

Welcome to the Cares Act Information Session presented by the Small Business Development Center

The session will begin shortly.

During the session, all participants will be muted. We will be using the chat feature for questions at the end of the program.

A list of frequently asked questions will be compiled from the sessions held over the next few days and distributed to the participants over the weekend.



A follow-up e-mail is scheduled to be sent to all of the session participants. The e-mail will include a copy of the presentation, the Paycheck Protection Program application, link to the Economic Injury Disaster Loan Program application, application screenshots and a link to the Small Business Development Center Website.

Information Session Agenda

Economic Injury Disaster Loan Program

Paycheck Protection Program

Picking the Right Program(s) for Your Business

Assistance Resources

Economic Injury Disaster Loan Program

Program Components

- Working Capital Loans
- Maximum Loan Amount - \$2 Million
- 3.75% Interest Rate
- Up to 30 Year Term
- Funds come directly from U.S. Treasury

Economic Injury Disaster Loan Program

Cares Act Changes

- \$10,000 Emergency Cash Advance Possible
- Waives credit elsewhere on loans below \$200,000
- Waives personal guarantee on loans below \$200,000
- More flexibility in determining borrow eligibility
- Eligibility expanded to include tribal businesses, cooperatives, ESOP's, individual contractors
- 1-year deferment of payments

Economic Injury Disaster Loan Program

Use of Funds – Overhead/Operating Expenses

Payroll

Insurance

Rent

Utilities

Phone/Internet

Office
Expenses

Repairs and
Maintenance

Fixed Debts

Economic Injury Disaster Loan Program

Use of Funds – Ineligible Expenses/Uses

Debt
Consolidation

Personal
Expenses

Personal
Losses

Economic Injury Disaster Loan Program

Eligible Businesses

All Small Businesses

- By Industry – Primary NAICS Code
- <https://www.sba.gov/document/support--table-size-standards>

Past Performance on
Federally Guaranteed
Loans

- SBA Guaranteed Loans
- USDA Guaranteed Loans
- VA Loans
- Federally Guaranteed Student Loans

Viable Business Prior
to the Disaster

- Assumption that post pandemic that the business is viable to resume operations

Economic Injury Disaster Loan Program

Ineligible Businesses

Agricultural
Businesses

Religious
Organizations

Charitable
Organizations

Gambling
Concerns

Casinos and
Racetracks

Economic Injury Disaster Loan Program

Application Process



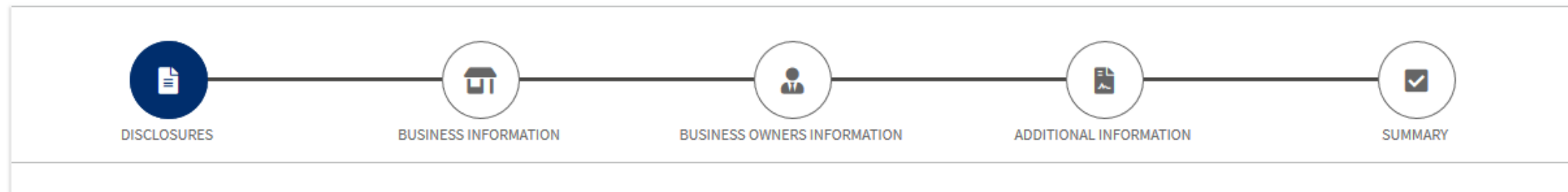
OMB Control #3247-0406

Expiration Date: 09/30/2020

Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



<https://covid19relief.sba.gov/#/>

Paycheck Protection Program

Program Components

- 8 Weeks of Payroll Expenses +25%
- Maximum Loan Amount - \$10 Million
- Can be 100% Forgivable
- .5% Interest on Non-Forgivable Portion
- 2 Year Term

Paycheck Protection Program

Program Components

- Deferred Payments for 6 Months on Non-Forgivable Portion
- No Collateral Required
- No Personal Guarantees
- No Borrower or Lender Fees Payable to SBA

Paycheck Protection Program

Eligible Businesses

All Small
Businesses

- By Industry – Primary NAICS Code
- <https://www.sba.gov/document/support--table-size-standards>

Historic
Operations/Payroll

- Was in operations on February 15, 2020 (excluding mandated closures)
- Had employees with paid compensation .
- Paid payroll taxes on employee compensation.

Paycheck Protection Program

Use of Funds

Eligible Payroll Expenses

- Salary, Wages, Commissions, or Tips (Capped at \$100,000 on an annualized basis for each employee)
- Employee Benefits (including costs for vacation, parental, family, medical or sick leave, allowance for separation or dismissal, employer contribution of health care benefits, payment of any retirement benefit)
- State and local taxes assessed on compensation
- Sole Proprietors and Independent Contractors – Wages, commissions, income or net earnings from self-employment capped at \$100,000 on an annualized basis.

