

WBDC Applicant Guide for SBA Loans under the *CARES Act*



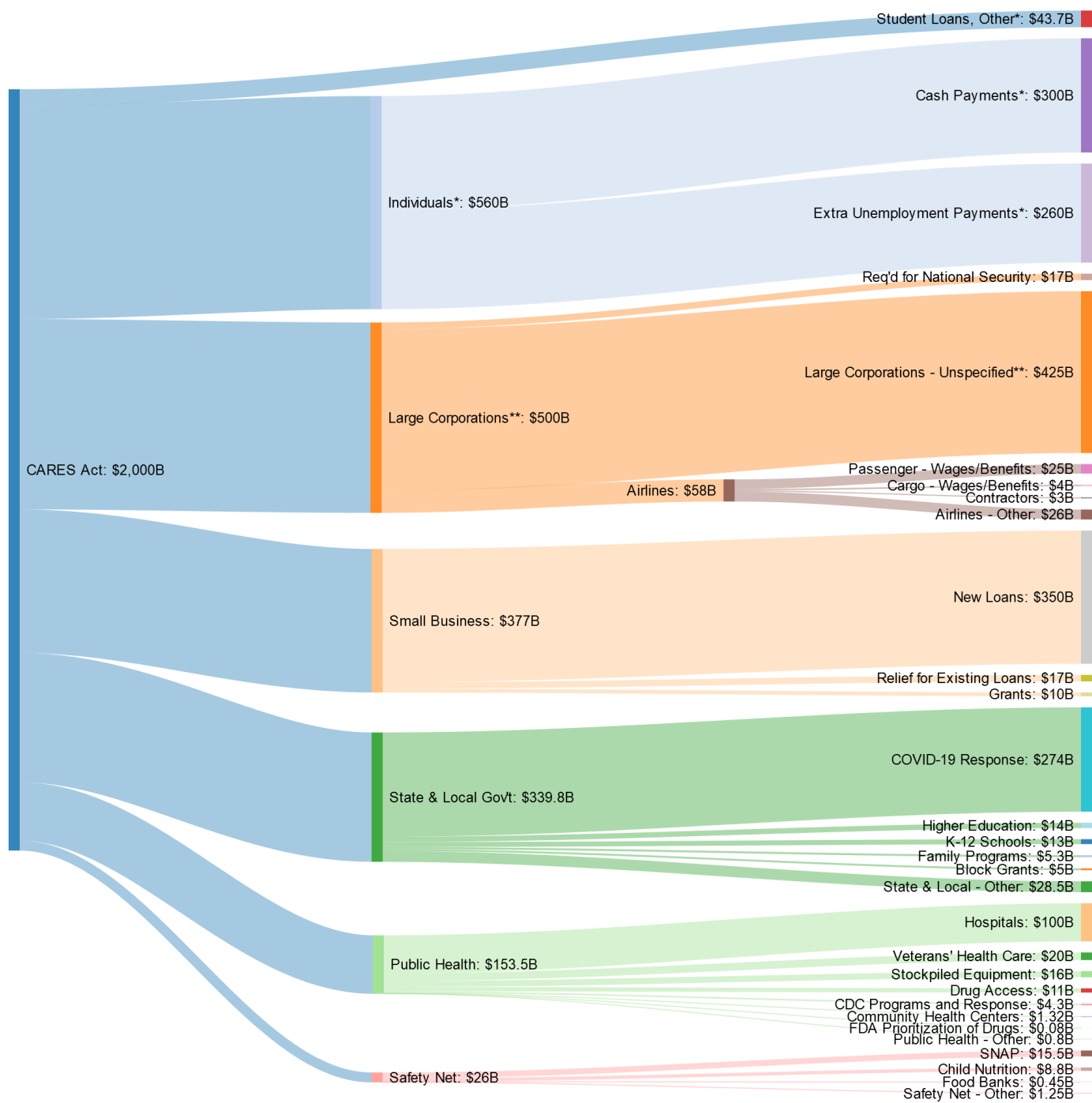
WOMEN'S
BUSINESS
DEVELOPMENT
CENTER

Your growth is our *business*.





Coronavirus Aid, Relief,
and Economic Security
Act (CARES Act)



CARES Act

The comprehensive aid package includes direct payments to Americans, an expansion of unemployment insurance and billions in aid to large and small businesses.

Small and Large Business Loans and Investments

Summary:

- The CARES Act establishes two major federal loan programs.
 - The first is a \$500 billion loan program for large businesses.
 - The other large loan program consists of \$377 billion in loans and grants to small businesses.

*Estimated
 ** Final distribution to be determined by Secretary of the Treasury. Up to \$454B of unused money can be used to generate loans through the Federal Reserve.
 Created using SankeyMATIC by /u/SevenandForty



Small Businesses

The other large loan program consists of \$377 billion in loans and grants to small businesses.

