

PPP KEY TERM DEFINITIONS: Here are somewhat simplified versions of key statutory terms:

- **Payroll costs** are wages, salaries, commissions, tips, severance pay, and so forth – but subtract out the portion of an employee’s pay exceeding \$100,000 per year (annualized) plus employer paid health insurance and retirement benefits.
- **Covered rent** is rent obligated under a leasing agreement in force before February 15, 2020, and presumably includes bona fide equipment leases in addition to office leases.
- **Covered utilities** are payments for a service for the distribution of electricity, gas, water, transportation, telephone, or internet access for which service began before February 15, 2020
- **Covered mortgage** interest means the interest on any pre-February 15, 2020 indebtedness or debt instrument incurred by the borrower in the ordinary course of business, is secured by a mortgage on real or personal property.