



## COVID-19 Updates

March 2020

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### CARES Act

March 30, 2020

The **CARES Act** was passed on Friday March 27. The next step is for the government to disseminate details related to the final parameters, as well as documentation to be used in these transactions. It is anticipated that the loans should be available by the end of this week.

The link below provides additional detail from the U.S. Chamber of Commerce that contains a summary of the program. One of the important things to note is that the program will seek to cover 2.5X monthly payroll costs. It will not require either collateral or personal guarantees.

Click Link to Download PDF <https://www.dropbox.com/s/39j5zaixjfw1mu/COVID-Emergency%20Loans.pdf?dl=0>

We will keep everyone apprised on progress, as I know everyone remains extremely interested in this important legislation.

Kevin M.Sullivan  
Executive Vice President  
Western Region Manager  
Wells Fargo Capital Finance | 333 South Grand Avenue, 12<sup>th</sup> Fl | Los Angeles, CA 90071-1504  
MAC E2064-12M  
Tel (213) 253-7605 | Cell (213)479-6657 | Fax (213) 253-7601  
[Kevin.M.Sullivan@wellsfargo.com](mailto:Kevin.M.Sullivan@wellsfargo.com)

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### Stimulus Bill/COVID-19 Update

March 27, 2020

As the recent significant health and economic challenges have begun to unfold, Wells Fargo has remained in close daily contact with our clients to ascertain what their increased needs are, as well as keep everyone apprised of the progress of the Stimulus Bill that just passed the House vote today. Given the amount of uncertainty that exists in the marketplace right now, I wanted to reach out to all of our friends throughout the industry to provide some insight into what we're currently seeing among our clients, and provide an update on where things stand with the Stimulus Bill.

Needless to say, revenue for many of our clients has dropped dramatically for the current and upcoming months, and many are having to adjust overhead correspondingly. I would like to point out that while some may anecdotally be hearing that some companies are beginning to encounter difficulty in borrowing from their lender, Wells Fargo remains very liquid and continues to support our clients on a daily basis. We are working through issues related to retailers requesting extended terms and doing whatever we can to support the increased needs of our clients. Our teams continue to work remotely and our clients have seen no disruption in service.

As it relates to the Stimulus Bill, Wells Fargo will be a primary source of funding reaching your clients. We are the largest SBA lender in the country and are currently diverting staffing from other functions to be able to service what we know will be exceptional needs. After the President signs the Stimulus Bill, the US SBA will determine how banks can participate in the program. At this time they have not yet provided Wells Fargo and other banks final direction on eligibility,

documentation requirements or application process.

What we can say definitively is as follows:

- There is no queue for borrowers to “line-up” in anticipation for this program.
- There is no application for borrowers to complete or financial information borrowers can compile in anticipation for the program.
- Wells Fargo will actively participate in the program when direction is provided by the SBA.

We remain in a very fluid environment. I sincerely hope that your friends and family are doing as well as they can possibly be doing under the current circumstances. By my estimates, most of us have likely seen the world “end” 3 or 4 times in our lifetimes, and yet somehow it, and we, are all still here. We will get through this and emerge stronger than ever.

Please stay safe! We will keep you posted as further information becomes available.

Kevin M.Sullivan

Executive Vice President

Western Region Manager

Wells Fargo Capital Finance | 333 South Grand Avenue, 12<sup>th</sup> Fl | Los Angeles, CA 90071-1504

MAC E2064-12M

Tel (213) 253-7605 | Cell (213)479-6657 | Fax (213) 253-7601

[Kevin.M.Sullivan@wellsfargo.com](mailto:Kevin.M.Sullivan@wellsfargo.com)

### **California Fashion Association**

444 South Flower Street, Los Angeles, California 90071 | Tel: 213 688 6288 | Fax: 213 688 6290

email: [info@calfashion.org](mailto:info@calfashion.org) | Website: [www.californiafashionassociation.org](http://www.californiafashionassociation.org)

