



To Texas Security Bank Clients and Friends:

The unprecedented actions taken by all levels of government to battle the Coronavirus will no doubt have a significant impact on many of our business owner colleagues and their teams. Even if your own company is not directly affected, some of your vendors and clients may be.

Texas Security Bank's focus on working with owner-managed companies, puts us in contact with many who have been or anticipate being affected by economic damage created by the response to the outbreak. We recognize that this damage is real and immediate, and wanted to offer some suggestions on things you might be doing to minimize the effect on your company and employees.

- 1) Pick up the phone and speak with your clients and vendors. Try to understand where impacts to your company may arise.
- 2) Speak with your banker. We have been reaching out to most of our clients, but if we have not spoken with you yet, please call us and let us know how you are faring and if there is any way we can help.
- 3) Review your insurance policies for Business Interruption riders/clauses. Speak with your agent regarding your coverage
- 4) Consider applying for SBA Disaster Assistance Loan. Apply online at [www.SBA.gov/disaster](http://www.SBA.gov/disaster) . These are low interest, long term repayment loans, with no payments for the first year, that can help businesses that have been affected by Coronavirus and the resulting economic actions. These loans are done directly with the SBA and not through the bank.
- 5) We also anticipate that the SBA will be rolling out a Business Interruption Loan that will be done through its banking partners like Texas Security Bank. We are awaiting further details on this program.
- 6) We know that this will take a toll on your employees. We suggest that you go to [www.DOL.gov/Coronavirus](http://www.DOL.gov/Coronavirus) . The Department of Labor is working with state unemployment insurance programs to help pay benefits where:
  - a. An employer temporarily ceases operations due to COVID-19 preventing employees from coming to work
  - b. An individual is quarantined with the expectation of returning to work after the quarantine is over
  - c. An individual leaves employment due to risk of exposure or infection or to care for a family member
- 7) Additional resources for displaced employees can be found at [www.careeronestop.com](http://www.careeronestop.com)

Since the founding of our bank 12 years ago (during the last financial crisis), we have remained committed to serving owner managed businesses. So, whether its banking related or not, we are here to help. Please don't hesitate to contact us to discuss your particular issues or opportunities.

Sincerely,

Christopher Jones  
Founder/Executive Vice President  
Texas Security Bank



U.S. Small Business  
Administration

## SBA Disaster Assistance in Response to the Coronavirus

- The U.S. Small Business Administration is offering designated states and territories low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19). Upon a request received from a state's or territory's Governor, SBA will issue under its own authority, as provided by the Coronavirus Preparedness and Response Supplemental Appropriations Act that was recently signed by the President, an Economic Injury Disaster Loan declaration.
- Any such Economic Injury Disaster Loan assistance declaration issued by the SBA makes loans available to small businesses and private, non-profit organizations in designated areas of a state or territory to help alleviate economic injury caused by the Coronavirus (COVID-19).
- SBA's Office of Disaster Assistance will coordinate with the state's or territory's Governor to submit the request for Economic Injury Disaster Loan assistance.
- Once a declaration is made for designated areas within a state, the information on the application process for Economic Injury Disaster Loan assistance will be made available to all affected communities as well as updated on our website: [SBA.gov/disaster](https://www.sba.gov/disaster).
- SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance per small business and can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses without credit available elsewhere; businesses with credit available elsewhere are not eligible. The interest rate for non-profits is 2.75%.
- SBA offers loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years. Terms are determined on a case-by-case basis, based upon each borrower's ability to repay.
- SBA's Economic Injury Disaster Loans are just one piece of the expanded focus of the federal government's coordinated response, and the SBA is strongly committed to providing the most effective and customer-focused response possible.
- For additional information, please contact the SBA disaster assistance customer service center. Call 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).
- Visit [SBA.gov/disaster](https://www.sba.gov/disaster) for more information.