



# Paycheck Protection Program

## What Does the Paycheck Protection Program in the new CARES Stimulus Bill Mean for your Small Business?

### About the PPP Loans

The loans are federally-guaranteed, through the SBA and the Treasury. The loan may be **FORGIVEABLE!** What does that mean? It means that it acts more like a **GRANT** when spent on covered expenses during the **8 week** period after the loan is originated and you maintain pre-crisis employment and salary levels, or re-hire quickly.

**Loan payments will be deferred for 6 months.**

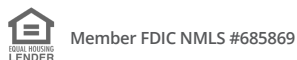
### How much could each business receive?

Loans can be for up to two months of your average monthly payroll costs from the last year plus an additional 25% of that amount, up to \$10 million.

### What Expenses Are Eligible and considered part of the Monthly Operating Costs?

- Payroll costs, including benefits
- Interest on mortgage obligations, incurred before February 15, 2020
- Rent, under lease agreements in force before February 15, 2020
- Utilities, for which service began before February 15, 2020

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# Employee Payroll: What's included? What's excluded?

## INCLUDED:

- Employee Salary, wages and commissions, including tips and benefits
- Payment of vacation
- Parental, family, medical or sick leave
- Allowance for dismissal or separation
- State and local tax assessed on employee compensation
- Payments for provisions of group health care benefits

## EXCLUDED:

- Payroll costs exclude compensation of an individual person in excess of \$100,000 annualized, compensation to those whose principal residence is outside the US, and certain qualified sick and family leaves.

## Who's Eligible for the Loan?

Self Employed, Sole Proprietorships, Independent Contractors, Veteran's Organizations, Businesses or 501(c)(3) with *less than 500 employees* are eligible for the loan. This includes full-time and part-time employees, with special waivers for groups in the accommodation and food services industry and franchises.

## What are the Key Stipulations for Loan Forgiveness?

The loan amounts will be forgiven as long as: The loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the **8 week period** after the loan is made; and employee headcount and compensation levels are maintained.

*At least 75% of the forgiven amount must have been used on payroll.*

## How Can I Apply?

Midwest BankCentre is an SBA lender with a Small Business Administrative Specialist on staff who has over 20 years of experience. Applications can be found at **MidwestBankCentre.com/ppploan**.

We encourage you to apply as quickly as you can because there is a funding cap.

## TERMS & CONDITIONS

*Subject to ongoing guidance from the SBA and as of 4/3/2020*

### What are the Loan Terms?

All loan terms will be the same for everyone.

### What is my interest rate?

1.0% fixed rate.

### When do I need to start paying interest on my loan?

All payments are deferred for 6 months; however, interest will continue to accrue over this period.

### When is my loan due?

In 2 years.

### Can I pay my loan earlier than 2 years?

Yes. There are no prepayment penalties or fees.

### Do I need to pledge any collateral for these loans?

No. No collateral is required.

### Do I need to personally guarantee this loan?

No. There is no personal guarantee requirement.

## Want to learn more?

Call (314) 631-5500 or visit [MidwestBankCentre.com/ppploan](https://MidwestBankCentre.com/ppploan). The entire Midwest BankCentre team, including our Small Business Administration specialist, is ready to provide game-changing assistance for small business owners. When we **DREAM BIG**, we all **RISE TOGETHER**.

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