

COVID-19 Disaster Loans and Relief Programs

The information in this chart includes definitions and guidance on the relief programs as of April 2, 2020 and is not inclusive of all terms and conditions. The SBA has up to 30 days to issue regulatory guidance for certain provisions of the CARES Act. Additionally, the Treasury Department is required to issue regulations implementing and providing guidance under certain provisions of the CARES Act. Issuance of regulations may delay loan approval, disbursement, or may modify/waive certain requirements.

	Economic Injury Disaster Loan	Paycheck Protection Program
Period	January 31, 2020 – December 31, 2020	February 15, 2020 – June 30, 2020
Eligibility	Small businesses, small agricultural cooperatives, private nonprofit organizations, and entities considered small for the industry in which they operate.	Any business, nonprofit organization, veterans' organization, or Tribal business, which employs not more than 500 employees or the covered industry's standard based on assigned NAICS code.
Affiliation	<p>Size is subject to aggregation with affiliates, which should be considered carefully.</p> <p>SBA generally includes aggregation of affiliates owned by investors who have certain controls features over the subject company.</p> <p>Affiliations include foreign parents and subs.</p> <p>Affiliations include all related PE/VC portfolio companies under common control.</p> <p>Exceptions:</p> <ol style="list-style-type: none"> 1. SBIC owned business are not considered affiliates of the SBIC; 2. Tribal business are not considered affiliates of the Native American tribe; 3. Businesses that lease employees are not affiliated with the leasing entity. 	<p>Size is subject to aggregation with affiliates, which should be considered carefully.</p> <p>SBA generally includes aggregation of affiliates owned by investors who have certain controls features over the subject company.</p> <p>Affiliations include foreign parents and subs.</p> <p>Affiliations include all related PE/VC portfolio companies under common control.</p> <p>Exceptions:</p> <ol style="list-style-type: none"> 1. Businesses assigned a NAICS code beginning with 72 (hotels and restaurants); 2. Franchises assigned a franchise identifier code by the SBA; and 3. Businesses that receive financial assistance from a licensed SBIC.

<p>Loan Amount</p>	<p>Up to \$2 million; used to help meet financial obligations and operating expenses that could have been met had the disaster not occurred.</p> <p>Loan amount will be based on actual economic injury and company's financial needs.</p>	<p>Amount equal to the lesser of:</p> <ol style="list-style-type: none"> 1. The sum of – <ol style="list-style-type: none"> i. 2.5x the trailing twelve-month average for payroll costs (salaries*, wages, commissions, cash tips, severance, costs incurred for the provision of group health benefits, including insurance, premiums, sick/medical/family leave, state and local payroll taxes); Alternative calculation available for reasonable companies. ii. Balance owed on any SBA EIDL originated between January 31, 2020 and the PPP loan origination date; 2. \$10,000,000. <p>* Exceptions exist for compensation in excess of \$100,000; employees with principal residences outside the US; and payroll taxes under IRC Chapter 21, 22, and 24.</p>
<p>Loan Terms</p>	<p>Interest rate not to exceed 4%.</p> <p>Repayment terms up to 30 years and determined by ability to repay the loan on a case-by-case basis.</p> <p>Forgivable grant up to \$10,000 funded within three days after the SBA receives the application. Repayment of grant not required, even if application is denied.</p>	<p>Interest rate 1.0%.</p> <p>Repayment terms up to 2 years of any amount not forgiven after submission to SBA.</p> <p>Complete payment deferment relief for a 6 month period, but interest will accrue.</p>
<p>Loan Forgiveness</p>	<p>Immediate grants up to \$10,000 will be forgiven.</p>	<p>Loan forgiveness amount equivalent to an amount used to fund payroll costs*, interest on mortgage, covered rent expense, and covered utility payments during the eight-week period after loan origination. Plus not more than 25% of forgiven amount can be for non-payroll costs.</p> <p>You have until June 30, 2020 to restore your full-time employment and salary levels for any changes made between February 15, 2020 and April 26, 2020.</p> <p>Amount of forgiveness will be reduced in accordance with any reduction in the average number of FTE or salary reductions in excess of 25% during the covered period (excludes reductions to salaries in excess of \$100,000).</p> <p>Any remaining loan balance will have a maximum maturity of 2 years from application date to the SBA for forgiveness.</p> <p>* Salary capped at \$100,000 (annualized).</p>

Taxability	Amount forgiven will <u>not</u> be considered income for tax purposes.	Amount forgiven will <u>not</u> be considered income for tax purposes.
Collateral	Collateral required for loans over \$25,000. Loan will not be declined for lack of collateral.	No collateral pledge required.
Guarantee	No personal guarantee for loans less than \$200,000.	No personal guarantee required.
Credit Elsewhere	Test waived as part of CARES Act.	Test waived.
Application	Apply directly online with the SBA at SBA.gov Approval based on applicant's FICO credit score and do not require assessing applicant's ability to repay.	Apply directly with participating SBA 7(a) lenders (most traditional banks) - beginning April 3, 2020 for small businesses and sole proprietorships; and April 10, 2020 for independent contractors and self-employed individuals. <i>Observation – Due to expected high demand, some banks may require borrower to have checking account to disburse funds to, i.e., need to be bank customer to receive funds as quickly as possible; there may be a delay if you need to establish a new checking account with bank.</i> Requires business make a good faith certification that funds are requested due to current economic uncertainty and funds will be used to retain employees. Provide lender with payroll documentation. Limits businesses from receiving an SBA EIDL for the same purpose. However, it allows a borrower who has an EIDL loan to apply for a PPP loan and refinance that loan into the PPP loan. Note: The amount forgiven under the PPP will reduce by the EIDL grant of up to \$10,000.
Loan Fees	Not Applicable	Paid to Lender by SBA