

PPP First Draw

Borrower Type	Eligible payroll costs	Loan Calculation (Maximum loan amount of \$10,000,000)	Documentation required (Must be the same year for all items)
C-Corp, S-Corp, and LLC	Salary, Wages, Commissions or other similar compensation Payment for vacation, parental, family, medical, or sick leave Allowance for separation or dismissal Employer costs for group health care or group life, disability, vision, or dental insurance Employer cost for retirement benefits Employer cost for state and local taxes assessed on compensation of employees	1. Calculate total payroll cost (2019 or 2020). Reduce any compensation to employees in excess of \$100,000 to \$100,000. 2. Calculate Average Monthly Payroll Cost (Divide step 1 by 12). 3. Multiple Average Monthly Payroll Cost by 2.5.	IRS Form 941 (or other tax forms containing similar information) and state quarterly wage unemployment insurance tax reporting forms from each quarter in 2019 or 2020 (whichever was used to calculate the loan amount) AND Evidence of any retirement and health insurance contributions made by the company (if included in the loan calculation) AND A payroll statement or similar documentation from the pay period that covered February 15, 2020
Partnership	Net Earnings from self-employment Salary, Wages, Commissions or other similar compensation Payment for vacation, parental, family, medical, or sick leave Allowance for separation or dismissal Employer costs for group health care or group life, disability, vision, or dental insurance Employer cost for retirement benefits Employer cost for state and local taxes assessed on compensation of employees	1. Find 2019 or 2020 net self earnings from self-employment of general partners as reported on IRS Form 1065 Schedule K-1. Subtract section 179 expense claimed, unreimbursed partnership expense claimed, and depletion claimed on oil and gas properties. Multiply by 0.9235. If the amount is over \$100,000 reduce it to \$100,000. 2. Calculate total payroll cost (2019 or 2020). Reduce any compensation to employees in excess of \$100,000 to \$100,000. 3. Calculate 2019 or 2020 total payroll by adding steps 1 and 2. 4. Calculate Average Monthly Payroll Cost (Divide step 3 by 12). 5. Multiple Average Monthly Payroll Cost by 2.5.	2019 or 2020 (whichever was used to calculate the loan amount) Form 1065 (including K-1s) AND IRS Form 941 (or other tax forms containing similar information) and state quarterly wage unemployment insurance tax reporting forms from each quarter in 2019 or 2020 (whichever was used to calculate the loan amount) AND Evidence of any retirement and health insurance contributions made by the company (if included in the loan calculation) AND A payroll statement or similar documentation from the pay period that covered February 15, 2020
Self Employed (Schedule C) - No Employees	Net Earnings from self-employment	1. Find 2019 or 2020 IRS Form 1040 Schedule C line 31 net profit amount. If the amount is over \$100,000 reduce it to \$100,000. 2. Calculate Average Monthly Net Profit (Divide step 1 by 12). 3. Multiple Average Monthly Net Profit by 2.5.	2019 or 2020 (whichever was used to calculate the loan amount) Form 1040 Schedule C. AND A 2019 or 2020 (whichever was used to calculate the loan amount) IRS Form 1099-MISC, invoice, bank statement, or book of record that establishes you are self-employed.
Self Employed (Schedule C) - With Employees	Net Earnings from self-employment Salary, Wages, Commissions or other similar compensation Payment for vacation, parental, family, medical, or sick leave Allowance for separation or dismissal Employer costs for group health care or group life, disability, vision, or dental insurance Employer cost for retirement benefits Employer cost for state and local taxes assessed on compensation of employees	1. Find 2019 or 2020 IRS Form 1040 Schedule C line 31 net profit amount. If the amount is over \$100,000 reduce it to \$100,000. 2. Calculate total payroll cost (2019 or 2020). Reduce any compensation to employees in excess of \$100,000 to \$100,000. 3. Calculate 2019 or 2020 total payroll by adding steps 1 and 2. 4. Calculate Average Monthly Payroll Cost (Divide step 3 by 12). 5. Multiple Average Monthly Payroll Cost by 2.5.	2019 or 2020 (whichever was used to calculate the loan amount) Form 1040 Schedule C. AND 2019 or 2020 (whichever was used to calculate the loan amount) IRS Form 1099-MISC, invoice, bank statement, or book of record that establishes you are self-employed. AND IRS Form 941 (or other tax forms containing similar information) and state quarterly wage unemployment insurance tax reporting forms from each quarter in 2019 or 2020 (whichever was used to calculate the loan amount) AND Evidence of any retirement and health insurance contributions made by the company (if included in the loan calculation) AND A payroll statement or similar documentation from the pay period that covered February 15, 2020
Self Employed (Schedule F) - No Employees	Earnings from self-employment	1. Find 2019 or 2020 IRS Form 1040 Schedule F line 9 Gross Income amount. If the amount is over \$100,000 reduce it to \$100,000. 2. Calculate Average Monthly Gross Income (Divide step 1 by 12). 3. Multiple Average Monthly Gross Income by 2.5.	2019 or 2020 (whichever was used to calculate the loan amount) Form 1040 Schedule F. AND 2019 or 2020 (whichever was used to calculate the loan amount) IRS Form 1099-MISC, invoice, bank statement, or book of record that establishes you are self-employed.
Self Employed (Schedule F) - With Employees	Earnings from self-employment Salary, Wages, Commissions or other similar compensation Payment for vacation, parental, family, medical, or sick leave Allowance for separation or dismissal Employer costs for group health care or group life, disability, vision, or dental insurance Employer cost for retirement benefits Employer cost for state and local taxes assessed on compensation of employees	1. Calculate the difference between 2019 or 2020 IRS Form 1040 Schedule F line 9 and the sum of IRS Form 1040 Schedule F lines 15, 22, 23, and 37. If the amount is over \$100,000 reduce it to \$100,000. 2. Calculate total payroll cost (2019 or 2020). Reduce any compensation to employees in excess of \$100,000 to \$100,000. 3. Calculate 2019 or 2020 total payroll by adding steps 1 and 2. 4. Calculate Average Monthly Payroll Cost (Divide step 3 by 12). 5. Multiple Average Monthly Payroll Cost by 2.5.	2019 or 2020 (whichever was used to calculate the loan amount) Form 1040 Schedule F. AND 2019 or 2020 (whichever was used to calculate the loan amount) IRS Form 1099-MISC, invoice, bank statement, or book of record that establishes you are self-employed. AND IRS Form 941 (or other tax forms containing similar information) and state quarterly wage unemployment insurance tax reporting forms from each quarter in 2019 or 2020 (whichever was used to calculate the loan amount) AND Evidence of any retirement and health insurance contributions made by the company (if included in the loan calculation) AND A payroll statement or similar documentation from the pay period that covered February 15, 2020