- The bulk of this money, **\$350 billion**, is for guaranteed loans made under the Small Business Act, facilitated by the Small Business Administration.
- This small business package also includes **\$10 billion** in direct grants for businesses.
 - Allows an eligible entity who has applied for an Economic Injury Disaster Loan (EIDL) due to COVID-19 to request an **advance** on that loan, to provide emergency funds to cover immediate operating costs, of not more than \$10,000 which the SBA must distribute within 3 days.
 - Establishes that applicants shall not be required to repay advance payments, even if subsequently denied for an EIDL loan.
- An additional **\$17 billion** has been allocated for loan subsidies, to have SBA step in and make six months of principal and interest payments for all SBA backed business loans.



A yellow hard hat and work gloves are placed on a concrete ledge in the foreground. In the background, a city skyline is visible under a warm, golden sunset sky. Several construction cranes are scattered across the cityscape.

Small Business Owner's Guide to the CARES Act

Struggling to get started?



1. Paycheck Protection Program (PPP)

Capital to cover the cost of retaining employees?

2. Economic Injury Disaster Loans (EIDL)

A quick infusion of a smaller amount of cash to cover you right now?

3. Small Business Debt Relief Program

To ease your fears about keeping up with payments on your current or potential SBA loan?





Paycheck Protection Program (PPP)

PPP Overview

The Paycheck Protection Program (“PPP”) authorizes up to \$349 billion in forgivable loans to small businesses to pay their employees during the COVID-19 crisis. It provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits, interest on mortgages, rent, and utilities.

ELIGIBILITY

- All businesses – including nonprofits, veterans organizations, Tribal business concerns, sole proprietorships, self-employed individuals, and independent contractors – with 500 or fewer employees can apply.
- Businesses in certain industries can have more than 500 employees if they meet applicable SBA employee-based size standards for those industries.
- Additional guidance may be released as appropriate.

USE OF FUNDS

- The loans can be used to cover: payroll; health care costs; mortgage interest payments, rent and utility payments; and interest on pre-existing debt obligations.
 - Payroll costs are capped at \$100,000 on an annualized basis for each employee.
- The money cannot be used to cover:
 - Compensation of employees whose principal place of residence is outside of the U.S.

LOAN AMOUNT

- The amount of the loan cannot exceed the sum of:
 1. 2.5 times the average monthly payroll cost
 2. The amount of EIDLs being refinanced under the program
- PPP loan capped at \$10 million.

LOAN TERMS

- Loan term – 2 years.
- Maximum interest rate – 0.5% percent.
- Zero loan fees.
- Zero pre-payment fees.
- Collateral and personal guarantees not required.
- Payments are deferred by six months
- SBA's “credit elsewhere” test is waived.
- Application fee caps set for lenders.

All loan terms will be the same for everyone.



When can you apply?

- Starting [April 3, 2020](#), small businesses and sole proprietorships can apply
- Starting [April 10, 2020](#), independent contractors and self-employed individuals can apply.

We encourage you to apply as quickly as you can through exiting SBA lenders because there is a funding cap.



Where can you apply?

You can apply through any:

- Existing SBA lender
- Federally insured depository institution
- Federally insured credit union
- Participating Farm Credit System institution

Other regulated lenders will be available to make these loans once they are approved and enrolled in the program.

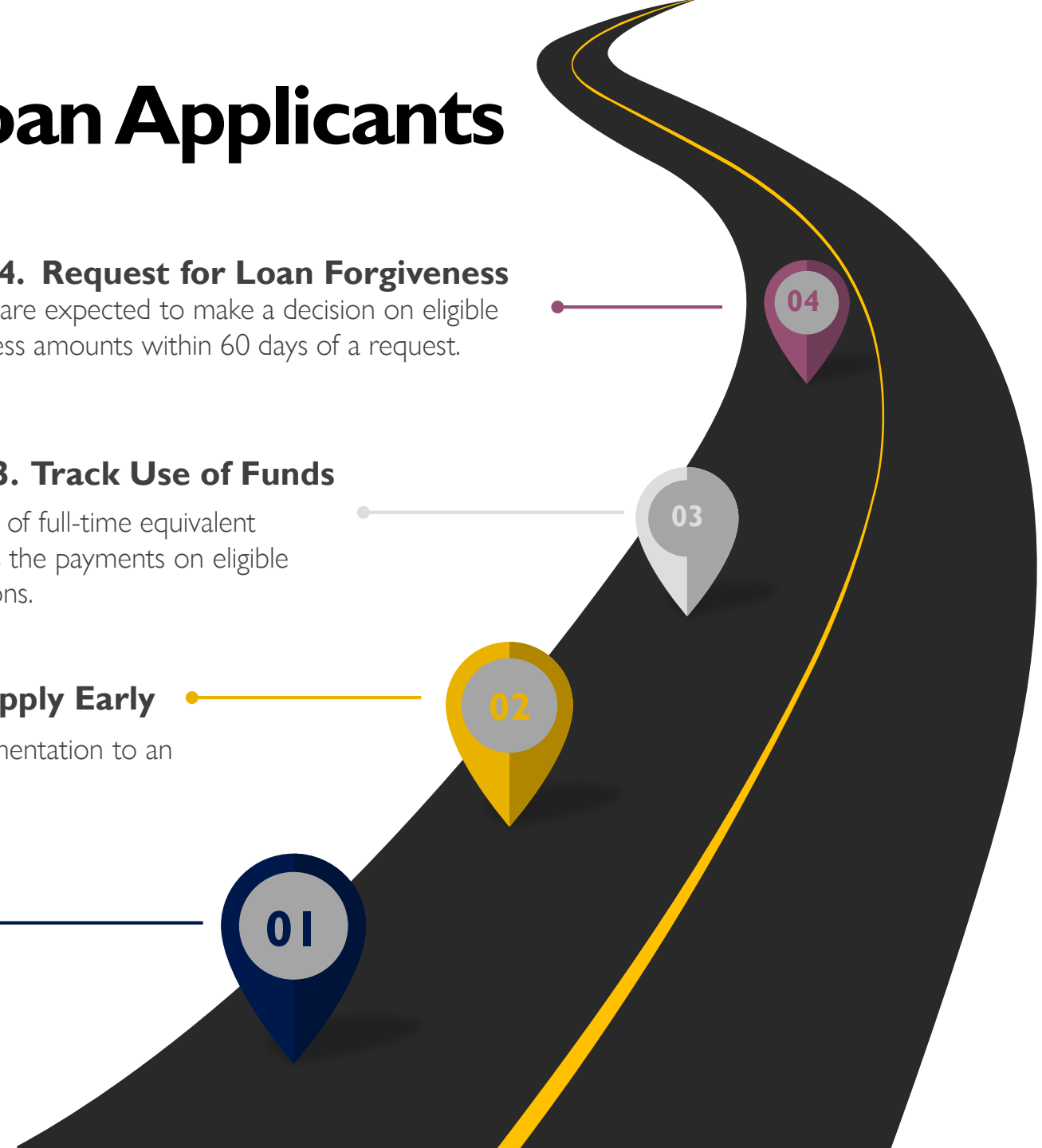
This is a new program being rolled out so please be patient with your business bankers and as a starting point please approach a bank with whom you have an existing business banking relationship.

