

## **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