



THE PPP – Paycheck Protection Plan

This program provides cashflow assistance through 100 percent federally guaranteed loans to small employers who maintain their payroll during the emergency. The portion of the loans used for payroll costs, interest on mortgage, rent and utilities will be forgiven under certain conditions.

MAX LOAN AMOUNT	Less of \$10 million or 2.5 times the average monthly payroll costs
WHAT IS THE INTEREST RATE?	.5 %
WHAT IS THE LOAN TERM?	Anticipated to be not less than 6 months, not more than 2 years
WHAT ARE THE REPAYMENT TERMS?	Payment deferments of principal and interest available for the first 6 months
WHAT ARE THE FEES?	No fees paid by borrower or bank
WHAT IS THE COLLATERAL?	No collateral required
ARE PERSONAL GUARANTEES REQUIRED?	No

WHO IS ELIGIBLE?

- Small business, tribal business concerns, OR Non-profit (501(c)(3) with fewer than 500 employees)
- An individual who operates as a sole proprietor and independent contractors

WHERE TO GET THE PPP LOAN?

- SBA Program Participating Banks (Trustmark, Citizens, First Southern, State Bank (now BankPlus), and Regions are all participating banks)
- SBA Program Participating Credit Unions

Information needed for this loan:

Basic applicant information provided on a simple 2-page application at your bank

Determination whether the borrower was in operation before February 15, 2020 and had employees for whom they paid salaries and payroll taxes or paid independent contractors.

The following documentation will be needed.

- 2019 End-of-year state unemployment tax reports
- IRS Form 940 (for 2019)
- Organizational documents for your business (i.e. Certificate of Existence)
- A list of all entities owned by any 20% or more owner of the business

And also the following:

- Evidence of healthcare benefits paid on behalf of employees (for 2019)
- Evidence of retirement benefits paid on behalf of employees (for 2019)
- Most recent tax returns available (Independent contractors, self-employed and sole proprietors only)

Some changes and directives are still being released about these loans so it is advised that applicants should call their lender prior to making application to receive advice and information directly from them.