

# THE PAYCHECK PROTECTION PROGRAM IS BACK

Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll.

**Small Business Administration (SBA) will forgive loans if all employee retention criteria are met, and the funds are used for eligible expenses.**

- PPP loans have an interest rate of 1%.
- Loans issued prior to June 5 have a maturity of 2 years. Loans issued after June 5 have a maturity of 5 years.
- Loan payments will be deferred for borrowers who apply for loan forgiveness until SBA remits the borrower's loan forgiveness amount to the lender. If a borrower does not apply for loan forgiveness, payments are deferred 10 months after the end of the covered period for the borrower's loan forgiveness (either 8 weeks or 24 weeks).
- No collateral or personal guarantees are required.
- Neither the government nor lenders will charge small businesses any fees.



## How Do I Apply?

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating.



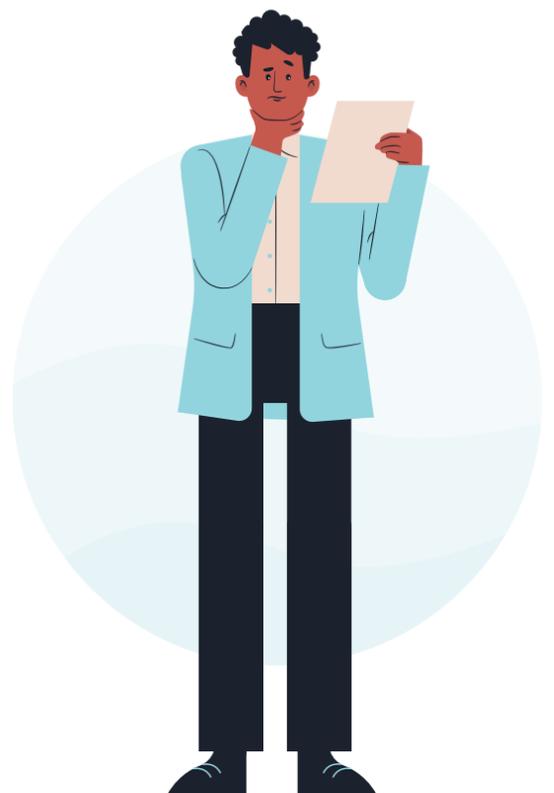
## Who Can Apply?

**First time PPP loans are available to borrowers that were in operations on Feb. 15, 2020 and are from one of the following groups:**

- Businesses with 500 or fewer employees.
- Sole proprietors, independent contractors, and eligible self-employed individuals.
- Not-for-profits, including churches.
- Accommodation and food services operations with NAICS codes starting with 72 that have fewer than 500 employees per physical location.
- Sec. 501(c)(6) business leagues, such as chambers of commerce, visitors' bureaus, etc., and "destination marketing organizations" that have 300 or fewer employees.
- News organizations that are majority-owned or controlled by an NAICS code 511110 or 5151 business or not-for-profit public broadcasting entities with a trade or business under NAICS code 511110 or 5151. The size limit for this category is no more than 500 employees per location.

**Borrowers are eligible for a second-draw PPP loan of up to \$2 million, provided they have:**

- Businesses with 300 or fewer employees.
- Used or will use the full amount of their first PPP loan on or before the expected date for the second PPP loan to be disbursed to the borrower.
- Experienced a revenue reduction of 25% or more in all or part of 2020 compared with all or part of 2019.



## Loans can be used for

PPP borrowers can have their first- and second-draw loans forgiven if the funds are used on the following eligible costs: payroll, rent, covered mortgage interest, and utilities, covered worker protection and facility modification expenditures, covered property damage costs, covered payments to suppliers and payments for business software or cloud computing services that facilitate business operations, product or service delivery, and a number of back-office functions, including accounting.