



For Immediate Release

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Badger Bank Stands Ready for Second Round PPP Loans

FORT ATKINSON– (For Immediate Release) – If you are running a small business during this Pandemic, you might be in need of a little extra help. Badger Bank is here to do just that, help YOU!

Because we are a local community bank we have had the option to quickly pivot and help our Small businesses hit hardest by the coronavirus pandemic. You may have used Badger Bank to receive your first PPP loan and now you can receive a second forgivable loan under the newly revived Paycheck Protection Program. The application for "second-draw" loans is now open and Wisconsin businesses can apply through Badger Bank. Businesses that did not apply in the first round are also able to apply for a first draw PPP loan.

You probably have a lot of questions on if your business qualifies and if this is a good fit for you. To learn more about PPP visit [SBA.gov/PPP](https://www.sba.gov/ppp).

Who Qualifies for a Paycheck Protection Program (PPP) Loan?

PPP loans were intended to benefit small businesses needing immediate cash to help with payroll and other operational expenses in the wake of the COVID-19 crisis. The following types of businesses that were in operation on February 15, 2020 are eligible to apply for a PPP loan:

- any business with 500 or fewer employees whose principal place of residence is in the United States
- sole proprietors, independent contractors, or self-employed persons, and
- 501(c)(3) non-profits, 501(c)(19) veterans' organizations, 501(c)(6) Business Leagues and SBA-designated tribal business concerns with 500 or fewer employees whose principal place of residence is in the United States.

Who qualifies for second-draw PPP loans?

If you or your business received an initial PPP loan, you may qualify for a second round of funding, provided you meet the following requirements:

- Have no more than 300 employees.

- Have used or will use the full amount of your first PPP loan.
- Can show a drop of at least 25% in annual gross receipts or for any quarter of 2020, compared with the same quarter in 2019.
- Have not permanently closed. Businesses that have temporarily closed or suspended operations can receive a second-draw loan.

How the money can be used?

Second-draw funds are forgivable, provided they are spent on covered costs, including:

- Payroll costs, including paid sick leave and group insurance benefits provided by the employer.
- Operating costs, including payments for mortgage, rent, utilities, software, and human resources and accounting needs.
- Property damage sustained during protests and disturbances in 2020, unless covered by insurance.
- Payments to a supplier covering contracts and purchase orders in effect before taking out the second-draw loan.
- Personal protective equipment and modification made to meet health and safety requirements.
- At least 60% of the total loan amount must be used on payroll expenses to qualify for full loan forgiveness.

How to apply?

In order to apply for a second-draw PPP loan, businesses will need to submit documents to verify payroll costs and revenue loss, such as tax forms or bank statements.

Loan forgiveness

Second-draw loan funds can be forgiven if they are used on covered costs within 8 to 24 weeks of receiving your loan. The exact time frame is determined when you apply for your loan. At least 60% of the total second-draw loan must be used on payroll expenses to qualify for full loan forgiveness. Up to 40% can be used on other covered expenses detailed above.

Business owners who borrow \$150,000 or less can submit a one-page certification that details the following:

- The number of employees they retained as a result of the loan.
- An estimate of how much of the loan was spent on payroll costs.
- The total loan amount.
- Proof of qualifying revenue loss, if not already provided to the lender.

Business owners who borrow more than \$150,000 will complete the same forgiveness process required for their first PPP loan. If you fall into that category, you'll need documentation to show how the money was spent. This could include:

- Payroll expenses and headcount: Tax forms, canceled checks, bank statements, payment receipts and third-party payroll reports.
- Operating costs: Receipts for business software, accounting services, utility payments and rental, lease or mortgage payments.
- Supplier costs: Purchase orders, contracts and receipts for payments made to vendors.
- Other covered expenses: Proof of payment for health and safety modifications, such as sneeze guards, ventilation systems, expanded outdoor space and equipment to perform health screening; receipts for the purchase of face masks and other personal protective equipment.

Call 920.563.2478, email sballoans@badgerbank.bank or visit our website badgerbank.bank to learn how Badger Bank can help you get your second round PPP loan.

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About Badger Bank

Badger Bank, locally owned and operated for over 130 years, continues as Southcentral Wisconsin's premier community bank - offering a full suite of personal, small business and commercial banking solutions with industry-leading mobile, online and in-branch products and services. Badger Bank remains dedicated to the communities they serve- Working Together, Achieving Success. For more information, visit BadgerBank.bank.