

Advocacy Partners

WBENC Affiliate Council	Acronym	Territory
Greater Women's Business Council www.gwbc.org	GWBC	Georgia, North Carolina, South Carolina
Women's Business Enterprise Council South https://www.wbecsouth.org/	WBEC SOUTH	Alabama, Louisiana, Mississippi, Tennessee and the Florida Panhandle
Women's Business Development Center Midwest www.wbdc.org	WBDC-MIDWEST	Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, and Wisconsin
NMSDC Affiliate Council	Acronym	Territory
Southern Region Minority Supplier Development Council www.srmsdc.org	SRMSDC	Alabama, Arkansas, Louisiana, Mississippi
Georgia Minority Supplier Development Council www.gmsdc.org	GMSDC	Georgia
Chicago Minority Supplier Development Council www.chicagomsdc.org	Chicago-MSDC	Chicago
Carolinas-Virginia Minority Supplier Development Council www.cvmsdc.org	CVMSDC	North Carolina, South Carolina, Virginia
Tri-State Minority Supplier Development Council http://affiliate.nmsdc.org/tsmsdc/app	TSMSDC	Tennessee, Kentucky, West Virginia
Advocacy Partners	Acronym	Territory
National Veteran-Owned Business Association www.navoba.org	NaVOBA	National
OUT Georgia www.outgeorgia.org	(Formerly AGLCC)	Georgia
Women's Entrepreneurial Opportunity Project www.weop.org	WEOP	Georgia, South Carolina, California
Georgia Hispanic Construction Association www.georgiahca.org	GHCA	Georgia

**CARES Act
Small Business Loan Program Comparisons**

Overview	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL)	Advance: Economic Injury Disaster Loan (EIDL)
Lender	SBA 7(a) Approved Lender/Bank	SBA	SBA
Application Start Date	April 3, 2020 for small businesses and sole proprietorships April 10, 2020 for independent contractors and self-employed individuals	Now	Now
Eligible Borrowers	Businesses that were in operation on February 15, 2020. A business with 500 or fewer employees, including sole proprietors and independent contractors (with employees) A business with more than 500 employees that is small under SBA Size Standards found at https://www.sba.gov/size-standards	A business with 500 or fewer employees. Sole proprietors and independent contractors (with or without employees) A business with more than 500 employees that is small under SBA Size Standards found at https://www.sba.gov/size-standards	A business with 500 or fewer employees. Sole proprietors and independent contractors (with or without employees) A business with more than 500 employees that is small under SBA Size Standards found at https://www.sba.gov/size-standards
Loan Amount	The lesser of (1) 2.5x average payroll cost for last 12 months (exclude salaries over \$100k) or (2) \$10 million	Maximum Amount = \$2 million	Advance up to \$10,000 The advance will be distributed within 3 days after loan processing (before assigned to an underwriter). Applicants are not required to repay this advance if they not qualify.
Loan Forgiveness	Yes, amount equal to 8-weeks of payroll and overhead cost. Payroll cost must represent 75% of spend to retain/rehire employees at regular salary. 8-week period begins after the origination date of the loan.	No	Yes
Interest Rate	1.0% fixed rate for the unforgiven portion of the loan	3.75% fixed rate for businesses 2.75% fixed rate for non-profits	Not Applicable
Maturity	2 years for the unforgiven portion of the loan	Up to 30-years	Not Applicable
Payment Deferral	Yes, at least six months after the loan origination date (interest is accrued during the deferment)	Yes, one year after the loan origination date (interest is accrued during the deferment)	Not Applicable
Prepayment Penalty	No	No	Not Applicable
Collateral	Waived - No collateral is required from either the business or its owners	Yes, for loan amounts greater than \$25,000	Not Applicable
Personal Guarantee	Waived	Yes, for loan amounts greater than \$200,000	Not Applicable
No Credit Elsewhere	Waived	Waived	Waived
Use of Funds	Payroll Cost, Rent, Utilities, Interest payments on mortgages or debt incurred before February 15, 2020	Financial obligations and operating expenses that could have been met had the disaster not occurred.	Financial obligations and operating expenses that could have been met had the disaster not occurred
Application Deadline	June 30, 2020	December 31, 2020	December 31, 2020

Created by Gwendolyn S. Evans, Ryan West, LLC 04/07/2020

Note – This information is supplied as information only and may be subject to change. RyanWest and Southern Company can make no representation as to the accuracy or completeness of any information contained herein. The exact terms of loans are determined solely by the lender(s). For additional information, go to <https://disasterloan.sba.gov/>. If you have any questions, contact SupplierDiv@southernco.com

Paycheck Protection Program

Questions and Answers

- (1) Which lenders are accepting applications for PPP loans?

Answer: For a list of SBA approved lenders, go to <https://www.sba.gov/paycheckprotection/find>

- (2) Can I include 1099 workers in my payroll calculations for the PPP loans?

