

Chaotic Cancellation Inc



SBA Federal Relief Comparison

Small Business Act	SBA 7(a) Federal Small Business Relief Paycheck Protection Loan Program (Primarily for Payroll Costs)	SBA 7(b) Federal Small Business Relief EIDL – Disaster Loan Program (Primarily for Working Capital & Other Costs)
Loan forgiveness	Available	Not Available
Eligibility	Businesses, Non-Profits, Self-Employed & Independent Contractors	Businesses, Sole-Prop & ESOP's
Loan Terms	10 years, Max 4% Interest Rate	30 years, Max 4% Interest Rate (3.75% for Businesses & 2.75% for Non-Profit)
Payout	SBA Approved Lenders & SBA	SBA Only
Deferment	1 Year possible	1 Year possible
Requirements	Easy processing, Less Paperwork, Fast Processing	Stringent Requirements, More Paperwork, Slow Processing
	1. Business in operation as of February 15, 2020	Except Emergency \$10,000 grant available within 3 days
	2. Business with less than 500 employees	1. Business in existence for a year or more
	3. Experienced financial hardship (loss of sales/revenue) *****No Personal Guarantee required	2. Business with less than 500 employees
	-	3. Show proof of financial hardship (loss of sales/revenue)
	-	4. 3 years Profit & Loss and Tax Returns
	-	***** Personal guarantee required above \$200K
Emergency Grant	Not Available	\$10,000 available within 3 days, no condition on repayment
Loan amount	Lesser of: The average of “monthly payroll cost of last 12 months” x 2.5 or \$10 million cap	Determined by SBA, Varies by Industry Size (NAICS), Up to \$2 million cap
Loan forgiveness	Spend money during first 8 weeks after issuance on: Payroll costs, mortgage of rent on a building and/or property, utilities (water, electricity, gas, phone & internet) *see below of calculation	Loan forgiveness not available, \$10,000 emergency grant to be deducted from loan forgiveness in Section 7(A) Paycheck protection loan
Payroll Cost & Loan	Monthly Payroll = \$30,000	Loan can cover operating expenses and other costs
	Vacation/Sick Leave = \$1,000	
	Health Insurance = \$3,000	
	Retirement Costs = \$1,000	
	Total = \$35,000	
	Multiplied by 250% = \$87,500 Loan amount	
Loan forgiveness	If \$77,500 is spent withing 8 weels. The first \$77,500 is eligible for forgiveness. The remaining \$10,000 converts to 10-year loan at 4% interest	None