

GUIDANCE DOCUMENT

Current Federal  
COVID-19 Support  
Programs

MARCH 2021



DETAILS	ELIGIBILITY	HOW TO APPLY
<b>Highly Affected Sectors Credit Availability Program (HASCAP)</b>		
<p>As of Feb 1, the Highly Affected Sectors Credit Availability Program provides loans to businesses hardest hit by the pandemic. HASCAP provides:</p> <ul style="list-style-type: none"> <li>• 100% net loss government guarantee</li> <li>• Loan amount between \$25,000 and \$1 million per legal entity</li> <li>• Maximum combined exposure of related legal entities of \$6.25 million</li> <li>• Loan proceeds cannot be used to pay down an existing debt/lease facility</li> <li>• Up to 10-year repayment term</li> <li>• 4% fixed interest rate</li> <li>• Up to 12-month postponement of principal repayments at the start of the loan</li> <li>• No personal guarantees</li> </ul>	<p><b>An applicant business must:</b></p> <ul style="list-style-type: none"> <li>• Be a commercial enterprise whose intent is to generate revenue from the sale of goods or services that is at least sufficient to cover its operating expenses and service its debt.</li> <li>• Have been financially stable and viable prior to the current economic environment.</li> <li>• Not have an impaired loan as of March 1, 2020, or the eligible loan closing date.</li> <li>• Other eligibility requirements may apply</li> </ul> <p><b>Hoteliers must fall into one of the following categories:</b></p> <ul style="list-style-type: none"> <li>• If your hotel has received the Canada Emergency Wage Subsidy (CEWS) or the Canada Emergency Rent Subsidy (CERS) <ul style="list-style-type: none"> <li>◦ You must provide Canada Revenue Agency attestation forms demonstrating a minimum 50% revenue decline, for at least 3 months, within the 8-month period prior to the date of your HASCAP application.</li> </ul> </li> <li>• If your hotel did not receive CEWS or CERS and is eligible for it <ul style="list-style-type: none"> <li>◦ You must apply for CEWS or CERS</li> </ul> </li> <li>• If your hotel does not qualify for CEWS or CERS <ul style="list-style-type: none"> <li>◦ You must provide financial statements that reflect at least three months (which do not need to be consecutive) of monthly year-over-year revenue decrease of a minimum of 50% per month, within</li> </ul> </li> </ul>	<p><b>Applications opened for eligible businesses launched on February 1 at principal financial institutions and applications will be more widely available by February 15.</b></p> <p>As a first step, you must contact your primary financial institution to get more information and to apply.</p> <ul style="list-style-type: none"> <li>• You can only apply to one financial institution – your primary lender.</li> <li>• If your primary lender is not participating in the program, only then may you apply via another financial institution.</li> </ul> <p>The program will be available until June 30, 2021</p>

	<p>the 8-month period prior to the date of your HASCAP application.</p> <ul style="list-style-type: none"> <li>Your financial institution will require the above information to process your request.</li> </ul>	
<p><b>Canada Emergency Wage Subsidy (CEWS)</b></p>		
<ul style="list-style-type: none"> <li>As of December 20, 2020, the CEWS program provides a maximum 75% wage subsidy to cover employee wages for businesses with revenue losses of 70% or more, and a sliding scale of support for those experiencing losses below 70% until June 5, 2021.</li> <li>Employees on leave with pay (inactive employees on temporary furlough) are eligible to receive a maximum payment of \$595 per week, in alignment with EI benefits.</li> </ul>	<p>To be eligible for CEWS, businesses must have a CRA payroll account on March 15, 2020 and have experienced a drop in revenue.</p> <p>Further details regarding eligibility can be accessed <a href="#">here</a>.</p>	<p>Hoteliers can apply for CEWS directly on <a href="#">CRA's website</a>.</p>
<p><b>Canada Emergency Rent Subsidy (CERS)</b></p>		
<ul style="list-style-type: none"> <li>CERS offers a maximum 65% subsidy to cover eligible expenses such as mortgage interest, property taxes and insurance costs for hoteliers experiencing revenue losses of 70% or more, and a sliding scale of support for those experiencing losses below 70% until June 5, 2021.</li> <li>The maximum claim amount for eligible expenses for each period is capped at \$75,000 for individual businesses and \$300,000 for affiliated entities.</li> </ul>	<p>To be eligible for CERS, hoteliers must have a CRA business number on September 27, 2020, or an active payroll account on March 15, 2020 or adhere to special asset acquisition rules</p> <p>Further details regarding eligibility and the sliding scale of support can be accessed <a href="#">here</a>.</p>	<p>Hoteliers can apply directly on <a href="#">CRA's website</a>.</p>
<p><b>Canada Emergency Business Account (CEBA)</b></p>		
<ul style="list-style-type: none"> <li>CEBA provides interest-free loans of up to \$60,000 to small businesses and not-for-profits.</li> <li>Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 33 percent (up to \$20,000).</li> <li>The application deadline has been extended to March 31, 2021.</li> </ul>	<p>Every applicant must meet the following criteria:</p> <ul style="list-style-type: none"> <li>Has an active CRA Business Number (BN) with an effective date of registration on or prior to March 1, 2020.</li> <li>Has an active business chequing/operating account with the Lender at the time of applying for CEBA.</li> </ul>	<p>Hoteliers who would like to apply to CEBA must do so through their financial institution.</p> <p>For more information, please visit this <a href="#">link</a>.</p>

	<ul style="list-style-type: none"> <li>• Has not previously used the Canada Emergency Business Account Program and will not apply for support under the Program at any other financial institution.</li> <li>• Intends to continue to operate its business or to resume operations.</li> </ul>	
<p><b>Regional Relief and Recovery Fund (RRRF)</b></p>		
<ul style="list-style-type: none"> <li>• The RRRF is a flexible, interest free loan program with forgivable relief administered by the Regional Development Agencies (RDA) across Canada.</li> <li>• The RRRF provides over \$1.5 billion in assistance to businesses and communities that may require additional support to cope with and recover from the pandemic.</li> <li>• The Government is proposing to top up the RRRF with an additional \$500 million to ensure the program continues to preserve jobs and businesses across the country, and to replicate newly announced loan limit increases in the Canada Emergency Business Account program. Upon parliamentary approval, this would bring total RRRF funding to over \$2 billion. More details will be available soon.</li> </ul>	<p>The RRRF is complementary to existing federal programs. You must first apply for other federal support measures such as CEBA and CEWS, among others. Applicants are required to attest that they applied for other federal benefits and were approved, rejected or deemed ineligible</p> <p>Those who can apply include businesses and organizations that have either:</p> <ul style="list-style-type: none"> <li>• Applied for other federal relief measures and have not been able to secure funds; or</li> <li>• Accessed COVID-19 relief measures and continue to experience hardship.</li> </ul> <p>Each RDA has different terms and eligibility requirements. To review these requirements, you will need to contact your local regional development agency. More information can be found <a href="#">here</a>.</p>	<p>To apply for support, please contact your local regional development agency.</p> <p>Contact details can be found <a href="#">here</a>.</p>