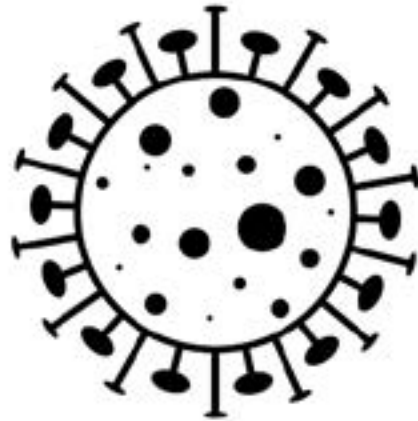




EMERGENCY BUSINESS RESPONSE



Coronavirus
COVID-19



**CONNECTICUT SMALL BUSINESS
DEVELOPMENT CENTER**

RESOURCE GUIDE

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These unprecedented circumstances are affecting businesses all across the country. We are here to assist and inform you during these trying times. You are not alone.

Click here to sign-up for help completing your SBA loan application and grant request as well as understanding other resources available to you.



U.S. Small Business Administration

SBA ECONOMIC INJURY DISASTER LOAN ASSISTANCE CAN MY BUSINESS APPLY?

The Connecticut Small Business Development Center offers no-cost expert assistance to small business owners impacted by COVID19, in completing and filing their applications.

Click here to sign-up for help completing your SBA loan application and grant request as well as understanding other resources available to you.

WHAT IS IT?

The Economic Injury Disaster Loan Program is a low-interest, working-capital loan for small businesses affected by COVID19. The loan provides temporary relief up to \$2 million to assist qualifying businesses and private nonprofits in meeting their obligations.

IS MY BUSINESS ELEGIBLE?

ARE YOU?



- A small business
- A sole-proprietor
- An independent contractor (1099)
- A cooperative (including small agricultural)
- Part of an Employee Ownership Stock Plan
- A small aquaculture business
- A private non-profit?

***Best Practice:** If your credit score is below 560, we recommend uploading an explanation for the SBA to consider.



NO



YES

500 employees or less?



YES



NO

Affected by COVID19?



YES



NO

Acceptable credit history?



YES



NO

Able to provide justification?*



YES



NO

Can you show ability to repay?



YES



NO



INELEGIBLE ENTITIES:





- Agricultural Enterprises: primary activity as defined in Section 18(b)(1) of the Small Business Act.
- Religious Organizations.
- Gambling Concerns: when gambling makes up more than 1/3 of the annual gross revenue.
- Casinos & racetracks.
- Cannabis Industry.



U.S. Small Business Administration

SBA ECONOMIC INJURY DISASTER LOAN ASSISTANCE **HOW TO APPLY**

STEP 1: UNDERSTAND THE LOAN

HOW MUCH	INTEREST RATES	TERMS	COLLATERAL
 Up to \$2 million	 3.75% Small Business 2.75% Nonprofits	 Up to 30 years	 Waived

Additional Updates: Loans under \$200,000 can be approved without personal guarantee. The process has been streamlined, and decisions may be made solely on the applicant's personal credit score.

STEP 2: KNOW WHAT YOU CAN USE IT FOR

- These working-capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that would have been paid had the disaster not occurred.
- The loans are not intended to replace lost sales or profits, or for expansion.
- Funds cannot be used to pay down long-term debt.

STEP 3: APPLY FOR THE LOAN

- Apply:
 - 1) online - covid19relief.sba.gov/ - The application is no longer done online. Manually fill out the downloaded forms and then upload using the "Upload Your Loan Documents" box.
 - 2) by mail - after downloading and filling out the forms mail to:
U.S. Small Business Administration, Processing & Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155
- Forms and application status may also be obtained by calling the SBA's Customer Service Center at 800-659-2955 (TTY/TDD: 800-877-8339) or by sending an e-mail to disastercustomerservice@sba.gov

STEP 4: PROCESSING & DECISION

SBA reviews your credit, and a loan officer determines your eligibility. The goal is to arrive at a decision within 3-4 weeks.
Applicants interested in the grant portion who have already applied, will need to reapply for the grant portion.

STEP 5: CLOSING & FUNDING

SBA prepares & sends you Loan Closing Documents to sign. Initial disbursement made within 5 days.



U.S. Small Business
Administration

SBA ECONOMIC INJURY DISASTER LOAN ASSISTANCE **ABOUT THE GRANT**

WHAT IS IT?

The up to \$10,000 grant is an emergency advance on the Economic Injury Disaster Loan (EIDL) which provides additional assistance for small business owners under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This cash advance that can be forgiven if spent on paid leave, maintaining payroll, increased costs due to supply chain disruption, mortgage or lease payments or repaying obligations that cannot be met due to revenue losses.

IS MY BUSINESS ELEGIBLE?

You must meet the same eligibility requirements in terms of what makes a business eligible. The emergency advance granted does not need to be repaid, even if your loan application is rejected.

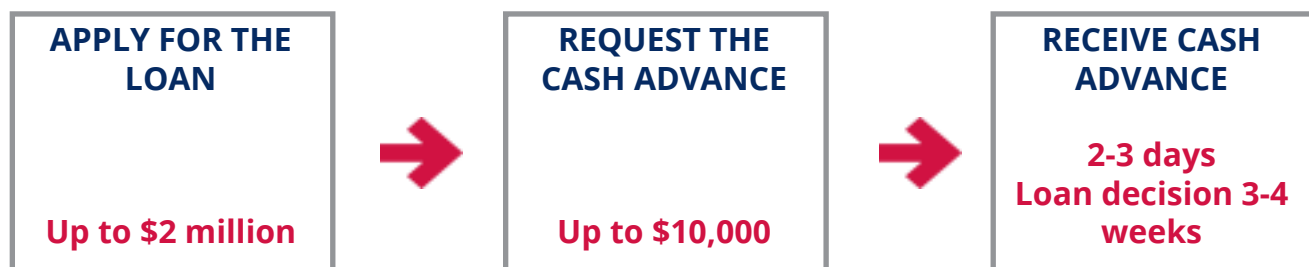
I HAD ALREADY APPLIED, NOW WHAT?

