

SBA's Loan Programs

For COVID-19 Related Economic Disruptions



U.S. Small Business
Administration

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

President Trump signed the [Coronavirus Aid, Relief and Economic Security Act](#) into law on [March 27, 2020](#). The economic stimulus bill [provides](#) financial assistance to U.S. citizens and U.S. businesses. Within the bill, emergency capital will be made available to sustain our nation's small businesses and their employees during this unprecedented event.

The U.S. Small Business Administration (SBA) is offering designated states and territories low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19).



Administrator Jovita Carranza

SBA's Economic Injury Disaster Loan Basics

What businesses are eligible to apply?

SBA's Economic Injury Disaster Loans (or working capital loans) are available to small businesses, small agricultural cooperatives, small aquaculture businesses and most private non-profit organizations

In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan

These 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. The loans are not intended to replace lost sales or profits or for expansion.

The **Economic Injury Disaster Loan Advance of \$10,000** is available through: <https://covid19relief.sba.gov/#/>

This **Advance** may be available even if your **EIDL** application is still pending or declined and it **will be forgiven**.

Economic Injury Disaster Loan Features

All loans under the EIDL program will have the following identical features:

- Maximum loan amount up to \$2 million
- Interest rate of 3.75% for profit businesses
- 2.75% for eligible private non-profits entities
- Extended Loan Maturity of 30 years
- First payment deferred for 12 months
- Loans funded by US Treasury & administered by SBA/ODA
- No collateral for loans under \$25,000
- Loans over \$25,000 require collateral.
- No Costs to apply & No obligation to take the loan if offered.
- Personal Guaranties of 20% or greater owners of the business will need required

SBA's Paycheck Protection Program Basics

What businesses are eligible to apply?

All businesses, including non-profits, Veterans organizations, Tribal concerns, sole proprietorships, self-employed individuals, and independent contractors, with 500 or fewer employees, or no greater than the number of employees set by the SBA as the size standard for certain industries

Loan forgiveness if proceeds used for payroll costs and other designated business operating expenses in the 8 weeks following the date of loan origination (due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs)

Paycheck Protection Program Features

All loans under this program will have the following identical features:

- Maximum loan amount up to \$10 million
- Interest rate of 1.0%
- Loan Maturity of 2 years
- First payment deferred for six months
- Loans are funded through a SBA participating lender
- All loans backed with 100% guarantee by SBA
- No collateral required for all amounts
- No personal guarantees
- No borrower or lender fees payable to SBA

SBA's Express Bridge Loan Pilot Program

EBL loans can only be made by SBA Express Lenders with a valid SBA Express agreement in effect as of the date of the applicable disaster - March 13, 2020.



In response of the COVID-19 Emergency Declaration, EBL loans can be approved through March 13, 2021.

The Lender must have an existing banking relationship with the EBL applicant as of the date of the applicable disaster.

The minimum acceptable SBSS Score for an EBL loan applicant is 130

The EBL loan must be structured as term loans not to exceed 7 years

- Maximum amount of an EBL loan is \$25,000
- Relaxed Underwriting to match lender's policy requirements
- No Collateral is required for EBL Pilot
- Maximum application fee of 2% of the loan amount not to exceed \$250

SBA's COVID-19 Related Loan Basics

What is the criteria for a loan approval?

Credit History-Applicants must have a credit history acceptable to SBA/Lender.

Repayment –SBA/Lender must determine that the applicant business has the ability to repay the SBA loan(s).

Collateral - None Required for PPP/EBL Loans; Economic Injury Disaster Loans over \$25,000 require collateral.

Personal Guaranties - None Required for PPP; EBL/EIDL required the personal guaranty of 20% or greater owners.





How to Apply

SBA's Customer Service Representatives are ready to serve.

- Economic Injury Disaster Loan applicants visit SBA's secure website at <https://disasterloan.sba.gov/ela>
- Paycheck Protection Program & Express Bridge Loan Pilot Program - Applicants visit a participating SBA Lender
- Disaster loan information and application forms may also be obtained by calling the SBA's Customer Service Center at 800-659-2955 (800-877-8339 for the deaf and hard-of-hearing) or by sending an email to disastercustomerservice@sba.gov.

Disaster Loan Assistance Streamlined Process



OMB Control #3247-0406

Expiration Date: 09/30/2020

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.

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



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.

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Organization Type*

Limited Liability Company

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) *

\$825,000

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

\$0

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

\$825,000

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 *

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) *

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Step 5 of 5

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)?

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

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

Where to Send Funds

Bank Name *

Account Number *

Routing Number *

On behalf of the individual owner identified in this application and for the business mentioned therein.

I/We authorize my/our insurance company, bank, financial institution, or other creditors to release to SBA all records and information necessary to process this application and for the SBA to obtain credit information about the individuals completing this application.

If my/our loan is approved, additional information may be required prior to loan closing. I/We will be advised in writing what information will be required to obtain my/our loan funds. I/We hereby authorize the SBA to verify my/our past and present employment information and salary history as needed to process and service a disaster loan. I/We authorize SBA, as required by the Privacy Act, to release any information collected in connection with this application to Federal, state, local, tribal or nonprofit organizations (e.g. Red Cross Salvation Army, Mennonite Disaster Services, SBA Resource Partners) for the purpose of assisting me with my/our SBA application, evaluating eligibility for additional assistance, or notifying me of the availability of such assistance.

I/We will not exclude from participating in or deny the benefits of, or otherwise subject to discrimination under any program or activity for which I/we receive Federal financial assistance from SBA, any person on grounds of age, color, handicap, marital status, national origin, race, religion, or sex.

I/We will report to the SBA Office of the Inspector General, Washington, DC 20416, any Federal employee who offers, in return for compensation of any kind, to help get this loan approved. I/We have not paid anyone connected with the Federal government for help in getting this loan.

CERTIFICATION AS TO TRUTHFUL INFORMATION: By signing this application, you certify that all information in your application and submitted with your application is true and correct to the best of your knowledge, and that you will submit truthful information in the future.

WARNING: Whoever wrongfully misapplies the proceeds of an SBA disaster loan shall be civilly liable to the Administrator in an amount equal to one-and-one half times the original principal amount of the loan under 15 U.S.C. 636(b). In addition, any false statement or misrepresentation to SBA may result in criminal, civil or administrative sanctions including, but not limited to: 1) fines and imprisonment, 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 applicable laws; 2) treble damages and civil penalties under the False Claims Act, 31 U.S.C. 3729; 3) double damages and civil penalties under the Program Fraud Civil Remedies Act, 31 U.S.C. 3802; and 4) suspension and/or debarment from all Federal procurement and non-procurement transactions. Statutory fines may increase if amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.

I hereby certify UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE UNITED STATES that the above is true and correct.

[Click for additional statements required by laws and executive orders](#)

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U.S. Small Business
Administration



For system and application help please contact
SBA's Economic Injury Disaster Loan
Customer Service Center at (800) 659-2955
disastercustomerservice@sba.gov

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