Reminder: All loans will have the same terms regardless of lender or borrower. A list of participating lenders can be found at

<https://www.sba.gov/paycheckprotection/find>



Roadmap for PPP Loan Applicants

- 
- I. Review Mandatory Requirements & Check Your Eligibility**
 - The biggest reason for delays in processing is due to missing information.
 - 2. Apply Early**
 - Submit the application with the required documentation to an approved lender.
 - Application deadline is June 30th,2020
 - 3. Track Use of Funds**
 - Documents that verify the number of full-time equivalent employees and pay rates, as well as the payments on eligible mortgage, lease, and utility obligations.
 - 4. Request for Loan Forgiveness**
 - Lenders are expected to make a decision on eligible forgiveness amounts within 60 days of a request.



What do you need to apply?

You will need to complete the Paycheck Protection Program loan application and submit the application with the required documentation to an approved lender by June 30, 2020.

- You must confirm that your business needs financial relief because it was impacted by the COVID-19 crisis.
- Proof of payroll.
- Begin gathering organizational documents:
 - Articles of Incorporation
 - DBA Documentation
 - List of Owners
 - Business Tax Returns



PPP Application Form



Paycheck Protection Program Application Form

OMB Control No.: 3245-0407
Expiration Date: 09/30/2020

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

Average Monthly Payroll:	\$	X 2.5 equals Loan Amount:	\$	Number of Jobs:	
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):				

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.

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.

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="checkbox"/>
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="checkbox"/>
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	<input type="checkbox"/>	<input type="checkbox"/>
Initial here to confirm your response to question 7 →		<input type="checkbox"/>





Paycheck Protection Program Application Form

OMB Control No.: 3245-0407
Expiration Date: 09/30/2020

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.





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.
- 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.

Who needs to complete the application?

To be completed, signed and dated by each applicant who is an Individual as well as each 20% or greater owner of an Applicant Business. All parties listed below are considered owners of the Applicant Business:

- For a sole proprietorship, the sole proprietor;
- For a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm;
- For a corporation, all owners of 20% or more of the corporation;
- For limited liability companies, all members owning 20% or more of the company; and
- Any Trustor (if the Applicant Business is owned by a trust).



How is the PPP loan amount determined?

Generally the loan amount will be based on 2.5 times your average monthly payroll cost (excluding costs over \$100,000 on an annualized basis for each employee).

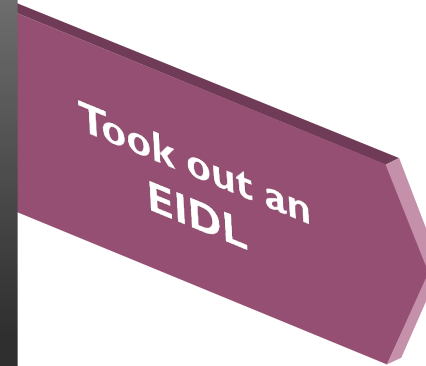
If you were in business in 2019:

- Your max loan is equal to 2.5 times your average monthly payroll costs in 2019.
- Seasonal businesses can use average monthly payroll for the time period between February 15, 2019 and June 30, 2019.



If you were not in business in 2019:

- Your max loan is equal to 2.5 times your average monthly payroll costs between January 1, 2020 and February 29, 2020.



