## WHAT THE CARES ACT MEANS TO YOU

| **Eligibility** | Small Businesses with 500 or less employees  
|                | Sole proprietors  
|                | Independent Contractors  
|                | Self-employed individuals  
|                | Nonprofit and veteran’s organizations  
|                | Startups  
|                | Any individual operating as a sole proprietor or independent contractor  
|                | Cooperatives and ESOP’s with fewer than 500 employees |

| **Requirements** | Must certify business impact by COVID-19 and use of funds to retain workers, maintain payroll, and other debt obligations  
|                  | Waives the requirement that a business be operational one year before the disaster |

| **Loan Max** | 2.5 x average monthly payroll for the 12 months preceding the date the loan is made, up to a max of $10M  
|              | $2M |

| **Personal Guarantee** | No personal guarantee or collateral required  
|                        | No personal guarantee or collateral required |

| **Government Guarantee** | 100%  
|                         | Per criteria  

| **Payment Deferment Allowed** | Min 6 months, Max 1 year  
|                               | Currently 6 months |

| **Allowable Uses** | Payroll support such as employee salaries, paid sick or medical leave, insurance premiums, mortgage payments, or other debt  
|                   | Advance payment of $10,000 to cover payroll, paid sick leave, medical leave, insurance premiums or mortgage payments, or other debt obligations |

| **Payment Forgiveness** | Per SBA/Lender Criteria  
|                        | Per SBA criteria  

| **How/where to apply** | Local lender  
|                       | https://covid19relief.sba.gov/#/ |

| **Loan term** | 10 years  
|              | 30 years |

| **Interest Rate** | 4%, normal 7(a) fees are waived  
|                   | 3.75% for Profit, 2.75% Non Profit |

| **Does Not Include** | Compensation in excess of annual salary - 100k  
|                     | Certain taxes imposed or withheld  
|                     | Compensation of employees whose residence is outside the U.S.  
|                     | Qualified sick leave wages under Section 7001  
|                     | Qualified family leave wages under Section 7003  
|                     | Prior loans in effect with SBA  
|                     | Debt prior to COVID-19 |

| **Credit Elsewhere** | No, SBA is waiving this  
|                     | Yes, if credit can be found elsewhere, not eligible |

| **How long to apply** | Until June 30, 2020  
|                       | Not yet determined, ongoing |

| **Can I apply for both** | Yes, but not for the same purpose  
|                         | Yes, but not for the same purpose |

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Please note: This information was accurate on the day it was produced but is changing rapidly. Consult your accountant, lender or the ND SBDC before making decisions.

Sources: ND Dept of Commerce and https://disasterloan.sba.gov/ela/information/eidlloans

Notes to consider: EIDL assistance is available only to small businesses when SBA determines they are unable to obtain credit elsewhere.

rev 3.31.20