Paycheck Protection Program

Use of Funds

Interest on Mortgage Obligations

- Incurred before February 15, 2020

Rent

- Under lease agreements before February 15, 2020

Utilities

- For which service began before February 15, 2020

Paycheck Protection Program

Determining the Loan Amount

Average Monthly Payroll: \$100,000

Loan Multiplier: 2.5

Projected Eligible Loan Amount: \$250,000

Paycheck Protection Program

Determining the Loan Forgiveness Amount

Actual 8 Week Payroll Expense: \$200,000

Actual Mortgage Interest Expense: \$0

Actual Rent Expense: \$10,000

Actual Utilities Expense: \$5,000

Eligible for Forgiveness: \$215,000

Paycheck Protection Program

Application Process/Documentation

Applications are managed with 7(a) Lenders

Application

Weekly/Bi-Weekly Payroll Reports from January to March 31, 2020

2019 Tax Return or Internal Profit and Loss Statement

Additional Documentation Requested by the Lender

Paycheck Protection Program



Paycheck Protection Program Application Form

OMB Control No.: 3245-
Expiration Date: 06/30/2020

Non-Profit <input type="checkbox"/> Vet Org <input type="checkbox"/> Tribal <input type="checkbox"/> Ind. Cont. <input type="checkbox"/> Self Employed <input type="checkbox"/>		DBA or Tradename if applicable	
Business Legal Name			
Business Primary Address		Business TIN (EIN,SSN)	Business Phone () -
Primary Contact		Email Address	
		(Empty space for contact details)	

Average Monthly Payroll:	\$	X 2.5 equals Loan Amount:	\$	Number of Jobs:	(Empty space)
Purpose of the loan (select more than one):	<input type="checkbox"/> Payroll <input type="checkbox"/> Rent / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Other (explain):				

Paycheck Protection Program

Applicant Ownership

List all owners of Applicant with greater than 20% ownership stakes. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN,SSN)	Address

If questions (1) or (2) below are answered "Yes," the loan will not be approved.

Paycheck Protection Program

Question	Yes	No
1. Is the Business or any owner presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the Business, any of its owners, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the Business or any owner an owner of any other business or have common management with any other business? If yes, attach a listing of all Affiliates and describe the relationship as addendum A.	<input type="checkbox"/>	<input type="checkbox"/>
4. Has the Business received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.	<input type="checkbox"/>	<input type="checkbox"/>

Applicants who are individuals and all 20% or greater owners of the business must answer the following questions. If questions (5) or (6) are answered "Yes" or question (7) is answered "No", the loan will not be approved.

Paycheck Protection Program

Question	Yes	No
5. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, on probation or parole?	<input type="checkbox"/>	<input type="checkbox"/>
Initial here to confirm your response to question 5 →		<input type="text"/>
6. Within the last 7 years, for any felony or misdemeanor for a crime against a minor, have you: 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)?	<input type="checkbox"/>	<input type="checkbox"/>
Initial here to confirm your response to question 6 →		<input type="text"/>
7. <input type="checkbox"/> I am a U.S. Citizen <u>OR</u> <input type="checkbox"/> I have Lawful Permanent Resident status <input type="checkbox"/> No		
Initial here to confirm your response to question 7 →		<input type="text"/>

Paycheck Protection Program

By Signing Below, You Make the Following Representations, Authorizations, and Certifications

REPRESENTATIONS AND AUTHORIZATIONS

I represent that:

- I have read the Statements Required by Law and Executive Order included in this form, and I understand them.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All SBA loan proceeds will be used only for business related purposes as specified in the loan application.
- To the extent feasible, I will purchase only American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.

For Applicants who are individuals and all Associates: I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.

Paycheck Protection Program

CERTIFICATIONS

The Business and each 20% or greater owner must certify in good faith to all of the below by **initialing** next to each one:

Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.

The funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments; I understand that if the funds are used for unauthorized purposes, the federal government may pursue criminal fraud charges.

Documentation verifying the number of full-time equivalent employees on payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight week period following this loan will be provided to the lender.

Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. Due to likely high subscription, it is anticipated that not more than twenty-five percent (25%) of the forgiven amount may be for non-payroll costs.

Paycheck Protection Program

During the period beginning on February 15, 2020 and ending on December 31, 2020, the Applicant has not and will not receive another loan under this program.

I further certify that the information provided in this application and the information that I have provided in all supporting documents and forms is true and accurate. I realize that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

I acknowledge that the lender will calculate the eligible loan amount using tax documents I have submitted. I affirm that these tax documents are identical to those I submitted to the IRS. I also understand, acknowledge and agree that the Lender can share the tax information with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

Signature of Authorized Representative of Business

Print Name

Date

Title

Selecting the Right Program

Apply for Both

- You can apply for both programs. No double dipping.
- Funds from the EIDL program cannot be used for the same expenses as the PPP
- PPP funds are for an 8-week timeframe.
- EIDL funds are for a 6-month period.

Assistance Resources

Small Business Development Center

Existing Clients:

If you are currently working with:

- Kate Baker
- Matt Hosek
- Emily Loughlin
- Jennifer Kilcoyne
- Tom Reynolds
- Walter Burke

Please reach out to your advisor via e-mail with your questions and/or to schedule a call/Zoom Meeting

New Clients:

Go to:

www.nysbdc.org

Click on the “Make an Appointment” button to schedule an appointment with an advisor.

Please allow the advisor 48 hours to respond to your request.

Questions?