If you took out an Economic Injury Disaster Loan (EIDL) between February 15, 2020 and June 30, 2020 and you want to refinance that loan into a PPP loan, you would add the outstanding EIDL loan amount to the payroll sum.

Loan capped at \$10 million.



What information will the banks verify?

Instead of determining repayment ability (which is not possible during this crisis), lenders are required to verify that:

- Borrower was in operation on February 15, 2020.
- Borrower had employees for whom the borrower paid salaries and payroll taxes, or paid an independent contractor.
- Loan officers will also need to verify the dollar amount of average monthly payroll costs.

Make sure you provide your lender with payroll documentation when applying for the loan.



Flexible Eligibility Reminder

PPP Loans:

- DO NOT require companies to have been in operation for one year.
- DO NOT require a personal guarantee or collateral.
 - ***However, if the loan proceeds are used for fraudulent purposes, the U.S. government will pursue criminal charges against you.***
- DO NOT expressly require companies to be profitable.

DON'T

FORGET



PPP Use of Funds

What can I use these loans for?

You must use the proceeds from these loans within the first 8 weeks of receiving the funds. Borrowers are required to make a **good faith certification** that the loan proceeds will be used for:

- Payroll costs, including benefits;
- Interest on mortgage obligations, incurred before February 15, 2020;
- Rent, under lease agreements in force before February 15, 2020; and
- Utilities, for which service began before February 15, 2020.

What counts as payroll costs?

- Payroll costs include:
- 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; payments required for the provisions of group health care benefits including insurance premiums; and payment of any retirement benefit;
- State and local taxes assessed on compensation; and
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee.



Loan Forgiveness

Funds are provided in the form of loans that will be fully forgiven when used for payroll costs, interest on mortgages, rent, and utilities.

- Due to likely high subscription, at least 75% of the forgiven amount **must** have been used for payroll.
- You will owe money when your loan is due if you use the loan amount for anything other than the outlined use of funds (payroll costs, mortgage interest, rent, and utilities payments) **over the 8 week period immediately after getting the loan.**

You will also owe money if you do not maintain your staff and payroll.

- Number of Staff: Your loan forgiveness will be reduced if you decrease your full-time employee headcount.
- Level of Payroll: Your loan forgiveness will also be reduced if you decrease salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.
- Re-Hiring: You have until June 30, 2020 to restore your full-time employment and salary levels for any changes made between February 15, 2020 and April 26, 2020.



Applying for PPP Loan Forgiveness

You must apply through your lender for forgiveness on your loan.

In your application, you must include:

- Documentation verifying the number of employees on payroll and pay rates, including IRS payroll tax filings and State income, payroll and unemployment insurance filings.
- Documentation verifying payments on covered mortgage obligations, lease obligations, and utilities.
- Certification from a representative of your business or organization that the documentation provided is true and that the amount that is being forgiven was used in accordance with the program's guidelines.



PPP – FAQs

Can I get more than one PPP loan?

- No, an entity is limited to one PPP loan. Each loan will be registered under a Taxpayer Identification Number at SBA to prevent multiple loans to the same entity.

What is the change to the SBA Express loan program?

- Increases the maximum loan for a SBA Express loan from \$350,000 to \$1 million through December 31, 2020, after which point the Express loan will have a maximum of \$350,000.

How are lenders compensated?

- Sets lender compensation fees at:
 - Five percent for loans of not more than \$350,000
 - Three percent for loans of more than \$350,000 and less than \$2,000,000
 - One percent for loans greater than \$2,000,000.

How does the PPP loan coordinate with SBA's existing loans?

- Borrowers may apply for PPP loans and other SBA financial assistance, including Economic Injury Disaster Loans (EIDLs), and non-disaster 7(a) loans, 504 loans, and microloans.

How does the PPP loan work with the temporary Emergency Economic Injury Grants and the Small Business Debt Relief program?

- Emergency Economic Injury Grant recipients and those who receive loan payment relief through the Small Business Debt Relief Program may apply for and take out a PPP loan.
- If you ultimately receive a PPP loan or refinance an EIDL into a PPP loan, **any advance amount received under the Emergency Economic Injury Grant Program would be subtracted from the amount forgiven in the PPP.**



Beware of Predatory Lenders

- Scammers are using this global crisis to take advantage of people, many of whom may be more vulnerable during these uncertain times.
 - They are capitalizing on prevailing fears and anxieties about the disease to fleece victims of their money and steal their identity.
- Beware of people posing as government agents or representing government institutions.
- Take caution when responding to unsolicited calls and emails.
- None of the current disaster programs have fees!
 - Don't be fooled by services that will charge you to apply for a "free" program or charge you to put your loan package together.
 - Additionally, don't let them convince you that they can expedite your loan through the system.
- Review all the documents you are signing. Ensure you understand what you are signing.



Struggling to get started?



1. Paycheck Protection Program

Capital to cover the cost of retaining employees?

2. Economic Injury Disaster Loans

A quick infusion of a smaller amount of cash to cover you right now?

3. Small Business Debt Relief Program

To ease your fears about keeping up with payments on your current or potential SBA loan?





