| | Main Street New Loan Facility (MSNLF) | Main Street Expanded Loan Facility (MSELF) | Main Street Priority Loan Facility (MSPLF) |
|---|---|---|---|
| **Origination Date** | Effective for loans originating on or after April 24, 2020. | Effective for loans originating on or before April 24, 2020, and has a remaining maturity of at least 18 months (taking into account any adjustments made to the maturity of the loan after April 24, 2020, including at the time of upsizing). | Effective for loans originating on or after April 24, 2020. |
| **Description** | The Federal Reserve will lend to a single common Special Purpose Vehicle (SPV) that will purchase 95% participations in eligible loans from eligible lenders. Lenders will retain 5% of each eligible loan. The total size of the New Loan Facility (MSNLF), the Priority Loan Facility (MSPLF), and the Expanded Loan Facility (MSELF) will be up to $600 billion. | The Federal Reserve will lend to a single common Special Purpose Vehicle (SPV) that will purchase 95% participations in eligible loans from eligible lenders. Lenders will retain 5% of each eligible loan. The total size of the New Loan Facility (MSNLF), the Priority Loan Facility (MSPLF), and the Expanded Loan Facility (MSELF) will be up to $600 billion. | The Federal Reserve will lend to a single common Special Purpose Vehicle (SPV) that will purchase 85% participations in eligible loans from eligible lenders. Lenders will retain 15% of each eligible loan. The total size of the New Loan Facility (MSNLF), the Priority Loan Facility (MSPLF), and the Expanded Loan Facility (MSELF) will be up to $600 billion. |
| **Eligible Lenders** | U.S. insured depository institutions, U.S. bank holding companies, U.S. branch or agency of a foreign bank, U.S. bank holding company, U.S. intermediate holding company of a foreign banking organization, U.S. savings and loan holding companies, and U.S subsidiary of any of the foregoing. | U.S. insured depository institutions, U.S. bank holding companies, U.S. branch or agency of a foreign bank, U.S. bank holding company, U.S. intermediate holding company of a foreign banking organization, U.S. savings and loan holding companies, and U.S subsidiary of any of the foregoing. | U.S. insured depository institutions, U.S. bank holding companies, U.S. branch or agency of a foreign bank, U.S. bank holding company, U.S. intermediate holding company of a foreign banking organization, U.S. savings and loan holding companies, and U.S subsidiary of any of the foregoing. |
| **Eligible Borrowers** | • Established prior to March 13, 2020.<br>• Businesses up to 15,000 employees, or up to $5 Billion in 2019 annual revenue.<br>• Must be created or organized in U.S., with majority of employees and significant operations in U.S.<br>• Does not also participate in the MSPLF, the MSELF, or the Primary Market Corporate Credit Facility.<br>• Has not received specific support pursuant to the Coronavirus Economic Stabilization Act of 2020 (Subtitle A of the Tile IV of the CARES Act). | • Established prior to March 13, 2020.<br>• Businesses up to 15,000 employees, or up to $5 Billion in 2019 annual revenue.<br>• Must be created or organized in U.S., with majority of employees and significant operations in U.S.<br>• Does not also participate in the MSPLF, the MSELF, or the Primary Market Corporate Credit Facility.<br>• Has not received specific support pursuant to the Coronavirus Economic Stabilization Act of 2020 (Subtitle A of the Tile IV of the CARES Act). | • Established prior to March 13, 2020.<br>• Businesses up to 15,000 employees, or up to $5 Billion in 2019 annual revenue.<br>• Must be created or organized in U.S., with majority of employees and significant operations in U.S.<br>• Does not also participate in the MSPLF, the MSELF, or the Primary Market Corporate Credit Facility.<br>• Has not received specific support pursuant to the Coronavirus Economic Stabilization Act of 2020 (Subtitle A of the Tile IV of the CARES Act). |
| **Maturity** | 5-year maturity | 5-year maturity | 5-year maturity |
| **Amortization and Payment** | • Principal payments deferred for two years and interest payments deferred for one year (unpaid interest will be capitalized)<br>• Principal amortization of 15% at the end of the third year, 15% at the end of the fourth year, and a balloon payment of 70% at maturity at the end of the fifth year. | • Principal payments deferred for two years and interest payments deferred for one year (unpaid interest will be capitalized)<br>• Principal amortization of 15% at the end of the third year, 15% at the end of the fourth year, and a balloon payment of 70% at maturity at the end of the fifth year. | • Principal payments deferred for two years and interest payments deferred for one year (unpaid interest will be capitalized)<br>• Principal amortization of 15% at the end of the third year, 15% at the end of the fourth year, and a balloon payment of 70% at maturity at the end of the fifth year. |
| **Adjustable Rate** | LIBOR (1 or 3 month) + 300 basis points | LIBOR (1 or 3 month) + 300 basis points | LIBOR (1 or 3 month) + 300 basis points |
| **Minimum Loan** | $250,000 | $10 million | $250,000 |
