



April 3, 2020

Dear Valued Customer:

In these extraordinary times and due to the impact of COVID-19; the Small Business Administration (SBA) has authorized the bank as a designated lender of the Payment Protection Plan loans signed into law on March 27, 2020.

The program allows small businesses to apply directly with the bank for a forgivable loan to meet the payroll needs of your employees even if they are not working due to the orders by State, City and Local governments restricting patronage and work-site attendance. By rule, every small business is considered impacted by these circumstances.

To qualify for the loan, your small business must employ less than 500 workers. The maximum loan amount available is 2.5 times your average monthly payroll. Once you apply and receive the loan, you can qualify for forgiveness in an amount equal to the loan provided that you verify that you spent loan proceeds on payroll, rent, utilities, and mortgage interest equal to or greater than the amount you borrowed. This forgiveness is subject to discounts depending on your payroll amounts paid during the 8-week period after the loan compared to your previous year's average. This applies to both total employee headcount and average compensation per employee.

The loan terms are as follows: It is a 2-year loan with the first payment deferred for 6 months. The interest rate is 1%.

The loan requires no collateral and no personal guarantees.

To start the process, please submit the following documents:

- **Paycheck Protection Program Application (attached)**
- **940 & 941 quarterly forms filed for each quarter of 2019 – be sure to include all four quarters, the continuation sheets that show the employees compensated each quarter**
- **Ledger of any payroll processing expenses, health insurance premiums paid by employees and retirement contributions paid per employee**
- **2019 annual payroll report, by employee with company totals including gross wages, withholdings, etc.**
- **Funding Information Form (attached)**
- **Entity documents**
 1. **Articles of Incorporation/Certificate of Formation**
 2. **By-Laws/Operating Agreement**
 3. **IRS SS-4 for Tax ID Number**
- **Email us at lguidry@unitybanktexas.com once your application has been submitted.**