

Paycheck Protection Program (PPP) Frequently Asked Questions

Note: This program is still evolving, and banks are now interpreting key provisions. We encourage you to reach out to your bank for additional details.

Do I qualify?

- Most businesses with fewer than 500 employees will qualify
- This includes sole proprietorships, independent contractors and eligible self-employed individuals.

What do I need? We suggest you gather the following:

- Tax-ID number
- Your company's ownership information
- Total payroll costs for 2019 for full-time, part-time and contract employees (include commissions, health care costs, etc.)
- Your total employee count before any COVID-19 impact

Where do I go?

- Call your existing bank first – whoever handles your loans and/or deposits
- If they are not an SBA-approved lender, ask them for a referral

How much can I get?

- 2.5x your average monthly payroll costs (up to \$10M). For example, if your average monthly payroll costs is \$100,000, you may receive up to \$250,000
- Payroll costs include: compensation, commissions, overtime and benefits for full time, part time and contract employees.
- Note: Amounts over \$100k per employee is excluded

What can I use it for?

- Payroll and benefit expenses (excluding cost over \$100k per employee)
- Mortgage interest payments
- Rent
- Utilities
- Interest on any other pre-existing debt

What are the terms? The terms are designed to be small-business friendly:

- No payments for 6mos
- No collateral or personal guarantee
- Max 4% interest rate
- Likely max 10 year term for any amounts not forgiven

The SBA will be issuing more guidance to lenders in coming days. Terms may vary by lender.

Can PPP be forgiven?

- Yes, 100% of the amount spent on qualifying expenses over the first 8 weeks of loan may be forgiven
- Forgiveness amount reduced if employers cut staffing or reduce salaries
- Specific forgiveness criteria should be discussed with lenders