Economic Injury Disaster Loans For Coronavirus/COVID-19 Related Economic Disruptions



U.S. Small Business
Administration

SBA's Disaster Declaration Makes Loans Available Due to the Coronavirus (COVID-19)

SBA Administrator Jovita Carranza announced the President's Emergency Declaration to expeditiously provide capital to financially distressed businesses affected by the Coronavirus (COVID-19) pandemic through the Economic Injury Disaster Loan (EIDL) program.





SBA Administrator Jovita Carranza

- 1-year deferment on Economic Injury Disaster Loans provided due to COVID-19
- Automatic deferment of previous disaster loans for homeowners and businesses through 2020
- 6-month deferment on current 7(a), 504 and Microloans



SBA's Economic Injury Disaster Loan Basics

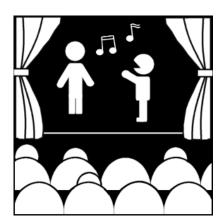
What businesses are eligible to apply?

SBA's Economic Injury Disaster Loans (working capital loans) are available to:

- Small businesses, small agricultural cooperatives, small aquaculture businesses
- Most private non-profit organizations, and faith-based organizations.







SBA's Economic Injury Disaster Loan Terms

How much can I borrow?

- Eligible entities may qualify for loans up to \$2 million.
- The interest rates for this disaster are 3.75% for small businesses and 2.75% for nonprofit organizations with terms up to 30 years.
- Eligibility for these EIDL working capital loans are based on the size (must be a small business) and eligible nonprofit organization.

How can I use the loan funds?

- These EIDL (working capital) loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred.
- These loans are not intended to replace lost sales or profits or for expansion.



SBA's Economic Injury Disaster Advance

What is the EIDL Advance?

Applicants may request an advance of up to \$10,000 immediately.

How do you request the EIDL Advance?

You must request the advance of the funds by submitting the new streamlined application, even if you have already submitted a Disaster Loan application.

Who is eligible for the EIDL Advance?

Any entity that is eligible to apply for a COVID-19 Economic Injury Disaster Loan.



SBA's Economic Injury Disaster Advance

How can I use the EIDL Advance?

The advance may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred.

- It is not intended to replace lost sales or profits or for expansion.
- There is no requirement to repay the advance even if your SBA Disaster Loan application is declined.



SBA's EIDL Working Capital Loans Are Different From Other SBALoans

- SBA's Economic Injury Disaster Loan (EIDL) funds come directly from the U.S. Treasury
- Applicants do not go through a bank to apply. Instead apply directly to SBA's Disaster Assistance Program at: https://covid19relief.sba.gov/#/
- There is no obligation to take the loan if offered. Collateral is required for loans over \$25,000
- There is no real estate collateral required. A blanket UCC-1 will be filed against all of the business collateral
- Personal guarantees are required for loans greater than \$200,000
- Applicants can have an existing SBA Disaster Loan and still qualify for an EIDL for this disaster, but the loans cannot be consolidated



Ineligible Entities

What are some of the businesses that are ineligible for an Economic Injury Disaster Loan?

- Agricultural Enterprises: If the primary activity of the business (including its affiliates) is as defined in Section 18(b)(1) of the Small Business Act, neither the business nor its affiliates are eligible for EIDL assistance.
- Businesses involved in an illegal activity on the federal level (marijuana).
- Businesses whose <u>purpose for being</u> is gambling (casinos, racetracks, etc.).
- Businesses that derive more than 1/3 of their annual gross revenue from legal gambling activities.



How to Apply



 Applicants apply online via SBA's secure website at <u>https://covid19relief.sba.gov/#/</u>



Applicants may also apply by sending an email to disastercustomerservice@sba.gov
Applicants without internet access should call SBA's Customer Service Center at 800-659-2955 (800-877-8339 for the deaf and hard-of-hearing)



Correspondence can be mailed to:
U.S. Small Business Administration
Processing and Disbursement Center
14925 KingsportRoad, Fort Worth, TX 76155

Assistance From SBA Resource Partners

Free assistance with reconstructing financial records, preparing financial statements and submitting the loan application is available from any of SBA's partners:

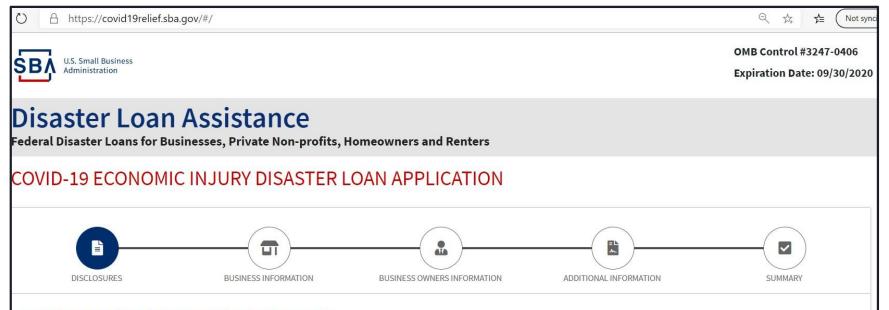
- Small Business Development Centers (SBDCs)
- SCORE
- Women's Business Centers (WBC)
- Veteran's Business Outreach Centers

For the nearest office, visit: https://www.sba.gov/local-assistance

For the nearest Small Business Development Centers (SBDC), visit: https://americassbdc.org







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.





