees                 |                            |                         |                | Salary or                    | Calc Tab an                    |
|  | F 1                           | Compensation<br>(Gross        | work full-time             | their total                | working part-<br>time? (Enter |                            |                         |                | hourly wages<br>by more than | <u>of</u>                      |
|  |                               | Wages) Paid -<br>do NOT enter | or more hours              |                            | leave blank if                | Average FTE                |                         |                | 25% between 1/1/20 to        | Wage                           |
| Employee's Name  | 4 digits of their SSN)        | more than \$15,385            | per week?<br>Enter Y or N) | employee is<br>Full-time   | employee is<br>Full-time      | for full-time<br>employees | for part-time employees | Average FTE    | 3/31/20 (Enter<br>Y or N)    | Reduction here                 |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              | -                              |
|  |                               |                               |                            |                            |                               | 0                          | (                       | 0 0            |                              | -                              |
| Totals PPP Schedule A Line Reference   |                               | -<br>Box 1                    |                            |                            |                               | -                          | -                       | - Box 2        |                              | - Box 3                        |
| Table 2 - For employees with annual salary more  | than \$100.                   | 000 for any                   | v nart of 20               | )19                        |                               |                            |                         |                |                              |                                |
| THE TOT COMPTS YOUR WINDOWS YOUR SHIPLY MOTE   |                               | 101 101                       | , pure or 2                | If employee                | Do you elect                  |                            |                         |                | ]                            |                                |
|  |                               | Coch                          | Door                       | time during                | to use .5 FTE                 |                            |                         |                |                              |                                |
|  |                               | Cash Compensation             |                            | period enter               | for employees working part-   |                            |                         |                |                              |                                |
|  | Employee                      | (Gross<br>Wages) Paid -       |                            | hours worked               |                               |                            |                         |                |                              |                                |
|  | Identifier (last 4 digits of  | more than                     | per week?                  | leave blank if employee is | employee is                   |                            | for part-time           |                |                              |                                |
| Employee's Name  | their SSN)                    | \$15,385                      | Enter Y or N)              | Full-time                  | Full-time                     | employees 0                | employees (             | Average FTE 0  |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          | (                       | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          | (                       | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          | (                       | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          | (                       | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0 0            |                              |                                |
|  |                               |                               |                            |                            |                               | 0                          |                         | 0              |                              |                                |
| Totals   |                               | -                             |                            |                            |                               | 0                          | -                       | 0              |                              |                                |
| PPP Schedule A Line Reference  | _                             | Box 4                         | _                          |                            |                               |                            |                         | Box 5          | •                            |                                |
| Owners Compensation  | T                             | Cash                          |                            |                            | 1                             |                            |                         |                |                              |                                |
|  |                               | Compensation (Gross           | L                          | Cash                       |                               |                            |                         |                |                              |                                |
|  | Employee                      | Wages) Paid -                 |                            | Compensation allowed for   |                               |                            |                         |                |                              |                                |
| Emularia da Mana   | 4 digits of                   | do NOT enter<br>more than     | Compensation               | PPP Loan                   |                               |                            |                         |                |                              |                                |
| Employee's Name  | their SSN)                    | \$15,385                      | for 2019                   | Forgiveness -              |                               |                            |                         |                |                              |                                |
|  |                               |                               |                            | -                          |                               |                            |                         |                |                              |                                |
|  |                               |                               |                            | -                          | 1                             |                            |                         |                |                              |                                |
|  |                               |                               |                            | -                          |                               |                            |                         |                |                              |                                |
|  |                               |                               |                            | -                          |                               |                            |                         |                |                              |                                |
|  |                               |                               |                            | -                          | 1                             |                            |                         |                |                              |                                |
| Totals   |                               | -                             |                            | -                          | }                             |                            |                         |                |                              |                                |
| PPP Schedule A Line Reference  |                               |                               |                            | Line 9                     |                               |                            |                         |                |                              |                                |
| FTE Reduction Safe Harbor 2 (using same calculation method)  | <mark>ised in the colu</mark> | ımn labeled Av                | erage FTE):                |                            |                               |                            |                         |                |                              |                                |
| Step 1 Enter your total average FTE between 2/15/20 - 4/26/20                                      | _                             | _                             |                            | n the FTE Cal              | cs for Safe Hai               | bor Tab or yo              | u can manuall           | y enter amount |                              |                                |
| Step 2   |                               |                               |                            |                            |                               | •                          |                         |                |                              |                                |
| Enter your total FTE for the pay period that included 2/15/20                                      | -                             | This amount                   | will come from             | n the FTE Cal              | cs for Safe Har               | bor Tab or yo              | u can manuall           | y enter amount |                              |                                |
| Step 3 - Is Step 2 amount greater than Step 1 amount? If YES, proceed to Step 4, If NO - STOP HERE | NO                            | J                             |                            |                            |                               |                            |                         |                |                              |                                |
| Step 4   |                               |                               |                            |                            |                               |                            |                         |                |                              |                                |
| Enter your total FTE as of June 30, 2020 or earlier  | -                             |                               |                            | n the FTE Calo             |                               | bor Tab or you             | ı can manually          | y enter        |                              |                                |
| Step 5 - Is Step 4 amount equal to or greater than Step 2 amount?                                  | YES                           |                               | on Safe Harbor             |                            |                               |                            |                         |                |                              |                                |

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes. **C&L Value Advisors, LLC** Kevin A. Cameron, CPA kcameron@clvalue.com Phone 813-286-7373 **PPP Schedule A** Enter data in the light blue cells only Company name: OK - Your Payroll Equals Total From Expense Tracker PPP Schedule A Worksheet, Table 1 Totals Line 1 - Total Cash Compensation (Box 1 of Worksheet) Line 2 - Enter Average FTE (Box 2 of Worksheet) Line 3 - Enter Salary/Hourly Wage Reductions (Box 3 of Worksheet) PPP Schedule A Worksheet, Table 2 Totals Line 4 - Total Cash Compensation (Box 4 of Worksheet) Line 5 - Enter Average FTE (Box 5 of Worksheet) Non-Cash Compensation Payroll Costs during period: Line 6 - Total amount paid for Health Insurance 0.00 Line 7 - Total amount paid for Retirement Plan contributions 0.00 Line 8 - Total amount paid for employer state and local taxes 0.00 Line 9 - Compensation to Owners (from Schedule A Worksheets) **Line 10 - Total Payroll Costs** You must complete the Safe-Harbor 2 FTE computation in Tab PPP Schedule A Worksheets before proceeding. STOP, YOU DO NOT NEED TO COMPLETE THE FTE REDUCTION SECTION FTE Reduction Calculation: If you have NOT reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period - Enter YES NO FTE Reduction Safe Harbor 1: If you were unable to operate between 2/15/20 and the end of the Covered Period at the same level of activity as before 2/15/20 due to compliance with requirements established or guidance issued between 3/1/20 and 12/31/20 from HHS, CDC or OSHA related to maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to Covid-19, answer YES here: NO If YES to either of the above, skip Lines 11 and 12 Line 11 - Reference Period FTEs calculation Enter FTEs for reference periods: This amount will come from the FTE Calcs for Schedule A or you 0.00 can manually enter amount. February 15, 2019 to June 30, 2019 This amount will come from the FTE Calcs for Schedule A or you January 1, 2020 to February 29, 2020 0.00 can manually enter amount. Is your business considered a "seasonal business" Enter YES or NO NO If YES - enter FTE for your chosen 12-week period between May 1, This amount will come from the FTE Calcs for Schedule A or you 2019 and September 15, 2019 0.00 can manually enter amount. Line 11 - Reference Period FTEs 0.00 Line 12 - Total Average FTE computation **Average FTEs (Line 2 + Line 5)** 0.00 FTE Reduction Exceptions (These should be added to the Line 2 total above) Add FTEs for rehire rejections by employees Must be pursuant to a written offer, be sure to obtain a written rejection. Add FTEs for employees fired for cause during the Period Document employee termination information. Add FTEs for employees who voluntarily resigned Document employee election to terminate employment. Document request in writing. Add FTEs for employees who requested a reduction in their hours Additional FTE Reduction Exceptions from PPP Flexibility Act: Add FTEs for employees you were unable to rehire that were employed on February 15, 2020 Waiting for further guidance on how to document this. Add FTEs for employees you could not hire because you could not find similarly qualified employees Waiting for further guidance on how to document this. Line 12 - Total Average FTE Total 0.00 Line 13 - FTE Reduction Quotient #DIV/0!

