



Comparison of Payment Protection Plan Loans and Economic Injury Disaster Loans

| | Payment Protection Plan (PPP) Loan | Economic Injury Disaster Loans (EIDL) |
|---|---|--|
| Who can apply? | Small businesses and nonprofits (501(c)(3)) with 500 or fewer employees | Small businesses and nonprofits (501(c)(3)) with 500 or fewer employees |
| Maximum loan amount | Up to \$10 million | Up to \$2 million |
| Interest rate | 4% | 2.75% for nonprofits |
| Loans available until.... | 12/31/2020 | 12/31/2020 |
| Covered period | 2/15/2020 to 6/30/2020 | 1/31/2020 to 12/31/2020 |
| What can the loans be used for? | Payroll, health benefits, paid sick or medical leave, group health insurance premiums; mortgage and rent payments; utilities; interest on certain debts | Working capital for expenses that could have been paid had the disaster not occurred. |
| Length of loan term | Up to 10 years, at determination of lender | Up to 30 years; determined on case-by-case basis |
| Is there a forgiveness provision? | Yes, if Borrower meets certain requirements. | No |
| How much is forgiven? | Forgiveness amounts are decreased for reductions in number of employees or in wages of employees from the base period. | Loan will not be forgiven, but \$10,000 Emergency Grant does not need to be repaid if the loan is denied |
| How to apply? | Through approved SBA lenders | Directly to the SBA |
| What criteria are used to determine credit risk? | May require credit scores. Lenders determine credit risk. | Determinations on a case-by-case basis; must have acceptable credit history; must demonstrate ability to repay |
| How quickly are funds disbursed? | Process will be streamlined and expedited. Exact timeline is unknown. | 5 days after approval; a \$10K Emergency Grant is provided within 3 days of applying |
| Can an organization borrow more than once? | No | Yes |
| Eligibility requirements | Operating on 3/1/2020 with paid employees; certify need for funds during Covid19 emergency | Certify need for funds during Covid19 emergency; certify use of funds to retain workers |
| Cost to apply? | Nothing | TBD |
| Security / collateral requirement | No | No |

Can you receive both sources of funding? No