

AS OF 4/15/2020	SBA Coronavirus Pandemic Disaster Loans				
	PPP SBA 7a (Paycheck Protection Program)	Economic Injury Disaster Loan (EIDL)	EIDL Forgiveness/Advance (grant up to 10K)	SBA Express Bridge Loan	SBA Small Business Debt Relief Program
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>Self-employed individuals, independent contractors, sole proprietors, and businesses, Tribal business concerns and private/501(c)(3) non-profits with <b>500 or fewer employees in operation as of February 15, 2020.</b></li> <li>Businesses in <b>certain industries can have more than 500 employees</b> if they meet applicable SBA employee-based size standards for those industries. SBA size standards are based on either “Size standards in millions of dollars” or “Size standards in number of employees”.</li> <li>Businesses listed under “Sector 11 – <b>Agriculture, Forestry, Fishing and Hunting</b>” are based on “Size standards in millions of dollars” and maxed at \$1,000,000.</li> <li>Affiliation standards are waived for small businesses in the <b>hotel and food services industries (NAICS code beginning with 72)</b>; or that are <b>franchises in the SBA’s Franchise Directory</b>; or that receive <b>financial assistance from small business investment companies licensed by the SBA.</b></li> </ul>	Self-employed individuals; independent contractors; sole proprietors; and businesses, Tribal business concerns, ESOPs, cooperatives, private/501(c)(3) non-profits and 501(c)(19) non-profits with 500 or fewer employees. Farm enterprises are NOT eligible.	Self-employed individuals, independent contractors, sole proprietors, and businesses, Tribal business concerns, ESOPs, cooperatives and private/501(c)(3) non-profits with 500 or fewer employees; must have been in operation as of January 31, 2020.	Any business in operation before March 13, 2020, that has fewer than 500 employees or otherwise meets the SBA’s existing Size Standard (predicated or NAICS code and annual revenue). Credit not available elsewhere.	7(a) loans <i>not</i> made under the Paycheck Protection Program (PPP), 504 loans, and microloans. Disaster loans are not eligible.
<b>Lender</b>	SBA-certified Bank or Credit Union	SBA	SBA	SBA-certified Bank/Credit Union	Borrower's current SBA-certified lender
<b>Apply</b>	SBA-certified Lenders	Online: <a href="https://covid19relief.sba.gov/#/">https://covid19relief.sba.gov/#/</a>	Part of EIDL loan app: <a href="https://covid19relief.sba.gov/#/">https://covid19relief.sba.gov/#/</a>	SBA-certified lender that has an existing banking relationship with applicant as of 3/13/2020.	Debt relief is automatic, but you should check in with your lender
<b>Term</b>	2 years	up to 30 years	n/a	Maximum of 7 years. Must be structured as a term loan, not a revolving LOC	SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months
<b>Amount</b>	250% of average monthly payroll from the past year capped at \$100K per employee, up to a maximum of \$10M. Only employees with a principal place of residence in the U.S. count toward eligibility and calculation of the PPP loan amount.	originally set at up to \$2M, but could be capped at \$15,000 (see: <a href="https://www.nytimes.com/2020/04/09/business/small-business/small-business-disaster-loans-coronavirus.html">https://www.nytimes.com/2020/04/09/business/small-business/small-business-disaster-loans-coronavirus.html</a> )	\$1,000 per employee up to a maximum of \$10,000	up to 25K	
<b>Interest Rate</b>	1.00%	3.75% for businesses, 2.75% for non-profits	n/a	Not to exceed Prime + 6.5%, fixed or variable	n/a

<b>Security/ Collateral</b>	None	Unsecured up to 25K; loans of over 25K will need to give the SBA access to collateral, that does not mean that you need to have your loan fully collateralized, but if you have collateral it will be used.	n/a	None	n/a
<b>Personal Guarantee</b>	Waived	No personal guarantee for loan amounts up to \$200K	n/a	n/a	n/a
<b>Payment Deferral</b>	6 months; interest will continue to accrue over this period	1 year; interest will continue to accrue over this period	n/a	n/a	
<b>Turn Around</b>	2 weeks	SBA says 3-6 weeks	3 business days - this did not occur during the week of 3/30-4/3	within 45 days of approval, and no later than 90 days	
<b>Forgiveness</b>	Up to 100% as long as loan proceeds amount spent by the borrower during the 8-week period after the origination date of the loan is used for: payroll costs, interest payment on any mortgage incurred prior to February 15, 2020, payment of rent on any lease in force prior to February 15, 2020, and payment on any utility for which service began before February 15, 2020. Employee and compensation levels must be maintained and payroll cost capped at \$100,000 on an annualized basis for each employee. Any advance amount received under the Emergency Economic Injury Grant Program will be subtracted from the amount forgiven.	None	Applicants shall not be required to repay advance payments, even if subsequently denied for an EIDL loan.	May be repaid in full or in part by proceeds from an EIDL	SBA pays the principal, interest, and any associated fees owed on all 7(a) and 504 loans in regular servicing starting with the next payment due for existing and new borrowers. Existing loan - 6-month payment relief begins with the next payment due; Existing loan on deferment - 6-month payment relief begins with the next payment due on the loan after the deferment period ends; New loans made within six months of 3/27/2020 - 6-months of payments beginning with the first payment due on the loan

