## Economic Injury Disaster Loan (EIDL)

**What is it?**
Loan program for small businesses that have sustained substantial economic injury due to a disaster such that the business is unable to meet its obligations and pay ordinary expenses.

### Coronavirus Aid, Relief, and Economic Security Act: Paycheck Protection Program (PPP)

**Who is eligible?**
Any small business, as defined by the SBA. Eligibility is subject to aggregation with affiliated entities, with limited exceptions.

Employers with fewer than 500 employees (unless the SBA allows a higher number for the applicable industry).

Eligibility is subject to aggregation with affiliated entities, except for:
- Businesses operating as a franchise with a franchise identifier code assigned by the SBA.

### Where do I apply?
Apply online at [https://disasterloan.sba.gov/ela/](https://disasterloan.sba.gov/ela/)

Apply through thousands of banks across the country providing small business loans.

### How much can I get?
Up to $2 million based on working capital needs.

250% of your average monthly payroll for the period February 15, 2019, to June 30, 2019; capped at $10 million.

Special calculations apply for seasonal businesses and businesses not open during period above.

### How can I use the money?
Business-related needs.

Any EIDL Loan obtained between February 15, 2020 and June 30, 2020, may be refinanced into a PPP loan.

Any business-related expense between February 15 and June 30, 2020, but only amounts spent on certain expenses will be eligible for forgiveness (see below).

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**NECA Fact Sheet**

Comparison of Loans: EIDL and PPP

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<table>
<thead>
<tr>
<th>Economic Injury Disaster Loan (EIDL)</th>
<th>Coronavirus Aid, Relief, and Economic Security Act: Paycheck Protection Program (PPP)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest rate</strong></td>
<td>3.75%</td>
</tr>
<tr>
<td><strong>Collateral</strong></td>
<td>Likely</td>
</tr>
<tr>
<td><strong>Personal guarantee</strong></td>
<td>No</td>
</tr>
<tr>
<td><strong>Upfront loan fees</strong></td>
<td>No</td>
</tr>
<tr>
<td><strong>When will I receive funds?</strong></td>
<td>Payout is monthly or quarterly and any advance (up to $10,000) will be made within three days of application</td>
</tr>
<tr>
<td><strong>What if I don’t have many employees?</strong></td>
<td>May be better for asset-heavy/employee-light businesses</td>
</tr>
<tr>
<td><strong>Will this be forgiven?</strong></td>
<td>No</td>
</tr>
<tr>
<td><strong>What can be forgiven?</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Deferment</strong></td>
<td>Deferred for one year</td>
</tr>
<tr>
<td><strong>Can I utilize payroll tax credits with this loan?</strong></td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Term</strong></td>
<td>15-30 years</td>
</tr>
<tr>
<td><strong>Pre-payment penalty</strong></td>
<td>No</td>
</tr>
</tbody>
</table>
Comparaison de prêts : EIDL et PPP

Economic Stabilization

- Economic Stabilization
- Loans only
- Loans used for secured loans
- $500 used for secured loans

Pays d'impôts

- Payroll Tax
- Delays Payroll Tax
- Two years to pay back
- Runs from 3/27 to 12/31
- Employer share of payroll tax can't be forgiven

Employee Retention Credit

- payroll:
  - Smaller firms get credit equal to 50% of payroll, reduced
  - payroll tax credit for 50%


- Employee Retention Credit
- Payroll
- Payroll tax
- ETC

PPP

- Loans may be forgiven
- 100% Corporate Loans
- Loans up to $10K
- Forgiveness for both parties

How does it all work together?