



Navigating PPP Forgiveness

Citizens Bank's quick
reference guide for the SBA
PPP Forgiveness Process





When Can You Apply For Forgiveness

- The SBA is currently accepting Applications for Forgiveness.
- You can apply for Forgiveness at any time once loan funds have been depleted. However, you must apply any FTE or salary reductions across your full 8 or 24-week covered period.
- We have created internal tools to streamline the process and are now accepting applications.

You can expect:

- An Individualized Application Process
- Smart Forms pre-filled with information and automated to streamline input
- Further training tools to be provided via Citizens Bank website

PPP Loan Terms

Your Loan Terms – Maximum Maturity

For Loans Approved Prior to
June 5th your loan has
24-month term

For Loans Approved On or After
June 5th your loan has
60-month term

Can Your PPP Loan Term be Adjusted?

After applying for Forgiveness -
Should any Unforgiven amount
remain for loans approved with
an original 24-month term,
you can request to extend to
60-months

Use of PPP Funds

What are the requirements for use of PPP proceeds

60% must be used for qualified payroll costs

40% can be used for qualified non-payroll costs

Maximum Amount of Cash Compensation per Employee

May not exceed an annual salary of \$100,000 prorated for the Covered Period. For 8-weeks this equals \$15,385

May not exceed an annual salary of \$100,000 prorated for the Covered Period. 24-week maximum of \$46,154

Maximum Amount of Cash Compensation Owner-Employee & Self-Employed *(applies across all businesses)*

May not exceed an annual salary of \$100,000 prorated for the Covered Period. For 8-weeks this equals \$15,385

May not exceed an annual salary of \$100,000 prorated for the Covered Period. 24-week maximum of \$20,833

Payment Deferral Period

Maximum Deferral Period

You have 10 months from the end of your chosen covered period to apply for Forgiveness

If you have not applied within this 10 month window – P&I payments automatically begin for approved term

Forgiveness Process Timeline -Bank

The Bank has 60 days to review your application from date of submission

Your payments will continue to be deferred during this review period

Forgiveness Process Timeline -SBA

The SBA has 90 days to review submitted applications for Forgiveness

Your payments will continue to be deferred during this review period

Your Forgiveness Covered Period

Standard Covered Period

Likely applies to most Borrowers

Your Covered Period Begins Here

Date Loan Funds are
Disbursed*
Day 1

** Your CB Forgiveness Application will prefill your initial disbursement date for you.*

Calculate Chosen Covered Period

Loans Approved Prior to June 5th

- Choose either an 8- or 24-week covered period

Loans Approved On or After June 5th

- Automatic 24-week covered period

Create Your Covered Timeline

For 8-weeks, your covered period is 56 days from date of disbursement

For 24-weeks, your covered period is 168 days from date of loan disbursement

Alternate Covered Period

Applies to borrowers with a biweekly (or more frequent) payroll period or those that choose to utilize this option

Your Covered Period Begins Here

First Day of First Payroll Period following Disbursement Date*
Day 1

** Your CB Forgiveness Application will prefill your initial disbursement date for you.*

Calculate Your Alternate Covered Period

Loans Approved Prior to June 5th

- Choose either an 8- or 24-week covered period

Loans Approved On or After June 5th

- Automatic 24-week covered period

Create Your Covered Timeline

8-weeks (56 days) from First Day of your First Payroll Period following Disbursement Date

24-weeks (168 days) from First Day of your First Payroll Period following Disbursement Date

Choosing Your PPP Forgiveness Application

There are currently
two SBA Forgiveness
Applications

SBA Form EZ

SBA Full 3508 Form

Citizens Bank has
created Smart Form
Versions of both Forms

CB SBA Form EZ

CB SBA Form 3508

Which Form Do You Use?

* Please note forms
and guidelines are
subject to change

[Click Here to
determine which
form applies to you](#)



How to Apply for Forgiveness

- Contact your Loan Officer or Citizens Bank point of contact to begin your Forgiveness Application Process