

Second Draw Paycheck Protection Program (PPP) Preliminary Loan Application Checklist

Who Can Apply?

- Small businesses (including nonprofits, veterans organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors) in operation on 2/15/20 that have 300 or fewer employees.
- Business' gross receipt decreased at least 25% in any of the quarters in 2020 compared to the corresponding quarter in 2019. Annual sales for 2020 can also be compared to the annual sales of 2019 to show at least 25% reduction.
- Businesses obtained the first PPP loan and must have fully used the first PPP proceeds for eligible uses prior to disbursement of Second Draw PPP.

Use of Proceeds

The loan funds may be used for eligible payroll expenses (including benefits), rent, utilities, interest on mortgage obligations and other eligible business expenses that were in force before February 15, 2020.

Proposed Loan Amount

In general, the loan amount you may qualify for will be based on the following calculation:

- Average monthly payroll costs (based on 2019 or 2020) X 2.5* OR \$2 million, whichever is less.
*X 3.5 for NAICS industry starting with 72

Program Highlights

- Loans will be offered at a 1.00% fixed interest rate with a 5-year maturity.
- First loan payment will be deferred for 10 months.
- No guaranty or collateral is required by Hanmi Bank or SBA.
- No fees will be charged by Hanmi Bank or SBA.
- You may be eligible to have all or a portion of the loan principal forgiven based on SBA rules.

Documents Needed to Process the Loan

- SBA Paycheck Protection Program Application (SBA Form 2483-SD) plus all applicable addendums
- Documents to Verify Payroll Expenses:
 - IRS Form 941 (all quarterly filed copies for 2019 or 2020)
 - 2019 (or 2020) W-3
 - 2019 (or 2020) Payroll summary report that lists employee names, gross and net salary, and benefits paid to each employee OR 2019 (or 2020) W-2s paid to all employees
 - If business is owner-operated with no separate employees:
 - 2019 (or 2020) W-2s paid to owners OR
 - 2019 (or 2020) Schedule C or draft copy of 2020 Schedule C
 - For all loans:
 - Documents supporting sales decrease of 25% or more:
 - a. Quarterly Profit & Loss Statement (can be internally prepared or CPA compiled and MUST BE signed and dated) for any quarter in 2020 and the corresponding quarter in 2019 showing sales decrease of at least 25% or more OR
 - b. Copies of Bank Statements covering a quarter in 2020 and the corresponding quarter in 2019 with monthly sales indicated for each month showing sales decrease of at least 25% or more.
 - Annual sales tax reports or annual Profit & Loss Statement can replace quarterly documents.
 - Additionally for hotels & motels, occupancy tax reports for any quarter in 2020 and the corresponding quarter in 2019 showing sales decrease of at least 25% will be required