DISASTER LOAN APPLICATION

Name/Address

Last: *Applicant last Name* First: *First Name* Middle Initial: *Doe*
Name of Business: *Business Name*
Address: *1234 my Address* State: *One* ZIP: *12345*
City: *Urban*

APPROVED

Company Information

Type of Business: *Typical*
Legal Form: *LLC*

Economic Injury
Disaster Loans
(EIDL)

2a. Economic Injury Disaster Loans (EIDL) & Emergency Economic Injury Grants

These low-interest federal disaster loans for working capital are being made available to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19) pandemic.

EIDL ELIGIBILITY

Following entities with 500 or fewer employees are eligible:

- Small business concerns (including sole proprietorships)
- Independent contractors
- Cooperatives and employee owned businesses
- Private non-profits
- Tribal small businesses

CARES Act expands eligibility for EIDL loans beyond the previous definition of "Small Businesses" by the SBA.

If businesses are unsure of their eligibility, SBA advises "When in doubt, apply!"

EIDL TERMS

- Loan amount – up to \$ 2 million.
- Interest rate of 3.75% for small businesses.
- Interest rate of 2.75% for non profit organizations.
- Loan maturity terms up to a maximum of 30 years.
- Borrowers must be in business as of January 31, 2020.
- SBA's "credit elsewhere" test is waived.
- For EIDL loans that close before December 31, 2020:
 - No personal guarantees for loans under \$200,000.

GRANT ELIGIBILITY

- These grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL).
- To access the advance, you must first apply for an EIDL and then request the advance.

GRANT TERMS

- The advance does not need to be repaid under any circumstance.
 - Even if the loan applicant is subsequently denied for an EIDL loan.
- Advance payment to be used for providing paid sick leave to employees, maintaining payroll, meeting increased costs to obtain materials, making rent or mortgage payments, and repaying obligations that cannot be met due to revenue losses.

