



CARES Act Quick Reference Guide (Updated 4/2/2020)

Economic Injury Disaster Loan (EIDL) v. Paycheck Protection Program (PPP) Loan

	EIDL	PPP
Qualification Requirements	Proof of substantial economic injury	Good faith certification that funds will be used for qualifying expenses
Loan Amount	Up to \$2M (\$10,000 immediate grant)	The lesser of: <ul style="list-style-type: none"> • \$10M, and • 2.5 x average monthly payroll (excluding payroll in excess of \$100,000 per employee) plus any outstanding disaster loans (to refinance into PPP)
Term	Up to 30 years	2 Years
Interest Rate	3.75% fixed	1% fixed
Guarantee	Required for loans in excess of \$200,000	None
Collateral	Required	None
Forgiveness	Loan is not forgivable, but EIDL provides a \$10,000 grant which is not subject to payback	<p>Proceeds used to pay the following qualifying expenses in the 8-weeks following origination are forgiven (tax-free):</p> <ul style="list-style-type: none"> • Payroll costs • Continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums • Rent • Utilities • Mortgage interest • Interest on debt incurred before 2/15/2020 <p>*Amount of forgiveness is reduced for decreases in number of employees/compensation (subject to certain restrictions)</p>
Repayment	First payment due 1 year after origination date (interest accrues from date of origination)	First payment due 6 months after origination date (interest accrues from date of origination)
Purpose	Cash flow, working capital, purchase of inventory/equipment, non-PPP purposes, etc.	Keeping the lights on and paying employees
How to Apply	Directly through the SBA (online)	With an SBA-approved lender