Step 1– Disclosures

3. Review and check ALL boxes to verify eligibility and Click Continue. All sidebars must be green to continue.

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):

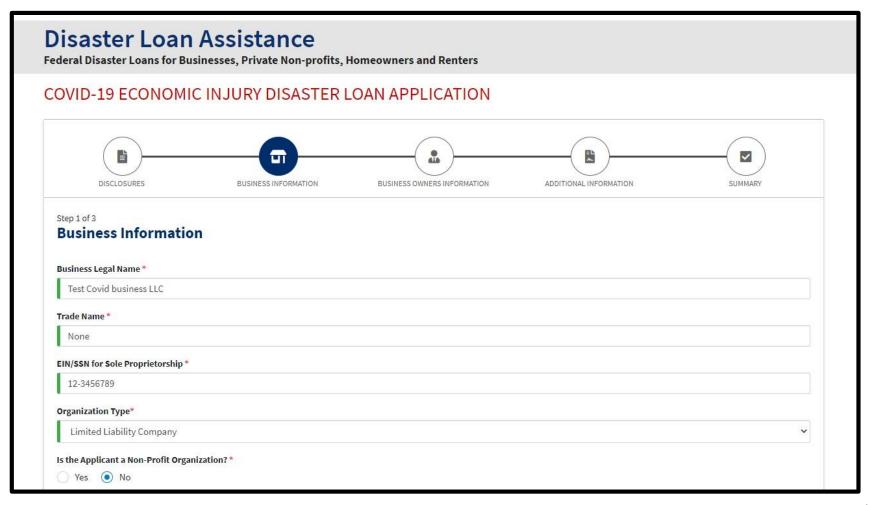
- Applicant is not engaged in any illegal activity (as defined by Federal guidelines).
- No principal of the Applicant with a 50 percent or greater ownership interest is more than sixty (60) days delinquent on child support obligations.
- 🗸 Applicant is not an agricultural enterprise (e.g., farm), other 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 >











Is the Applicant a Franchise? *	
Yes No	
Gross Revenues for the Twelve(12) Mo	onth Prior to the Date of the Disaster (January 31, 2020) *
\$500,000	
Cost of Goods Sold for the Twelve(12)	Month Prior to the Date of the Disaster (January 31, 2020) *
\$200,000	
Rental Properties (Residential and Co	mmercial) Only - Lost Rents Due to the Disaster
Non-Profit Cost of Operation for the To	welve(12) Month Prior to the Date of the Disaster (January 31, 2020)
	welve(12) Month Prior to the Date of the Disaster (January 31, 2020) 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
	s 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
Combined Annual Operating Expenses	s 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
Combined Annual Operating Expenses	s 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 led by the Faith Based Entity





Provide Brief Description of Other Compensat	ion Sources			
				4
Primary Business Address (Cannot be P.O. Box	t) *			
123 Fake St.				
City *				
Buffalo				
State *				
New York			~	
County				
Zip *				
14202				
Business Phone *				
(716)-843-4101				
Alternative Business Phone				
Business Fax				

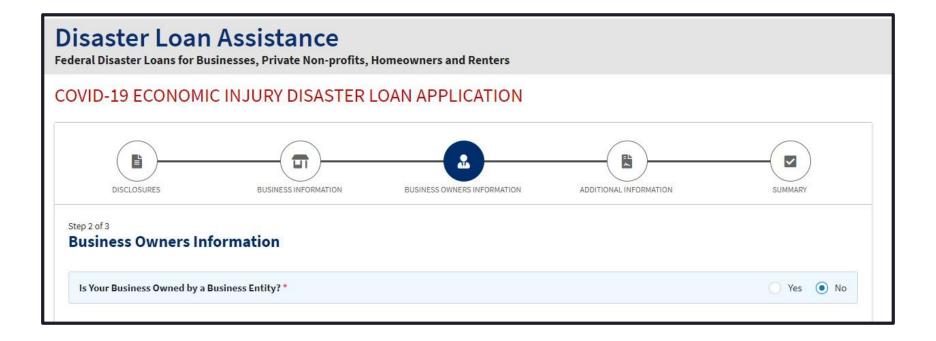




Business Email *	
TestCovidbusinessLLC@LLC.COM	
Date Business Established *	
02/01/1990	
Current Ownership Since *	
02/01/1990	
Business Activity *	
Miscellaneous Services	~
Detailed Business Activity*	
None of the below	~
Number of Employees (As of January 31, 2020) *	
20	
Next >	

