



IN THIS TOGETHER

MAIN STREET LENDING PROGRAM

The Main Street New Loan Facility (“Facility”), which has been authorized under section 13(3) of the Federal Reserve Act, is intended to facilitate lending to small and medium-sized businesses by Eligible Lenders.

4.9.20 Summary of the Terms

- Federal Reserve will utilize \$75 billion of funds it was appropriated in the CARES Act to fund the Facility
- The new Facility will support up to \$600 billion in liquidity commitments by the Federal Reserve
- The Program will enhance support for small and mid-sized businesses that were in good financial standing prior to the COVID-19 crisis
- Eligible Borrowers are businesses with fewer than 10,000 workers or revenues less than \$2.5 billion

4.9.20 Initial Details on the Main Street Loans

- 4-year maturity
- Interest at Secured Overnight Financing Rate [SOFR]+250-400 basis points
- Minimum loan size of \$1 million
- Maximum loan size is lesser of a) \$25 million or b) 4 times EBITDA, less existing outstanding and committed but undrawn debt
- Principal and interest payments are deferred for one year
- Prepayment permitted without penalty

Eligible banks may originate new Main Street Loans or use Main Street Loans to increase the size of existing loans to businesses

If you apply and receive a Main Street loan you must:
[list is not all inclusive]

- Attest that it requires financing due to the exigent circumstances presented by the Coronavirus disease 2019 (“COVID-19”) pandemic
- Attest you will not use loan proceeds to repay or refinance pre-existing loans or lines of credit
- Make reasonable efforts to maintain payroll and retain workers
- Follow compensation, stock repurchase and dividend restrictions listed in the CARES Act

If you’ve applied and receive a PPP loan, you may also take out Main Street Loans

FEDERAL RESERVE RESOURCE NEWS >>

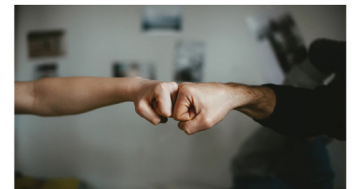
BKDV TASK FORCE

JUST ONE CALL AWAY.



COMMUNITY COLLABORATION

NAVIGATING THIS TOGETHER.



YOUR RESOURCE CENTER

WHAT MATTERS MOST.



#HERENOW. Contact us today!

BERGANKDV.COM/COVID-19 | #HERENOW | HOTLINE: 888-356-2295