



## COVID-19 SMALL BUSINESS RELIEF LOANS

# Which loan is right for me?

### PAYCHECK PROTECTION LOAN (PPL)

**Purpose:** Emergency working capital to keep your business operating during COVID-19

**Use of Funds:** Working capital, including payroll expenses, mortgage interest payments, rent and utilities, interest on debts that were incurred prior to February 15, 2020

**Amount:** Up to \$10MM or 2.5x business's average monthly payroll, whichever is less

**Rate:** 4% Fixed

**Structure:** No payments for up to one year; 10-year term

**Forgiveness:** Up to 100% of eligible expenses paid with loan funds during the 8 weeks following closing, subject to compliance with program requirements

**Features:** No collateral or guarantor support required

### ECONOMIC INJURY DISASTER LOANS (EIDL)

**Purpose:** To supplement lost revenue on account of COVID-19

**Use of Funds:** Payroll expenses, fixed debts, accounts payable, other expenses

**Amount:** Up to \$2MM

**Rate:** 3.75% or 2.75% for non-profits

**Structure:** Up to 30 years

**Forgiveness:** None

**Features:** Guarantor support and any available collateral required

**How to Apply:** [sba.gov/disaster](https://sba.gov/disaster)

### SBA TRADITIONAL 7A

**Purpose:** New money for recovery, purposes unrelated to COVID-19

**Use of Funds:** Refinance of current debts, purchase and refinance of real estate, new money for purchases of equipment or software, working capital, business acquisitions, business improvements, support for startups that don't qualify for disaster assistance

**Amount:** Up to \$5MM




**Rate:** SBA market rates

**Structure:** Up to 25 years

**Forgiveness:** None

**Features:** Guarantor support and any available collateral required

‡ All SBA loans subject to eligibility, program requirements and program availability. Huntington is the #1 SBA 7(a) lender in the region made up of Illinois, Indiana, Kentucky, Ohio, Michigan, West Virginia, Western Pennsylvania and Wisconsin from October 1, 2008 to September 30, 2019. Source: U.S. Small Business Administration (SBA) Loans subject to credit application and approval.

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## SBA GUARANTEED COVID-19 SMALL BUSINESS RELIEF LOAN

# Paycheck Protection Loan



**NUMBER 1  
SBA LENDER  
IN THE REGION**



**LOAN AMOUNT  
UP TO 2.5 X  
MONTHLY PAYROLL**



**FOR BUSINESSES  
AND NONPROFITS  
WITH 500 OR  
FEWER EMPLOYEES**



**OPPORTUNITY FOR  
COMPLETE LOAN  
FORGIVENESS**



**PAYMENTS DEFERRED  
FOR UP TO 12 MONTHS**

### HOW DOES IT WORK?

- Loan is 100% SBA guaranteed
- Must apply by June 30, 2020
- Loan amount is lesser of 2.5x average monthly payroll costs or \$10 million
- No collateral or personal guarantees required
- No payments required for up to one year
- 4% fixed interest rate
- Loan forgiveness available for loan proceeds applied to eligible payroll costs, mortgage interest, rent payments and utilities during the 8 week period following loan origination.<sup>§</sup>

### WHO IS ELIGIBLE?

- Must have been in operation on February 15, 2020 and had employees for whom salaries and payroll taxes were paid or independent contractors
- Small businesses, as well as any other businesses or Section 501(c)(3) with 500 or fewer employees; certain industries have higher thresholds
- Sole proprietors, self-employed individuals and independent contractors may be eligible

### HOW CAN THE PROCEEDS BE USED?

Working capital costs, which include:

- Payroll costs, rent payments, interest payments, and utilities
- Cost related to the continuation of group health care benefits during periods of paid sick, medical, or family leave and insurance premiums
- Refinance of an SBA Disaster Loan (EIDL) that was made between the period of January 31, 2020 and the date of the loan application for the PPL loan

### WHAT'S NEXT?

Be application-ready by gathering the following information:

- 2019 and 2020 year-to-date monthly profit and loss statement
- 2019 and 2020 year-to-date payroll reports
- State income, payroll, and unemployment insurance filings
- TAX ID/EIN and complete ownership information

Paycheck Protection Program loans subject to eligibility, program requirements, and program availability.

<sup>‡</sup>Huntington is the #1 SBA 7(a) lender in the region made up of Illinois, Indiana, Kentucky, Ohio, Michigan, West Virginia, Western Pennsylvania and Wisconsin from October 1, 2008 to September 30, 2019. Source: U.S. Small Business Administration (SBA). Loans subject to credit application and approval.

<sup>§</sup> Loan forgiveness amount is dependent on the types of expenses to which loan proceeds are applied during the specified period and may be less than the full principal balance of the loan. Loan forgiveness is subject borrower compliance with the loan forgiveness application process and other program requirements.

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