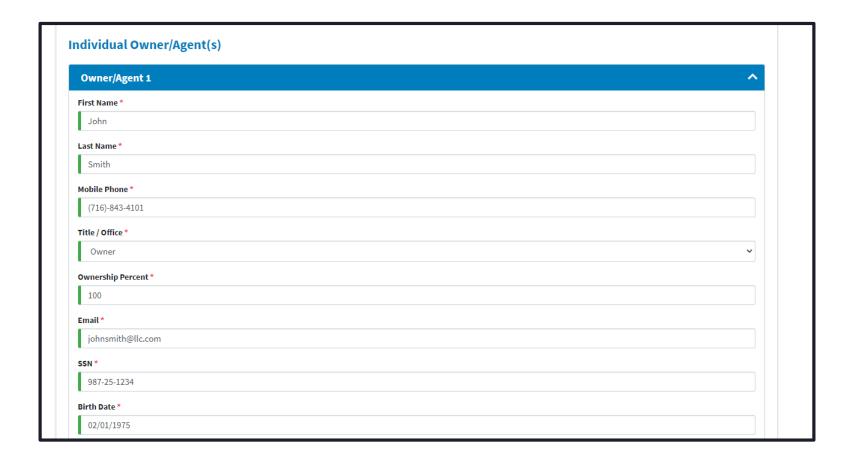






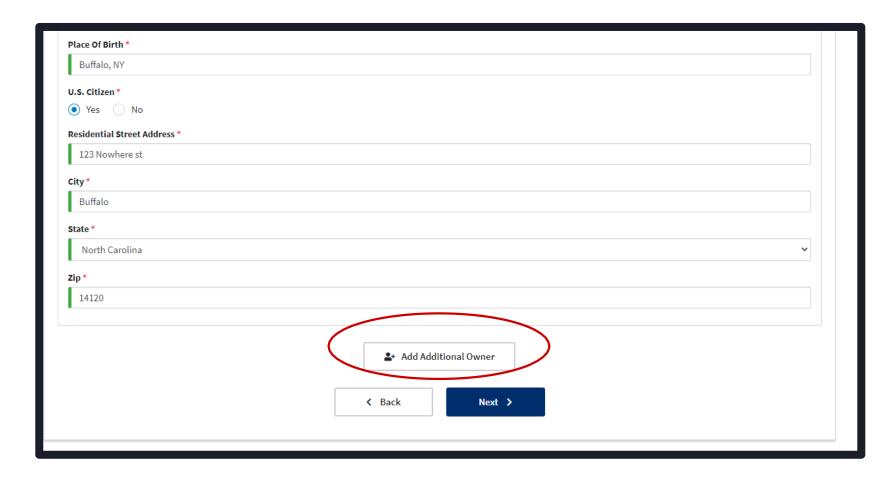






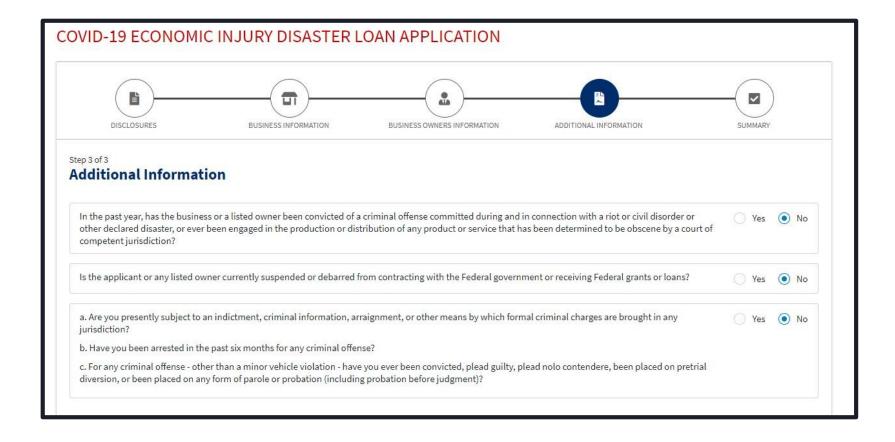
















idividual Name	
uiviuuat name	
ame of Company	
hone Number	
hand Address City Chats Tim	
treet Address, City, State, Zip	
ee Charged or Agreed Upon	
I give permission for SBA to discuss any portion of this application with the representative listed above.	○ Yes ○ No



