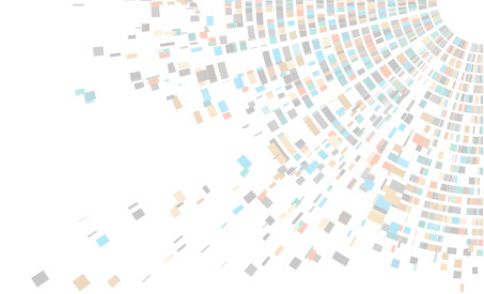




## CARES Act: Funding Sources and Considerations

PROGRAM NAME(S)	PURPOSE/ FUNDING DEPARTMENT	AMOUNT	RELEVANT INDUSTRIES
<b>TITLE I</b> <ul style="list-style-type: none"> <li>SBA Paycheck Protection Program</li> <li>SBA Economic Injury Disaster Loans (EIDLs)</li> </ul>	Support for Business Under 500 Employees funded by the Small Business Administration	\$349B	<ul style="list-style-type: none"> <li>Any</li> </ul>
<b>TITLE IV AND RELATED FUNDING SOURCES</b> <ul style="list-style-type: none"> <li>Primary and Secondary Corporate Credit Facilities</li> <li>Main Street Lending and Mid-Sized Business Programs</li> <li>Commercial Paper Funding Facility (also Term Asset-Backed Securities Loan Facility)</li> </ul>	Loans and Investments for Distressed Sectors funded by the Federal Reserve and Department of the Treasury	\$500B	<ul style="list-style-type: none"> <li>Any: Medium and Large U.S. businesses</li> <li>Passenger air carriers</li> <li>Certified repair stations (MROs)</li> <li>Ticket agents</li> <li>Cargo air carriers</li> <li>Businesses critical to national security</li> </ul>
<ul style="list-style-type: none"> <li>Air Carrier Worker Support Program (grants for payroll)</li> </ul>	Worker payroll support funded by Department of the Treasury with some oversight by Department of Transportation	\$32B	<ul style="list-style-type: none"> <li>Passenger air carriers</li> <li>Cargo air carriers</li> <li>Contractors at airport supporting airlines (Part 121 operators)</li> </ul>
<b>TITLE II</b> <ul style="list-style-type: none"> <li>Economic Development Administration</li> </ul>	Grants for States and Communities funded by the Departments of Commerce, Justice, Science, and Related Agencies	\$1.5B	<ul style="list-style-type: none"> <li>Any</li> </ul>
<b>TITLE III</b> <ul style="list-style-type: none"> <li>Defense Production Act (DPA)</li> <li>Defense Health Program – Medical Care and Medical Countermeasures; Diagnostics</li> <li>Non-Medical Protective Equipment and Other Supplies</li> </ul>	Access to Necessary Materials for National Security and Pandemic Response funded by the Department of Defense	\$3.84B	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Pharmaceuticals</li> <li>IT</li> <li>Transportation</li> <li>Healthcare Providers</li> <li>Supply Chain Distribution</li> <li>Labs</li> </ul>
<b>TITLE V</b> <ul style="list-style-type: none"> <li>Federal Communications Commission (FCC)</li> </ul>	Support for Telehealth Services funded by Financial Services and General Government	\$200M	<ul style="list-style-type: none"> <li>IT</li> </ul>
<b>TITLE VI</b> <ul style="list-style-type: none"> <li>Federal Emergency Management Administration (FEMA)</li> </ul>	Funding for Disaster Response by States and Municipalities from the Department of Homeland Security	\$45B	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Pharmaceuticals</li> <li>IT</li> <li>Healthcare Providers</li> <li>Supply Chain Distribution</li> <li>Transportation</li> </ul>
<b>TITLE VIII</b> <ul style="list-style-type: none"> <li>Strategic National Stockpile</li> <li>Biomedical Advanced Research and Development Authority (BARDA)</li> <li>Hospital Preparedness</li> <li>Centers for Disease Control (CDC) and Prevention – State and Local Preparedness Grants; Public Health Data Surveillance and Infrastructure Modernization</li> <li>National Institutes of Health (NIH)</li> </ul>	Support for Equipment, Treatments, Facilities, Testing and Research funded by the Department of Health and Human Services (HHS)	\$22.69B	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Manufacturers</li> <li>Pharmaceuticals</li> <li>Hospitals</li> <li>Healthcare Providers</li> <li>Labs</li> <li>IT</li> </ul>
<b>TITLE X</b> <ul style="list-style-type: none"> <li>Department of Veterans Affairs</li> </ul>	Funding for Veterans Affairs Operations	\$15.85B	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Labs</li> <li>Manufacturers</li> </ul>



