

<b>Economic Injury Disaster Loan</b>	<b>Paycheck Protection Program Loan</b>
<b>Who is the Lender?</b>	
SBA	A local or neighboring SBA partner bank
<b>What is the Maximum Amount of the Loan?</b>	
\$2 million	Lesser of \$10M or 2.5x the average monthly “Payroll Costs”, measured over the 12 months preceding the loan origination date.  Payroll Costs include the cumulative amount of wages, commissions, salary or similar compensation to an employee or independent contractor; payment of a cash tip or equivalent; payment for vacation, parental, family, medical or sick leave; allowance for dismissal or separation; payment for group health care benefits, including premiums; payment of any retirement benefits; and payment of state or local tax assessed on the compensation of employees
<b>What is the Annual Interest Rate?</b>	
3.75% for businesses, 2.75% for non-profits	4%
<b>What is the term of the Loan?</b>	
Up to 30 years	10 years
<b>When is the first loan payment due?</b>	
One year after the loan origination date (interest is accrued during the deferment)	At least six months after the loan origination date and up to 1 year (interest is accrued during the deferment)
<b>What can the Loan be Used for?</b>	
Debt obligations and operating expenses	Payroll Costs (as defined above)
<b>Is a Personal Guarantee Required?</b>	
Yes, if Loan is greater than \$200,000	No
<b>Is there a Loan Forgiveness Program?</b>	
No, but the EIDL Loan may be able to be refinanced into a PPP loan.	Yes - calculated as the amount spent by the borrower on Payroll Costs (as defined above) during an 8-week period after the origination date of the loan.
<b>What Reduces the Forgiveness?</b>	
N/A	The amount forgiven is reduced based on failure to maintain the average number of full-time equivalent employees versus the period from either February 15, 2019, through June 30, 2019, or January 1, 2020, through February 29, 2020, as selected by the borrower. The amount forgiven is also reduced to the extent that compensation for any individual making less than \$100,000 per year is reduced by more than 25% measured against the most recent full quarter. Reductions in the number of employees or compensation occurring between February 15, 2020, and 30 days after enactment of the CARES Act will generally be ignored to the extent that reductions are reversed by June 30, 2020. Forgiven amounts will not constitute cancellation of indebtedness income for federal tax purposes.
<b>Do I need to have my 2019 Taxes to Apply?</b>	
No, 2019 taxes do not have to be filed prior to applying for the loan, but businesses will be asked to submit 4506T, which provides the SBA with access to historical tax returns	No, but must make a good faith certification that (i) the loan is necessary to support the ongoing operations of the business given the current economic conditions; (ii) the proceeds will be used to retain workers and fund Payroll Costs (as defined above); and (iii) the applicant is not “double dipping” by applying for or receiving duplicative funds for the same uses. As of the time of this writing, the SBA has not provided firm guidance on whether applicants can apply for both a PPP Loan and an EIDL Loan, though it appears that a business is permitted to receive both a Paycheck Protection Program loan and an EIDL loan provided the funds are used for different purposes. It is clear that applicants may use a Payment Protection Program loan to refinance a prior EIDL loan
<b>What is the Fastest Way to obtain Cash Flow Relief?</b>	
Emergency Grants up to \$10,000 must be distributed within 3 days of any request after an application is submitted.	As of the date of this writing, we are awaiting guidance on the timing of Paycheck Protection Program Loans.