



This checklist will help you prepare to request Forgiveness through JPMorgan Chase. We recommend you take your time in reviewing the request process so that you have a clear understanding of what is required. It is your obligation, as the borrower, to understand the rules of the Small Business Administration (SBA). We'll email you when you request Forgiveness.

### Before you request, make sure you:

- Have spent all of your PPP funds on eligible costs:** The SBA states that borrowers can only request Forgiveness for PPP funds they've already spent.
- Review the Instructions for these SBA Forms:**
  - [Form 3508EZ Instructions](#)
    - » **The simpler Form 3508EZ can be used if you meet one of these three criteria:**
      - Are self-employed, and independent contractor, or a sole proprietor and have no employees **OR**
      - Did not reduce by more than 25% the salaries or wages of your employees earning \$100,000 or less and did not reduce the number of employees or hours of your employees **OR**
      - Did not reduce by more than 25% the salaries or wages of your employees earning \$100,000 or less and did experience reductions in business activity as a result of health directives related to COVID-19. Business activity reductions could have resulted directly or indirectly from compliance with COVID Requirements or Guidance from federal, state or local government shutdown orders that prohibited you from maintaining the same Full Time Equivalency (FTE) employee levels.
  - [Form 3508 Instructions](#)
- Choose the right SBA form to use:**
  - [Form 3508EZ](#)
  - [Form 3508](#)
- Select your Covered Period:** Choose the 24-week Covered Period or Alternative Payroll Covered Period (if applicable) as the time frame for your incurred or paid payroll costs. If you were funded before June 5, you can choose either an 8-week or 24-week period. The Covered Period cannot extend beyond December 31, 2020.
- Calculate:**
  - **Your eligible payroll costs:**
    - » Regardless of which form you'll use, locate Table 1 & 2 in the Schedule A Worksheet of Form 3508.
      - **3508EZ:** Use Tables 1 and 2
      - **3508:** Complete the entire Schedule A Worksheet, including Tables 1 and 2.

If the payroll costs you've calculated – taking into account salary/hourly wage reduction and FTE information, if applicable – are equal to or greater than your PPP loan amount, you can request Forgiveness for the full PPP loan amount without submitting your non-payroll costs.

**Keep in mind:** Once we submit your Forgiveness request to the SBA, you might not be able to submit additional payroll or non-payroll costs or documents in support of your request.

- **Your eligible non-payroll costs:** this includes utilities, rent and mortgage interest costs that were established before February 15, 2020.”
- If using Form 3508EZ or Form 3508**
  - **Your average Full-Time Equivalency (FTE):** Use the simplified or detailed method. *See page 4 of Form 3508 Instructions or page 4 of Form 3508EZ Instructions.*
    - » **Forgiveness amount may be reduced if average weekly FTE employees during Covered/Alternative Covered Payroll Period was less than during chosen reference period.**

## PAYCHECK PROTECTION PROGRAM (PPP) LOAN FORGIVENESS CHECKLIST

- Detailed: For each employee, enter the average number of hours paid per week, divide by 40, and round the total to the nearest tenth. The maximum for each employee is capped at 1.0. **OR**
- Simplified: Assigns a 1.0 for employees who work 40 hours or more per week and 0.5 for employees who work fewer hours.
- **Select your Reference Period:** After choosing your Reference Period, you will compare your FTE levels from this period to your FTE levels during the Covered Period. See page 3 of Form 3508 Instructions or page 4 of Form 3508EZ Instructions.
- Your Forgiveness amount may be reduced if average weekly FTE employees during your Covered Period were less than the reference period.
  - » **Here are the options:**
    - The average number of FTE employees on payroll per week you employed between Feb 15 - June 30, 2019;
    - The average number of FTE employees on payroll per week you employed between Jan 1 - Feb 29, 2020; or
    - For seasonal employer, average number of FTE employees on payroll per week employed between Feb 15 - June 30, 2019; between Jan 1 - Feb 29, 2020; or any consecutive 12-week period between May 1 - Sept 15, 2019.
- Check if you meet FTE Reduction Safe Harbor qualifications:** For details on Safe Harbor rules, see page 5 of the Form 3508 Instructions.
- Gather documents to submit:** Click [here](#) to understand what documents you'll need to submit along with acceptable format, size, and file names, how you spent eligible payroll and non-payroll funds during your Covered Period. See page 6 of Form 3508 Instructions.
- Review our Forgiveness [resources](#):**
  - Webcast: "How to Prepare for PPP Loan Forgiveness"
  - FAQs: Answers to common questions about SBA rules and Forgiveness
  - Glossary: Definitions of terms you may come across as you complete your request
- After** we receive your complete request, it generally will take us up to 60 days to review and send to the SBA, and up to an additional 90 days for the SBA to review and authorize. Actual times will vary.

### Helpful tips

- You may want to contact your accountant, attorney or other trusted advisors.
- If you work with a payroll provider, check to see if they can provide a specialized report to use as payroll and FTE documentation when requesting Forgiveness.
- Know that only an authorized representative on your account can submit your online Forgiveness request.

It's your obligation as the borrower to understand the SBA's rules. Other eligibility requirements may apply. Please visit [SBA.gov](#) and [Treasury.gov](#) for any updates.