# Support for Businesses Under 500 Employees

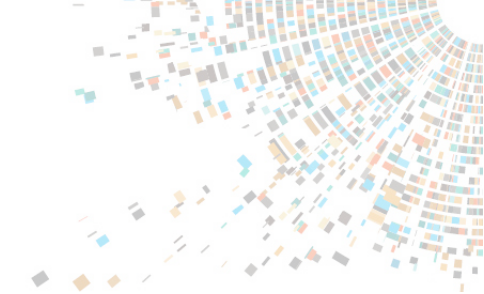
Funding Department(s): Small Business Administration

TITLE I PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Paycheck Protection Program	\$349B	Loans of up to the greater of 2.5x a business's monthly payroll or \$10M that can be forgiven if used for payroll, continuation of health benefits, interest on mortgages and other debt (but not principal) incurred prior to February 15, 2020, rent and utility payments.	<p>Generally, only entities with fewer than 500 employees are eligible. An entity's affiliates are included in the determination of size, except (1) accommodation and food service businesses (those with an NAICS code starting with "72"), including those with multiple locations, so long as each location has fewer than 500 employees; (2) any franchisee of a franchisor that has an SBA identification number; or (3) any entity being financed by an SBIC.</p> <p>Businesses can apply through any SBA lender.</p>	<ul style="list-style-type: none"> <li>Any</li> </ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>Potential penalties and disqualifications relating to government contracting requirements not apparent from the application process will supplement other enforcement mechanisms and potential challenges to eligibility</li> </ul>



Support for Businesses Under 500 Employees (continued)

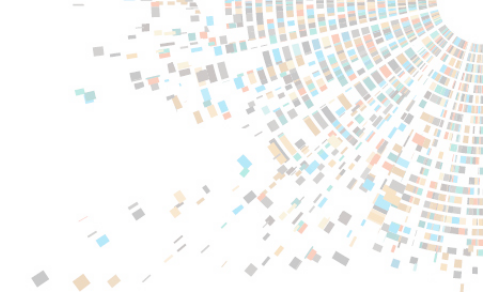
TITLE I PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
SBA Economic Injury Disaster Loans (EIDLs)	\$10B	Loans of up to \$2M to be used for general working capital purposes until the resumption of normal operations, subject to limitations and not forgivable.	EIDLs require additional supporting documentation and, unlike PPP Loans, are reviewed to verify disaster impact upon the borrower. The standard requirements for EIDLs generally apply, but personal guarantees are not required and borrowers are not required to demonstrate a lack of other available credit sources.	<ul style="list-style-type: none"> <li>• Any</li> </ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>- Potential penalties and disqualifications relating to government contracting requirements not apparent from the application process will supplement other enforcement mechanisms and potential challenges to eligibility</li> </ul>



# Loans and Investments for Distressed Sectors & Air Carrier Worker Payroll Support

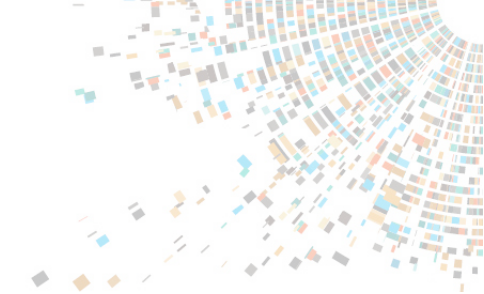
Funding Department(s): Department of the Treasury and Federal Reserve