PPP Second Draw

Eligibility	Loan Calculation (Maximum loan amount of \$2,000,000)	Revenue Reduction Requirement**	Documentation Requirements
<p>Previously received a First Draw PPP Loan; AND Has used, or will use, the full amount of its First Draw PPP Loan on authorized uses on or before the expected date on which the Second Draw PPP Loan will be disbursed; AND Employs no more than 300 employees, unless it satisfies the alternative criteria* AND Experienced a reduction in revenue in calendar 2020 compared to 2019.</p>	<p>The loan calculation is the same as the calculation for First Draw PPP Loans with the exception of Borrowers whose NAICS code begins with 72. For Borrowers whose NAICS code begins with 72, the maximum loan amount is equal to 3.5x the average monthly payroll costs.</p>	<p>A Borrower who experienced a reduction in annual Gross Revenue of 25% or greater in 2020 compared to 2019 can submit annual tax returns to substantiate the revenue reduction. Borrowers in business for the full year in 2019 must compare the quarterly Gross Revenue for one quarter in 2020 with quarterly Gross Revenue for the corresponding quarter in 2019 to determine if they meet the 25% reduction eligibility requirement. Borrowers who were not in business during 1Q or 2Q 2019 can compare 1Q, 2Q, 3Q, or 4Q 2020 to 3Q or 4Q 2019 to determine if they meet the 25% reduction eligibility requirement. Borrowers who were not in business during 1Q, 2Q, or 3Q 2019 can compare 1Q, 2Q, 3Q, or 4Q 2020 to 4Q 2019 to determine if they meet the 25% reduction eligibility requirement. Borrowers who were not in business during 2019, but were in operation on February 15, 2020 must compare 2Q, 3Q, or 4Q 2020 to 1Q 2020 to determine if they meet the 25% reduction eligibility requirement.</p>	<p>Payroll Documentation not required if: 1. the applicant used calendar year 2019 figures to determine its First Draw PPP Loan amount, AND 2. the applicant used calendar year 2019 figures to determine its Second Draw PPP Loan amount, AND 3. the lender for the applicant's Second Draw PPP Loan is the same as the lender that made the applicant's First Draw PPP Loan. If the Borrower does not meet all the above requirements, the documentation required to substantiate payroll costs is the same as the documentation required for First Draw PPP Loans. If the loan amount is greater than \$150,000, the Borrower must submit documentation to substantiate a revenue reduction of 25% or more in 2020 compared to 2019. Documentation includes: 1. Relevant tax forms including annual tax forms or, 2. If relevant tax forms are not available, quarterly financial statements from an accounting software, or 3. Manually prepared quarterly financial statements and bank statements (note that bank statements must be uploaded by the Borrower even if the account holder is Newtown Savings Bank). If the loan amount is \$150,000 or less, while revenue reduction documentation is not required with application submission, it must be submitted on or before the date the Borrower applies for forgiveness. To expedite your request, please submit the revenue reduction documentation with your application.</p>

* Any business that has more than one physical location and that employs not more than 300 employees per physical location is eligible if it's NAICS code begins with 72; or News organizations that are majority-owned or controlled by an NAICS code 511110 or 5151 business or not-for-profit public broadcasting entities with a trade or business under NAICS code 511110 or 5151 that has more than one physical location and that employs no more than 300 employees per location

** Any forgiveness amount of a First Draw PPP Loan that a Borrower received in Calendar year 2020 is excluded from a Borrower's revenue