

Peacock Law P.C.'s Silver Anniversary

Peacock Law P.C. has reached an important milestone, our **25th Anniversary!** The years have been packed with marvelous clients, fascinating ideas, and an amazing staff. Many of our clients have been with us since the beginning, through the thick and thin of several major economic upheavals. Now, the global COVID-19 pandemic has affected many of our clients and their businesses, like no event before.

We are thinking of you during these difficult times. Attached to this letter please find some information summarizing some of the **key financial and business resources** available to you during this crisis (U.S. and New Mexico). Governments at all levels are trying to do what they believe is best under the circumstances, but you have to take action urgently to receive such assistance before it dries up. Some of these benefits may have tax or other financial consequences that you may want to consult a CPA about before you apply or receive such assistance.

We are fully operational as is the U.S. Patent and Trademark Office and Copyright Office. We are working remotely whenever possible, maintaining our regular hours and operating at full capacity. While we are not providing in-person client meetings at this time, our attorneys continue to be available to you by email, telephone and video conferencing.

SBA COVID-19 DISASTER RELIEF PROGRAMS

The U.S. Small Business Administration (SBA) is offering a number of relief programs. This letter brings to your attention some of their key programs. Visit <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options> for more information and to apply for any of these programs.

Paycheck Protection Program (PPP)

Designed to provide a direct incentive for small businesses to keep their workers on the payroll, the SBA PPP will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease. This loan has a maturity of 2 years and an interest rate of 1%.

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Consult with your local lender as to whether it is participating in the program. Lenders have begun processing loan applications as since **April 3, 2020**. The Paycheck Protection Program will be available through **June 30, 2020**. Neither the government nor lenders will charge small businesses any fees.

Economic Injury Disaster Loan (EIDL)

The SBA's EIDLs loan up to \$2 million in assistance can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. These loans

may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses. The interest rate for non-profits is 2.75%. The SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.

For questions, please contact the SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail disastercustomerservice@sba.gov.

Economic Injury Disaster Loan Emergency Advance

Small business owners (less than 500 employees) in all U.S. states, Washington D.C., and territories are eligible to apply for an Economic Injury Disaster Loan advance of up to \$10,000. This advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. Funds will be made available within days of a successful application. This loan advance will not have to be repaid.

OTHER RESOURCES

States and local governments across the country are also providing loans and other relief for small businesses, sometimes provided through private organizations/lending institutions. Your current lending institution may be participating in such government-backed lending programs.

For our New Mexico-based clients, one of the most comprehensive summaries of resources is provided by the New Mexico Economic Development Department (NMEDD) at <https://gonm.biz/about-us/covid-19-response>. The NMEDD is providing a COVID-19 Business Loan Guarantee Loan program through participating lenders.

You may also wish to explore your local city resources. For example, the City of Albuquerque is providing a Micro-Business Relief Program offering working capital grants of up to \$5,000 for qualifying small businesses: <http://www.cabq.gov/coronavirus-information/business-organization-resources>