If you had already applied for & completed your application, you can request the cash advance. If you had NOT completed your application, you cannot retrieve it and will have to complete a new application.

HOW LONG ARE THE GRANTS AVAILABLE FOR?

The grants are backdated to January 31, 2020 to allow for those who have already applied to the EIDL loan, to be eligible to also receive a grant. The loan and grant process are available until December 31, 2020.

WHAT IS INVOLVED?



[Click here to sign-up for help completing your SBA loan application and grant request as well as understanding other resources available to you.](#)



U.S. Small Business Administration

SBA ECONOMIC INJURY DISASTER LOAN ASSISTANCE TIPS & INSIGHTS

MAKE SURE YOU HAVE ALL YOU NEED!

- Completed SBA loan application (SBA Form 5)
- Tax Information Authorization (IRS Form 4506T) for the applicant, principal, & affiliates
- Complete copies of most recent Federal Income Tax Returns
- Schedule of Liabilities (SBA Form 2202)
- Personal Financial Statement (SBA Form 413)
- Income, Balance Sheet, and Cash Flow Statements
- Other information may also be requested (complete copy including all schedules, of the most recent Federal Income Tax Return for principals, general partners, or managing member and affiliates; a year-end Profit & Loss, and Balance Sheet if the most recent Federal Income Tax Return has not been filed; a current year-to-date Profit & Loss statement; SBA Form 1368 providing monthly sales figures.

TIPS FOR APPLYING



Include the disaster name in your application: "COVID-19" or "Coronavirus."



Write your password down; neither the system nor any personnel are able to retrieve it.



If your tax returns reference other businesses you own, you must also submit those tax returns in order to avoid processing delays.



Do not rush through the application. Check and recheck to ensure all the needed information is completed prior to submission. The biggest reason for delays in processing is due to missing information.



Apply online versus by mail.



Save your work at every prompt.



Double check to make sure the contact information you use (business name and name of all owners) matches your federal tax returns.



If more funds are needed, applicants can submit supporting documents and a request for an increase. If less funds are needed, applicants can request a reduction in the loan amount.



-If the loan request is denied, the applicant will be given up to six months in which to provide new information and submit a written request for reconsideration.

-The website may go down periodically due to high volume. If this happens, try to login again at a later time.



U.S. Small Business Administration

SBA EXPRESS BRIDGE LOAN PILOT PROGRAM

CAN MY BUSINESS APPLY?

WHAT IS IT?

In response to the COVID19 National Emergency, the Express Bridge Loan (EBL) Pilot Program has been modified and the term extended. The EBL Pilot Program is designed to supplement the Agency’s direct disaster loan capabilities and authorizes SBA Express Lenders (banks and nonprofit lenders) to provide expedited SBA-guaranteed bridge loan financing on an emergency basis in amounts up to \$25,000 for disaster-related purposes to small businesses while those small businesses apply for and await long-term financing (including through SBA’s direct Disaster Loan Program, if eligible).





IS MY BUSINESS ELEGIBLE?

Aside from being a business affected by COVID19, small businesses must have been operational when the declared disaster commenced and must meet all other 7(a) loan eligibility requirements. Eligible businesses must:

- Operate for profit
- Be engaged in, or propose to do business in, the U.S. or its territories
- Meet SBA Size Standards (under 500 employees for most)

Call your lending institution to ask if they participate

UNDERSTAND THE LOAN

<p>HOW MUCH</p>  <p>Up to \$25,000</p>	<p>INTEREST RATES</p>  <p>Max 6.5% + Prime</p>	<p>TERMS</p>  <p>Up to 7 years</p>	<p>COLLATERAL</p>  <p>Same as required for other 7(a) loans</p>
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KNOW WHAT YOU CAN USE IT FOR

For the COVID-19 Emergency Declaration, EBLloan proceeds must be used exclusively to support the survival and/or reopening ofthe small business.

NOTES

- SBA Express Lenders may only make EBL loans to eligible small businesses with whichthe Lender had an existing banking relationship on or before the date of the applicable disaster.
- Lenders may request the loan be paid in full with proceeds from additional assistance loans if those are approved.

CLICK HERE

YOU MAY APPLY TO THE DISASTER LOAN, GRANT, & PAYCHECK PROTECTION. PLEASE REACH OUT TO UNDERSTAND HOW TO BEST MAKE USE OF THEM.

For the most up-to-date information on resources available to you during COVID19, please visit our online COVID19 Business Resource Center. Tax breaks, deferral on current loans, handling layoffs, safety tips, and more.

PAYROLL PROTECTION PROGRAM

- Payroll Expenses + Health & Leave Benefits
- Mortgage Interest but not Principal
- Rent & Utilities
- Interest on debt incurred before 2/15/2020

2.5X the business's average monthly payroll

0.5% Annual Percentage Rate

no payments for first **6 months**
2 years

up to **100%** with approval



ECONOMIC INJURY LOAN

- Payroll Expenses
- Rent & Mortgage Payments
- Accounts Payable & Fixed Expenses
- Other Expenses that can't be paid due to the disaster's impact

up to **\$2 million**

3.75% Annual Percentage Rate

no payments for first **12 months**
30 years

up to **\$10,000** in the form of a cash advance



The Connecticut Small Business Development Center is funded in part through a cooperative agreement with the U.S. Small Business Administration, the Connecticut Department of Economic and Community Development, and the University of Connecticut.