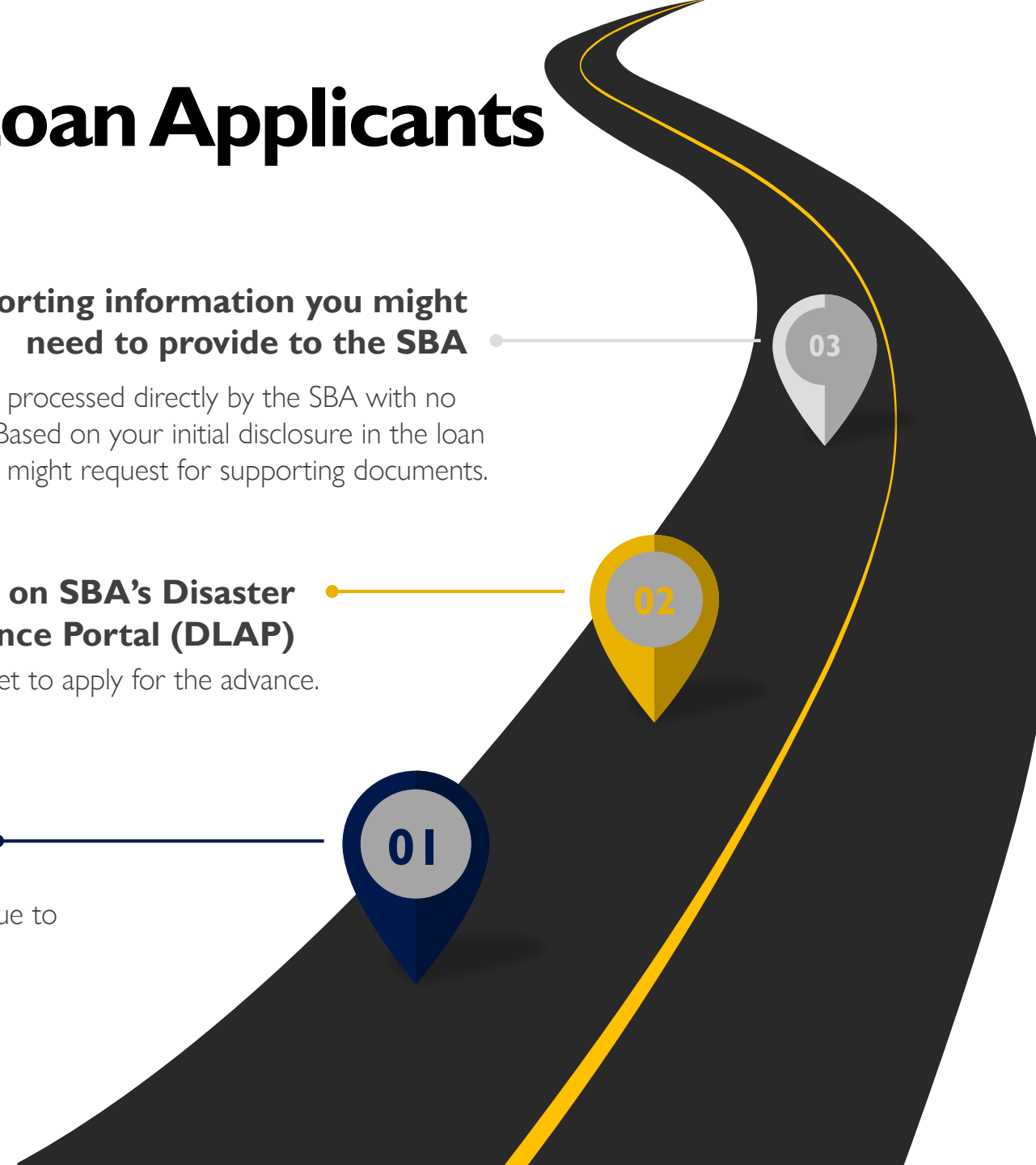


Collateral Requirements

- Loan requests up to \$25,000
 - These are unsecured loans.
 - No collateral required.
- Loan requests greater than \$25,000
 - Secured loans.
 - While the SBA has noted that they will not decline a loan for lack of collateral, they do require borrowers to pledge what is available.
 - SBA will take a security interest in business assets.



Roadmap for EIDL Loan Applicants

- 
- 1. Review Mandatory Requirements & Check Your Credit**
 - The biggest reason for delays in processing is due to missing information.
 - 2. Fill out an Online Application on SBA's Disaster Loan Assistance Portal (DLAP)**
 - Easy application process, do not forget to apply for the advance.
 - 3. Prepare supporting information you might need to provide to the SBA**
 - These loans are processed directly by the SBA with no intermediaries. Based on your initial disclosure in the loan application they might request for supporting documents.



How do I apply for an EIDL?

The Disaster Loan Assistance Portal was updated on Monday March 30th, 2020.

- If you are submitting a new application, please follow the new streamlined steps in the portal.
- If you applied for an EIDL prior to the launch of the new portal (Monday afternoon) you will **have to reapply** to be eligible for the advance.
- Small businesses are encouraged to apply for an EIDL and then request for an Economic Injury Disaster Loan advance of \$10,000.
 - The loan advance will provide economic relief to businesses impacted by the Covid-19 disaster, funds will be made available within 3 days, and this loan advance will not have to be repaid.

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



Disaster Loan Assistance Portal

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

Disaster Loan Assistance

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

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.



ELIGIBLE ENTITY VERIFICATION

Choose One:

- Applicant is a business with not more than 500 employees.
- Applicant is an individual who operates under a sole proprietorship, with or without employees, or as an independent contractor.
- Applicant is a cooperative with not more than 500 employees.
- Applicant is an Employee Stock Ownership Plan (ESOP), as defined in 15 U.S.C. 632, with not more than 500 employees.
- Applicant is a tribal small business concern, as described in 15 U.S.C. 657a(b)(2)(C), with not more than 500 employees.
- Applicant is a business, including an agricultural cooperative, aquaculture enterprise, nursery, or producer cooperative, that is small under SBA Size Standards found at <https://www.sba.gov/size-standards>.
- Applicant is a business with more than 500 employees that is small under SBA Size Standards found at <https://www.sba.gov/size-standards>.
- Applicant is a private non-profit organization that is a non-governmental agency or entity that currently has an effective ruling letter from the IRS granting tax exemption under sections 501(c),(d), or (e) of the Internal Revenue Code of 1954, or satisfactory evidence from the State that the non-revenue producing organization or entity is a non-profit one organized or doing business under State law, or a faith-based organization.



Review and Check All of the Following:

Applicant must review and check all the following (If Applicant is unable to check all of the following, Applicant is not an Eligible Entity):

- Applicant is not engaged in any illegal activity (as defined by Federal guidelines).
- No principal of the Applicant with a 50 percent or greater ownership interest is more than sixty (60) days delinquent on child support obligations.
- Applicant is not an agricultural enterprise (e.g., farm), other than an aquaculture enterprise, agricultural cooperative, or nursery.
- Applicant does not present live performances of a prurient sexual nature or derive directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature.
- Applicant does not derive more than one-third of gross annual revenue from legal gambling activities.
- Applicant is not in the business of lobbying.
- Applicant cannot be a state, local, or municipal government entity and cannot be a member of Congress.

If you have questions about this application or problems providing the required information, please contact our Customer Service Center at 1-800-659-2955 or (TTY: 1-800-877-8339) DisasterCustomerService@sba.gov.

Continue >



Disaster Loan Assistance

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

STEP 2

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

Business Information

Business Legal Name *

Trade Name *

EIN/SSN for Sole Proprietorship *

Organization Type *

Is the Applicant a Non-Profit Organization? *

Yes No

Is the Applicant a Franchise? *

Yes No

Gross Revenues for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) *

Cost of Goods Sold for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020) *

Rental Properties (Residential and Commercial) Only - Lost Rents Due to the Disaster

Non-Profit Cost of Operation for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020)





Additional Business Information (only items marked with a red * are mandatory):

