

VALLEY REPUBLIC BANK

Dear Valued Customer,

Thank you for trusting Valley Republic Bank to facilitate your PPP Loan during these trying times. We understand that the constant level of uncertainty around the program can be quite cumbersome.

Once your PPP Loan funds have been used, your next step is to apply for forgiveness of the PPP Loan. Valley Republic Bank has created a Forgiveness Application portal (using SageWorks software) to simplify the Forgiveness Application process. However, the SBA is still in the process of creating their submission portal for receiving and processing Forgiveness Applications. So, at this time, we must continue to wait for the SBA. Please note, unfortunately, **we cannot accept the paper version** of the Forgiveness Application.

In anticipation of the SBA opening their submission portal, the following explains what you can expect from Valley Republic Bank during the Forgiveness Application process:

The SBA will be using two Forgiveness Applications: Form 3508EZ (short version) and Form 3508 (standard version). Valley Republic Bank's Forgiveness Application portal (using SageWorks software) will help guide you through the Forgiveness Application and then interface with the SBA's submission portal once your Forgiveness Application is complete.

Once ready, a member of Valley Republic Bank's PPP Loan processing team will send you a unique link to access your Forgiveness Application. You will be required to create a 6 DIGIT PIN that will be used each time you access the site. Note: If your CPA or other third-party professional is working on the application on your behalf, they will also need this PIN.

Upon entering the site:

- You will need to complete an eligibility screening to determine which Forgiveness Application you are eligible to use, Form 3508EZ (short version) or Form 3508 (standard version).
- If you are ineligible to use the Form 3508EZ (short version), you will be required to use Form 3508 (standard version) and complete the associated Schedule A Excel Worksheet along with uploading the necessary supporting documentation.
- Additional supporting payroll documents must be uploaded
- Please use the checklist below to identify necessary support documentation you will need when completing your Forgiveness Application:
 - Detail Payroll Register to include hours worked and compensation (by employee).
 - Summary Payroll Register to include total hours worked and compensation.
 - Supporting documentation for Benefits (employer portion of paid retirement, health insurance, and state payroll taxes).
 - Non-Payroll costs supporting invoices (utilities, lease, rent, business mortgage interest).
 - Written offers of employment for rehire to retain FTE count (FTE=Full Time Equivalent).

There are certain items that you are **not** required to submit, but **are** required to retain for 6 years (please see the detailed list attached). However, if your loan is \$2 million or more, we will **require** that you submit this additional documentation since your loan will automatically be selected for review by the SBA. For loans that are under \$2 million, if your loan happens to be selected for review by the SBA, you will have 5 days to submit this additional documentation or the SBA can potentially determine that your loan is not eligible for forgiveness; time will be of the essence.

For specific SBA communications and documentation, please visit <https://www.sba.gov/document?program=PPP>

Valley Republic Bank understands that you will have questions. Please feel free to contact your Relationship Manager directly at any time.

Sincerely,
Your Valley Republic Bank Team
661.371.2000