C&L Value Advisors, LLC Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

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kcameron@clvalue.com

Forgiveness Amount Calculation: DO NOT ENTER ANY DATA ON THIS WORKSHEET

| ine 1 - Payroll Costs  ine 2 - Business Mortgage Interest Payments  ine 3 - Business Rent or Lease Payments  ine 4 - Business Utility Payments | 0.00<br>0.00<br>0.00 | ]   |
|--|----------------------|---|
| ine 2 - Business Mortgage Interest Payments ine 3 - Business Rent or Lease Payments ine 4 - Business Utility Payments                          | 0.00                 | ]<br>]<br>]   |
| ine 3 - Business Rent or Lease Payments ine 4 - Business Utility Payments  | 0.00                 | ]   |
| ine 4 - Business Utility Payments  |                      | ]   |
|  | 0.00                 |   |
| directors and for Early direct European landers and Colored Househow West Deductions   | 2.30                 |   |
| djustments for Full-time Equivalency and Salary/Hourly Wage Reductions   |                      |   |
| ine 5 - Total Salary/Hourly Wage Reduction   | -                    | ]   |
| ine 6 - Total of Lines 1-4, minus Line 5   | -                    | ]   |
| ine 7 - FTE Reduction Quotient   | 100%                 | If you meet the Safe Harbor from the PPP Schedule A Worksheets, |
| otential Forgiveness Amounts   |                      | this amount will be 100%  |
| ine 8 - Modified Total (multiply Line 6 by Line 7)   | <u>-</u>             | ]   |
| ine 9 - PPP Loan Amount \$   | -                    |   |
| ine 10 - Payroll Costs 60% Requirement (updated for the PPP Flexibility ct change)   | -                    |   |
| ine 11 - Forgiveness Amount (lesser of Lines 8, 9, and 10) \$  |                      |   |
| OTE - SBA WILL DEDUCT EIDL GRANT AMOUNTS FROM THIS FORGI   | VENESS AMO           | OUNT.   |
| stimated Loan Balance After Forgiveness \$   | -                    | This is for your information only.                              |

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

kcameron@clvalue.com

Form 3508EZ - Forgiveness Amount Calculation: Answer the questions below.

|  | •         |               |
|--|-----------|---------------|
| Company name:  |           | 0             |
| Do you qualify to use Form 3508EZ - Answer all of these que                      | estions b |               |
|  | "YES" of  |               |
| Are you self-employed, 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?  |           |               |
|  |           |               |
| You did NOT reduce any effective pay rates for salaried or hourly employees by   |           |               |
| more than 25% during the applicable Covered Period as compared to 1/1/20 to      |           |               |
| 3/31/20 (Applies to only employees with an annualized pay rate of \$100,000 or   |           |               |
| less in 2019) AND you did NOT reduce the number of employees or average          |           |               |
| paid hours of employees between January 1, 2020 and the end of your Covered      |           |               |
| Period?  |           |               |
|  |           |               |
| You did NOT reduce any effective pay rates for salaried or hourly employees by   |           |               |
| more than 25% during the applicable Covered Period as compared to 1/1/20 to      |           |               |
| 3/31/20 (Applies to only employees with an annualized pay rate of \$100,000 or   |           |               |
| less in 2019) AND you were unable to operate during the applicable 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 HHS, CDC or OSHA related to COVID-19?              |           |               |
|  |           |               |
| If you answered YES to any one of these questions, you can use the F             | Form 3508 | 8 <i>EZ</i> . |
| If you did not answer YES to any one of these questions, DO NOT us               |           |               |
| Payroll and Nonpayroll Costs   |           |               |
| 1 uyron unu rompuyron costs  |           |               |
| Line 1 - Payroll Costs   |           |               |
|  |           |               |
| Line 2 - Business Mortgage Interest Payments                                     |           | 0.00          |
|  |           |               |
| Line 3 - Business Rent or Lease Payments   |           | 0.00          |
|  | 1         |               |
| Line 4 - Business Utility Payments   |           | 0.00          |
|  |           |               |
| Potential Forgiveness Amounts  |           |               |
| Line 5 Modified Total (multiply Line ( by Line 7)                                | •         |               |
| Line 5 - Modified Total (multiply Line 6 by Line 7)                              | \$        | -             |
| Line 6 - PPP Loan Amount   | \$        |               |
| Line 0 - 111 Loan Amount   | φ         |               |
| Line 7 - Payroll Costs 60% Requirement (updated for the PPP Flexibility Act      |           |               |
| change)  | \$        | _             |
| thange)  | Ψ         |               |
| Line 8 - Forgiveness Amount (lesser of Lines 5, 6, and 7)                        | \$        |               |
| NOTE - SBA WILL DEDUCT EIDL GRANT AMOUNTS FROM THIS FOR                          |           | S AMOU        |
|  | GIVEIVES  |               |
| Estimated Loan Ralance After Forgiveness   | •         |               |

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FTE Calcs for Safe Harbor

Hover over yellow cells for tips

Company name:

Enter data in the light blue cells only

|                 |   |  | Payroll Pe  | eriod includin  |  | nter the num |                           | s in this pay  | Payroll Pe   | eriod: 2/15/20   | 0 to 4/26/20 (<br>Period) | Using 10 wee                        | ks for this | Payroll Period including 6/30/20 or earlier (Enter the number of weeks in this pay period in cell T11 only) |   |   |             |                           |                |
|-----------------|---|--|---|---|--|--------------|---------------------------|----------------|--|--|---------------------------|-------------------------------------|-------------|---|---|---|-------------|---------------------------|----------------|
| Employee's Name | Employee<br>Identifier (last<br>4 digits of<br>their SSN) | Do you elect<br>to use .5 FTE<br>for employees<br>working part-<br>time? (Enter<br>Y or N) -<br>leave blank if<br>employee is<br>Full-time | Does Employee work full-time (averages 40 or more hours | hours worked<br>for ONLY the<br>payroll period<br>that included | Of those part- time employees, enter total amount of weeks in the pay period. Enter data | Average FTE  | Average FTE for part-time | Average FTE    | work full-time<br>(averages 40<br>or more hours<br>per week? | For part-time employees, enter total hours worked from 2/15/20 to 4/26/20. If full-time employee, leave blank. | Average FTE               | Average FTE for part-time employees | Average FTE | work full-time  | If part-time employee, enter the total hours worked for the payroll period referenced | If part-time employee, enter total amount of weeks in the | Average FTE | Average FTE for part-time | Average FT     |
|                 |   |  |   |   | 1  | 0            | ) (                       | $0 \qquad 0$   |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            |                           | $0 \qquad 0$   |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            | (                         | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         |                |
|                 |   |  |   |   | 1  | 0            | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | l   | 0           | 0                         | <u> </u>       |
|                 |   |  |   |   | 1  | 0            |                           | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | , <del> </del> |
|                 |   |  |   |   | 1  | 0            |                           | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | . 0          | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | . 0          | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         |                |
|                 |   |  |   |   | <u>l</u>   | . 0          | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | <u>l</u>  | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | , <del> </del> |
|                 |   |  |   |   | 1  | 0            | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         |                |
|                 |   |  |   |   | 1  | . 0          | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         |                |
|                 |   |  |   |   | 1  | . 0          | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | <u> </u>       |
|                 |   |  |   |   | <u>l</u>   | . 0          |                           | 0              |  |  | 0                         | 0                                   | 0           |   |   | <u>l</u>  | 0           | 0                         | 1              |
|                 |   |  |   |   | 1  | 0            |                           | $0 \qquad 0$   |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            |                           | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         |                |
|                 |   |  |   |   | 1  | 0            | ) (                       | $\overline{0}$ |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | <u></u>        |
|                 |   |  |   |   | l 1  | . 0          |                           | 0              |  |  | 0                         | 0                                   | 0           |   |   | l   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1 1  | 0            |                           | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1<br>1  | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            |                           | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | 1  | 0            | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         |                |
|                 |   |  |   |   | 1  | 0            | ) (                       | 0              |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         |                |
|                 |   |  |   |   | 1  | 0            |                           | $0 \qquad 0$   |  |  | 0                         | 0                                   | 0           |   |   | 1   | 0           | 0                         | ,              |
|                 |   |  |   |   | <u> </u>   | 0            | '  (                      | 0              |  |  | 0                         | 0                                   | 0           |   |   | <u> </u>  | 0           | 0                         |                |

