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FOR IMMEDIATE RELEASE
TBA Credit Union Offers Businesses CARE Act Loan Support Guide

Traverse City, MI: TBA Credit Union (TBACU) has created a support guide for borrowers looking for financial assistance via the Coronavirus Aid, Relief, and Economic Security (CARES) Act. *Please note: although the legislation is signed, the Small Business Association (SBA) has 30 days to release the final rulings/guidelines on the program.* As of Sunday March 29, Secretary of Treasury Mnuchin said the plans for these programs won't be released until at least Friday April 3. Please visit tbacu.com/coronavirus-covid-19/ for updates and additional resources.

There are four programs that impact Small Businesses as it relates to the CARES Act:

1. **Economic Injury Disaster Loans (EIDL)** - Loans up to \$2,000,000 with a fixed interest rate up to 3.75% for businesses and 2.75% for private non-profits with a loan term up to 30 years. These loans are for expenses that could have been met had the disaster not occurred, including payroll and other operating expenses. You may still apply for or refinance into a Paycheck Protection Program (PPP) loan, but the requested amount would be reduced by the \$10,000 EIDG and the PPP and EIDL for the same purposes. To apply, visit: <https://covid19relief.sba.gov/#/>
2. **Economic Injury Disaster Loan Advances (also referred to as Economic Injury Disaster Grants (EIDG))** - Part of the EIDL process, this grant provides \$10 billion in funding for an advance of \$10,000 within three days to small businesses and nonprofits that apply for an SBA Economic Injury Disaster Loan (EIDL). This grant does not need to be paid back, even if the EIDL is denied. Funds may be used to provide sick leave to employees, maintain payroll, meet increased production costs due to supply changing disruptions, or pay business obligations, including debts, rent and mortgage payments. This grant is applied for as part of the EIDL process.
3. **Paycheck Protection Program (PPP)** - Provides cash-flow assistance through 100% federally guaranteed loans to employers who maintain their payroll during the emergency for up to 8 weeks of payroll expenses. If employers maintain their payroll, the loan may be forgiven, No SBA fees, at least 6 months of deferral with up to a year. Funds can be used to refinance an outstanding EIDL as well, although this portion may not be eligible for debt forgiveness. Lenders will be reimbursed processing costs ranging between 1% and 5% depending on the loan amount. To apply for a PPP loan, visit: _____
4. **Small Business Debt Relief** - SBA will cover all loan payments on certain non-disaster 7(a), 504, and microloans for 6 months. This will include principal, interest, and fees for six months. This will also be available for new borrowers who take out loans within six months of the President signing the bill into law. This does not include a PPP loan. The SBA is directed to begin covering these payments within 30 days, visit <https://www.tbacu.com/coronavirus-covid-19/> for updates.

Additionally, the State of Michigan has created **Strategic Aid Fund** to assist small businesses. The Michigan Small Business Relief grants are administered by 15 local and nonprofit economic development organizations (EDO). To apply, visit <https://www.michiganbusiness.org/about-medc/covid19/small-business-relief-program/>.