TITLE IV PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Treasury and Federal Reserve	\$454B  Separate amounts available for TALF, PMCCF and SMCCF through existing Federal Reserve programs	Loans, loan guarantees, and other investments, including Term Asset-Backed Securities Loan Facility (TALF), Primary Corporate Credit Facility (PMCCF), Secondary Corporate Credit Facility (SMCCF) and Main Street Lending and Mid-Sized Business Programs <ul style="list-style-type: none"> <li>- TALF provides secondary market liquidity for certain highly-rated ABS transactions</li> <li>- PMCCF and SMCCF provide primary and secondary liquidity for certain investment-grade rated corporate facilities</li> <li>- Additional to-be-announced programs for small and mid-sized business</li> </ul>	Additional guidance to come, many of the term sheets based on programs from the 2008-2009 financial crisis	<ul style="list-style-type: none"> <li>• Medium and large U.S. businesses (3 part test)</li> </ul>	<p><i>Availability of the \$454B:</i></p> <ul style="list-style-type: none"> <li>- Include limits on dividends, stock buybacks of borrowers and parent companies, executive compensation, limits on employment decreases, collateral or equity may be required and possibly other restrictions</li> </ul> <p><i>Additional:</i></p> <ul style="list-style-type: none"> <li>- Industry groups actively working to expand the scope of TALF, PMCCF and SMCCF</li> </ul> <p><i>Restrictions:</i></p> <ul style="list-style-type: none"> <li>- Include limits on dividends, stock buybacks, executive compensation, limits on employment decreases, air carrier service continuation, equity or senior debt is required and possibly other restrictions</li> </ul>
Treasury: <ul style="list-style-type: none"> <li>• Direct Funding and Payroll Support for Air Carriers, Related Businesses and National Security Businesses</li> </ul>	\$46B	Loans, loan guarantees, and other investments with \$25B for passenger air carriers, certified repair stations and ticket agents; \$4B for cargo air carriers and \$17B for businesses “critical to maintaining national security”	Additional guidance to come within 10 days of passage of the CARES Act: preliminary guidance released April 6 <sup>th</sup> including application form; applications were not being accepted as of April 6 <sup>th</sup> .	<ul style="list-style-type: none"> <li>• Passenger air carriers</li> <li>• Certified repair stations (MROs)</li> <li>• Ticket agents</li> <li>• Cargo air carriers</li> <li>• Businesses critical to national security</li> </ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>- Applications and administration of funding and usage will be scrutinized for internal consistency and external compliance with federal law; Inspector General program</li> </ul>



Air Carrier Worker Support Program (grants for payroll)

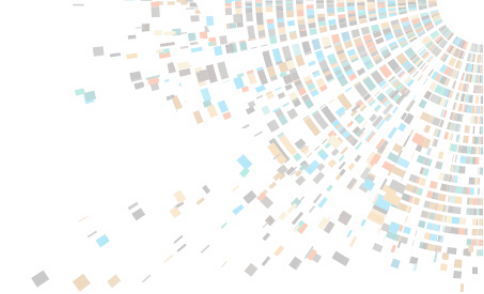
TITLE IV PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Treasury: <ul style="list-style-type: none"> <li>Air Carrier Worker Support Program (grants for payroll)</li> </ul>	\$32B	Financial instruments (expected to be grants): \$25B for passenger air carriers; \$4B for cargo air carriers; and \$3B for contractors that provide catering functions at an airport directly related to air transportation Recipients are restricted to use proceeds for payment of employee wages, salaries and benefits equal to levels for the period from April 1, 2019 through September 30, 2019 (excluding corporate officers)	Guidance and applications were released March 30 <sup>th</sup> ; initial applications were due April 3 <sup>rd</sup> and applications will not be accepted after April 27 <sup>th</sup>	<ul style="list-style-type: none"> <li>Passenger air carriers</li> <li>Cargo air carriers</li> <li>Contractors at airport supporting airlines (Part 121 operators)</li> </ul>	<i>Restrictions:</i> <ul style="list-style-type: none"> <li>Include limits on dividends, stock buybacks, executive compensation, limits on employment decreases, air carrier service continuation, equity or warrant may required and possibly other restrictions</li> </ul> <i>Enforcement:</i> <ul style="list-style-type: none"> <li>Applications and administration of funding and usage will be scrutinized for internal consistency and external compliance with federal law; Inspector General program</li> </ul>



