



BULLETIN #38/2020 APRIL 7, 2020

CORONAVIRUS UPDATE #24

NEW PPP LOAN INFO ISSUED FROM NADA

NADA DEALERSHIP LIFELINE WEBINAR SERIES CONTINUES

[This bulletin supplements our previous bulletins #11 and #16 through #37 on this subject matter. These bulletins are intended to be cumulative so we can avoid repeating the same information.]

NADA Issues New Info on the Paycheck Protection Program Loans

Last evening NADA had a call with a key SBA affiliation attorney regarding two Paycheck Protection Program (PPP) items. The following information includes NADA's insights based on that conversation; please note that these **are NOT official** SBA positions.

First, following last night's conversation, NADA has provided the following *draft Addendum A language* for potential use in responding to Question 3 on the Borrower Application:

Addendum A

NOTE: As indicated in footnote 2 in the SBA's Interim Final Rules issued on April 3, 2020, the information sought by Question 3 on this application is for use in determining how the SBA's affiliation rules (13 CFR 121.103) should apply to loan applicants under the Paycheck Protection Program (PPP). However, for purposes of loans issued under the PPP, the SBA's otherwise applicable affiliation rules are statutorily waived for business concerns that operate as a franchise that has been assigned a franchise identifier code (FIC) by the SBA. The Applicant certifies that it operates as a franchise that has been assigned a FIC by the SBA. Therefore, under the PPP, the SBA affiliation rules are waived with respect to the Applicant and, as a result, there is no need to consider the information required by Question 3 in processing the Applicant's application

It is NADA's suggestion that borrowers also consider listing their businesses that are under common management and control. Please modify (or have your legal counsel modify) NADA's draft Addendum A language as you see fit.

Second, based on last night's conversation, NADA notes that the language in Box G of the lender application is apparently accurate. However, SBA has approved some additional FICs and is continuing to do so.

The Small Business Administration (SBA) has developed a [Lender Finder Tool](#) for



The Small Business Administration (SBA) has developed a [Lender Finder Tool](#) for the PPP, and last night the Treasury Department issued new [Frequently Asked Questions \(FAQs\)](#) that help resolve some ambiguities in previous guidance. Remember to go to the [NADA Coronavirus Hub](#) for the latest information on the PPP and other programs, and other updates and information from NADA.

Lastly, please be reminded that the SBA has information on the PPP and other loan options at: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options> and Treasury has information, including the attached FAQ, at: <https://home.treasury.gov/cares>.

NADA Dealership Lifeline Webinars Continue This Week

Dealership Lifeline Series, an initiative to help local dealerships navigate business and regulations in the Coronavirus environment, has announced the schedule for its second week of webinars. Descriptions of this week's remaining webinars and registration links are below. All webinars will include time for Q&A and be recorded for those who cannot attend live. Space is limited, so register today!

WEDNESDAY, APRIL 8, 2020 – 1pm-2pm ET

Build a 60 Day Profit Protection Plan

Presented by: Doug Austin, President, StrategicSource

Join expense management expert Doug Austin to learn how to build a 60-day profit protection plan using benchmarking. Doug will illustrate that, by having the right data to benchmark, you will speed up the process to save 25% or more in the short and long term. [REGISTER](#).

THURSDAY, APRIL 9, 2020 – 1pm-2pm ET

Managing Service Operations: Making it through the COVID-19 Pandemic

Presented by: Bob Atwood and Larry Hourcle, NADA Academy Instructors

Join NADA Academy instructors Bob Atwood and Larry Hourcle as they discuss managing your service department operations during this time of need. This webinar will include best practices for keeping your employees and customers safe and an opportunity to keep your business open. [REGISTER](#).

FRIDAY, APRIL 10, 2020 – 1pm-2pm ET

The Best Ideas from NADA 20 Groups: In Times of COVID-19 Pandemic

Presented by: Tim Gavin, NADA 20 Group Dealership Management Consultant

Join NADA 20 Group Dealership Management Consultant Tim Gavin as he goes through best ideas on business development, digital and traditional marketing, new vehicle sales, service operations, and used vehicle sales during these unprecedented times. [REGISTER](#).