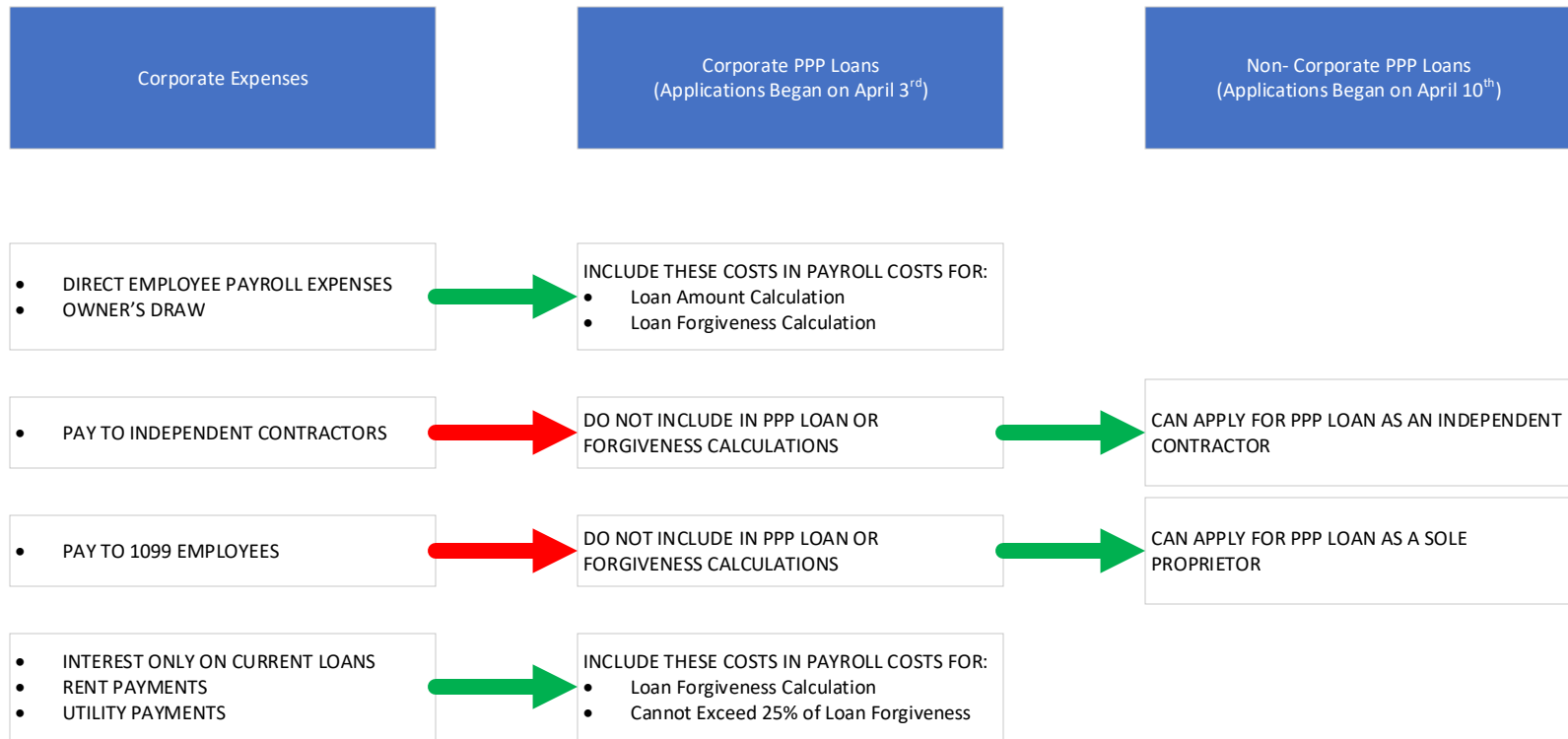
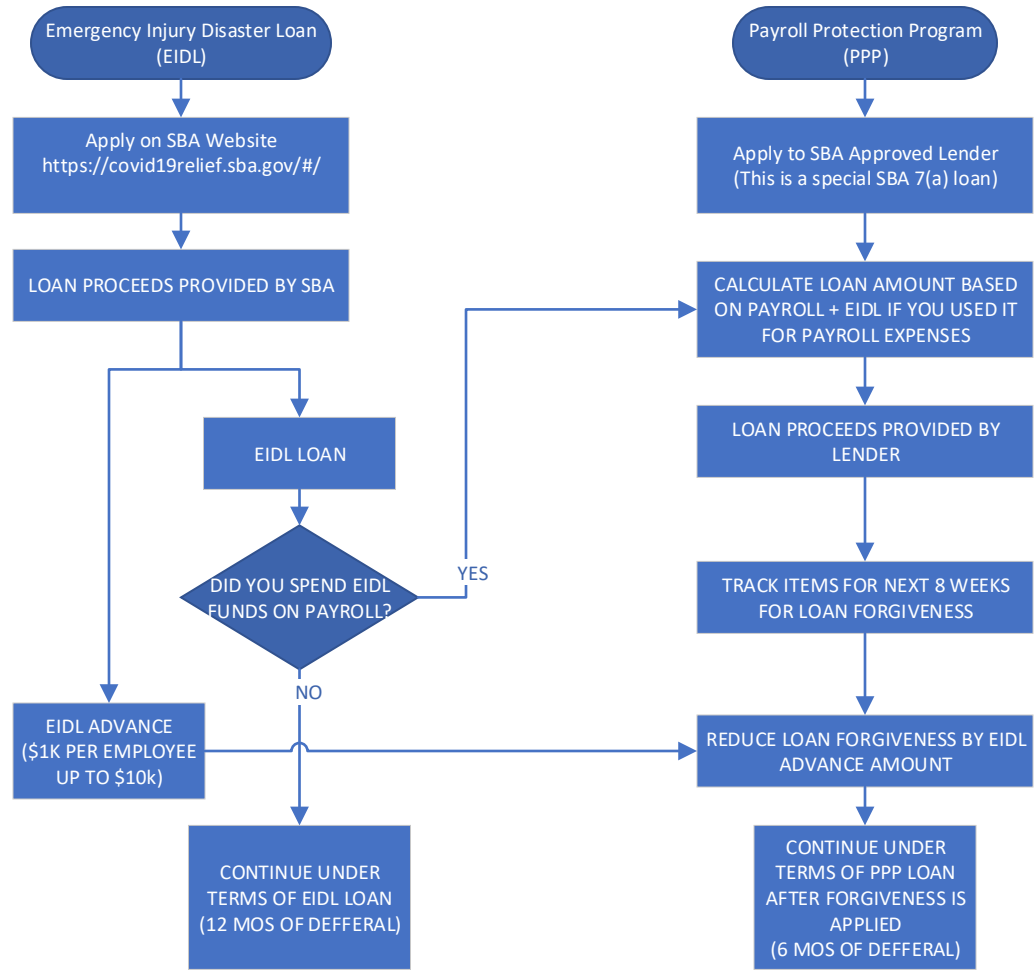


