

Expansion of SBA Section 7(b)(2) Economic Injury Disaster Loan

Lender	SBA Approved Lender
Eligible Borrower:	A business with not more than 500 employees; an individual sole proprietor or independent contractor; private nonprofit, and certain other entities.
Covered Period	January 31, 2020 to December 31, 2020
Loan Amount	Up to \$2 million for working capital and expected to be limited to amount of anticipated revenue loss as a result of COVID-19
Personal Guaranty	Waived for loans not more than \$200,000; otherwise each 20% or more owner, general partner or managing member must personally guaranty.
Operations Requirement	Borrower must have been in operation on January 31, 2020
Credit Approval	Lender may approve Borrower based on credit score or similar verification to determine Borrower's ability to pay. Submission of tax returns shall not be required for loan approval.
Credit Elsewhere	No requirement that borrower establish inability to obtain credit elsewhere.
Emergency Grant	Borrower may request from SBA a grant up to \$10,000 to be paid within three days of submitting application for 7(b)(2) loan. Borrower shall self-certify that it is an eligible borrower. No obligation to repay grant even if 7(b)(2) loan application is denied.
Use of Grant and Loan	Any purpose permitted for use of 7(b)(2) loan including payment of sick leave, payroll, rent, utilities and other ordinary course expenses that cannot be met due to revenue loss.
Interest Rate	3.75% for small businesses and 2.75% for non-profits organizations.

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