LOAN TERMS

LOAN TYPES

- **EIDL ADVANCE**: No repayment required
- **EIDL LOAN**: 3.75% up to 30 years, 12 MOS deferral
- **PPP LOAN**: 1%, 2 - 5 years, 6 MOS deferral

Apply to SBA Approved Lender
(This is a special SBA 7(a) loan)

Apply on SBA Website
https://covid19relief.sba.gov/#/

Emergency Injury Disaster Loan (EIDL)

Payroll Protection Program (PPP)

Loan proceeds provided by SBA

Payroll protection program
(PPP)

LOAN PROCEEDS PROVIDED BY SBA

EIDL ADVANCE
($1K PER EMPLOYEE
UP TO $10k)

EIDL LOAN

DID YOU SPEND EIDL FUNDS ON PAYROLL?

YES

CONTINUE UNDER TERMS OF EIDL LOAN
(12 MOS OF DEFERRAL)

NO

REDUCE LOAN FORGIVENESS BY EIDL ADVANCE AMOUNT

CONTINUE UNDER TERMS OF PPP LOAN
AFTER FORGIVENESS IS APPLIED
(6 MOS OF DEFERRAL)

PPP/EiDL Loans 6-16-20
Permitted Uses of Funds and Key Timeframes for PPP Loans

**Permitted Uses of Funds**

**Emergency Injury Disaster Loan (EIDL)**
- Working Capital Uses:
  - Accounts Payable
  - Inventory
  - Operating Expenses that would have been met prior to crisis

**Payroll Protection Program (PPP)**
- Permitted Uses:
  - Payroll Expenses
  - Non-Payroll Expenses (1)(2)
    - Rent
    - Utilities (3)
    - Interest on Debt

**Use EIDL Funds for These Expenses Until PPP Funds Are Exhausted**

**Maximize These Costs to Use for Loan Forgiveness (See Notes Below)**

**Non-Permitted Uses of Funds**

**APPLIES TO BOTH EIDL AND PPP LOANS**

**Non-Permitted Uses**
- Replacement of lost revenue
- Principal on existing debt
- Refinancing existing debt
- Capital improvements

**Notes:**
1) Only if in place or committed before Feb 15, 2020
2) Non-payroll expenses cannot exceed 40% of loan forgiveness
3) Includes these items if in place before Feb 15, 2020
   - Electricity
   - Gas
   - Water
   - Telephone
   - Internet access

**Payroll Expenses Allowed for PPP Loan Forgiveness**
- Salary, wages, commission or similar compensation
- Cash tips or equivalent
- Payments for vacation, parental, family, medical or sick leave
- Allowance for dismissal or separation
- Group health care benefits - incl insurance premiums
- Retirement benefits payments
- State or local tax assessments on employees

**Payroll Expenses Not Allowed for PPP Loan Forgiveness**
- FICA
- Federal Tax Withholding
- Qualified sick and family leave where a credit is allowed under FFCRA

*NOTE: The Family First Coronavirus Act (FFCRA) already provide credits and relief for this item*