**CARES Act Paycheck Protection Program (PPP) Frequently Asked Questions**

1. **What is the CARES Act Paycheck Protection Program?**

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Payroll Protection Program (PPP) is a program offered by the Small Business Administration (SBA). The $349 billion Program provides funds for employers to help pay for payroll and other operating expenses via an unsecured 7(a) loan.

1. **Is there a deadline to apply for the PPP?**

The funding period is February 15, 2020 to June 30, 2020. Funds will be available on a first-come, first served basis. Applications for the PPP can be accepted beginning 4/3/2020 for most businesses. Sole proprietors and independent contractors can apply beginning 4/10/2020.

1. **When should I apply for the PPP?**

Because the program will end with the earlier of the funds expiring or the 6/30/2020 date, we highly recommend that you apply as quickly as possible. Businesses can apply beginning 4/3/2020 and sole proprietors and independent contractors can apply beginning 4/10/2020.

1. **When will the PPP program end?**

The program ends June 30, 2020 or when the Program funds are exhausted, whichever comes first.

1. **How much is available for each business?**

The maximum loan amount is:

* 2.5x average monthly payroll costs\* OR
* The outstanding amount of an Economic Inquiry Disaster Loan (EIDL) that was made during the period beginning January 31, 2020 and ending on the date on which covered loans are available to be refinanced under the covered loan OR
* $10 million

\*The calculation for average monthly payroll costs sets a maximum payroll of $100,000 per employee.

1. **Does the Program provide support for expenses and offer loan forgiveness?**

Yes. Borrowers are eligible for loan forgiveness equal to the amount spent on the following expenses during the 8 week period beginning on the date the loan was originated:

* Payroll costs
* For borrowers with tipped employees, additional wages paid to those employees

The program will also support expenses for these elements in place prior to February 15, 2020

* Mortgage interest
* Rent
* Utilities – including electricity, gas, water, transportation, telephone, or Internet
* Interest on other debt obligations

1. **Is First Citizens’ Federal Credit Union participating in the Paycheck Protection Program?**

Yes. We are proud to participate in the PPP program to support our local businesses. However, please not that due to high demand, we may pause accepting applications. Our dedicated commercial lending team is working diligently to ensure that applications received are processed and submitted to the SBA as quickly as possible.

If your account is with another bank other than First Citizens’ Federal Credit Union, we encourage you to reach out to them, as they will be able to help you prepare an application most efficiently. We know that businesses are financially being impacted during this time. We are prepared to work with you on your loan payments. Our business loans may be eligible for payment relief solutions on a case-by-case basis.

For more information or details about this and other Small Business Administration funding options visit <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>