



*Information as of April 21, 2020*

**Important Considerations for EIDL Loan and PPP Loan**

1. To participate with both programs, you should have applied for the EIDL Loan prior to applying for the PPP Loan.
  - a. We are diligently working to obtain guidance on potential possibilities to refinance the EIDL loan into the PPP Loan. If you use the EIDL loan for payroll costs, you will need to refinance the EIDL Loan into the PPP Loan.
2. Proceeds from each loan cannot be used for the same purpose (Please see breakdown below)

<b>Expense</b>	<b>EIDL Loan Eligible</b>	<b>PPP Loan Eligible</b>
Payroll Expenses including state unemployment and retirement 2020	PPP Funds should be used for this expense*	YES
Retirement 2019	Yes (A)	To be determined
Rent, mortgage interest, and utilities	PPP Funds*	YES
Supply costs	Yes (A)	No
Other loan payments (Credit Cards- equipment loans)	Yes (A)	No
Other operational costs	Yes (A)	No
Payments to independent contractors	Yes (A)	No

\* This is our recommendation. Our recommendation is based upon decisions to optimize loan forgiveness of the PPP Loan\*

(A) The proceeds from the EIDL Loan should be used for expenses that would have been paid, had the disaster not occurred.

It is important to remember that the intention of both the EIDL Loan and the PPP Loan is to cover expenses that would otherwise not be paid as a result of the negative impact of COVID-19. The funds are not intended to replace lost revenue or provide for expansion.

*Please note- Given the coronavirus situation is unprecedented and continuously changing, we are providing this information as a courtesy based upon the best of our knowledge at this date. We cannot guarantee that this information will remain up-to-date as information may change at any time.*