Answer: No. Independent contractors and other 1099 workers can apply for their own PPP loans beginning April 10.

- (3) What other documents will I need to include in my application?

Answer: You will need to provide your lender with payroll documentation. *For example*, quarterly Form 941 quarterly payroll tax reports.

- (4) How do I calculate the maximum I can borrow?

- a. Total gross payroll cost from last 12 months for U.S. employees
minus
- b. Compensation paid to an employee in excess of \$100,000 for last 12 months
minus
- c. Any amounts paid to an independent contractor for last 12 months
divided by 12 equals
- d. Average monthly payroll cost
times 2.5
- e. Equals maximum loan amount

Example: No employees make more than \$100,000

Annual payroll: \$120,000

Average monthly payroll: \$10,000

Multiply by 2.5 = \$25,000

Maximum loan amount is \$25,000

- (5) What if I laid off employees and they already filed for unemployment benefits? Would we need to have them stop receiving unemployment in order to get the loan?

Answer: If you offer to re-hire an employee, they will no longer be eligible for unemployment benefits since they now have the option of accepting a job.

- (6) As the business owner, is my W2 paycheck from my own company covered by the PPP as well?

Answer: I have not viewed any documents that excludes owner compensation. The only exclusions are salaries in excess of \$100,000 and employees that reside outside of the U.S. Also, independent contractors do not count as employees and are not included as part of payroll cost.

(7) How much of my loan will be forgiven?

Answer: You must use the loan amount to cover payroll costs, mortgage interest, rent, and utilities payments over the 8 weeks after getting the loan. This is a job retention initiative so 75% of spend must cover payroll cost. Not more than 25% of the forgiven amount may be for non-payroll costs.

The amount of the loan forgiveness will decrease, if you do not maintain your staff and payroll.

- a. Number of Staff: Your loan forgiveness will be reduced if you decrease your full-time employee headcount.
- b. Level of Payroll: Your loan forgiveness will also be reduced if you decrease salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.
- c. Re-Hiring: You have until June 30, 2020 to restore your full-time employment and salary levels for any changes made between February 15, 2020 and April 26, 2020.

(8) When will funding for the PPP loans be available?

Answer: Funding will vary by lender. Accuracy of the application, the number of applications submitted, and processing time may be other factors impacting the timing to receive funds.

(9) Is there a risk that our bank will be out of loan money by the time I apply?

Answer: Yes. For this reason, you should apply as soon as possible. Check with your existing bank first. *Go with a bank where you have a strong banking relationship.* If it isn't accepting applications, you can try other lenders as well. If the PPP's \$349 billion in loans runs out, it is expected that Congress will pass legislation to add more funds.

(10) Can I apply for both a PPP loan and an economic disaster injury loan (EIDL)?

Answer: You can apply for both, but you cannot use both loans to cover the same expenses.

For example, if you use your PPP to cover payroll for the 8-week covered period, you cannot use a different SBA loan product for payroll for those same costs in that period, although you could use it for payroll not during that period or for different workers. And you can use it for other operating cost not included in the use of funds for PPP.

Paycheck Protection Program Resources:

- SBA Paycheck Protection Program [website \[sba.gov\]](https://www.sba.gov)
- Department of the Treasury CARES Act [website \[home.treasury.gov\]](https://www.treasury.gov)



**Paycheck Protection Program
Lender Application Form - Paycheck Protection Program Loan Guaranty**

OMB Control No.: 3245-0407
Expiration Date: 09/30/2020

The purpose of this form is to collect identifying information about the Lender, the Applicant, the loan guaranty request, sources and uses of funds, the proposed structure (which includes pricing and the loan term), and compliance with SBA Loan Program Requirements. This form reflects the data fields that will be collected electronically from lenders; no paper version of this form is required or permitted to be submitted. As used in this application, "Paycheck Protection Program Rule" refers to the rules in effect at the time you submit this application that have been issued by the Small Business Administration (SBA) implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

Instructions for Lenders

All Paycheck Protection Program (PPP) loans are processed by all Lenders under delegated authority from SBA. This application must be submitted and signed electronically in accordance with program requirements, and the information requested is to be retained in the Lender's loan file.

A. Lender Information	
Lender Name: _____	Lender Location ID: _____
Address: _____	City: _____ St: _____ Zip: _____
Lender Contact: _____	Ph: () - _____ Cell or Ext: () - _____
Contact Email: _____	Title: _____

B. Applicant Information	
Applicant	Check One: <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent contractor <input type="checkbox"/> Eligible self-employed individual <input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(19) veterans organization <input type="checkbox"/> Tribal business (sec. 31(b)(2)(C) of Small Business Act) <input type="checkbox"/> Other
	Applicant Legal Name: _____
	DBA: _____ Business Tax ID: _____
	Applicant Address: _____ City, State, Zip: _____
	Applicant Primary Contact: _____ Phone: () - _____