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

kcameron@clvalue.com

FTE Calcs for PPP Schedule A

| Hover over yellow cells for tips |   | Enter data in the light blue cells on |
|----------------------------------|---|---------------------------------------|
| Company name:                    | 0 |                                       |

Payroll Period: 2/15/19 to 6/30/19 (Using 19 weeks for this Payroll Period: 1/1/20 to 2/29/20 (Using 8.6 weeks for this Seasonal Payroll Period: 12-week Period Chosen by Borrower Period) Period) If part-time If part-time Do you elect to use .5 FTE employee, employee, If part-time for employees enter total employee, enter enter total Does Does Does hours worked the total hours working part-Employee hours worked Employee Employee work full-time time? (Enter work full-time from 1/1/20 to from 2/15/19 work full-time worked for the 12-Y or N) to 6/30/19. If (averages 40 | 2/29/20. If full-Employee (averages 40 (averages 40 week seasonal payroll period. Average FTE Average FTE (Must be between for full-time for part-time Identifier (last leave blank if Average FTE | Average FTE Average FTE | Average FTE or more hours full-time or more hours or more hours per week? for full-time for part-time 4 digits of employee is employee, per week? employee, for full-time for part-time per week? employees Average FTE Enter Y or N) leave blank. Enter Y or N) 5/1/19 - 9/15/19) employees Employee's Name their SSN) Full-time Enter Y or N) leave blank. employees employees Average FTE employees employees Average FTE © C&L Value Advisors, LLC 2020 Do not reproduce or distribute without express written consent of owner.

**C&L Value Advisors, LLC** Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

Kevin A. Cameron, CPA kcameron@clvalue.com

Phone 813-286-7373

Salary/Hourly Wage Rate Reduction Calculation -

Complete this Worksheet ONLY for those employees whose average pay rate was reduced by MORE than 25%

Hover over yellow cells for tips

Enter data in the light blue cells only

Company name:

|   |                  | Step 1: De  | termine if pay w   | vas reduced MO  | RE than 25%                             |                    | Step 2: De         | termine if Safe H | larbor is Met      |                                   |               | Step              | 3: Determine th   | e Salary/Hourly   | Wage Red                                  | uction                                    |                                   |  |
|---|------------------|---|--------------------|-----------------|---|--------------------|--------------------|-------------------|--------------------|-----------------------------------|---------------|-------------------|---|-------------------|---|---|-----------------------------------|--|
|   | Employee         | (1a) Enter average<br>annual salary or<br>hourly wage<br>during covered | (1b) Enter average |                 | If Column E is equal to or greater than |                    | (2b) Enter average |                   | (2c) Enter average | If "Stop", you have met the Safe- |               |                   | (3c) If the employee works hourly, enter average # of hours | (3d) Multiply     | Hourly<br>Employee?<br>Yes or No<br>Leave | (3e) Hourly Employee Pay Rate Reduction - | (3f) If salaried worker, multiply | Salary/Hourly Wage Reduction amount - This amount will transfer to the |
|   | Identifier (last |   | hourly wage        | (1c) Percentage | 75% - Stop,                             | (2a) Enter annual  |                    | than (2a) Go to   |                    |                                   | (3a) Multiply | (3b) Subtract the |   | amount entered in | BLANK if                                  | Multiply amount                           | , 1 ,                             |  |
| Employee's Name - this will copy from PPP Schedul | `                | alternative payroll   | , ,                |                 | Otherwise Go to Step                    | salary or hourly   | between 2/15/20    | ` /               | 1                  | Step 3", proceed to               | \ / I V       | amount entered in | _   | (3b) by amount    | (3b) is                                   | entered in (3d) by                        |                                   |  |
| A Worksheets - Table 1                            | their SSN)       | covered period  | and 3/31/20        | Hourly Wage     | 2                                       | wage as of 2/15/20 | 1                  | finish Step 2     | 6/30/20            | Step 3                            | (1b) by .75   | (1a) from (3a)    | and 3/31/20.  | entered in (3c)   | "N/A"                                     | 8.  | divide by 52.                     | Table 1  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | N/A               |   |                   |   | 0.00                                      | 0.00                              | 0.0  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | N/A               |   |                   |   | 0.00                                      | 0.00                              | 0.0  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | N/A               |   |                   |   | 0.00                                      | 0.00                              | 0.0  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | N/A               |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <u> </u>          |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | N/A               |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | 1 1/2             | 1   |                   |   | 0.00                                      | 0.00                              |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <del> </del>      |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | <b>+</b>          |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   | 7.1  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 0   | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           |                   |   |                   |   | 0.00                                      |                                   |  |
| 10  | 0                |   |                    | #DIV/0!         | #DIV/0!                                 |                    |                    | Go to Step 3      |                    | Stop                              | N/A           | N/A               |   |                   |   | 0.00                                      | 0.00                              | 0.0  |

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Thank you for giving us the opportunity to help you determine your Paycheck Protection Program Loan Forgiveness amount. Based on information you provide, we will use our PPP Loan Expense Tracker and Forgiveness Calculator to track your expenses and calculate your loan forgiveness amount. Below you will find details about the expenses you should be tracking as well as how the calculations that determine your PPP Loan Forgiveness amount are performed.

A key aspect of the PPP Loan Forgiveness process is thoroughly tracking your expenses for the applicable eight-week period. The calculator includes a handy expense tracker that allows users to record every itemized expense for both payroll costs and non-payroll costs. We recommend you track your expenses as you go, rather than wait until the end of the period. Tracking as you go should give you ample time to make any spending or planning changes should the SBA release new guidance that could affect your forgiveness.

Please be mindful of the eight-week period to which you will be subjected. Ordinarily, the eight-week covered period will begin on the calendar day you receive the loan, no matter what time of day, and end 55 days thereafter. Borrowers who have a bi-weekly or more frequent payroll may choose a different measurement for tracking Payroll Costs. This "Alternative Payroll Covered Period" begins on the first day of the first pay period after the loan funding date and ends 55 days thereafter.

As you approach the end of your eight-week period, a phrase we encourage you to remember is "when in doubt, pay it out." If there is an ambiguity in the rules regarding whether an expense can be included in your payroll costs or non-payroll costs for the purposes of forgiveness, you should consider going ahead and including that expense. The SBA has issued rules stating that when you submit your Forgiveness Application, you may rely on the rules and guidance that are in place at that time. The SBA's rules and guidance on the PPP Loan Forgiveness process are constantly evolving, so it is important to submit your Application as soon as possible after the end of your eight-week period. This will limit the chance that you will be affected by a last-minute rule change by the SBA.

The first step in calculating your forgiveness is determining your total **payroll costs** for the covered eight-week period. We do this by adding the total compensation for employees making less than \$100,000 per year, the total compensation for employees making more than \$100,000 per year, the total compensation for owners, the total paid for health insurance, the total paid for contributions to retirement plans, and the total paid in payroll taxes.

