CLIENT ALERTS & INSIGHTS

Benesch COVID-19 Resource Center: Major Updates to Main Street Lending Program

MAY 4, 2020

On April 30, 2020, the Federal Reserve announced changes to the Main Street Lending Program in response to public comment. The program supports small and mid-sized businesses through the COVID-19 pandemic by creating a special purpose vehicle to purchase $600B in eligible loans from participating lenders. The start date for the program will be announced shortly, and at that time businesses should work with their lenders to obtain these federally-backed loans. Until the start date, borrowers should consider the following eligibility requirements and loan terms as they apply to their respective businesses.

Below we have provided links to a detailed summary of the Main Street Loan Terms and a table that highlights the differences between loan options.

Main Street Loan Terms Detailed Summary

Main Street Loan Table Summary

The term sheets for each facility and Frequently Asked Questions (FAQs) provided by the Federal Reserve can be found below. More information is also available on the Federal Reserve's website.

Main Street New Loan Facility

Main Street Priority Loan Facility

Main Street Expanded Loan Facility

Main Street Lending Program - FAQs

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Please note that this information is current as of the date of this Client Alert, based on the available data. However, because COVID-19's status and updates related to the same are ongoing, we recommend real-time review of guidance distributed by the CDC and local officials.

