

# Small Business Assistance

## for Existing Small Business Clients Impacted by the Coronavirus

The Federal Government has created two different loan programs designed to assist small businesses that have been affected by the Coronavirus. Please note if you are approved by one program, then it may impact your eligibility for the other program.

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### Paycheck Protection Program (PPP):

The Coronavirus Aid, Relief, and Economic Security (CARES) Act allocated \$350 billion to help small businesses keep workers employed amid the pandemic and economic downturn. Known as the Paycheck Protection Program, the initiative provides 100% federally guaranteed loans to small businesses.

#### What you need to know:

- Most for-profit and nonprofit businesses with up to 500 employees are eligible. Restaurants, hotels and certain franchises with more than 500 employees may be eligible.
- Individuals who operate under a sole proprietorship as well as 501(c)(3) nonprofit organizations, 501(c)(19) veterans organizations, and some tribal business concerns are also eligible.
- Loan amount is 2.5x average historical monthly payroll, up to \$10,000,000
- Payroll, rent, mortgage interest, utilities and rent incurred in the 8 weeks following loan closing may be forgiven.
- The amount forgiven would be reduced in proportion to any reduction in employees retained compared to the prior year and to the reduction in pay of any employee beyond 25% of prior year compensation. Eligible payroll may not include or may be reduced if compensation is above \$100,000 in wages.
- No collateral or personal guarantees will be required.
- Payments may be deferred up to the first 12 months.

#### We are now accepting applications.

We recommend that existing small business clients be proactive in making sure they are “in the front of the line” to get assistance. Please gather the following documents and call your local Relationship Manager. Note: Additional documents may be required, but this will help to begin the process.

1. **Paycheck Protection Program Application Form & Attachments** (banker provides)
  2. **Payroll Calculator** (banker provides)
  3. **Organizational documents** (Articles of Organization/Incorporation and Operating Agreement/By-Laws), if applicable (may not be required for sole proprietors or contractors)
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### Economic Injury Disaster Loans:

Available to small businesses and nonprofit organizations, Economic Injury Disaster loans are working capital loans designed to help meet ordinary and necessary financial obligations as well as assist through the disaster recovery period.

#### What you need to know:

- Maximum loan amount is equal to 50% of last year’s gross profit, up to \$2,000,000
- Rates will be 3.75% fixed for 30 years.
- Payments may be deferred up to the first 12 months.
- Loans may be secured if over \$25,000, if collateral is available.
- All 20% or more owners must fully personally guaranty the loan.
- Proceeds may be used for working capital for business expenses including supplies and materials, payroll, debt payments, utility and other operational costs.
- Nonprofits can apply, but churches, agriculture production, gambling and sin businesses are not eligible.

#### SBA is now accepting applications.

Please apply directly with the Small Business Administration at <https://disasterloan.sba.gov/ela>

Businesses will be required to retain receipts/evidence that outline what proceeds were spent on for a period of 3 years and may be subject to SBA Audit to insure only eligible business expenses were paid.

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**We're here to guide you through this process.**  
Contact your local Relationship Manager to get started today.