When calculating compensation, you may include payments for normal salary and wages, hazard pay, bonuses, tips, commissions, and severance pay. For any employee making more than \$100,000 a year, their compensation for the 8-week period cannot exceed \$15,385. Also keep in mind that payroll taxes will only include those charged to the employer. Taxes charged to the employee may not be included. Many borrowers have asked whether retirement plan contributions that have not been paid for 2019, or any other contribution, can be included in payroll costs, if they are paid during the eight-week period. Presently, the SBA's guidance appears to allow this; however, we recommend borrowers pay close attention to future SBA guidance should they choose to restrict these contributions.

| Compensation for employees making <\$100,000: | \$<br>- |
|---|---------|
| Compensation for employees making >\$100,000: | \$<br>- |
| Total compensation for owners:                | \$<br>- |
| Total paid for health insurance:              | \$<br>- |
| Total paid in retirement plan contributions:  | \$<br>- |
| Total paid in state and local payroll taxes:  | \$<br>- |
| Total payroll costs:                          | \$<br>- |
|   |         |

Next, we need to calculate your **non-payroll costs**. Non-payroll costs consist of payments on mortgage interest in place before 02/15/2020, rent or leases, and utilities.

Currently, prepaid mortgage payments cannot be included in the covered non-payroll expenses. However, as of now, there are no restriction on payments in arrears. Late payments or deferred payments that are paid during the eight-week period appear to be included in non-payroll costs. Rent or lease payments will also include payments on any leased item, as opposed to just real estate. This might include things like office equipment, vehicle leases, or even storage unit leases. Borrowers who are paying below-market rates may want to consider modifying those rates to market value. Capital leases will most likely not be included in non-payroll costs. Utility expenses will include payments for electricity, gas, water, transportation, telephone, and internet

| Interest payments on mortgages in place prior to 02/15/2020: | \$<br>- |
|--|---------|
| Payments made on rent or leases:                             | \$<br>- |
| Payments made for utilities:                                 | \$<br>- |
| Total non-payroll costs:                                     | \$<br>_ |

As a final note on tracking expenses, the SBA and lenders will require supporting documentation for each expense covered during the eight-week period. Per the SBA's rules, these documents will need to be retained by the borrower for 6 years following the submittal of the PPP Loan Forgiveness Application.

Next, we need to make adjustments for **full-time employee equivalency and salary/hourly wage reductions**, if any. Reductions in the number of employees or their hours and wages could result in a reduction to a borrower's forgiveness amount. For the purposes of these calculations, any employee who is full-time (averaging more than 40 hours a week during the eight-week period) will count for one point. There are two ways to count employees working part-time (averaging less than 40 hours a week during the eight-week period). You may elect to have part-time employees counted for one half of a point regardless of the hours they worked or you can count them as a fraction of a point based on the amount of hours they actually worked. For example, a part-time employee working 24 hours a week would have an FTE of 0.60.

The sum of these totals will be known as your 'FTE". Using these values, we will calculate the average amount of FTE you had during the period from 02/15/20 to 04/26/20 as well as the total FTE you had during the pay period including 02/15/20. If the total number of FTE you had during the pay period including 02/15/20 is greater than the total number of FTE you had during the period from 02/15/20 to 04/26/20 then we can continue to see if you've met the FTE Reduction Safe Harbor. We'll need to calculate the FTE you had as of 06/30/20 or earlier. If this number is greater than or equal to your FTE from the pay period including 02/15/20 you will have met the FTE Reduction Safe Harbor. If not, you will be subject to FTE Reductions.

| Total average FTEs between 2/15/20 - 4/26/20:        | 0.00 |
|--|------|
| Total FTEs for the pay period that included 2/15/20: | 0.00 |
| Total FTEs as of June 30, 2020, or earlier:          | 0.00 |
| Reference Period FTE:                                | 0.00 |

Please remember that reducing an employee's salary or hourly wage rate by 25% between 01/01/20 and 03/31/20 will also result in a forgiveness reduction. The reduction in forgiveness will be equal to the actual amount of that salary/wage reduction. Employees making more than \$100,000 will be exempt from this reduction.

Quotient. To perform this calculation, we'll need to factor in the FTE Reduction Exceptions that are allowed. You may add one FTE for every employee that rejects a rehire, every employee that is fired for cause during the period, any employee who voluntarily resigns, and any employee who requests a reduction in their hours. Employees who have passed away or are incapacitated due to the virus may also count towards these exceptions. Adding this sum to your total FTEs for the period will yield your Total Average FTE. If your Total Average FTE is greater than your Reference Period FTE then you will have met the safe harbor and your FTE Reduction Quotient will be 100%. If your Reference Period FTE is greater than your Total Average FTE then your FTE Reduction Quotient will equal your Total Average FTE divided by your Reference Period FTE.

| Rehire rejections by employees:                     | 0.00    |
|---|---------|
| Employees fired for cause during the period:        | 0.00    |
| Employees who voluntarily resigned:                 | 0.00    |
| Employees who requested a reduction in their hours: | 0.00    |
| Employees you were unable to rehire/replace:        | 0.00    |
| Total Average FTE:                                  | 0.00    |
| Reference Period FTE:                               | 0.00    |
| FTE Reduction Quotient:                             | #DIV/0! |

In order to certify any FTEs you counted due to Exceptions, be sure to document any action that led to the exception. Make sure to document in writing, if possible, any rehire rejections by employees, any termination of an employee for cause during the period, an employee's voluntary resignation, and any request from employees for a reduction in hours.

At this stage we can calculate your **potential forgiveness amounts**. There are three different amounts that you could potentially be forgiven for: The original loan amount, the modified total, or the payroll costs 75% requirement (this may change to 60%). Your forgiveness amount will be equal to the lesser of the three potential options. If you are not subject to any reductions and you have met the Safe Harbor, you may be eligible to have your loan totally forgiven. The modified total will equal the sum of all your qualified expenses during the period (minus any wage or hourly rate reductions) multiplied by your FTE Reduction Quotient. Finally, if payroll costs made up at least 75% (this may change to 60%) of your total costs for the period and you are not subject to any other reductions then you are eligible for full forgiveness. However, if your payroll costs do not meet the 75% requirement then the amount of forgiveness you are eligible for will be equal to your payroll costs plus an additional 1/3 of your payroll costs. This is because the PPP requires a 3:1 ratio of payroll costs to non-payroll costs.

| Your Forgiveness Amount:                                    | \$<br>- |
|---|---------|
| Payroll costs 60% requirement:                              | \$<br>- |
| Modified total:   | \$<br>- |
| Original loan amount:                                       | \$<br>- |
| requires a 3:1 ratio of payroll costs to non-payroll costs. |         |

Please note, that if you are an EIDL Advance recipient that this is not the amount of forgiveness you will actually receive as the SBA will automatically deduct EIDL Advance amount from your forgiveness amount.

Your EIDL Advance Amount:

After subtracting your EIDL Advance amount from your forgiveness amount, we can determine

your estimated remaining loan balance.

Please carefully examine the above values to ensure the accuracy of your information. Thank you.

Estimated remaining loan balance:

