

COVID-19 Federal Loan Programs

Economic Injury Disaster Loan, Paycheck Protection Program, Main Street Lending Program

Loan Program	Economic Injury Disaster Loan (EIDL)	Paycheck Protection Program (PPP)	Main Street Lending Program (New loan)
Lender	Small Business Administration (SBA)	Financial institutions (commercial banks, credit unions, and other approved lenders)	Financial institutions (commercial banks, credit unions, and other approved lenders)
Program Period	January 31, 2020 – December 31, 2020	February 15, 2020 – June 30, 2020 (Loan covers 8 weeks of eligible expenses within the above time frame)	April 9, 2020 – September 30, 2020
Eligibility	<ul style="list-style-type: none"> • Have 500 or fewer employees; • Are a sole proprietor, independent contractor, or self-employed individual <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> • Been in business since January 31, 2020. 	<ul style="list-style-type: none"> • Have 500 or fewer employees; • Are a sole proprietor, independent contractor, or self-employed individual • A small business that meets the SBA small business industry-specific standards • Operate an accommodation or food service business (NAICS code 72) with 500 or fewer employees per location • A business assigned a franchise operator code by the SBA • A business that receives assistance under the Small Business Investment Act <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> • Been in business since February 15, 2020 and paid taxes on your employees or independent contractors. 	<ul style="list-style-type: none"> • Have 10,000 or fewer employees; OR • Less than \$2.5 billion in 2019 annual revenues. • Must be created or organized in the United States or under the laws of the United States with significant operations in and a majority of its employees based in the United States.
Loan Amount	<ul style="list-style-type: none"> • Max = \$15,000 • Applicants may request Emergency EIDL grant advance of up to \$10,000 	<ul style="list-style-type: none"> • 2.5x the average monthly “payroll” costs, measured over the 12 months preceding the loan origination date. Seasonal businesses may use the period February 15, 2019 - June 30, 2019 or March 1, 2019 – June 30, 2019 to calculate the average payroll • Max = \$10 million • “Payroll” includes: <ul style="list-style-type: none"> ○ Salaries, commissions, tips, employee benefits (including health insurance premiums and retirement benefits) 	<ul style="list-style-type: none"> • Min = \$1 million • Max = Lesser of: <ul style="list-style-type: none"> ○ \$25 million, OR ○ An amount that, when added to the eligible borrower’s outstanding and committed but undrawn debt, does not exceed four times the eligible borrower’s 2019 EBITDA

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		<ul style="list-style-type: none"> ○ State and local taxes ○ Compensation to sole proprietors or independent contractors. ● “Payroll” excludes: <ul style="list-style-type: none"> ○ Any portion of annual salary in excess of \$100,000 ○ Foreign employees ○ FICA and income tax withholdings 	
Eligible Expenses	<ul style="list-style-type: none"> ● Payroll ● Fixed debts (i.e. mortgage, rent, lease) ● Accounts payable ● Other bills 	<ul style="list-style-type: none"> ● Payroll costs, including benefits ● Interest on mortgage obligations incurred before February 15, 2020 ● Rent, under lease agreements in force before February 15, 2020, and ● Utilities, for which service began before February 15, 2020. 	<ul style="list-style-type: none"> ● Loans may not be used to repay other loan balances ● Eligible borrower must commit to refrain from repaying other debts of equal or lower priority, with the exception of mandatory principal payments, unless the borrower has repaid the Main Street loan in full ● Loans may not be used to pay stock dividends or repurchase any of the recipient’s own stock listed on a national securities exchange for the duration of loan plus one year. ● Recipient may not abrogate existing collective bargaining agreements for the term of the loan and two years after completing loan repayment. ● Recipient must also agree to certain terms related to executive compensation and restrictions on severance.
Term Duration	Up to 30 years	Up to 2 years	Up to 4 years
Interest Rate	3.75% for businesses, 2.75% for nonprofits	1%	Secured Overnight Financing Rate (SOFR) + 250-400 basis points
Forgiveness	No loan forgiveness. Emergency EIDL grant for up to \$10,000 is forgiven. Must	Eligible expenses (see above) within an 8-week period from February 15, 2020 -June 30, 2020.	No loan forgiveness.

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	<p>be used for the following qualifying expenses:</p> <ul style="list-style-type: none"> • Providing paid sick leave to employees unable to work due to the direct effect of COVID-19; • Maintaining payroll to retain employees during business disruptions or substantial slowdowns; • Meeting increased costs to obtain materials unavailable from the applicant's original source due to interrupted supply chains; • Making rent or mortgage payments; • Repaying obligations that cannot be met due to revenue losses. 	<p>Loan forgiveness will be reduced if you decrease the number of full-time employees and/or decrease salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.</p> <p>Rehiring: 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>	
Repayment	Further guidance needed	Payments (and interest) are deferred for six months	Payments (and interest) are deferred for one year
Collateral Requirement	No	No	No
Personal Guarantee	Not for loan less than \$200,000	No	
Prepayment Penalties	No	No	No
Fees	No	No	Borrow will pay lender origination fee of 100 basis points of principal amount of loan
Required Documents	<ul style="list-style-type: none"> • SBA Form 5 (Application) • Credit score • Most recent federal income tax returns for the business • SBA Form 413 (Personal Financial Statement) • SBA Form 2202 or a similar schedule of liabilities listing all fixed debts 	Two page application HERE .	Awaiting further federal guidance on loan applications
Availability	Loans available now	Loans available now	Loans available now

Economic Injury Disaster Loan (and EIDL grant) application [HERE](#)

Paycheck Protection Program (PPP) Loan Application [HERE](#)