

# New Loan Programs for Businesses

## Canada Emergency Business Account

To ensure that small businesses have access to the capital they need to see them through the current challenges, the Government of Canada is announcing the launch of the new Canada Emergency Business Account, which will be implemented by eligible financial institutions in cooperation with Export Development Canada (EDC).

This \$25 billion program will provide interest-free loans of up to \$40,000 to small businesses and not-for-profits, to help cover their operating costs during a period where their revenues have been temporarily reduced, due to the economic impacts of the COVID-19 virus.

This will better position them to quickly return to providing services to their communities and creating employment.

Small businesses and not-for-profits should contact their financial institution to apply for these loans.

To qualify, these organizations will need to demonstrate they paid between \$50,000 to \$1 million in total payroll in 2019. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25 percent (up to \$10,000).