| C&L Value Advisors, LLC<br>Kevin A. Cameron, CPA<br>Phone 813-286-7373  |                                 | 5-17-20 UPDA<br>clvalue.com | TED TO RE                         | EFLECT 6-1           | 7-20 IFR and                                  | d PPPFA ch        | anges.                |                                  |                         |           |                                     |
|---|---------------------------------|-----------------------------|-----------------------------------|----------------------|---|-------------------|-----------------------|----------------------------------|-------------------------|-----------|-------------------------------------|
| Paycheck Protection Loan Forgiveness Expen  Hover over yellow cells for tips  | se Tracker                      | D-4                         | n :- 11 10                        | -la4 L 1.            | lla ant                                       |                   |                       |                                  |                         |           |                                     |
| Enter Company name:   |                                 | Enter dat                   | a in the lig                      | gnt blue ce          | ells only<br>]                                |                   |                       |                                  |                         |           |                                     |
| Covered Period:   |                                 |                             |                                   |                      |   |                   |                       |                                  |                         |           |                                     |
| What date did your loan fund (money was released to you)? This is the end date you use for measuring loan forgiveness:                  |                                 |                             | This is the start This is the end |                      |   |                   |                       |                                  |                         |           |                                     |
| For borrowers with bi-weekly or more frequent payroll (using this   |                                 |                             |                                   | j                    | 1   |                   |                       |                                  |                         |           |                                     |
| Alternative Payroll Covered Period is optional)  Alternative Payroll Covered Period (optional):   |                                 |                             |                                   |                      |   |                   |                       |                                  |                         |           |                                     |
| Enter first date of the first pay period AFTER the loan funding date The is the end date you use for Payroll expenses only              |                                 |                             |                                   |                      | tive Payroll 24 we                            |                   |                       |                                  |                         |           |                                     |
| Enter the above dates/time periods on your Loan Forgiveness Applica   | ntion with your Len             | der                         |                                   |                      |   |                   |                       |                                  |                         |           |                                     |
| Enter the amount of loan received   |                                 | \$ -                        | T1. : 1.                          | 1.1 4                | ¢10,000                                       |                   |                       |                                  |                         |           |                                     |
| Enter the amount of your EIDL Advance (Grant)   | (C) 1 11 A                      |                             | This amount sh                    |                      | e for Quick Refer                             |                   | · More Guidance       | NT -                             |                         | A         | 1                                   |
|   | (Click on cell for DATE EXPENSE | DATE EXPENSE                |                                   | GROSS                | HEALTH<br>INSURANCE                           | STATE & LOCAL     | RETIREMENT            | INTEREST ON<br>MORTGAGES         | npayroll Cos<br>RENT OR |           | SUPPORTING DOCUMENTS ATTACHED?      |
| DESCRIPTION   | INCURRED                        | PAID OR PAY<br>PERIOD DATE  | TOTAL                             | PAYROLL              | (exclude S Corp<br>Shareholder<br>Health Ins) | PAYROLL<br>TAXES  | PLAN<br>CONTRIBUTIONS | IN PLACE<br>BEFORE<br>02/15/2020 | LEASE<br>PAYMENTS       | UTILITIES | Yes or No (Click here to access the |
|   |                                 |                             | 0.00                              |                      | ,   |                   |                       |                                  |                         |           | <u>Instructions</u> )               |
|   |                                 |                             | 0.00<br>0.00<br>0.00              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00                      |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00<br>0.00              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00<br>0.00              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00                      |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00<br>0.00              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00<br>0.00              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00                      |                      |   |                   |                       |                                  |                         |           |                                     |
| Totals  Enter gross pay to ANY individual in excess of \$46,154 (but, for any   |                                 |                             | 0.00                              | 0.00                 | 0.00  | 0.00              | 0.00                  | 0.00                             | 0.00                    | 0.00      | ]                                   |
| owner enter any excess over the <u>lesser</u> of \$20,833 or 2.5/12 of total 2019 compensation - See PPP Schedule A Worksheets for more |                                 |                             |                                   |                      |   |                   |                       |                                  |                         |           |                                     |
| guidance):  |                                 |                             | 0.00                              | 0.00                 |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00<br>0.00<br>0.00              | 0.00<br>0.00<br>0.00 |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              | 0.00                 |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              | 0.00                 |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             | 0.00                              | 0.00                 |   |                   |                       |                                  |                         |           |                                     |
| Adjusted Totals   |                                 |                             | 0.00                              | 0.00                 | Make sure this to applicable salary.          | /wages on the P   | PP Schedule A         |                                  |                         |           |                                     |
|   |                                 |                             |                                   |                      | Worksheets - If i<br>message on the I         | it doesn't you wi | ill get an error      |                                  |                         |           |                                     |
| © C&L Value Advisors, LLC 2020 Do not reproduce or distribute withou  | t express written co            | nsent of owner.             |                                   |                      |   |                   |                       |                                  |                         |           |                                     |
|   |                                 |                             |                                   |                      |   |                   |                       |                                  |                         |           |                                     |

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes. **C&L Value Advisors, LLC** Kevin A. Cameron, CPA kcameron@clvalue.com Phone 813-286-7373 **PPP Schedule A Worksheets** Hover over yellow cells for tips Enter data in the light blue cells only Company name: Table 1 - For employees making less than \$100,000 per year OR were not employed during 2019 If Yes -CLICK HERI Did you If employee worked part- Do you elect to go to the reduce the time during to use .5 FTE Employee's Pay Reductio Salary or the 24 week for employees Calc Tab and Does hourly wages Compensation Employee period enter working partenter amoun (Gross Wages) work full-time their total time? (Enter by more than Paid - do 25% between Y or N) -Salary/Hourly (averages 40 | hours worked NOT enter Average FTE | Average FTE 1/1/20 to Identifier (last or more hours leave blank if leave blank if Wage for full-time for part-time 3/31/20 (Enter 4 digits of per week? employee is Reduction employee is more than Employee's Name employees employees Average FTE Y or N) their SSN) \$46,154 Enter Y or N) Full-time Full-time PPP Schedule A Line Reference Box 3 Table 2 - For employees with annual salary more than \$100,000 for any part of 2019 If employee worked part- Do you elect time during to use .5 FTE the 24 week Cash Does for employees Employee period enter working part-Compensation their total (Gross Wages) work full-time time? (Enter Paid - do Employee (averages 40 | hours worked - Y or N) -NOT enter leave blank if Average FTE | Average FTE leave blank if or more hours for full-time for part-time 4 digits of per week? employee is employee is more than Employee's Name their SSN) \$46,154 Enter Y or N) employees employees | Average FTE Full-time Full-time PPP Schedule A Line Reference Box 4 **Owners Compensation** Compensation (Gross Wages) Cash Paid - do Compensation Identifier (last NOT enter Enter Cash allowed for 4 digits of more than Compensation PPP Loan Employee's Name their SSN) for 2019 Forgiveness PPP Schedule A Line Reference Line 9 FTE Reduction Safe Harbor 2 (using same calculation method used in the column labeled Average FTE): Enter your total average FTE between 2/15/20 - 4/26/20 - This amount will come from the FTE Calcs for Safe Harbor Tab or you can manually enter amount. Step 2 Enter your total FTE for the pay period that included 2/15/20 - This amount will come from the FTE Calcs for Safe Harbor Tab or you can manually enter amount. Step 3 - Is Step 2 amount greater than Step 1 amount? NO If YES, proceed to Step 4, If NO - STOP HERE Step 4 Enter your total FTE as of December 31, 2020 or earlier - This amount will come from the FTE Calcs for Safe Harbor Tab or you can manually enter amount. If Step 3 is NO, then this should be blank. FTE Reduction Safe Harbor has been met Step 5 - Is Step 4 amount equal to or greater than Step 2 amount? YES

