

CARES ACT PAYCHECK PROTECTION PROGRAM



Eligibility

Small Businesses with 500 or fewer employees or that meet the SBA employee-based or revenue-based sized standard corresponding to its primary industry, Sole Proprietors, other Self-Employed Individuals, 501(c)(3), and 501(c)(19) organizations are eligible.



Terms

The loan amount is based on average monthly payroll during covered period – may borrow up to 2.5 times monthly payroll costs, capped at \$10 million.



Payroll includes:

- Commissions
- Severance
- Healthcare benefits
- Sick and paid leave (unless covered by FRCAA)
- State withholding taxes
- Retirement contributions
- Bonuses
- Wages
- Tips

What can they be used for?

These loans are for business struggling due to the effects of COVID-19. They can be used for:

- Wages
- Commissions
- Health care related benefits
- Retirement contributions
- Rent and utilities
- Fixed debt payments



How can the loan be forgiven?

The proceeds of the loan must be used for the following expenditures: payroll costs, interest on fixed debt, rent, and/or utility payments. Forgiveness is reduced by reduction in workforce.



What's different?

These loans can be forgiven (entirely or in part) by the Small Business Administration (SBA) depending on level of workforce maintained.



Small businesses must submit an application to the lender requesting the forgiveness and documenting that the proceeds received were used for an approved purpose.

How do I apply?

You should consult with your local lender as to whether it is participating in the program. Lenders have been processing loan applications as of April 3, and the program will be available through June 30, 2020. These loans are highly sought after so demand is expected to exceed supply. If interested, we urge you to apply early.



SMALL BUSINESS ADMINISTRATION ECONOMIC INJURY DISASTER LOAN (EIDL)

Eligibility

Small businesses or private organizations must have sustained economic injury and be located in a disaster county or contiguous county.



Terms

SBA's disaster loans are the primary form of Federal assistance for the repair and rebuilding of private sector disaster losses, providing up to \$2 million of financial assistance.



What can they be used for?

The SBA offers disaster assistance in the form of low-interest loans to businesses, renters, and homeowners located in regions affected by declared disasters.



The \$2 million loan cap includes both physical disaster loans and EIDLs. Repayment term is determined by your ability to repay the loan.

Loans to cover repairs and replacement of physical assets damaged in a declared disaster.

Loans to cover small business operating expenses after a declared disaster.

How do I apply?

- Check disaster declaration: see if the SBA has issued a disaster declaration in your area.
- Apply for a disaster loan: loans are available for business and homes affected by disaster.
- Check your status: log into your account and check for updates. (sba.gov)