## Grants for States and Communities

Funding Department(s): Departments of Commerce, Justice, Science, and Related Agencies

TITLE II PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Economic Development Administration (EDA)	\$1.5B	Support economic development grants for states and communities suffering economic injury as a result of COVID-19. EDA assistance can be used to help rebuild impacted industries such as tourism or manufacturing supply chains, capitalize local funds to provide low-interest loans to businesses of all sizes, and support other locally-identified priorities for economic recovery.	Additional guidance to come	<ul style="list-style-type: none"> <li>Any</li> </ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>State and community false claims act statutes will supplement federal False Claims Act authority and other potential challenges to eligibility and appropriateness of administration</li> </ul>



# Access to Necessary Materials for National Security and Pandemic Response

Funding Department(s): Department of Defense

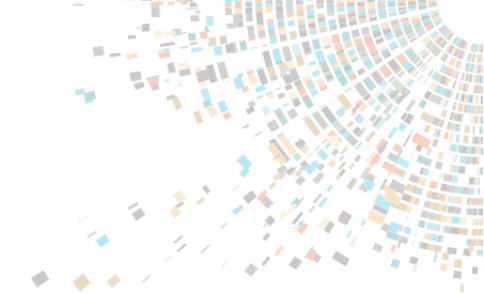
TITLE III PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Non-Medical Protective Equipment and Other Supplies	\$627.8M	For the procurement of pharmaceuticals and physical protection equipment by the military services for installations, ships, first responders, and bio hazard mitigation.	Additional guidance to come	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Pharmaceuticals</li> <li>Other Manufacturers</li> </ul>	<p><i>General Authorizing Provisions:</i></p> <ul style="list-style-type: none"> <li>Section 13003: Removes \$1B cap on advance billings for Defense Working Capital Funds to improve DOD flexibility in responding to COVID-19 effects and ensure supply chain stability</li> <li>Section 13004: Removes incurred cost limit on progress payments under undefinitized contract actions to improve cashflow to companies in response to COVID-19 effects</li> <li>Section 13005: Removes restrictions on DOD usage of undefinitized contract actions for COVID-19 response, consistent with other emergency response scenarios</li> <li>Section 13006: Allows the DOD to waive certain restrictions on the usage of other transaction authority in contracts to improve defense industrial base liquidity, particularly among small businesses, in its response to COVID-19</li> </ul> <p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>Potential penalties and disqualifications relating to government contracting requirements not apparent from the application process will supplement other enforcement mechanisms and potential challenges to eligibility</li> </ul>
Defense Production Act (DPA)	\$1B	Increase access to materials necessary for national security and pandemic recovery.	Additional guidance to come	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Pharmaceuticals</li> <li>IT</li> <li>Transportation</li> <li>Healthcare Providers</li> <li>Supply Chain Distribution</li> </ul>	
Defense Health Program – Medical Care and Medical Countermeasures	\$1.8B	Funds may be used to procure additional medical equipment and physical protective equipment for medical personnel and disease response.	Additional guidance to come	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Pharmaceuticals</li> <li>Healthcare Providers</li> </ul>	



Access to Necessary Materials for National Security and Pandemic Response (continued)