<b>Fees</b>	None	None	None	Upfront guaranty fees: Not more than 2% of the guaranteed portion of a loan if the total amount of the loan (maximum of \$500); Annual service fee: no more than 0.55% of the outstanding balance of the guaranteed portion of the loan; Application fee: the greater of 2% of loan amount or \$250; Late payment fee: not to exceed 5% of scheduled payment	
<b>Loan Availability Period</b>	February 15, 2020 - June 30, 2020	January 31, 2020 – December 31, 2020	January 31, 2020 – December 31, 2020	March 13, 2020 - September 13, 2020	Thru September 27, 2020
<b>Usage</b>	Employee salaries and benefits (including paid sick or medical leave, insurance premiums) and mortgage interest (not principal), rent, and utility payments for 8 weeks following disbursement of the loan.	Pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. It does not cover lost sales.	Providing paid sick leave to employees, maintaining payroll, meeting increased costs to obtain materials, making rent or mortgage payments, and repaying obligations that cannot be met due to revenue losses	Working capital to be used to cover operational expenses to support the survival, or the reopening of the business.	Support the survival and/or reopening of the business
<b>Prohibitions</b>	Borrower cannot have pending application for an EIDL or 7(a) loan for the same purpose.	Cannot be used to pay off existing debt		Borrower may obtain only one EBL.	
<b>Loan Interaction</b>	If you received an EIDL loan related to COVID-19 between January 31, 2020 and the date at which the PPP becomes available, you would be able to refinance the EIDL into the PPP for loan forgiveness purposes. However, you may not take out an EIDL and a PPP for the same purposes. Remaining portions of the EIDL, for purposes other than those laid out in loan forgiveness terms for a PPP loan, would remain a loan. If you took advantage of an emergency EIDL grant award of up to \$10,000, that amount would be subtracted from the amount forgiven under PPP.	If you get a disaster EIDL loan tomorrow, and then use it to pay payroll and mortgage and healthcare and utilities, only to come back in a month and apply for the PPP loan you can't get forgiven for those costs you've already covered under your disaster loan	If you applied for the EIDL before 3-29-20, you will have to re-apply for the 10K. Applications after 3-29-30 include option to request 10K advance	Will be repaid in full or in part by proceeds from the EIDL loan	Borrower may separately apply for and take out a PPP loan, but debt relief will not apply to a PPP loan.
<b>Notes:</b>	Business must have been operational on February 15, 2020, and had employees	OK for business to be less than 1 year old	Can get grant even if don't qualify for EIDL loan		

	Eligible payroll costs do not include compensation above \$100,000 in wages, but pay up to \$100,000 for an employee is included.	Loans can be made based solely on credit scores			
	Owner draws, distributions, amounts recorded on a K-1 are not eligible payroll costs	Farming enterprises are not eligible			
	Only employees with a principal place of residence in the U.S. count toward eligibility and calculation of the PPP loan amount.				
	Affiliation standards are waived for small businesses (1) in the hotel and food services industries (click <a href="#">HERE</a> for NAICS code 72 to confirm); or (2) that are franchises in the SBA's Franchise Directory (click <a href="#">HERE</a> to check); or (3) that receive financial assistance from small business investment companies licensed by the SBA.				
	Loan forgiveness is not treated as taxable income.				

	<a href="#">SBA FAQs</a>				
	<p>Guidelines for Sole Proprietors &amp; Independent Contractors begin on page 4:  <a href="https://home.treasury.gov/system/files/136/Interim-Final-Rule-Additional-Eligibility-Criteria-and-Requirements-for-Certain-Pledges-of-Loans.pdf">https://home.treasury.gov/system/files/136/Interim-Final-Rule-Additional-Eligibility-Criteria-and-Requirements-for-Certain-Pledges-of-Loans.pdf</a></p>				
<b>Documentation for Sole Proprietors, Independent Contractors, Self-Employed</b>	<p>Documentation demonstrating that was <b>in business as of 02/15/2020</b> may include <b>payroll processor records, payroll tax filings, or Form 1099-MISC, or income and expenses from a sole proprietorship.</b> For borrowers that do not have any such documentation, the borrower must provide other <b>supporting documentation to its lender, such as bank records, sufficient to demonstrate the qualifying payroll amount.</b></p> <p>Documentation options for payroll tax filings include the following: IRS Form 941 (quarterly wages); IRS Form 944 (calendar year wages); State income, payroll and unemployment insurance filings; QuickBooks; bank repository accounts; and/or internally generated profit and loss statements. However: Nonprofit organizations must include IRS Form 990; Sole proprietors must include IRS Form 1040 Schedule C; Any entity that filed IRS Form 1099-MISC must include this form; Seasonal employers must document the period beginning February 15, 2019 through June 30, 2019.</p>				
<b>Strategic Considerations</b>	<p><b>If you have already laid off employees, you should be sure they will come back prior to accepting the full loan. In order to be fully forgiven, you must maintain full payroll. Employees may be collecting new unemployment benefits that provide an increase in pay.</b></p>				
	<p><b>While you cannot "double dip," (i.e. use the proceeds for the same expenditures), small businesses should consider applying for both the PPP and EIDL loans simultaneously. You can always decline the EIDL.</b></p>				