

ORIGINAL DATE: 5-27-2020

In response to the COVID-19 crisis, Auto-Wares has made it a priority to provide our customers with the information needed regarding PPP Loans. The next step in this process is to apply for the PPP Loan Forgiveness where applicable as it begins. While its advised to meet directly with your legal or financial advisor, we've highlighted the important takeaways for going forward.

Summary of Costs Eligible for Forgiveness

- Must fill out a Loan Forgiveness application
 - Submit to their Lender
 - Expires October 31st, 2020
- Covered Period is 8 Weeks or 56 Days
 - i.e. If loan disbursed on April 20th, the last day covered is June 14th
- Loan Forgiveness Covers two areas
 - Payroll
 - Non-Payroll Expenses
- Payroll Expenses
 - Payroll Expenses cover up to 75% of the loan
 - Salary capped at \$100,000
 - Alternate Payroll Covered Period
 - For Payroll period, you can use an alternate date of coverage if your pay period is bi-weekly and starts on the following week of loan disbursement.
- Non-Payroll Expenses
 - Mortgage Interest Payments
 - Cannot include any pre-payments or payment of principle
 - Rent or Lease Payments
 - Must have been in effect prior to February 15th
 - Includes leases and rent paid on real and personal property
 - Utility Payments
 - Distribution of electricity, gas, water, transportation, telephone, or Internet access

The Loan Forgiveness Application can be found at [sba.gov](https://www.sba.gov) (SBA Form 3508).

Applying for Loan Forgiveness is financially essential to your business. Time is of the essence in getting your paperwork submitted. With the huge demand for these loans and the short window of coverage there is likely to be a backlog on approvals.

We highly recommend contacting your legal and financial advisor when filling out this form to maximize your forgiveness.

Thank you,

Auto-Wares Management