TITLE III PROVISION	FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Defense Health Program – Diagnostics	\$415M	For research and development related to vaccines, anti-virals, 24/7 lab operations and the procurement of diagnostic tests.	Additional guidance to come	<ul style="list-style-type: none"><li>• Medical Device</li><li>• Pharmaceuticals</li><li>• Labs</li></ul>	<i>Enforcement:</i> <ul style="list-style-type: none"><li>- DOJ Civil Fraud prosecutors will supplement CARES Act Inspector General organization to pursue intentional and knowing false affirmative and implicit statements on applications</li><li>- Enforcement will include not only application process but also administration process</li></ul>

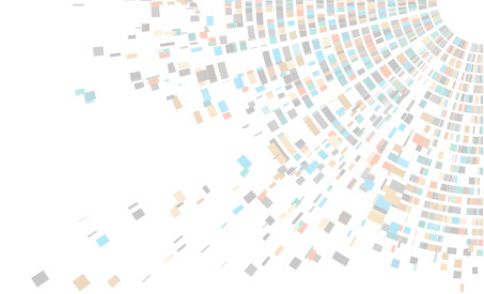




# Support for Telehealth Services

Funding Department(s): Financial Services and General Government

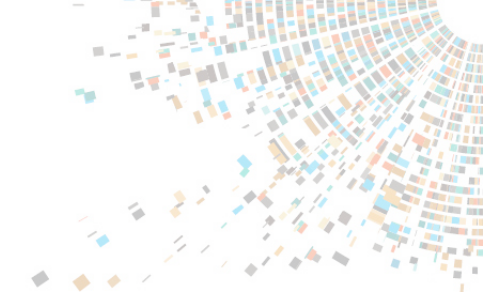
TITLE V PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Federal Communications Commission (FCC)	\$200M	Providing telecommunications services, information services, and devices necessary to enable the provision of telehealth services.	Additional guidance to come	<ul style="list-style-type: none"><li>IT</li></ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"><li>Applications and administration of funding and usage will be scrutinized for internal consistency and external compliance with federal law</li></ul>



# Funding for Disaster Response by States and Municipalities

Funding Department(s): Department of Homeland Security

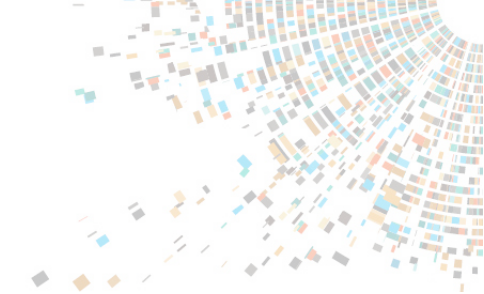
TITLE VI PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Federal Emergency Management Administration (FEMA)	\$45B	To continue FEMA's entire suite of response and recovery activities and reimbursements provided to states and localities nationwide by the Disaster Relief Fund for emergency and major disaster declarations, as well as funding for FEMA facilities and information technology	<a href="#">Industry Liaison Program</a> <a href="#">3/17/20 Guidance Memo: Procurement Conducted Under Emergency or Exigent Circumstances for COVID-19</a> <a href="#">3/17/20 Guidance Fact Sheet</a>	<ul style="list-style-type: none"> <li>• Medical Device</li> <li>• Pharmaceuticals</li> <li>• IT</li> <li>• Transportation</li> <li>• Healthcare Providers</li> <li>• Supply Chain Distribution</li> </ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>- State and community false claims act statutes will supplement federal False Claims Act authority and other potential challenges to eligibility and appropriateness of administration</li> </ul>



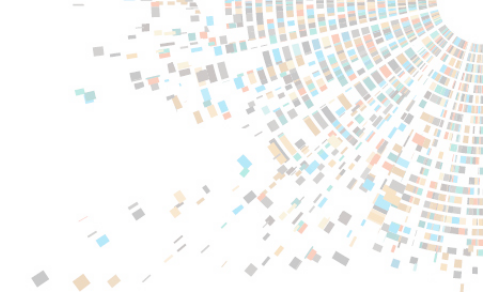
## Support for Equipment, Treatments, Facilities, Testing and Research

