



April 29, 2020

Update on the Paycheck Protection Program

Congress has authorized additional funding to the Small Business Association for the Paycheck Protection Program.

The Paycheck Protection Program, which is part of the [CARES Act](#), is a federal loan program that can help eligible small and medium-sized businesses impacted by the coronavirus. The loan is an SBA 7(a) loan and can assist with covering costs related to payroll (including healthcare), mortgage/debt interest, rent, utilities and more.

Eligible businesses include the following:

- Businesses and entities in operation on February 15, 2020
- Small Businesses, 501(c)(3) nonprofits, 501(c)(19) veterans organizations or tribal business concerns that have fewer than 500 employees or otherwise meet the SBA size standard
- Businesses in the accommodation and food service sector that employ 500 or fewer employees per physical location
- Businesses who have already received an Economic Injury Disaster Loan (EIDL) but have not used it for the same purpose

Features of the Paycheck Protection Program include:

- 1.00% fixed interest rate
- Loan amounts up to 2.5x average covered monthly payroll costs and not to exceed \$10 million
- No fees
- No prepayment penalties
- No business collateral or personal guarantee required
- Loan forgiveness for eligible payroll, mortgage interest, rent and utilities during the covered eight-week period after origination
- Payments are deferred for six months

Visit [U.S. Bank Paycheck Protection Program](#) for the most up-to-date information.

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