



**FINANCIAL BLIND SPOT**  
HIDDEN THREATS. CANDID SOLUTIONS.



# EIDL Masterclass

Everything you need to know about the Disaster Loan Program

# Financial Blind Spot

How we help



## Valuation

What's my company worth?



## Protection

How do I protect it?



## Growth

How do I grow sustainably?



## Transfer

How do I transfer out when it's time?

[will@blindspotfinancial.com](mailto:will@blindspotfinancial.com)

914.873.4814





**FINANCIAL BLIND SPOT**  
HIDDEN THREATS. CANDID SOLUTIONS.

---

---

# Getting the most out of your stimulus dollars

— Can't make heads or tails of this? —  
You're in the right place

---

---

Presented by: **Wilfrid Baptiste**

**blindspotfin** (Facebook- Twitter - Instagram)



FINANCIAL BLIND SPOT  
HIDDEN THREATS. CANDID SOLUTIONS.

# Main Street Lending Program

---



**FINANCIAL BLIND SPOT**

HIDDEN THREATS. CANDID SOLUTIONS.

# **13 Federal Stimulus Actions That May Help You, Your Family, & Your Business**

Wilfrid Baptiste  
Financial Blind Spot  
[will@blindspotfinancial.com](mailto:will@blindspotfinancial.com)



# Agenda

01

Program Overview - CARES Act version

02

Terms & Conditions

03

Fine Print - Loan Authorization & Agreement

04

Fine Print - Promissory Note

05

Strategic Considerations



# Program Overview

CARES Act Version

# EIDL Overview

CARES Act Version



## ELIGIBILITY

**Small businesses in all US states and territories are eligible to apply for a low-interest loan.**

These loans are processed, underwritten and issued by the SBA.

Potentially Eligible Companies:

- Small Businesses (500 employees or less)
- Sole proprietorships, with or without employees, and independent contractors
- Small Agricultural Cooperatives and ESOPs (500 or fewer employees)
- Most Private Nonprofit Organizations
- Tribal Small Business Concerns

## FUNDING

**Initially funded with \$10 billion, the EIDL program received an additional \$60 billion to work through its backlog**

The \$60 of new funding is split as follows:

- \$10 billion for disaster grants
- \$50 billion for disaster loans

On June 12th, as per the SBA:

- 3,245,006 advances had been disbursed, totaling \$10,711,701,000
- 1,332,955 loans had been approved, totaling \$90,928,747,622



# EIDL Overview

CARES Act Version (continued)



## LOAN AMOUNT

The SBA can provide up to \$150,000 to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact.

Your loan amount will be based on your actual economic injury and your company's financial needs.

There is no forgiveness provision

## WAIVED REQUIREMENTS

Rules related to personal guarantees on advances and loans of \$200,000 or less: waived for all applicants;

"1 year in business prior to the disaster" requirement: waived. (must have been in operation on January 31, 2020)

Applicant be unable to find credit elsewhere: requirement waived

## ADVANCES

Entities applying for EIDLs may request an emergency advance of up to \$10,000 (\$1,000 per employee), which does not have to be repaid, even if the loan application is later denied.

Advances may be used for the same purposes as the loan.



# EIDL Terms & Conditions

How your loan works

# EIDL Terms

How your loan works



## Substantial economic injury

The business is unable to meet its obligations and to pay its ordinary and necessary operating expenses

## Interest Rate

2.75% for nonprofits  
3.75% for all other entities

## Loan Purpose

EIDLs provide the necessary working capital to help small businesses survive until normal operations resume after a disaster.



## Grace period

The first month's payments are deferred a full year from the date of the promissory note.

## Repayment Terms

The repayment term is not to exceed 30 years

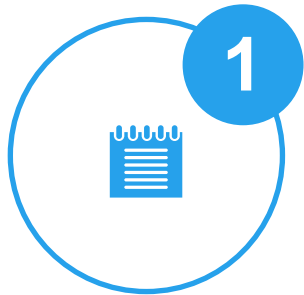
## Collateral

\$25,000 and under: none  
\$25,000+: business assets



FINE PRINT

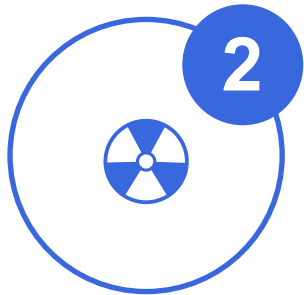
# Strategic Considerations



1

## Advance and PPP

Your EIDL advance reduces, dollar for dollar, the amount that you can get forgiven on your PPP

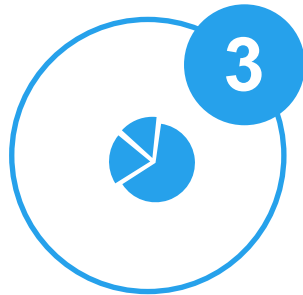


2

## Business Structure

Sole proprietor?  
Personal assets may be on the line

Multiple owners?  
Consider contingency planning



3

## Growth Plans

If your funding needs include an expansion project, EIDL funds are not a good fit.

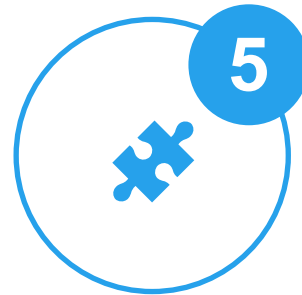
Do you need more than \$150,000?



4

## Misuse of funds

Triggers civil liability to SBA for 1.5X the proceeds disbursed, plus other potential penalties



5

## Other Financing

Subordination agreement considerations

EIDL balance may limit opportunities

# Financial Blind Spot

How we help



## Valuation

What's my company worth?



## Protection

How do I protect it?



## Growth

How do I grow sustainably?



## Transfer

How do I transfer out when it's time?

[will@blindspotfinancial.com](mailto:will@blindspotfinancial.com)

914.873.4814