Kevin A. Cameron, CPA kcameron@clvalue.com Phone 813-286-7373 **PPP Schedule A** Enter data in the light blue cells only Company name: **OK - Your Payroll Equals Total From Expense Tracker** PPP Schedule A Worksheet, Table 1 Totals Line 1 - Total Cash Compensation (Box 1 of Worksheet) Line 2 - Enter Average FTE (Box 2 of Worksheet) Line 3 - Enter Salary/Hourly Wage Reductions (Box 3 of Worksheet) PPP Schedule A Worksheet, Table 2 Totals Line 4 - Total Cash Compensation (Box 4 of Worksheet) Line 5 - Enter Average FTE (Box 5 of Worksheet) Non-Cash Compensation Payroll Costs during period: Line 6 - Total amount paid for Health Insurance 0.00 Line 7 - Total amount paid for Retirement Plan contributions 0.00 Line 8 - Total amount paid for employer state and local taxes 0.00 Line 9 - Compensation to Owners (from Schedule A Worksheets) **Line 10 - Total Payroll Costs** You must complete the Safe-Harbor 2 FTE computation in Tab PPP Schedule A Worksheets before proceeding. STOP, YOU DO NOT NEED TO COMPLETE THE FTE REDUCTION SECTION FTE Calculation: If you have NOT reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period - Enter YES NO FTE Reduction Safe Harbor 1: If you were unable to operate between 2/15/20 and the end of the Covered Period at the same level of activity as before 2/15/20 due to compliance with requirements established or guidance issued between 3/1/20 and 12/31/20 from HHS, CDC or OSHA related to maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to Covid-19, answer YES here: NO If YES to either of the above, skip Lines 11 and 12 Line 11 - Reference Period FTEs calculation Enter FTEs for reference periods: This amount will come from the FTE Calcs for Schedule A or you February 15, 2019 to June 30, 2019 0.00 can manually enter amount. This amount will come from the FTE Calcs for Schedule A or you January 1, 2020 to February 29, 2020 0.00 can manually enter amount. Is your business considered a "seasonal business" Enter YES or NO NO This amount will come from the FTE Calcs for Schedule A or you If YES - enter FTE for your chosen 12-week period between May 1, 2019 and September 15, 2019 0.00 can manually enter amount. Line 11 - Reference Period FTEs 0.00 **Line 12 - Total Average FTE computation** Average FTEs (Line 2 + Line 5) 0.00 FTE Reduction Exceptions: Add FTEs for rehire rejections by employees Must be pursuant to a written offer, be sure to obtain a written rejection. Add FTEs for employees fired for cause during the Period Document employee termination information. Add FTEs for employees who voluntarily resigned Document employee election to terminate employment. Add FTEs for employees who requested a reduction in their hours Document request in writing. Additional FTE Reduction Exceptions from PPP Flexibility Act: Add FTEs for employees you were unable to rehire that were employed on February 15, 2020 Waiting for further guidance on how to document this. Add FTEs for employees you could not hire because you could not find similarly qualified employees Waiting for further guidance on how to document this. Line 12 - Total Average FTE Total 0.00 #DIV/0! Line 13 - FTE Reduction Quotient © C&L Value Advisors, LLC 2020 Do not reproduce or distribute without express written consent of owner.

**C&L Value Advisors, LLC** 

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

**C&L Value Advisors, LLC** Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes. kcameron@clvalue.com Kevin A. Cameron, CPA Phone 813-286-7373 Forgiveness Amount Calculation: DO NOT ENTER ANY DATA ON THIS WORKSHEET Company name: 0 Payroll and Nonpayroll Costs Line 1 - Payroll Costs **Line 2 - Business Mortgage Interest Payments** 0.00Line 3 - Business Rent or Lease Payments 0.00**Line 4 - Business Utility Payments** 0.00

100% If you meet the Safe Harbor from the PPP Schedule A Worksheets,

this amount will be 100%

Potential Forgiveness Amounts

Act change)

Line 7 - FTE Reduction Quotient

Line 5 - Total Salary/Hourly Wage Reduction

Line 6 - Total of Lines 1-4, minus Line 5

Line 8 - Modified Total (multiply Line 6 by Line 7) \$ -

Adjustments for Full-time Equivalency and Salary/Hourly Wage Reductions

Line 10 - Payroll Costs 60% Requirement (updated for the PPP Flexibility

Line 9 - PPP Loan Amount \$ -

Line 11 - Forgiveness Amount (lesser of Lines 8, 9, and 10) \$ -

NOTE - SBA WILL DEDUCT EIDL GRANT AMOUNTS FROM THIS FORGIVENESS AMOUNT.

Estimated Loan Balance After Forgiveness \$ - This is for your information only.

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

kcameron@clvalue.com

Form 3508EZ - Forgiveness Amount Calculation: Answer the questions below.

| Company name:  |                 | 0          |
|--|-----------------|------------|
| Do you qualify to use Form 3508EZ - Answer all of these qu                       | <i>iestions</i> | below:     |
|  |                 | ' or "NO"  |
| Are you self-employed, 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?  |                 |            |
| You did NOT reduce any effective pay rates for salaried or hourly employees by   | ,               |            |
| more than 25% during the applicable Covered Period as compared to 1/1/20 to      |                 |            |
| 3/31/20 (Applies to only employees with an annualized pay rate of \$100,000 or   |                 |            |
| less in 2019) AND you did NOT reduce the number of employees or average          |                 |            |
| paid hours of employees between January 1, 2020 and the end of your Covered      |                 |            |
| Period?  |                 |            |
| 1 eriou:   |                 |            |
|  |                 |            |
| You did NOT reduce any effective pay rates for salaried or hourly employees by   | ,               |            |
| more than 25% during the applicable Covered Period as compared to 1/1/20 to      |                 |            |
| 3/31/20 (Applies to only employees with an annualized pay rate of \$100,000 or   |                 |            |
| less in 2019) AND you were unable to operate during the applicable 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 HHS, CDC or OSHA related to COVID-19?              |                 |            |
|  |                 |            |
| If you answered YES to any one of these questions, you can use the               |                 |            |
| If you did not answer YES to any one of these questions, DO NOT                  | use the F       | Form 3508. |
| Payroll and Nonpayroll Costs   |                 |            |
|  |                 |            |
| Line 1 - Payroll Costs   |                 | -          |
| Line 2. Desire on Mantage of Internat Desire and                                 |                 | 0.00       |
| Line 2 - Business Mortgage Interest Payments                                     |                 | 0.00       |
| Line 3 - Business Rent or Lease Payments   |                 | 0.00       |
| Time 3 - Business Rent of Lease 1 ayments  |                 | 0.00       |
| Line 4 - Business Utility Payments   | 1               | 0.00       |
|  |                 |            |
| Potential Forgiveness Amounts  |                 |            |
|  |                 |            |
| Line 5 - Modified Total (multiply Line 6 by Line 7)                              | \$              | -          |
|  |                 |            |
| Line 6 - PPP Loan Amount   | \$              | -          |
|  |                 |            |
| Line 7 - Payroll Costs 60% Requirement (updated for the PPP Flexibility Act      |                 |            |
| change)  | \$              | -          |
|  |                 |            |
| Line 8 - Forgiveness Amount (lesser of Lines 5, 6, and 7)                        | \$              | -          |
| NOTE - SBA WILL DEDUCT EIDL GRANT AMOUNTS FROM THIS FOR                          | RGIVENI         | ESS AMOU   |
|  |                 |            |
| <b>Estimated Loan Balance After Forgiveness</b>                                  | \$              | -          |

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

kcameron@clvalue.com

FTE Calcs for Safe Harbor

Hover over yellow cells for tips

Enter data in the light blue cells only

Company name:

|                 |  |  | Payroll Period including 2/15/20 (Enter the number of weeks in this pay period in cell G11 only) |   |               |                                     |   | Payroll Pe            | Payroll Period: 2/15/20 to 4/26/20 (Using 10 weeks for this Period) |  |   |              |             | Payroll Period including 12/31/20 or earlier (Enter the number of weeks in this pay period in cell T11 only) |            |  |             |                                     |   |  |
|-----------------|--|--|--|---|---------------|-------------------------------------|---|-----------------------|---|--|---|--------------|-------------|--|------------|--|-------------|-------------------------------------|---|--|
| Employee's Name | Employee Identifier (last 4 digits of their SSN) | Do you elect<br>to use .5 FTE<br>for employees<br>working part-<br>time? (Enter<br>Y or N) -<br>leave blank if<br>employee is<br>Full-time | (averages 40 or more hours   | For part-time employees, enter the total hours worked for ONLY the payroll period that included | pay period.   | Average FTE for full-time employees | _ | Average FTE           | Does Employee work full-time  | For part-time employees, enter total hours worked from 2/15/20 to 4/26/20. If full-time employee, leave blank. | Average FTE A for full-time for employees | or part-time | Average FTE | Does<br>Employee<br>work full-time   | referenced | time employees, enter total amount of weeks in the | Average FTE | Average FTI for part-time employees | e |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | $0 \qquad 0 \qquad 0$ |   |  | 0   | 0            | 0           |  |            | 1<br>1   | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | l             | 0                                   | 0 | $0 \qquad 0 \qquad 0$ |   |  | 0   | 0            | 0           |  |            | 1<br>1   | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | <u>l</u><br>1 | 0                                   | 0 | $0 \qquad 0$          |   |  | 0   | 0            | 0           |  |            | <u>l</u>   | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | $0 \qquad 0$          |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | <u>1</u><br>1 | 0                                   | 0 | $0 \qquad 0$          |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | l             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | $0 \qquad 0$          |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           |                                     | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           |                                     | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           |                                     | 0 |  |
|                 |  |  |  |   | 1             | 0                                   | 0 | 0                     |   |  | 0   | 0            | 0           |  |            | 1  | 0           | )                                   | 0 |  |

