



Congress has passed legislation allowing Live Oak Bank to provide financing for borrowers to pay for payroll and other operating expenses. The primary purpose of the Paycheck Protection Program (PPP) is to help small businesses keep people employed. The PPP allows for loan forgiveness if the funds are used to maintain payroll. It allows for the rehiring of people in the calculation of loan forgiveness.

The loan amount is based on 2 ½ times your average monthly payroll over the preceding 12 months. This application will provide Live Oak with all the information we require to process a PPP loan for your business.

APPLICATION BUSINESS INFORMATION:

Business Applicant Legal Name (business entity or individual's name):

DBA (Assumed/Trade) Name (if applicable): _____

Business Applicant Entity Type:

- Sole Prop C Corp S Corp Partnership Individual
 Limited Liability Company Trust Other

Business Tax ID Number: _____

Date Business Established: _____

Business Address: _____ **City:** _____ **State:** ____ **Zip Code:** _____

Business Phone Number: _____ **Email Address:** _____

Type of Industry: _____ **NAICS Code:** _____

Number of Current Employees (including affiliated businesses): _____

Description of Management Team and Structure (officers, shareholders, members, directors, etc.):

Has Small Business Applicant ever received financing from the Federal Government and subsequently defaulted on said financing causing a loss to the Federal Government?

Yes No

Is the Small Business Applicant presently suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency?

Yes No

Is any sole proprietor, general partner, officer, director or stockholder with 10% or more interest, or household member of applicant a Government employee with a grade of GS-13 or higher?

Yes No

Has Small Business Applicant incurred any SBA disaster relief financing from January 31st, 2020 through March 27th, 2020?

Yes No

If yes, please provide details of debt:

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I am applying for credit in my own name or the entity listed above and am relying solely on its income or assets as basis of repayment for this loan request.

Yes No

SMALL BUSINESS OWNERSHIP:

	Authorized Representative #1	Authorized Representative #2
Legal Name		
Title		
Address		
SSN		
DOB		
Email Address		
Mobile Phone		

*If there are more than 2 authorized representatives please provide the above information in a separate document.

Are you, as the authorized representative(s) of Applicant, duly authorized, empowered, and directed to execute the loan documents for and on behalf and in the name of Applicant?

Yes No

Will you be executing the promissory note on behalf of the applicant?

Yes No

Please identify any other individual who owns directly or indirectly, 25% or more of the equity interest for the Small Business Applicant:

Legal Name	Address	SSN	DOB	Ownership %

LOAN REQUEST:

Is your business adversely impacted by COVID-19?

Yes No

Was your business started or acquired on or after January 1, 2020?

Yes No

If yes, please provide total monthly payroll costs incurred during the period starting January 1, 2020 and ending February 29, 2020:

\$

If no, please complete the table below:

Payroll Loan Amount Calculator	
Section A:	
Payroll for the last 12 months (IRS Form 941, line 2 for the last 4 quarters to derive total over the period or Annual IRS Form 944, line 1)	\$
1099 payroll for the last 12 months (IRS form 1096, line 5)	\$
Sole Proprietor 2019 net income (2019 IRS 1040 Schedule C, line 31)	\$
Section A Total:	\$
Section B:	
Federal income taxes withheld over the last 4 quarter period (IRS Form 941, line 3, Form 944, line 2)	\$
Section C:	
Individual employee compensation in excess of \$100,000 must be excluded from the calculation of payroll costs. For example, if one employee earned \$150,000, then there would be a reduction in \$50,000 to the calculation of eligible payroll costs.	
Did any individual employee, sole proprietor, or independent contractor receive compensation in excess of \$100,000 over the 4-quarter period reflected in the IRS Form 941s submitted?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Figure i.</i> Total compensation paid to these individuals over the 4 quarter period (includes w-2, 1099 or sole prop)	\$
<i>Figure ii.</i> Total number of individuals receiving compensation in excess of \$100,000 (includes w-2, 1099 or sole prop)	
<i>Figure iii.</i> Multiply figure ii x \$100,000	\$
Section C Total:	\$
Take figure i then subtract figure iii to determine the total deduction	
Section D:	
Do any of your employees have a principal place of residence located outside of the United States?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Total compensation paid to employee(s) with a principal place of residence outside of the United States over the 4-quarter period reflected above?	\$
Section E:	
To the best of your knowledge, does any of the compensation identified in IRS Form 941 include qualified sick and/or family leave wages allowed under section 7001 of the Families First Coronavirus Response Act?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Provide total amount of qualified sick and/or family leave wages allowed under section 7001 of the Families First Coronavirus Response Act:	\$
Loan Amount Calculation:	
(Section A - Section B - Section C - Section D - Section E)/12*2.5	
\$	

