|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Picture placeholderNo Fees, Prepayment Penalties or Personal GuaranteesAdministrative fees are waived and small businesses are not required to demonstrate that credit could be obtained elsewhere. No personal guarantees are required and there is no prepayment penalty. The SBA will guarantee 100% of the outstanding balance and no collateral is required. Loan ForgivenessAt disbursement, you are eligible for loan forgiveness on up to 8-weeks of covered expenses! You must apply to BANK OF SOMEWHERE by submitting all the relevant paperwork, after which we will approve or deny the application after 60 days.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*This is not a commitment to lend. Program is open and offered by BANK OF SOMEWHERE for official Program duration but may be cancelled at any time. Contact [Representative] for additional information and terms and conditions.* *BANK OF SOMEWHERE does not discriminate on a prohibited basis, including on race, color, religion, national origin, sex, marital status, age or because you receive public assistance.*  |  |  |

|  |
| --- |
| Who We AreAbout Us[Bank marketing and promotional language here.]Contact UsPhone: [Telephone]Email: [Email address]Web: [Web address] |
|

|  |  |  |
| --- | --- | --- |
| Logo placeholder |  | [BANK OF SOMEWHERE][Address][City, ST ZIP Code][Add FDIC Logo[Add EHL Logo as best practice] |

 |

 |  |  |

|  |
| --- |
| Picture placeholder |
|  |
| [BANK OF SOMEWHERE] |
| CARES Act, the Paycheck Protection Plan and You |

 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| What is the Paycheck Protection Program (PPP)?Coronavirus Aid, Relief and Economic Security (CARES) Act…President Trump signed into law the CARES Act as part of a $2.2 trillion aid package to fight the COVID-19 pandemic. In it, Congress approved the Paycheck Protection Program—a $349 billion plan to provide payroll assistance for the nation’s nearly 30 million small business and select nonprofits in the form of 100% guaranteed loans from the U.S. Small Business Association (SBA). Eligible borrowers may receive loans up to 2.5 times their average monthly payroll expenses for the prior year. Loans will be issued between April 3, 2020 and June 30, 2020.They contain a forgiveness process, allowing up to eight weeks of covered expenses, including both principal and interest, to be forgiven for the borrower with no tax consequences (i.e.- forgiveness of indebtedness income is waived). Any remaining balance after the loan forgiveness period has a 100% guarantee while you may payments. Funds can be used for:Payroll costsMortgage Interest ObligationsRent ObligationsUtilitiesAny other interest payment on debt obligations accrued before February 15, 2020. |  |  | Small Business EligibilityBorrowers are eligible if you have:* 500 or fewer employees or meet SBA size standards And are:
* A for profit small business
* A 501(c)(3) nonprofit
* A 501(c)(19) veterans’ organization,
* A Church or Religious Nonprofit, or
* Tribal concerns under section 31(b)(2)(C)

This includes sole proprietorships, independent contractors and eligible self-employed individuals. Other restrictions apply. Contact [Designated Contact] for more information. Loan TermsLoans are on a first-come, first-served basis until June 30, 2020, or until the Program runs out of funds. You are only allowed one PPP loan. Loans are capped at the lesser of 2.5 times the borrower’s average monthly payroll costs or $10 million. Loans will carry a 1% interest rate with a two-year loan term.Loans are 100% guaranteed by the SBA.Loan payments may be deferred for up to 6 months. SBA requires 75% of loan to be used for payroll costs, while 25% can be used for other expenses.Payroll Costs Include:SalaryPaid LeaveMedicalHealthcareSalaries for employees making more than $100,000 is capped for the calculation of loan size.  |  |  | Application ProcessYou must submit the following to BANK OF SOMEWHERE:* Paycheck Protection Program Application Form (Form 2483) and
* Payroll documentation, including but not limited to:

-Payroll tax filings-Payroll processing records-Payroll documentation-Form 1099-MISC Contact [Designated Contact] for more information.Calculating Loan AmountYou are expected to calculate your maximum loan amount, which is either $10 million or an amount determined by a payroll-based formula, whichever is less. It is recommended that you consider applying for your maximum amount. **Step 1:** Aggregate payroll costs from last twelve months for employees whose principal place of residence is the United States.**Step 2:** Subtract any compensation paid to employees in excess of $100,000 annual salary and/or any amounts paid to independent contractor or sole proprietor over $100,000 per year. **Step 3:** Calculate average monthly payroll costs (divide the amount from Step 2 by 12 months). **Step 4:** Multiply average monthly payroll costs from Step 3 by 2.5. **Step 5:** Add outstanding amount of Economic Injury Disaster Loan (EIDL) made between January 31, 2020 and April 3, 2020, less the amount of any EIDL COVID-19 loan advance. |