- Rental Properties (Residential and Commercial) Only - Lost Rents Due to the Disaster
- Non-Profit Cost of Operation for the Twelve(12) Month Prior to the Date of the Disaster (January 31, 2020)
- Combined Annual Operating Expenses for the Twelve(12) Months Prior to the Date of the Disaster (January 31, 2020) for All Secular Social Services Provided by the Faith Based Entity
- List the Secular Social Services Provided by the Faith Based Entity
- Compensation From Other Sources Received as a Result of the Disaster
- Provide Brief Description of Other Compensation Sources
- Primary Business Address (Cannot be P.O. Box) *
- City, State County, Zip *
- Business Phone *
- Alternative Business Phone, Business Fax
- Business Email *
- Date Business Established *
- Current Ownership Since *
- Business Activity *
- Detailed Business Activity *
- Number of Employees (As of January 31, 2020) *





DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

Step 2 of 3

Business Owners Information

Is Your Business Owned by a Business Entity? *

Yes No

Individual Owner/Agent(s)

Owner/Agent 1

First Name *


Last Name *





Additional Business Owner Information (only items marked with a red * are mandatory):

- Mobile Phone *
- Title / Office *
- Ownership Percent *
- Email *
- SSN *
- Birth Date *
- Place Of Birth *
- U.S. Citizen *
- Residential Street Address *
- City *
- State *
- Zip *

 Add Additional Owner

< Back

Next >





DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

Step 3 of 3

Additional Information

In the past year, has the business or a listed owner been convicted of a criminal offense committed during and in connection with a riot or civil disorder or other declared disaster, or ever been engaged in the production or distribution of any product or service that has been determined to be obscene by a court of competent jurisdiction?

 Yes No

Is the applicant or any listed owner currently suspended or debarred from contracting with the Federal government or receiving Federal grants or loans?

 Yes No

a. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction?

 Yes No

b. Have you been arrested in the past six months for any criminal offense?

c. For any criminal offense - other than a minor vehicle violation - have you ever been convicted, plead guilty, plead nolo contendere, been placed on pretrial diversion, or been placed on any form of parole or probation (including probation before judgment)?





DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

If anyone assisted you in completing this application, whether you pay a fee for this service or not, that person must enter their information below.

Individual Name

Name of Company

Phone Number

Street Address, City, State, Zip

Fee Charged or Agreed Upon

I give permission for SBA to discuss any portion of this application with the representative listed above.

Yes No





DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

I would like to be considered for an advance of up to \$10,000.

Where to Send Funds

Bank Name *

Account Number *

Routing Number *



ADDITIONAL INFORMATION

(may be requested)

As soon as you SUBMIT your online application you will receive a confirmation from the SBA.

Application Submitted

Your application number is

XXXXXXXXXXXX

You will be notified through the email address you submitted email@email.com for any additional information needed once your application has been processed.

Please write down your application number or print this page for your records.



Loan Amount

Preliminary guidance from the SBA indicates that businesses should evaluate their working capital needs for a benchmark 6 months, to determine how much money they need to keep their business in business.

2 forms are important during this evaluation phase

- **SBA Form 2202** (Schedule of Liabilities)
 - It will make you list all fixed debts for the business (Mortgage, Notes, Accounts Payable etc.).
- **SBA Form 1368** (Monthly Sales Figures)
 - In this form you are required to provide monthly sales figures beginning at least a year prior to the disaster and continuing through the most recent month available.
 - Important in helping SBA loan officers evaluate the before and after picture of COVID-19's impact on your business.
 - Required when requesting an increase in the amount of economic injury.



SBA Form 1368

Required when requesting an increase in the amount of economic injury.

- In this form you are required to provide monthly sales figures beginning, at minimum, a year prior to the disaster and continuing through the most recent month available.
 - Important in helping SBA evaluate the before and after picture of COVID-19's impact on your business.
- In Form 1368, you can also provide a financial forecast.
 - The forecast is not required, simply recommended.



U. S. Small Business Administration

OMB No. 3245-0017
Expiration Date: 08/31/2021

ADDITIONAL FILING REQUIREMENTS ECONOMIC INJURY DISASTER LOAN (EIDL), and MILITARY RESERVIST ECONOMIC INJURY DISASTER LOAN (MREIDL)

- * An EIDL is limited to providing working capital that is unavailable from other sources, as determined by the U.S. Small Business Administration (SBA), for an eligible business to continue operations until the effects of the declared disaster have passed.
- * A MREIDL is limited to providing working capital that is unavailable from other sources, as determined by the SBA, for an eligible business to continue operations until the effects of a call-up to active duty (as a result of a military conflict) of an essential employee have passed.
- * The APPLICANT must be a small business or small agricultural cooperative, as defined in SBA's published size standards, or an eligible private non-profit organization of any size.
- * The APPLICANT must establish that the claimed economic injury is substantial and is a direct result of the declared disaster. For MREIDL, the applicant must establish the claimed economic injury is substantial and is a direct result of the call-up of an essential employee. Substantial economic injury generally means a decrease in income from operations or working capital with the result that the business is unable to meet its obligations and pay ordinary and necessary operating expenses in the normal course of business.
- * The 1368 is required for an economic injury loan increase requests when supporting documentation is not available.

PROVIDE THE FOLLOWING INFORMATION IN ADDITION TO THE REQUIREMENTS ON THE "DISASTER BUSINESS LOAN APPLICATION," SBA FORM 5 Monthly Sales Figures

Provide monthly sales figures (you may estimate if actual figures are not available) beginning 3 years prior to the disaster and continuing through the most recent month available.

