



SBA Paycheck Protection Program

A Guide for the TriMark Customer

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What is the Paycheck Protection Program?

The Paycheck Protection Program expands SBA loan eligibility.

The PPP provides Small Businesses with funds to assist businesses with covering costs associated with payroll, debt interest, and expenses associated with keeping a business running.

PPP Qualifications for Businesses

- To qualify, a business must have no more than **500 employees**
 - This includes ALL Employees: Full-time, Part-time, and any other status
- The PPP provides Small Businesses with funds to assist with covering costs associated with **payroll, debt interest, and expenses associated with keeping a business running.**

Important Exceptions!

- **IF** the business is in the Accommodation and Food Service Sector (NAICS code 72), the 500 employee rule is applied on a **per physical location basis.**
 - <https://www.naics.com/six-digit-naics/?code=72>
- **IF** a business is operating as a franchise or receives financial assistance from an approved Small Business Investment Company the normal affiliation rules *do not apply.*

Specifics for Use of Loan

- Payroll Costs
 - Covers up to 8 weeks of payroll costs including Benefits
 - Payroll costs are **defined as the compensation of an employee** (such as salaries, paid sick or medical leave, retirement benefits, insurance premiums) **AND payments to Independent Contractors.**
 - Some exceptions for salaries over \$100k
- Mortgage Interest Payments
- Rent Payments
- Utilities Payments
- Interest on ANY other debt obligations incurred before the covered period

Specifics of The Loan

ALL Loans under the Paycheck Protection Program will have the following identical features:

- Interest rate of 0.5%
- Maturity of 2 years
- First payment deferred for 6 months
- 100% guarantee by SBA
- No collateral
- No personal guarantees
- No borrower or lender fees payable to SBA

Forgiveness Provision

There is a potential for the loan to be forgiven up to the amount spent on payroll costs and/or certain mortgage/rent and utilities payments during the 8 weeks after the issuance of the loan.

- At least 75% of the forgiven amount must have been used for payroll
- Must keep Employees on Payroll – or Quickly Rehire
 - Forgiveness is based on the Employer maintaining or quickly rehiring Employees and maintaining salary levels.
 - Forgiveness will be reduced if full-time headcount declines, or if salaries or wages decrease.

Application Process

- Application begins **April 3, 2020**
 - Independent Contractors and Self-Employed can apply starting **April 10, 2020**
- Application deadline **June 30, 2020**
- Apply through any existing SBA 7(a) lender or through any participating federally insured institution
 - Participating lenders can be found at www.sba.gov
- Work with your counsel/advisors for guidance

TriMark is Here to Help Customers through this Crisis



The Coronavirus Aid,
Relief & Economic
Security Act (CARES) &
Federal Relief Programs

Find additional resources at: <http://www.trimarkusa.com/covid-19>