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

kcameron@clvalue.com

| FTE | Calcs | for | <b>PPP</b> | <b>Schedule A</b> |  |
|-----|-------|-----|------------|-------------------|--|
|-----|-------|-----|------------|-------------------|--|

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Hover over yellow cells for tips

Company name:

©

Enter data in the light blue cells only

|                 |                                 | Payroll Period: 2/     | 15/19 to 6/30/19<br>Period) | (Using 19 we | eks for this | Payroll P        | eriod: 1/1/20            | to 2/29/20 (Using 8.6 wed<br>Period) | Seasonal Payroll Period: 12-week Period Chosen by Borrowe |                  |                                 |               |               |          |
|-----------------|---------------------------------|------------------------|-----------------------------|--------------|--------------|------------------|--------------------------|--------------------------------------|---|------------------|---------------------------------|---------------|---------------|----------|
|                 | Do you elect                    | If part-               | ime                         |              |              |                  | If part-time             |                                      |   |                  |                                 |               |               |          |
|                 | to use .5 FTE                   |                        |                             |              |              | Dava             | employee,                |                                      |   | D                | If part-time                    |               |               |          |
|                 | for employees working part-     |                        |                             |              |              | Does<br>Employee | enter total hours worked |                                      |   | Does<br>Employee | employee, enter the total hours |               |               |          |
|                 | time? (Enter                    |                        |                             |              |              |                  | from 1/1/20 to           |                                      |   |                  | worked for the 12-              |               |               |          |
|                 | Employee Y or N) -              | (averages 40 to 6/30/2 |                             |              |              |                  | 2/29/20. If full-        |                                      |   | (averages 40     |                                 |               |               |          |
|                 | Identifier (last leave blank it |                        |                             | Average FTE  |              | or more hours    |                          | Average FTE   Average FTE            |   | or more hours    |                                 | Average FTE   | Average FTE   |          |
|                 | 4 digits of employee is         | per week? employ       | _                           |              |              | per week?        | employee,                | for full-time for part-time          |   |                  | (Must be between                | for full-time | for part-time |          |
| Employee's Name | their SSN) Full-time            | Enter Y or N) leave bl |                             |              | Average FTE  | Enter Y or N)    |                          |                                      | Average FTE   |                  | 5/1/19 - 9/15/19)               |               | employees     |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | <u> </u> |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | <u> </u> |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             | <u> </u> |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0            | 0            |                  |                          | 0                                    | 0   |                  |                                 | 0             | 0             | 1        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 0          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             | ,——      |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 0                                  | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             |              | 0            |                  |                          |                                      | 0   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             |              |              |                  |                          |                                      |   |                  |                                 | 0             | 0             |          |
|                 |                                 |                        |                             | 0 (          | ) 0          |                  |                          | 0 0                                  | 0   |                  |                                 | 0             |               | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 0          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 0          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |
|                 |                                 |                        |                             | 0 (          | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | 1        |
|                 |                                 |                        |                             | 0            | 0            |                  |                          | 0 (                                  | 0   |                  |                                 | 0             | 0             | ,        |

**C&L Value Advisors, LLC** 

Version 1.9 06-17-20 UPDATED TO REFLECT 6-17-20 IFR and PPPFA changes.

Kevin A. Cameron, CPA

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Phone 813-286-7373

Salary/Hourly Wage Rate Reduction Calculation -

Complete this Worksheet ONLY for those employees whose average pay rate was reduced by MORE than 25%

Enter data in the light blue cells only

Company name:

| Step 1: De   | termine if pay w   | as reduced MO      | RE than 25%          |                   | Step 2: Determine if Sa         | fe Harbor is Met       |                     |               | Step 3: Determine the Salary/Hourly Wage Reduction |                    |                   |           |                    |                    |                                 |
|--|--------------------|--------------------|----------------------|-------------------|---------------------------------|------------------------|---------------------|---------------|--|--------------------|-------------------|-----------|--------------------|--------------------|---------------------------------|
| (1a) Enter average   |                    |                    |                      |                   |                                 |                        |                     |               |  | (3c) If the        |                   | Hourly    |                    |                    | Salary/Hourly<br>Wage Reduction |
| annual salary or   |                    |                    |                      |                   |                                 | (2c) Enter average     |                     |               |  | employee works     |                   | Employee? | (3e) Hourly        |                    | amount - This                   |
| hourly wage  | (1b) Enter average |                    | If Column E is equal |                   | (2b) Enter average              |                        | If "Stop", you have |               |  | hourly, enter      |                   | Yes or No | Employee Pay       | (3f) If salaried   | amount will                     |
| Employee during covered  | annual salary or   |                    | to or greater than   | (2a) Enter annual | annual salary or If (2b) is gre | iter hourly wage as of | met the Safe-       |               |  | average # of hours | (3d) Multiply     | Leave     |                    | worker, multiply   |                                 |
| Identifier period or   | hourly wage        | (1c) Percentage    | 75% - Stop,          | salary or hourly  | hourly wage than (2a) Go        |                        | Harbor; If "Go to   | (3a) Multiply | (3b) Subtract the                                  | worked per week    | amount entered in | BLANK if  | Multiply amount    | amount entered in  | PPP Schedule A                  |
| Employee's Name - this will copy from PPP (last 4 digits   alternative payroll | between 1/1/20     | Retained Salary or | Otherwise Go to      | wage as of        | between 2/15/20 Step 3, Other   | wise earlier if        | Step 3", proceed to |               | amount entered in                                  | between 1/1/20     | (3b) by amount    | (3b) is   | entered in (3d) by | (3b) by 24 and     | Worksheets-                     |
| Schedule A Worksheets - Table 1 of their SSN) covered period                   | and 3/31/20        | Hourly Wage        | Step 2               | 2/15/20           | and 4/26/20 finish Step         | 2 increased            | Step 3              | (1b) by .75   | (1a) from (3a)                                     | and 3/31/20.       | entered in (3c)   | "N/A"     | 24.                | then divide by 52. | Table 1                         |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | . N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               | 0.00                            |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               | 0.00               |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               | 0.00                            |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           |  |                    |                   |           | 0.00               |                    |                                 |
| 0 0  |                    | #DIV/0!            | #DIV/0!              |                   | Go to Step 3                    |                        | Stop                | N/A           | N/A  |                    |                   |           | 0.00               | 0.00               | 0.00                            |

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Thank you for giving us the opportunity to help you determine your Paycheck Protection Program Loan Forgiveness amount. Based on information you provide, we will use our PPP Loan Expense Tracker and Forgiveness Calculator to track your expenses and calculate your loan forgiveness amount. Below you will find details about the expenses you should be tracking as well as how the calculations that determine your PPP Loan Forgiveness amount are performed.

A key aspect of the PPP Loan Forgiveness process is thoroughly tracking your expenses for the applicable twenty-four-week period. The calculator includes a handy expense tracker that allows users to record every itemized expense for both payroll costs and non-payroll costs. We recommend you track your expenses as you go, rather than wait until the end of the period. Tracking as you go should give you ample time to make any spending or planning changes should the SBA release new guidance that could affect your forgiveness.

Please be mindful of the twenty-four-week period to which you will be subjected. Ordinarily, the twenty-four-week covered period will begin on the calendar day you receive the loan, no matter what time of day, and end 167 days thereafter. Borrowers who have a bi-weekly or more frequent payroll may choose a different measurement for tracking Payroll Costs. This "Alternative Payroll Covered Period" begins on the first day of the first pay period after the loan funding date and ends 167 days thereafter.