Funding Department(s): Department of Health and Human Services (HHS)

TITLE VIII PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Strategic National Stockpile	\$16B	Procure personal protective equipment, ventilators, and other medical supplies for federal and state response efforts.	<a href="#">Click here to access the portal</a>	<ul style="list-style-type: none"> <li>Medical Device Manufacturers</li> </ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>Potential penalties and disqualifications relating to government contracting requirements not apparent from the application process will supplement other enforcement mechanisms and potential challenges to eligibility</li> <li>DOJ Civil Fraud prosecutors will supplement CARES Act Inspector General organization to pursue intentional and knowing false affirmative and implicit statements on applications</li> <li>Enforcement will include not only application process but also administration process</li> </ul>
Biomedical Advanced Research and Development Authority (BARDA)	\$3.5B	To advance construction, manufacturing, and purchase of vaccines, therapeutics, diagnostics, and small molecule pharmaceutical ingredients, including the development, translation, and demonstration at scale of innovations in manufacturing platforms; funds may also be used for construction or renovation of U.S.-based next generation manufacturing facilities.	<a href="#">BARDA Medical Countermeasures Acquisition Process</a>  <a href="#">BARDA Broad Agency Announcement</a>	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Pharmaceuticals Manufacturers</li> </ul>	
Hospital Preparedness	\$250M	Improve the capacity of healthcare facilities to respond to medical events	Additional guidance to come	<ul style="list-style-type: none"> <li>Hospitals</li> <li>Healthcare Providers</li> </ul>	
Centers for Disease Control (CDC) and Prevention – State and Local Preparedness Grants	\$1.5B	To support states, locals, territories, and tribes in their efforts to conduct public health activities, including: <ul style="list-style-type: none"> <li>Purchase of personal protective equipment;</li> <li>surveillance for COVID-19;</li> <li>laboratory testing to detect positive cases;</li> <li>contact tracing to identify additional cases</li> </ul>	Additional guidance to come	<ul style="list-style-type: none"> <li>Medical Device</li> <li>Pharmaceuticals Labs</li> <li>Manufacturers</li> </ul>	



TITLE VIII PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Centers for Disease Control (CDC) and Prevention - Public Health Data Surveillance and Infrastructure Modernization	\$500M	To invest in better COVID- 19 tools and build state and local public health data infrastructure.	Additional guidance to come	<ul style="list-style-type: none"> <li>• IT</li> </ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"> <li>- Potential penalties and disqualifications relating to government contracting requirements not apparent from the application process will supplement other enforcement mechanisms and potential challenges to eligibility</li> <li>- DOJ Civil Fraud prosecutors will supplement CARES Act Inspector General organization to pursue intentional and knowing false affirmative and implicit statements on applications</li> <li>- Enforcement will include not only application process but also administration process</li> </ul>
National Institutes of Health (NIH)	\$945M	Support research to expand on prior research plans, including developing an improved understanding of the prevalence of COVID-19, its transmission and the natural history of infection, and novel approaches to diagnosing the disease and past infection, and developing countermeasures for the prevention and treatment of its various stages.	Additional guidance to come	<ul style="list-style-type: none"> <li>• Pharmaceuticals</li> </ul>	



# Funding for Veterans Affairs Operations

Funding Department(s): Veterans Affairs and Related Agencies

TITLE X PROVISION	AVAILABLE FUNDS	USES	HOW TO APPLY	INDUSTRIES	SELECT CONSIDERATIONS
Department of Veterans Affairs	\$15.85B	Funds allow VA to cover overtime for their clinical staff, the purchase of personal protective equipment, test kits, and other necessary equipment.	Additional guidance to come	<ul style="list-style-type: none"><li>• Medical Device</li><li>• Labs</li><li>• Manufacturers</li></ul>	<p><i>Enforcement:</i></p> <ul style="list-style-type: none"><li>- Applications and administration of funding and usage will be scrutinized for internal consistency and external compliance with federal law</li></ul>