PLEASE NOTE: Identify any estimates with a small letter "e" after the number.

Month	Fiscal year	Fiscal year	Fiscal year	Current year/ to date



Processing Time

At present, the guidance from the SBA is that it will take them 21 days to process a loan application.

However, we would like to remind everyone that this is an unprecedented situation.

- Most disaster loans the SBA has made in its history were to individuals for homes damaged by natural disasters in a specific geographic region.
- The economic magnitude of the COVID-19 disaster is staggering since small businesses across the U.S. are impacted.
- Please be mindful of the fact that the SBA will be receiving EIDL loan applications from across the country.



Please Check Your Credit Score

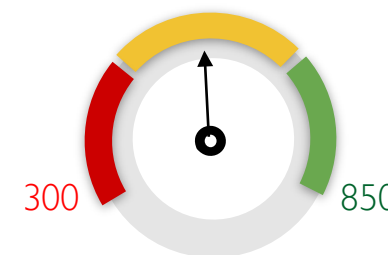
While the SBA does not require a credit score and has no minimum threshold for disaster loans they will check for it. Review credit for all owners being represented on the loan.

Remember the movie, “Willie Wonka and the Chocolate Factory”? The only way into the factory was to find a Golden Ticket. Your credit report and FICO score do the same thing in the world of small business financing. To get additional capital for your small business and qualify for a loan, this is your pass.

- If there is something on your credit that the lender finds questionable, it may drag the loan process out. Know before you go!
- *For EIDL loans that close before December 31, 2020, the SBA has indicated that to simplify the process they will base all credit decisions on credit scores.*
- SBA’s “credit elsewhere” test (the ability to obtain funding from other sources without undue hardship) is waived.

Free credit report sites:

- www.creditkarma.com
- www.CreditScoreCard.com
- www.annualcreditreport.com



EIDL – FAQs

Are businesses in my state eligible for an EIDL related to COVID-19?

- Yes, those suffering substantial economic injury in all 50 states, DC, and the territories may apply for an EIDL.

How long are Emergency Economic Injury Grants available?

- January 31, 2020 – December 31, 2020. The grants are backdated to January 31, 2020 to allow those who have already applied for EIDLs to be eligible to also receive a grant.

Can I ask for more money?

- If, down the road, you realize you need more funds than you requested initially for – you can submit supporting documents and request for an increase.
 - Also, if less funds are needed, applicants can request a reduction in the loan amount at any time.

If I get an EIDL and/or an Emergency Economic Injury Grant, can I get a PPP loan?

- Whether you've already received an EIDL unrelated to COVID-19 or you receive a COVID-19 related EIDL and/or Emergency Grant between January 31, 2020 and June 30, 2020, you may also apply for a PPP loan.
- If you ultimately receive a PPP loan or refinance an EIDL into a PPP loan, any advance amount received under the Emergency Economic Injury Grant Program would be subtracted from the amount forgiven in the PPP.



Struggling to get started?



1. Paycheck Protection Program

Capital to cover the cost of retaining employees?

2. Economic Injury Disaster Loans

A quick infusion of a smaller amount of cash to cover you right now?

3. Small Business Debt Relief Program

To ease your fears about keeping up with payments on your current or potential SBA loan?





SMALL BUSINESS DEBT RELIEF PROGRAM



Debt Relief

- This program will provide immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans.
- Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months.
- This relief will also be available to new borrowers who take out loans within six months of the bill being signed into law.

This is not a deferral!

The SBA is providing debt relief by making these payments for the business owners. The debt relief is supposed to be automatic, but businesses should check in with their lenders.

Small Business Debt Relief Program FAQs

Which SBA loans are eligible for debt relief under this program?

- 7(a) loans not made under the Paycheck Protection Program (PPP), 504 loans, and microloans. Disaster loans are not eligible.

How does debt relief under this program work with a PPP loan?

- Borrowers may separately apply for and take out a PPP loan, but debt relief under this program will not apply to a PPP loan.

How do I know if I'm eligible for a 7(a), 504, or microloan?

- In general, businesses must meet size standards (<https://www.sba.gov/size-standards/>), be based in the U.S., be able to repay, and have a sound business purpose. Each program has different requirements, see <https://www.sba.gov/funding-programs/loans> for more details.

I am unfamiliar with SBA loans, can anyone help me apply?

- Yes, SBA resource partners are available to help guide you through the loan application process.
 - You can find your nearest Small Business Development Center (SBDC) or Women's Business Center at this link <https://www.sba.gov/local-assistance>.
 - You also can contact us directly at www.wbdc.org.





A FINAL REMINDER

If you need access to SBA Loans under the CARES Act to help you through these challenging and uncertain economic time **apply as soon as possible!**

- The economic magnitude of the COVID-19 disaster is staggering, since small businesses across the U.S. are impacted.
 - Remember, the SBA (for EIDLs) and Banks (for PPP loans) will be receiving loan applications from across the country.

THANK YOU

WWW.WBDC.ORG



WOMEN'S
BUSINESS
DEVELOPMENT
CENTER

Your growth is our *business*.

