

## **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, 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)