

ANTHONY & DODGE, PC

Certified Public Accountants

Dear Small Business Client,

Anthony & Dodge wishes you and your loved ones good health during the COVID-19 pandemic. We want to make you aware of resources made available by the U.S. Small Business Administration (SBA) to alleviate the economic turmoil caused by the COVID-19 pandemic.

Paycheck Protection Program (PPP) Small businesses, eligible nonprofit organizations, self-employed individuals, and independent contractors may qualify for a loan up to \$10 million based on 8 weeks of prior average payroll plus 25%. Loan payments will be deferred for six months. If all employees are kept on payroll for eight weeks the SBA will forgive the portion of loan proceeds used for payroll, rent, mortgage interest or utilities following loan origination. Up to 100% of the loan may be forgiven.

Economic Injury Disaster Loans (EIDL) and Loan Advance Small business owners are eligible to apply online for an Economic Injury Disaster Loan which provides working capital of up to \$2 million. All small businesses can receive an immediate advance of up to \$10,000 which will be made available within three days of a successful application. This loan advance will not have to be repaid. The streamlined application process requires an eligibility self-certification made by the Small Business owner to be attested to under penalty of perjury.

SBA Debt Relief Existing SBA 7(a) loan principal and interest payments will be paid by the SBA for a period of six months. New SBA 7(a) loans issued prior to 9/27/20 will also receive this benefit.

SBA Express Bridge Loans Small businesses with existing relationships with an SBA Express Lender may access \$25,000 with less paperwork. These can be term loans or used to bridge the gap while applying for a direct EIDL. These have a fast turnaround time and will be repaid in full or in part by proceeds from the EIDL loan if not structured as a term loan.

A link to the U.S. Small Business Administration website providing additional information about and applications for obtaining this assistance is provided below.

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources#section-header-2>

Please take some time to learn about these and other SBA resources available to Small Businesses such as yours.