

CARES Act -- Preliminary Loan Application Checklist

Prospective applicants should begin gathering the following information to be adequately prepared when the SBA's rules are finalized and the CARES Act program is open for applications.

Proposed Loan Amount

The following guideline should be used for calculation of the total Loan Amount Proposed:

Average eligible monthly payroll costs, excluding compensation above \$100,000 in wages (based on prior 12 months) multiplied by 2.5 (represents months) – plus – the balance of any SBA Loan closed between 1/31/2020 and when this loan will be [made] [issued? granted?], if applicable – OR – \$10 million, whichever is less.

Use of Proceeds

Allowable uses of the loan funds include eligible payroll support (eligible employee salaries, which exclude compensation above \$100,000 in wages, paid sick or medical leave, insurance premiums), interest paid on a mortgage (excluding any prepayment of or payment of principal), rent or lease payments, and utility payments.

Documentation

- ☐ Completed Application (not sure what this includes yet) 1919 or some variation
- ☐ Articles of Incorporation/Organization of each borrowing entity
- ☐ Bylaws/Operating Agreement of each borrowing entity
- ☐ Copies of all owners' Driver's Licenses
- ☐ Payroll Expense Verification documents to include:
 - IRS Form 940 and 941
 - Payroll Summary Report with corresponding bank statement.
 - If a Payroll Summary Report is not available, Employee Pay Stubs as of February 15, 2020 (or corresponding period) with corresponding bank statement, and,
 - Breakdown of payroll benefits (vacation, allowance for dismissal, group healthcare benefits, retirement benefits, etc.)
 - 1099s (for independent contractors)
 - Certification that all employees live within the United States. If any do not, provide a detailed list with corresponding salaries of all employees outside the United States
- ☐ Trailing 12-month Profit and Loss Statement (as of the date of application) for all applicants month by month
- ☐ Most recent Mortgage Statement or Rent Statement (Lease)
- ☐ Most recent utility bills (Electric, Gas, Telephone, Internet, Water)