



TRAN BUSINESS SERVICES



TAX



MORTGAGE



INSURANCE

EMAIL: LINH@TRANBUSINESS.COM

PHONE: 713-909-0103

| Loan Program | Economic Injury Disaster Loan (EIDL) | Paycheck Protection Program Loan (PPPL) |
|-----------------------|---|---|
| Lender | Small Business Administration (SBA) | Financial institutions (commercial banks, credit unions, and other approved lenders) |
| Program Period | January 31, 2020 – December 31, 2020 | February 15, 2020 – June 30, 2020 (Loan covers 8-weeks of eligible expenses within above time frame.) |
| Eligibility | <ul style="list-style-type: none"> • Have 500 or fewer employees, • Are a sole proprietor, independent contractor, or self-employed individual. <p>AND</p> <ul style="list-style-type: none"> • Been in business since January 31, 2020. | <ul style="list-style-type: none"> • Have 500 or fewer employees, • Are a sole proprietor, independent contractor, or self-employed individual, • A small business that meets the SBA small business industry-specific standards, • Operate an accommodation or food service business (NAICS Code 72) with 500 or fewer employees per location, • A business assigned a franchise operator code by SBA, • A business that receives assistance under the Small Business Investment Act. <p>AND</p> <ul style="list-style-type: none"> • Been in business since February 15, 2020 and paid taxes on your employees or independent contractors. |
| Loan Amount | <ul style="list-style-type: none"> • The maximum loan size is \$2 million. • Applicants who apply for this loan may request an advance Emergency EIDL grant of up to \$10,000 from the SBA. | <ul style="list-style-type: none"> • 2.5x the average monthly “payroll” costs, measured over the 12 months preceding the loan origination date. Seasonal business may use the period February 15, 2019 – June 30, 2019 or March 1, 2019 – June 30, 2019 to calculate the average payroll. • The maximum loan size is \$10 million. • “Payroll” includes: <ul style="list-style-type: none"> ○ Salaries, commissions, tips, |

| | | |
|--------------------------|--|--|
| | | <ul style="list-style-type: none"> ○ Employee benefits (including health insurance premiums and retirement benefits), ○ State and local taxes, ○ Compensation to sole proprietors or independent contractors. <ul style="list-style-type: none"> ● “Payroll” excludes: <ul style="list-style-type: none"> ○ Annual salary in excess of \$100,000, ○ Foreign employees, ○ FICA and income tax withholdings. |
| Eligible Expenses | <ul style="list-style-type: none"> ● Payroll, ● Fixed debts (mortgage, rent, lease), ● Accounts payable, ● Other bills. | <ul style="list-style-type: none"> ● Payroll costs, including benefits, ● Interest on mortgage obligations, incurred before February 15, 2020, ● Rent, under lease agreements in force before February 15, 2020 and ● Utilities, for which service began before February 15, 2020. |
| Term Duration | Up to 30 years | Up to 2 years |
| Interest Rate | 3.75% for businesses, 2.75% for nonprofits | 1.0% |
| Forgiveness | <p>No loan forgiveness</p> <p>Emergency EIDL grant of up to \$10,000 is forgiven. Grant must be used for the following expenses:</p> <ul style="list-style-type: none"> ○ Providing paid sick leave to employees unable to work due to the direct effect of the COVID-19, ○ Maintaining payroll to retain employees during business disruptions or substantial slowdowns, ○ Meeting increased costs to obtain materials unavailable from the applicant’s original source due to interrupted supply chains, ○ Making rent or mortgage payments, | <p>Eligible expenses (below) within an 8-week period from February 15, 2020 – June 30, 2020:</p> <ul style="list-style-type: none"> ● Payroll costs (including everything listed above), ● Payments on mortgage interest, ● Rent, ● Utilities. <p>***Your loan forgiveness will be reduced if you decrease the number of your full-time and/or decrease salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.</p> <p>Re-Hiring: You have until June 30, 2020 to restore your full-time employment and salary levels for any changes made between February 15, 2020 and April 26, 2020.***</p> |

| | | |
|-------------------------------|---|--|
| | <ul style="list-style-type: none"> ○ Repaying obligations that cannot be met due to revenue losses. | |
| Repayment | Payments deferred for 1 year | Payments (and interest) are deferred for 6 months |
| Collateral Requirement | No | No |
| Personal Guarantee | Not for loan less than \$200,000 | No |
| Prepayment Penalties | No | No |
| Required Documents | <ul style="list-style-type: none"> • SBA Form 5 (Application), • Credit score, • IRS Form 4506T, • Most recent federal income tax returns for the business, • SBA Form 1143 (Personal Financial Statement), • SBA Form 2202 or a similar schedule of liabilities listing all fixed debts. | <ul style="list-style-type: none"> • Two page application HERE |
| Availability | Loans available now | April 3, 2020 , small businesses and sole proprietorships, April 10, 2020 , independent contractors and self-employed individuals |

Notes: Covid-19 Small Business Resources [HERE](#)