

Dear Applicant,

On March 29, 2020, following the passage of the CARES Act, the SBA provided small business owners and non-profits impacted by COVID-19 with the opportunity to obtain up to a \$10,000 Advance on their Economic Injury Disaster Loan (EIDL). The Advance is available as part of the full EIDL application and will be transferred into the account you provide shortly after your application is submitted. **To ensure that the greatest number of applicants can receive assistance during this challenging time, the amount of your Advance will be determined by the number of your pre-disaster (i.e., as of January 31, 2020) employees. The Advance will provide \$1,000 per employee up to a maximum of \$10,000.**

You may be eligible for another loan program, the **Paycheck Protection Program**, which is available through participating lenders. Below is a comparison of the two loan programs:

	Paycheck Protection Program	Full EIDL Loan
PURPOSE	Forgivable if used for payroll (minimum of 75% of the funds received) and the remaining for certain operating expenses (amount of any EIDL advance is not forgivable)	To meet financial obligations and operating expenses that could have been met had the disaster not occurred (amount of any EIDL advance is forgiven)
TERMS	Up to \$10 million 1% interest rate	Up to \$2 million 3.75% for businesses 2.75% for non-profits
FORGIVABLE	YES	NO – EIDL Loan YES – EIDL Advance
MATURITY	2 years	30 years
FIRST PAYMENT DUE	Deferred 6 months	Deferred 1 year

To locate a Paycheck Protection Program Lender, please visit: www.SBA.gov/PaycheckProtection. Information on available resources may be found at www.sba.gov/coronavirus. For more information on these services, please go to www.sba.gov/local-assistance to locate the email address and phone number for the nearest SBA district office and/or SBA's resource partners.

TALKING POINTS

- On March 29, 2020, following the passage of the CARES Act, the SBA provided small business owners and non-profits impacted by COVID-19 with the opportunity to obtain up to a \$10,000 Advance on their Economic Injury Disaster Loan (EIDL).
- **To ensure that the greatest number of applicants can receive assistance during this challenging time, the amount of the Advance will be determined by the number of the small business' pre-disaster (i.e., as of January 31, 2020) employees. The Advance will provide \$1,000 per employee up to a maximum of \$10,000.**
- The Advance is available as part of the full EIDL application and will be transferred into the account the applicant provides shortly after they submit the application.
- The small business may be eligible for another loan program, the **Paycheck Protection Program**, which is available through participating lenders.
- To locate a Paycheck Protection Program Lender, please visit: www.SBA.gov/PaycheckProtection. Information on available resources may be found at www.sba.gov/coronavirus.

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