I certify that the above includes to the best of my knowledge salary and wages, payments of cash tip or equivalents, payments for vacation, allowance for dismissal or separation, payments required for the provisions of group health care benefits, including insurance premiums, payments of retirement benefits, payment of State and/or local tax assessed on the compensation of employees; and payments made to a sole proprietor or independent contractor that is a wage, commission, or similar compensation.

I certify that the uncertainty of current economic conditions makes necessary the loan request to support the ongoing operations of the eligible recipient; acknowledging that funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments; that the eligible recipient does not have an application pending for a loan under the same purpose and duplicative of amounts applied for or received under a covered loan; and during the period beginning on February 15, 2020 and ending on December 31, 2020, that the eligible recipient has not received amounts under the same purpose and duplicative of amounts applied for or received under a covered loan.

Please be aware that any potential loan forgiveness will be impacted by reductions in the number and pay of full-time equivalent employees who are not rehired or restored to previous pay levels by June 30, 2020. I certify the documentation presented is true and correct, and the amount for which forgiveness is requested is used to retain employees, make interest payments on a covered mortgage obligation, make payments on a covered rent obligation or make covered utility payments.

I certify that loan proceeds will not be used for the benefit of any affiliates of the borrower. Furthermore, no affiliates of the borrower will adversely impact the repayment ability of the proposed loan.

Signature: _____

Printed Name: _____

Date: _____

I certify that the information provided in this application and the information that I have provided in all supporting documents and forms is true and accurate. I realize that the penalty for knowingly making a false statement to obtain a guaranteed loan from SBA is that I may be fined up to \$250,000 and/or be put in jail for up to 5 years under 18 USC § 1001 and if false statements are submitted to a Federally insured institution, I may be fined up to \$1,000,000 and/or be put in jail for up to 30 years under 18 USC § 1014.

Please include a copy of a voided check from your **business** checking or savings account with this application.

Is this a checking or savings account?

Checking Savings

USA Patriot Act

In accordance with the USA Patriot Act, the Bank is required to collect pertinent information that will be used to verify your identity if you move forward with the application process. This process requires you to provide personal information including Date of Birth and Social Security Number, as well as documentation related to you and your business. You may also be asked to answer a series of questions related to you. Once verified, the Bank may also conduct a site visit as a part of the loan application process.

Equal Credit Opportunity Lender

The federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is FDIC Consumer Response Center, 1100 Walnut Street Box #11, Kansas City, MO 64106.

Filing UCCs

Once and if the Loan reaches the closing stage, the Bank may pre-file UCC financing statements in the appropriate office or offices, against the Undersigned's tangible and intangible property described in the commitment letter should one be issued. The Bank may agree to terminate these filings promptly should the Loan not fund for any reason upon payment of any and all fees and expenses due to the Bank by the Undersigned. The foregoing paragraph is not applicable if the Undersigned is a governmental entity or quasi-governmental entity and such security interest is prohibited by applicable state law.

Right to Written Statement of Reasons

If your application for business credit is denied, you have the right to a written statement of the specific reasons for the denial. To obtain the statement, please contact us at ATTN: Compliance Officer, Live Oak Banking Company, 1741 Tiburon Drive, Wilmington, NC 28403, (910) 790-5867 within 60 days from the date you are notified of our decision. We will send you a written statement of reasons for the denial within 30 days of receiving your request for the statement.