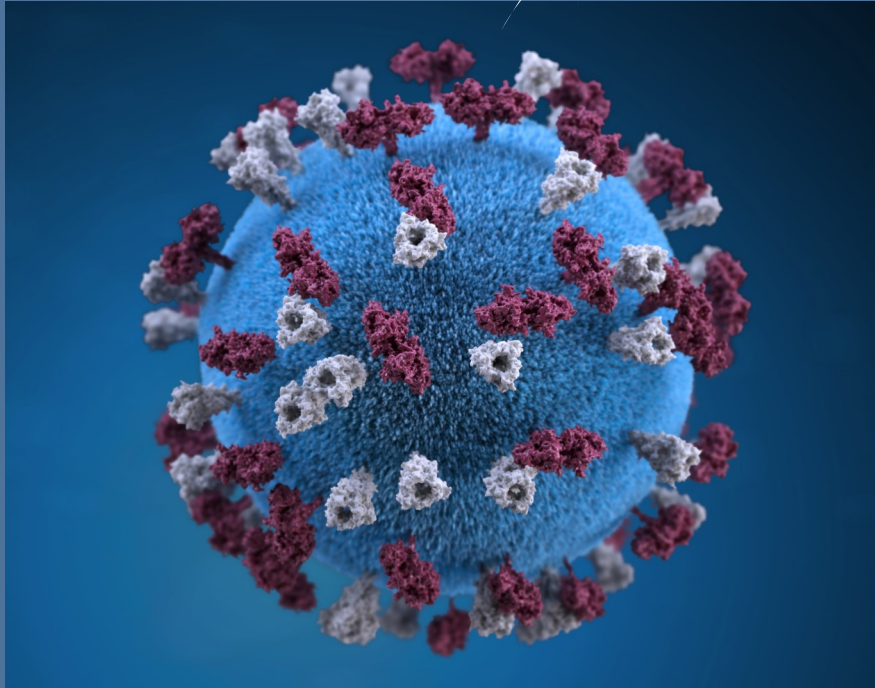




Bayne Law

Dedication | Diligence | Commitment

Navigating the Paycheck Protection Program Business Relief Strategies — More than Payroll



COVID-19 ALERT UPDATE
Paycheck Protection Program (PPP)
under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

Business Counsel for the Global Marketplace®

WHO IS ELIGIBLE FOR A PAYCHECK PROTECTION PROGRAM (PPP) LOAN?

FORGIVABLE PPP LOANS ARE AVAILABLE TO THE FOLLOWING EMPLOYERS OPERATING BEFORE FEBRUARY 15, 2020 TO COVER PAYROLL · LEASE · MORTGAGE · UTILITIES:

- Small businesses with fewer than 500 employees,
- Select types of business with fewer than 1,500 employees,
- 501(c)(3) non-profits with fewer than 500 workers, and
- Some 501(C)(19) veteran organizations;
- Self-employed individuals,
- Sole proprietors,
- Freelancers, and
- Gig economy workers.

Very important to retain and assemble your documents showing the following:

- i. The uncertainty of current economic conditions makes the loan request necessary to support the ongoing operations of the applicant;
 - ii. Funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments or utility payments;
 - iii. The applicant does not have an application pending for an SBA business loan for the same purpose and duplicative of amounts applied for or received under a covered loan; and
 - iv. During the period beginning on February 15, 2020, and ending on December 31, 2020, the applicant has not received another SBA business loan for the same purpose and duplicative of PPP amounts applied for or received.
- For companies for which the primary NAICS code begins with a 72 (accommodation, food services and drinking places) and for which there is more than one location, the company will be eligible if no one location has more than 500 employees.
 - Additionally, if the company's primary NAICS code begins with a 72 and the company has no more than 500 employees, the business has been assigned a franchise code by the SBA, or the company receives financial assistance from an SBIC licensed company, the company need not aggregate "affiliates" employees with its own.



AMERICAN BUSINESS LAWYERS

Our Commitment

BayneLaw is working diligently with our clients to help address all legal issues facing our valued clients during this crisis with respect to contract concerns, employment and labor law compliance and strategies, and other commercial matters impacted by the current economic effects of Covid-19 in the USA and globally. Please do not hesitate to let us know at any time of any issues we can help you with.

A Global Focus from the USA

Our clients come to us from throughout the United States of America and countries throughout the world, including Ireland, New Zealand, India, Canada, Australia, China, Europe, the Middle East and South America. We have a detailed understanding of state, federal and international business law, and we know how to effectively serve the interests of athletes, investors, entrepreneurs, professionals, small business owners and multinational enterprises.

The CARES Act and the PPP

The Paycheck Protection Program (PPP) is part of the Coronavirus Aid, Relief, and Economic Security Act ("CARES"), a \$2 trillion dollar economic relief package enacted to help individuals and businesses in the US weather the severe financial impact of the COVID-19 pandemic.

PPP Loan Particulars

Loans are given up to a maximum of the lesser of \$10 million dollars, or 2.5 times the average monthly payroll costs – including wages for employees making under \$100,000, as well as expenses for paid sick leave, healthcare and other benefits - during the 1-year period before the date on which the loan was made.

- * The maximum interest rate under this program is 4% (Currently 1%)
- * The loan term is up to 10 years.
- * No personal guarantee or collateral is required for the loan.
- * Payments are deferred up to six to 12 months.

PPP Loan Forgiveness

Loans may be forgiven when the proceeds are spent during the first eight weeks on any of these costs:

- * Payroll costs, excluding prorated amounts for individuals with compensation greater than \$100,000;
- * Rent pursuant to a lease in force before February 15, 2020;
- * Electricity, gas, water, transportation, telephone, or internet access expenses for services which began before February 15, 2020; and/or
- * Group health insurance premiums and other healthcare costs or expenses.

PPP Loan Applications Accepted as of April 3rd, 2020

Regulations related to the rapidly evolving COVID-19 pandemic are subject to change. Consult an attorney for guidance specific to your current situation. Not Legal Advice.



Bayne Law

Dedication | Diligence | Commitment

New York 1.212.679.2205

Princeton 1.609.924.4295

www.baynelaw.com

lawfirm@baynelaw.com