As you approach the end of your twenty-four-week period, a phrase we encourage you to remember is "when in doubt, pay it out." If there is an ambiguity in the rules regarding whether an expense can be included in your payroll costs or non-payroll costs for the purposes of forgiveness, you should consider going ahead and including that expense. The SBA has issued rules stating that when you submit your Forgiveness Application, you may rely on the rules and guidance that are in place at that time. The SBA's rules and guidance on the PPP Loan Forgiveness process are constantly evolving, so it is important to submit your Application as soon as possible after the end of your twenty-four-week period. This will limit the chance that you will be affected by a last-minute rule change by the SBA.

The first step in calculating your forgiveness is determining your total **payroll costs** for the covered twenty-four-week period. We do this by adding the total compensation for employees making less than \$100,000 per year, the total compensation for employees making more than \$100,000 per year, the total compensation for owners, the total paid for health insurance, the total paid for contributions to retirement plans, and the total paid in payroll taxes.

When calculating compensation, you may include payments for normal salary and wages, hazard pay, bonuses, tips, commissions, and severance pay. For any employee making more than \$100,000 a year, their compensation for the 24-week period cannot exceed \$46,154. Also keep in mind that payroll taxes will only include those charged to the employer. Taxes charged to the employee may not be included. Many borrowers have asked whether retirement plan contributions that have not been paid for 2019, or any other contribution, can be included in payroll costs, if they are paid during the twenty-four-week period. Presently, the SBA's guidance appears to allow this; however, we recommend borrowers pay close attention to future SBA guidance should they choose to restrict these contributions.

| Compensation for employees making <\$100,000: | \$<br>- |
|---|---------|
| Compensation for employees making >\$100,000: | \$<br>- |
| Total compensation for owners:                | \$<br>- |
| Total paid for health insurance:              | \$<br>- |
| Total paid in retirement plan contributions:  | \$<br>- |
| Total paid in state and local payroll taxes:  | \$<br>- |
| Total payroll costs:                          | \$<br>- |

Next, we need to calculate your **non-payroll costs**. Non-payroll costs consist of payments on mortgage interest in place before 02/15/2020, rent or leases, and utilities.

Currently, prepaid mortgage payments cannot be included in the covered non-payroll expenses. However, as of now, there are no restriction on payments in arrears. Late payments or deferred payments that are paid during the twenty-four-week period appear to be included in non-payroll costs. Rent or lease payments will also include payments on any leased item, as opposed to just real estate. This might include things like office equipment, vehicle leases, or even storage unit leases. Borrowers who are paying below-market rates may want to consider modifying those rates to market value. Capital leases will most likely not be included in non-payroll costs. Utility expenses will include payments for electricity, gas, water, transportation, telephone, and internet access.

| Interest payments on mortgages in place prior to 02/15/2020: | \$<br>- |
|--|---------|
| Payments made on rent or leases:                             | \$<br>- |
| Payments made for utilities:                                 | \$<br>- |
| Total non-payroll costs:                                     | \$<br>- |

As a final note on tracking expenses, the SBA and lenders will require supporting documentation for each expense covered during the twenty-four-week period. Per the SBA's rules, these documents will need to be retained by the borrower for 6 years following the submittal of the PPP Loan Forgiveness Application.

Next, we need to make adjustments for **full-time employee equivalency and salary/hourly wage reductions**, if any. Reductions in the number of employees or their hours and wages could result in a reduction to a borrower's forgiveness amount. For the purposes of these calculations, any employee who is full-time (averaging more than 40 hours a week during the twenty-four-week period) will count for one point. There are two ways to count employees working part-time (averaging less than 40 hours a week during the twenty-four-week period). You may elect to have part-time employees counted for one half of a point regardless of the hours they worked or you can count them as a fraction of a point based on the amount of hours they actually worked. For example, a part-time employee working 24 hours a week would have an FTE of 0.60.

The sum of these totals will be known as your 'FTE". Using these values, we will calculate the average amount of FTE you had during the period from 02/15/20 to 04/26/20 as well as the total FTE you had during the pay period including 02/15/20. If the total number of FTE you had during the pay period including 02/15/20 is greater than the total number of FTE you had during the period from 02/15/20 to 04/26/20 then we can continue to see if you've met the FTE Reduction Safe Harbor. We'll need to calculate the FTE you had as of 12/31/20 or earlier. If this number is greater than or equal to your FTE from the pay period including 02/15/20 you will have met the FTE Reduction Safe Harbor. If not, you will be subject to FTE Reductions.

| Total average FTEs between 2/15/20 - 4/26/20:        | 0.00 |
|--|------|
| Total FTEs for the pay period that included 2/15/20: | 0.00 |
| Total FTEs as of December 31, 2020, or earlier       | 0.00 |
| Reference Period FTE:                                | 0.00 |
|  |      |

Please remember that reducing an employee's salary or hourly wage rate by 25% between 01/01/20 and 03/31/20 will also result in a forgiveness reduction. The reduction in forgiveness will be equal to the actual amount of that salary/wage reduction. Employees making more than \$100,000 will be exempt from this reduction.

If you are subject to an FTE Reduction, we will need to determine your FTE Reduction Quotient. To perform this calculation, we'll need to factor in the FTE Reduction Exceptions that are allowed. You may add one FTE for every employee that rejects a rehire, every employee that is fired for cause during the period, any employee who voluntarily resigns, and any employee who requests a reduction in their hours. Employees who have passed away or are incapacitated due to the virus may also count towards these exceptions. Adding this sum to your total FTEs for the period will yield your Total Average FTE. If your Total Average FTE is greater than your Reference Period FTE then you will have met the safe harbor and your FTE Reduction Quotient will be 100%. If your Reference Period FTE is greater than your Total Average FTE then your FTE Reduction Quotient will equal your Total Average FTE divided by your Reference Period

| Rehire rejections by employees:                     | 0.00    |
|---|---------|
| Employees fired for cause during the period:        | 0.00    |
| Employees who voluntarily resigned:                 | 0.00    |
| Employees who requested a reduction in their hours: | 0.00    |
| Employees you were unable to rehire/replace:        | 0.00    |
| Total Average FTE:                                  | 0.00    |
| Reference Period FTE:                               | 0.00    |
| FTE Reduction Quotient:                             | #DIV/0! |

In order to certify any FTEs you counted due to Exceptions, be sure to document any action that led to the exception. Make sure to document in writing, if possible, any rehire rejections by employees, any termination of an employee for cause during the period, an employee's voluntary resignation, and any request from employees for a reduction in hours.

At this stage we can calculate your **potential forgiveness amounts**. There are three different amounts that you could potentially be forgiven for: The original loan amount, the modified total, or the payroll costs 60% requirement. Your forgiveness amount will be equal to the lesser of the three potential options. If you are not subject to any reductions and you have met the Safe Harbor, you may be eligible to have your loan totally forgiven. The modified total will equal the sum of all your qualified expenses during the period (minus any wage or hourly rate reductions) multiplied by your FTE Reduction Quotient. Finally, if payroll costs made up at least 60% of your total costs for the period and you are not subject to any other reductions then you are eligible for full forgiveness. However, if your payroll costs do not meet the 60% requirement, the forgiveness you are eligible for may be -0-.

| Original loan amount:          | \$<br>- |
|--------------------------------|---------|
| Modified total:                | \$<br>- |
| Payroll costs 60% requirement: | \$<br>- |
| Your Forgiveness Amount:       | \$<br>- |

Please note, that if you are an EIDL Advance recipient this is not the amount of forgiveness you will actually receive as the SBA will automatically deduct EIDL Advance amount from your forgiveness amount.

| Your EIDL Advance Amount:  | \$         | - |
|--|------------|---|
| After subtracting your EIDL Advance amount from your forgiveness amount, we as | un datamai |   |

After subtracting your EIDL Advance amount from your forgiveness amount, we can determine your estimated remaining loan balance.

```
Estimated remaining loan balance: $

Please carefully examine the above values to ensure the accuracy of your information.

Thank you.
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