



PPP Draw Two Eligibility Requirements and Loan Structure

Key Eligibility Requirements

- 1) Fewer than 300 employees
- 2) At least a 25% reduction in gross revenue during any quarter of FY 2020 as compared to the same quarter FY 2019*
- 3) \$2MM maximum loan amount
- 4) Regardless of forgiveness status for 1st draw PPP loans, eligible Borrowers can apply for a 2nd draw loan

*Forgiveness income from 1st draw loans are excluded from gross revenue calculations. ** If Borrower is an affiliated relationship, revenue decline test is to be measured on a consolidated affiliated group rather than each entity individually **

Loan Calculation and Structure

- 1) Loan amount will be limited to 2.5x's FY 2019 average monthly payroll*
- 2) 5-year term and amortization at 1% with no fees paid by Borrowers
- 3) Loans are fully guaranteed by the SBA and potentially fully forgivable
- 4) Borrowers have the choice of 8 week or 24 week covered periods
- 5) 60% of the loan proceeds must be used on eligible payroll expenses
- 6) Eligible non-payroll expenses primarily consist of third party building rent payments and utilities

**For businesses with an NAICS code beginning with 72 (restaurants and hospitality), loan amounts are calculated by multiplying by 3.5x's FY 2019 average monthly payroll.*