§ 123.508 

(b) Your small business is in imminent danger of going out of business as a result of one or more essential employees being called up to active duty during a period of military conflict, and a loan in excess of $2 million is necessary to reopen or keep open the small business; and

(c) Your small business has used all reasonably available funds from the small business, its affiliates, its principal owners and all available credit elsewhere to alleviate the small business’ economic injury. Credit elsewhere means financing from non-Federal sources on reasonable terms given your available cash flow and disposable assets which SBA believes your small business, its affiliates and principal owners could obtain.


§ 123.509 What can’t you use Military Reservist EIDL funds for?

Your small business can not use Military Reservist EIDL funds for purposes described in §123.303(b) (See §123.303, “How can my business spend my economic injury disaster loan?”).

§ 123.510 What if you don’t use your Military Reservist EIDL funds as authorized?

If your small business does not use Military Reservist EIDL funds as authorized by §123.508, then §123.9 applies (See §123.9, “What happens if I don’t use loan proceeds for the intended purpose?”).