



AT-A-GLANCE FOR SMALL BUSINESSES Paycheck Protection Program vs. Economic Injury Disaster Loan

	PAYCHECK PROTECTION PROGRAM	ECONOMIC INJURY DISASTER
Who can borrow?	<ul style="list-style-type: none"> Businesses with up to 500 employees or which meet the applicable size standard for the industry as provided by SBA's existing regulation. Certain food/drink establishments and hotels with more than one location, but no more than 500 employees per location. 	<ul style="list-style-type: none"> Businesses with up to 500 employees or which meet the applicable size standard for the industry as provided by SBA's existing regulation
Amount:	2.5 times monthly payroll expenses, up to \$10 million. Payroll expenses in some cases also include comp to independent contractors. They do not include payroll over and above \$8,333 per month for any person, and do not include FICA and income tax withholdings.	Up to \$2 million. Can request an advance of \$10,000 which will be distributed in 3 days. You do not have to repay the advance if the loan is subsequently denied.
How to apply:	Apply through banks and credit unions.	Apply online with the SBA.
Interest:	Not to exceed 4.0%	3.75%
Repayment time:	10 years	30 years
First payment due:	Six months after loan origination date.	One year after loan origination date.
Can use funds for:	Payroll, interest (not principal) on loans, healthcare, rent, utilities.	Covers all financial obligation that could not have been met.
Do you have to provide collateral?	No collateral.	Yes. A lien on all assets, with certain limitations.
Do you have to give a guaranty?	No.	Yes, for loans over \$200,000. Guaranty from all 20%+ owners, managing members, etc.
Forgivable?	Yes, if criteria are met.	No.
Do you have to have filed your 2019 taxes?	Maybe.	No.
How long does the process take?	This information is not available yet.	Takes 2-3 weeks to process.
Can you apply yet?	Can apply as of April 3, 2020.	Yes.

Reach our team of business lawyers with any questions. Call 704.372.9870 or visit JMDLaw.com.