

PPP Loan Program Forgiveness Webinar III

Time for Forgiveness
June 12, 2020

Presented by:
Huntingdon Valley Bank
www.myhvb.com

Hugh Connelly, EVP & CLO Huntingdon Valley Bank

I. Welcome to the PPP Forgiveness Webinar III

II. Today's Panelists





- **Derek Warden**, EVP & CCO Huntingdon Valley Bank
- **Paul Boland**, VP Finance of Atelier Art Services
- **Michael Kimmons**, Chief Transformation Officer of On Campus Marketing

III. Updates to the Cares Act – Flexibility Act

IV. What do these changes mean?

V. Next Steps

Summary of Changes

Criteria	Original Terms	Revised Terms	Result
Covered Period	8 weeks	Earlier of 24 weeks from the date of origination or December 31, 2020.	
Non-payroll portion of the forgiveness	25%	40%	
Deferral Period	6 months	The earlier of Loan forgiveness date, or up to 10 months from the end of your covered period	
Maturity Period	24 months	60 months*	

* For PPP loans made after June 5, 2020

Derek Warden, EVP & CCO Huntington Valley Bank

Loan Forgiveness can be up to the full principal amount of the loan plus accrued interest if the loan funds are spent on the following:

- Owner compensation replacement, calculated based on 2019 and originally limited to eight weeks' worth (8/52) of 2019 net profit.
 - Covered benefits for employees (but not owners), including health care expenses, retirement contributions and state taxes imposed on employee payroll paid by the employer (such as unemployment insurance premiums),
 - Payments of interest on mortgage obligations incurred before February 15, 2020,
 - Rent payments on lease agreements in force before February 15, 2020 and
 - Utility payments under the service agreements dated before February 15, 2020,
 - Interest payments on any other debt obligations that were incurred before February 15, 2020.
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Derek Warden, EVP & CCO Huntington Valley Bank

This is still the simplest case because you've already provided the documentation you need when you applied. It is your Schedule C. Your line 31 divided by 12 and multiplied that by 2.5. If your Schedule C line 31 reached the maximum \$100,000 limit you were therefore capped at \$20,833.

This originally resulted in a forgivable loan amount of at least \$15,385 which is eight weeks' compensation at \$100,000. We recommended transferring the owner compensation portion from your business account to your personal account to better create an audit trail.


The good news is you can now just use all of your loan proceeds over the expanded covered period of 24 weeks for your payroll and not worry about the other non-payroll expenses.

It is now more likely businesses will obtain 100% loan forgiveness.

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58%

of consumers are more likely to use contactless payments now than before the pandemic, according to an Amex survey¹.

Interested customers can contact Jason Mukai for additional details:



Jason Mukai
Director of Cash Management
2617 Huntingdon Pike
Huntingdon Valley, Pa. 19006

