



Automating PPP Loan Forgiveness

"Reduce Loan Processing Cycle Times by over 75% with automation using AI and Machine Learning"

The PPP program provided critical economic relief to help businesses cope with the impact of COVID-19 pandemic. The initial processing of these loan applications caused havoc for banks already scrambling to operate their business during the unexpected and sudden remote-work scenario.

Processing PPP Loan Forgiveness applications is expected to be even more demanding. PPP forgiveness application processing is expected to take more than 10 hours per loan, and even more in many cases.

Combining smart automation with a well-structured process is the only way to efficiently manage this expected tsunami of applications without having to hire and train thousands of loan analysts.

Why is this a major issue for banks?

Some of the big challenges in processing and automating these applications include:

- ▶ A single PPP loan forgiveness application is expected to take more than 10 hours, and even more in many cases, to extract relevant data from the application and the 25-100 documents, reconcile it, compute forgiveness amount and provide customer service
- ▶ Limited access to, or experience with the modern techniques for addressing the issues including cloud deployment and machine learning
- ▶ The current situation has already overwhelmed operations and technology teams with just their normal business
- ▶ Hiring and training an army of accountants and analysts is a complex and arduous undertaking

Key challenges faced by banks?

- ▶ Handling large volume of applications and providing customer service by answering queries and mitigating concerns
- ▶ Tracking status of initiated/uninitiated loan forgiveness applications
- ▶ Handling exceptions, duplicates, and missing data/documents in the application
- ▶ Extracting data from 25 -100 payroll and non-payroll documents and the Loan Forgiveness Application Form 3508 or 3508EZ and its schedules and addendums
- ▶ Reconciling allowable expenses (payroll & non payroll) provided by the borrower and SBA
- ▶ Helping SBA with loan forgiveness audits
- ▶ Servicing the non-forgivable portions, particularly for businesses that shut down

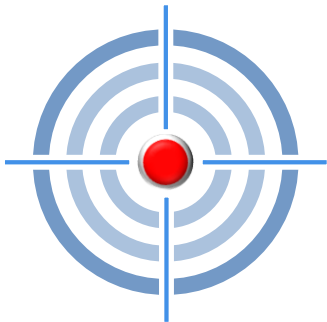
75%

Reduction in PPP loan forgiveness application processing cycle time with our solution

Artificial Intelligence and Machine Learning Solution to Automate Processing

Our solution is already being used at other banks to facilitate ingestion, review and processing of PPP loan forgiveness applications. Out-of-the box features includes:

- ▶ 45+ pre-trained proprietary AI-based algorithms to validate values and fix errors during ingestion
- ▶ End-to-end automation - omnichannel application and back office verification
- ▶ Real-time reporting of requests, exceptions, and approvals
- ▶ ~90% accuracy that improves over time



Accuracy Rate for Document Ingestion



Processing Time and Cost Savings

Clients Served:

- Banks, Savings & Loans, and Credit Unions
- Small business lending Cos.
- Fintech companies
- Farm credit lenders
- Certified development companies
- CDFIs, MDIs, BIDCOs
- Non-bank CDFI funds
- Microlenders

PPP Loan Forgiveness Application Documents Handled

Our solution handles the following documents out-of-the-box to automate processing:

- ▶ PPP loan forgiveness application (SBA form 3508 or 3508EZ) and addendums
- ▶ SMB promissory note
- ▶ Payroll journals
- ▶ Payroll federal (e.g., form 941) and state tax forms (4 or more)
- ▶ Healthcare (medical, vision, dental) invoices and payments
- ▶ Retirement related invoices and payments
- ▶ Utility (electricity, gas, water, transportation, phone, and internet) invoices and payments
- ▶ Rent/lease invoices and/or agreements
- ▶ Mortgage invoices and/or agreements
- ▶ Borrower's bank statements