TREATMENT OF PAYROLL AND EXPENSES UNDER PPP



LOAN TERMS

LOAN TYPES	<p>EIDL ADVANCE NO REPAYMENT REQUIRED</p>	<p>EIDL LOAN 3.75% UP TO 30 YEARS 12 MO DEFERRAL</p>	<p>PPP LOAN 1 % 2 YEARS 6 MO DEFERRAL</p>
------------	---	--	---



Permitted Uses of Funds and Key Timeframes for PPP Loans

PAYROLL EXPENSES ALLOWED FOR PPP LOAN FORGIVENESS
<ul style="list-style-type: none"> • Salary, wages, commission or similar comp • Cash tips or equivalent • Payments for vacation, parental, family, medical or sick leave • Allowance for dismissal or separation • Group health care benefits - incl insurance premiums • Retirement benefits payments • State or local tax assessments on employees

PAYROLL EXPENSES <u>NOT</u> ALLOWED FOR PPP LOAN FORGIVENESS*
<ul style="list-style-type: none"> • FICA • Federal Tax Withholding • Qualified sick and family leave where a credit is allowed under FFCRA <p>* NOTE: The Family First Coronavirus Act (FFCRA) already provide credits and relief for this items</p>

8 WEEKS AFTER FUNDING

PERMITTED USES		
<p>Emergency Injury Disaster Loan (EIDL)</p> <table border="1"> <tr> <th>WORKING CAPITAL USES:</th> </tr> <tr> <td> <ul style="list-style-type: none"> • Accounts Payable • Inventory • Operating Expenses that would have been met prior to crisis </td> </tr> </table> <p>USE EIDL FUNDS FOR THESE EXPENSES UNTIL PPP FUNDS ARE EXHAUSTED</p>	WORKING CAPITAL USES:	<ul style="list-style-type: none"> • Accounts Payable • Inventory • Operating Expenses that would have been met prior to crisis
WORKING CAPITAL USES:		
<ul style="list-style-type: none"> • Accounts Payable • Inventory • Operating Expenses that would have been met prior to crisis 		

PERMITTED USES		
<p>Payroll Protection Program (PPP)</p> <table border="1"> <tr> <th>PERMITTED USES</th> </tr> <tr> <td> <ul style="list-style-type: none"> • Payroll Expenses • Non-Payroll Expenses (1)(2) <ul style="list-style-type: none"> ➤ Rent ➤ Utilities (3) ➤ Interest on Debt </td> </tr> </table> <p>MAXIMIZE THESE COSTS TO USE FOR LOAN FORGIVENESS (See Notes Below)</p>	PERMITTED USES	<ul style="list-style-type: none"> • Payroll Expenses • Non-Payroll Expenses (1)(2) <ul style="list-style-type: none"> ➤ Rent ➤ Utilities (3) ➤ Interest on Debt
PERMITTED USES		
<ul style="list-style-type: none"> • Payroll Expenses • Non-Payroll Expenses (1)(2) <ul style="list-style-type: none"> ➤ Rent ➤ Utilities (3) ➤ Interest on Debt 		

Weeks 9 +

<table border="1"> <tr> <th>PERMITTED USES</th> </tr> <tr> <td> <ul style="list-style-type: none"> • Payroll Expenses • Rent • Utilities • Interest on Debt • Working Capital </td> </tr> </table>	PERMITTED USES	<ul style="list-style-type: none"> • Payroll Expenses • Rent • Utilities • Interest on Debt • Working Capital
PERMITTED USES		
<ul style="list-style-type: none"> • Payroll Expenses • Rent • Utilities • Interest on Debt • Working Capital 		

<p>NOTES:</p> <ol style="list-style-type: none"> 1) Only if in place or committed before Feb 15, 2020 2) Non-payroll expenses cannot exceed 25% of loan forgiveness 3) Includes these items if in place before Feb 15, 2020 <ul style="list-style-type: none"> • Electricity • Gas • Water • Telephone • Internet access
--

Non-Permitted Uses of Funds

APPLIES TO BOTH EIDL AND PPP LOANS

NON-PERMITTED USES
<ul style="list-style-type: none"> • Replacement of lost revenue • Principal on existing debt • Refinancing existing debt • Capital improvements

