

CARES ACT - Forgivable Loan PAYCHECK PROTECTION PROGRAM

Eligibility

Small businesses or nonprofits with under 500 employees which have been (or will be) negatively impacted by the COVID-19 pandemic are eligible to apply for funding through the Paycheck Protection Program (“PPP”). The PPP offers a forgivable loan through the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act.

How It Works

PPP Loan Terms:

- The principal amount of a loan is equal to 2.5 times the average total monthly payments for *Payroll Costs* during the one-year period prior to the date of the loan (maximum of \$10M).
- Loans may be forgiven if borrower maintains (or restores) its payroll during the crisis.
- Must prove that (i) the business was operational as of February 15, 2020 and (ii) had employees and paid salaries, payroll taxes and/or independent contractors.
- A personal guarantee is not required
- No collateral is required
- Interest Rate is capped at 0.50% (fixed)
- Payments deferred for 6 months
- Loan term of 2 years

Forgiveness of Loan

A borrower is eligible for loan forgiveness equal to the amount spent on the following items during the 8-week period after funding of the loan:

- Payroll costs including tipped employees
- Rent or Interest on the mortgage
- Payments on utilities

Application Dates

Filing Opens: April 4, 2020

Filing Deadline: June 30, 2020

Additional CARES Act & PPP program info may be found at:

www.rkfglobal.com



RKF Global Agent Services

Filing of PPP Application:

- No fees charged to Borrower
- Review by experienced legal counsel

CONTACT

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