



CANADA EMERGENCY BUSINESS ACCOUNT (revised)

Providing small businesses
with interest-free loans up to
\$40,000

Interest-free until



Repaying the balance of the loan on or before
December 31, 2022 will result in
LOAN FORGIVENESS of up to
\$10,000



TO HELP WITH OPERATING COSTS

Must show eligible non-deferrable expenses, already incurred in 2020 or are due to legal or contractual obligation as of Mar 1, 2020 regardless of COVID-19



PAYROLL



RENT



UTILITIES



INSURANCE &
PROPERTY TAXES

ELIGIBILITY

Businesses must have intentions to continue to operate or resume operations.



Be a Canadian business in operation as of March 1, 2020 and have a federal tax registration



Have not previously used or applied for CEBA at any other financial institution



Agree to participate in post-funding survey and government audits to confirm nature and accuracy of expenses



Have an active business operating account with the primary lender that was opened before March 1, 2020



Not be delinquent on existing borrowing facilities for more than 90 days as of March 1, 2020



Demonstrate paid total 2019 payroll between \$20,000 and \$1.5 million

For applications with \$20,000 or less in total employment income paid in 2019:



The borrower must have a CRA business number and has filed a 2018 or 2019 tax return



The borrower has eligible non-deferrable expenses between \$40,000 and \$1,500,000

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Expanded eligibility



Owner operated businesses with no payroll, sole proprietors receiving business income directly, family owned corporations paying dividend vs. payroll.



Small business and not-for-profits should contact their financial institution to apply for these loans. There are more than 200 financial institutions participating in the CEBA program.

All applications are administered through your financial institution. Visit their website for more information and questions.



REPAYMENT SCHEDULED

DEC 31, 2020	Loan forgiveness 25%	Up to \$10,000 loan forgiveness is available, provided outstanding balance is \$40,000 at Dec 31, 2020, and \$30,000 is paid back between January 1, 2021 and Dec 31, 2022
DEC 31, 2022	Interest-free	Interest-free until Dec 31, 2022. No principal payments are required until Dec 31, 2022. Principal repayments can be voluntarily made at any time without fees or penalties.
JAN 1, 2023	3YR term loan	If the balance is not paid by Dec 31, 2022, the remaining balance will be converted to a 3-year term loan at 5% annual interest, paid monthly effective Jan 1, 2023.
DEC 31, 2025	Balance	The full balance must be repaid by no later than Dec 31, 2025.

Government of Canada link: ceba-cuec.ca/



Do you know about the CEBA? Share the information to help during the pandemic.

Peter Wouters

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