C. Loan Structure Information							
Amount of Loan Request:	\$	Guarantee %:	100%	Loan Term in # of Months:	24	Payment:	Deferred 6 mos.
Applicant must provide documentation to Lender supporting how the loan amount was calculated in accordance with the Paycheck Protection Program Rule and the CARES Act, and Lender must retain all such supporting documentation in Lender's file.							
Interest Rate:	1%						

D. Loan Amount Information	
Average Monthly Payroll multiplied by 2.5	\$
Refinance of Eligible Economic Injury Disaster Loan, net of Advance (if Applicable; see Paycheck Protection Program Rule)	\$
Total	\$

E. General Eligibility <i>(If the answer is no to either, the loan cannot be approved)</i>	
<ul style="list-style-type: none"> • The Applicant has certified to the Lender that (1) it was in operation on February 15, 2020 and had employees for whom the Applicant paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC, (2) current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant, (3) the funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, and (4) the Applicant has not received another Paycheck Protection Program loan. ☐ Yes ☐ No • The Applicant has certified to the Lender that it (1) is an independent contractor, eligible self-employed individual, or sole proprietor or (2) employs no more than the greater of 500 or employees or, if applicable, meets the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry. ☐ Yes ☐ No 	

F. Applicant Certification of Eligibility <i>(If not true, the loan cannot be approved)</i>	
<ul style="list-style-type: none"> • The Applicant has certified to the Lender that the Applicant is eligible under the Paycheck Protection Program Rule. ☐ True 	

G. Franchise/License/Jobber/Membership or Similar Agreement <i>(If applicable and no, the loan cannot be approved)</i>	
<ul style="list-style-type: none"> • The Applicant has represented to the Lender that it is a franchise that is listed in the SBA's Franchise Directory. ☐ Yes ☐ No 	

H. Character Determination <i>(If no, the loan cannot be approved)</i>	
<ul style="list-style-type: none"> The Applicant has represented to the Lender that neither the Applicant (if an individual) nor any individual owning 20% or more of the equity of the Applicant is subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or is presently incarcerated, or on probation or parole. 	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> The Applicant has represented to the Lender that neither the Applicant (if an individual) nor any individual owning 20% or more of the equity of the Applicant has within the last 5 years, for any felony: 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment). 	<input type="checkbox"/> Yes <input type="checkbox"/> No

I. Prior Loss to Government/Delinquent Federal Debt <i>(If no, the loan cannot be approved)</i>	
<ul style="list-style-type: none"> The Applicant has certified to the Lender that neither the Applicant nor any owner (as defined in the Applicant's SBA Form 2483) is presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy. 	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> The Applicant has certified to the Lender that neither the Applicant nor any of its owners, nor any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government. 	<input type="checkbox"/> Yes <input type="checkbox"/> No

J. U.S. Employees <i>(If no, the loan cannot be approved)</i>	
<ul style="list-style-type: none"> The Applicant has certified that the principal place of residence for all employees included in the Applicant's payroll calculation is the United States. 	<input type="checkbox"/> Yes <input type="checkbox"/> No

K. Fees <i>(If yes, Lender may not pass any agent fee through to the Applicant or offset or pay the fee with the proceeds of this loan)</i>	
<ul style="list-style-type: none"> Is the Lender using a third party to assist in the preparation of the loan application or application materials, or to perform other services in connection with this loan? 	<input type="checkbox"/> Yes <input type="checkbox"/> No

SBA Certification to Financial Institution under Right to Financial Privacy Act (12 U.S.C. 3401)

By signing SBA Form 2483, Borrower Information Form in connection with this application for an SBA-guaranteed loan, the Applicant certifies that it has read the Statements Required by Law and Executive Orders, which is attached to Form 2483. As such, SBA certifies that it has complied with the applicable provisions of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) and, pursuant to that Act, no further certification is required for subsequent access by SBA to financial records of the Applicant/Borrower during the term of the loan guaranty.

Lender Certification

On behalf of the Lender, I certify that:

- The Lender has complied with the applicable lender obligations set forth in paragraphs 3.b(i)-(iii) of the Paycheck Protection Program Rule.
- The Lender has obtained and reviewed the required application (including documents demonstrating qualifying payroll amounts) of the Applicant and will retain copies of such documents in the Applicant's loan file.

I certify that:

- Neither the undersigned Authorized Lender Official, nor such individual's spouse or children, has a financial interest in the Applicant.

Authorized Lender Official: _____
Signature

Date: _____

Type or Print Name: _____

Title: _____

NOTE: According to the Paperwork Reduction Act, you are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated burden for completing this form, including time for reviewing instructions, gathering data needed, and completing and reviewing the form is 25 minutes per response. Comments or questions on the burden estimates should be sent to U.S. Small Business Administration, Director, Records Management Division, 409 3rd St., SW, Washington DC 20416, and/or SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Rm. 10202, Washington DC 20503. **PLEASE DO NOT SEND FORMS TO THESE ADDRESSES.**