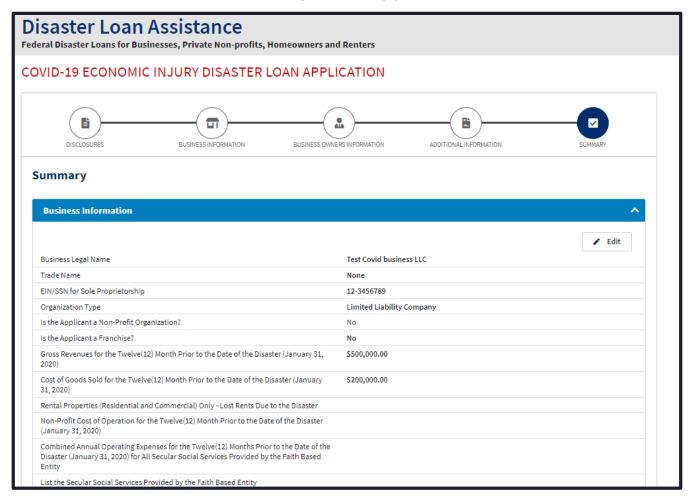


Bank Name *	
Key Bank	
Account Number *	
123456789	
Routing Number *	
123388233	
On behalf of the individual owners identified in this ap	oplication and for the business applying for the loan:
/We authorize my/our insurance company, bank, fina or the SBA to obtain credit information about the indi	ncial institution, or other creditors to release to SBA all records and information necessary to process this application and ividuals completing this application.
oan funds. I/We hereby authorize the SBA to verify my /We authorize SBA, as required by the Privacy Act, to I	by be required prior to loan closing. I/We will be advised in writing what information will be required to obtain my/our ly/our past and present employment information and salary history as needed to process and service a disaster loan. release any information collected in connection with this application to Federal, state, local, tribal or nonprofit ite Disaster Services, SBA Resource Partners) for the purpose of assisting me with my/our SBA application, evaluating the availability of such assistance.
	benefits of, or otherwise subject to discrimination under any program or activity for which I/we receive Federal financial olor, handicap, marital status, national origin, race, religion, or sex.
	eral, Washington, DC 20416, any Federal employee who offers, in return for compensation of any kind, to help get this with the Federal government for help in getting this loan.
CERTIFICATION AS TO TRUTHFUL INFORMATION: By si correct to the best of your knowledge, and that you wi	gning this application, you certify that all information in your application and submitted with your application is true and ill submit truthful information in the future.
original principal amount of the loan under 15 U.S.C. 6 sanctions including, but not limited to: 1) fines and im applicable laws; 2) treble damages and civil penalties	ds of an SBA disaster loan shall be civilly liable to the Administrator in an amount equal to one-and-one half times the 636(b). In addition, any false statement or misrepresentation to SBA may result in criminal, civil or administrative prisonment, or both, under 15 U.S.C. 645, 18 U.S.C. 1001, 18 U.S.C. 1014, 18 U.S.C. 1040, 18 U.S.C. 3571, and any other under the False Claims Act, 31 U.S.C. 3729; 3) double damages and civil penalties under the Program Fraud Civil or debarment from all Federal procurement and non-procurement transactions. Statutory fines may increase if amended Improvements Act of 2015.
I hereby certify UNDER PENALTY OF PERJURY UND	ER THE LAWS OF THE UNITED STATES that the above is true and correct.
Click for additional statements required by laws and e	executive orders



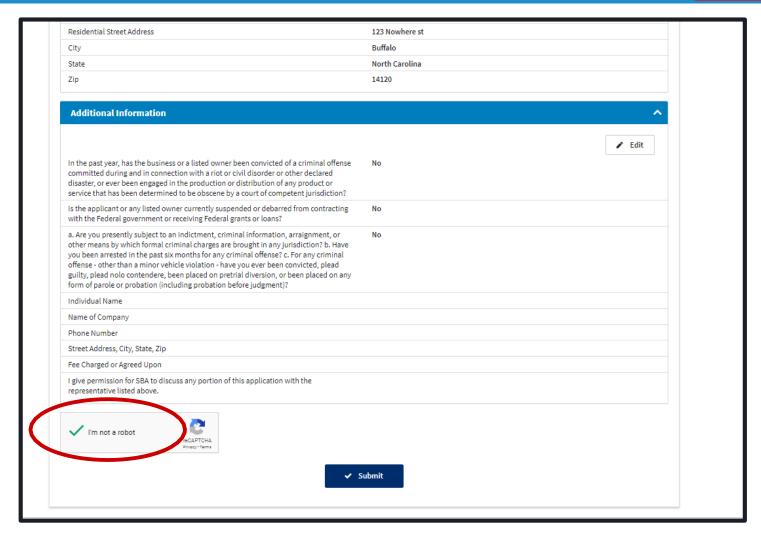


summary of the application











Any Questions?



For more information on SBA's Disaster Assistance programs visit our website at:

www.sba.gov/disaster