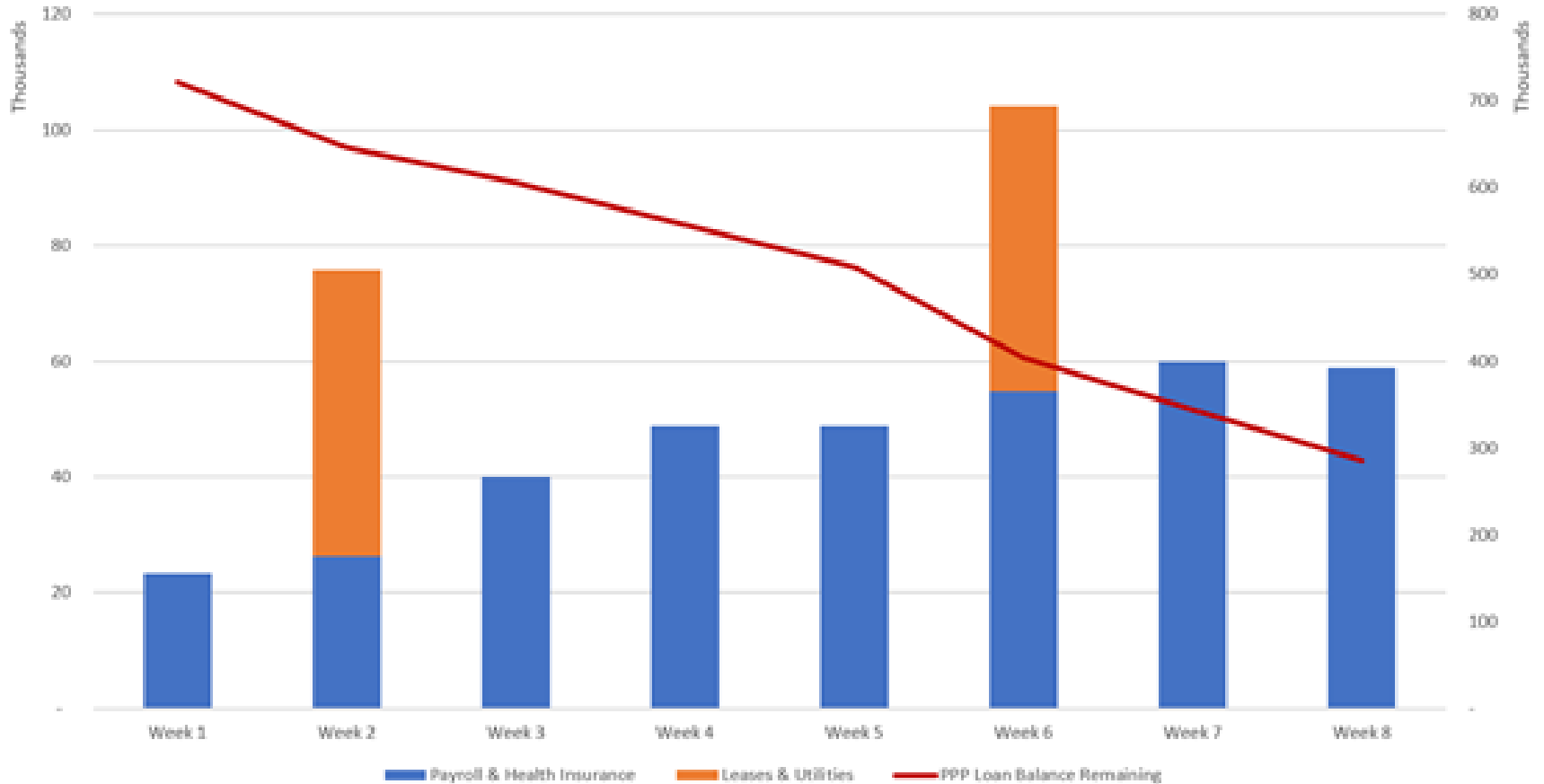
p: 215-947-7222 x-1105 | c: 215-678-1423 | f: 215-947-5898
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Paul Boland, VP Finance

Atelier FAS Group is a second generation, independently owned, full-service fine art services company based in Delaware, Pennsylvania and New York.

- Early participant
- Approved April 3
- Funded April 10
- Strategy going into PPP
- Spending Plan
- How has PPP helped?
- Forgiveness Path
- Accounting for Forgiveness
- Beyond Forgiveness – What’s the new “normal”

PPP Loan Spend Down by Week



Michael Kimmons, Chief Transformation Officer

OCM serves over 900 campuses nationwide. OCM makes shopping for college essentials easier and more affordable for over six million families and counting.

- Second Round PPP participant
- Strategy going into PPP
- Spending Plan
- How has PPP helped?
- Forgiveness Path
- Beyond Forgiveness – What’s the new “normal”

SBA Guidance:

- Can you apply for forgiveness early? Or wait for the end of the Covered Period?
- Updated Forgiveness Application

Once forgiveness application is submitted –

- The Bank has up to 60 days to review and submit forgiveness application.
- The SBA has another 90 days to approve/deny forgiveness.

PPP Resource Pages

[Huntingdon Valley Bank PPP](#)

[PPP Bank Website](#)

[US Treasury PPP Site](#)

[SBA PPP Website](#)

Questions?

**Next Webinar August 21, 2020
My Loan was Forgiven!**



PPP Forgiveness Webinar 4 - Forgiven.ics