| **Maximum Loan** | Lessor of:<br>1. $35 million, or<br>2. an amount that, when added to existing debt (outstanding and committed but undrawn debt), does not exceed four times 2019 earnings before interest, taxes, depreciation, and amortization (EBITDA). | Lessor of:<br>1. $300 million, or<br>2. an amount that, when added to the existing outstanding and committed but undrawn debt, does not exceed six times 2019 earnings before interest, taxes, depreciation, and amortization (EBITDA). | Lessor of:<br>1. $50 million, or<br>2. an amount that, when added to existing debt (outstanding and committed but undrawn debt), does not exceed six times 2019 earnings before interest, taxes, depreciation, and amortization (EBITDA). |
| **Prepayment Penalty** | No penalty | No penalty | No penalty |
| **Loan Classification** | If borrower had other loans outstanding with lender as of December 31, 2019, such loans must have had an internal risk rating equivalent to a "pass" in the Federal Financial Institutions Examination Council's supervisory rating system on that date. | The loan must have had an internal risk rating equivalent to a "pass" in the Federal Financial Institutions Examination Council's supervisory rating system as of December 31, 2019. | If borrower had other loans outstanding with lender as of December 31, 2019, such loans must have had an internal risk rating equivalent to a "pass" in the Federal Financial Institutions Examination Council's supervisory rating system on that date. |
| **Assessment of Financial Condition** | Lenders are expected to conduct an assessment of each potential borrower's financial condition at the time of application. | Lenders are expected to conduct an assessment of each potential borrower's financial condition at the time of application. | Lenders are expected to conduct an assessment of each potential borrower's financial condition at the time of application. |
| **Required Borrower Certifications and Covenants** | 1. Must commit to refrain from repaying the principal or interest on any debt until the loan is repaid in full, unless the debt or interest payment is mandatory and due.<br>2. Will not cancel or reduce any existing lines of credit.<br>3. Must certify that is has a reasonable basis to believe that, as of the loan origination date, it has the ability to meet its financial obligation for at least the next 90 days and does not expect to file for bankruptcy during that time.<br>4. Follow compensation, stock repurchase, and capital distribution restrictions that apply to direct loan programs under section 4003(c)(3)(A)(ii) of the CARES Act, except that an S corporation or other tax pass-through entity may make distributions to the extent reasonably required to cover its owners tax obligations in respect to entity's earnings.<br>5. Certify eligibility to participate including conflicts of interest prohibition in section 4019(b) of the CARES Act. | 1. Must commit to refrain from repaying the principal or interest on any debt until the upsized tranche of the loan is repaid in full, unless the debt or interest payment is mandatory and due.<br>2. Will not cancel or reduce any existing lines of credit.<br>3. Must certify that is has a reasonable basis to believe that, as of upsizing the loan, it has the ability to meet its financial obligation for at least the next 90 days and does not expect to file for bankruptcy during that time.<br>4. Follow compensation, stock repurchase, and capital distribution restrictions referenced under section 4003(c)(3)(A)(ii) of the CARES Act, except that an S corporation or other tax pass-through entity may make distributions to the extent reasonably required to cover its owners tax obligations in respect to entity's earnings.<br>5. Certify eligibility to participate including conflicts of interest prohibition in section 4019(b) of the CARES Act. | 1. Must commit to refrain from repaying the principal or interest on any debt until the loan is repaid in full, unless the debt or interest payment is mandatory and due. The borrower may, at the time of origination of the loan, refinance existing debt owed by the borrower to a lender other than the Priority lender.<br>2. Will not cancel or reduce any existing lines of credit.<br>3. Must certify that is has a reasonable basis to believe that, as of the loan origination date, it has the ability to meet its financial obligation for at least the next 90 days and does not expect to file for bankruptcy during that time.<br>4. Follow compensation, stock repurchase, and capital distribution restrictions that apply to direct loan programs under section 4003(c)(3)(A)(ii) of the CARES Act, except that an S corporation or other tax pass-through entity may make distributions to the extent reasonably required to cover its owners tax obligations in respect to entity's earnings.<br>5. Certify eligibility to participate including conflicts of interest prohibition in section 4019(b) of the CARES Act. |
| **Retaining Employees** | Must make commercially reasonable efforts to maintain payroll and retain employees during the time the loan is outstanding | Must make commercially reasonable efforts to maintain payroll and retain employees during the time the upsized tranche of the loan is outstanding | Must make commercially reasonable efforts to maintain payroll and retain employees during the time the loan is outstanding |
| **Fees** | 1. Lender pays the SPV a facility fee of 100 basis points of the principal purchased by the SPV. This fee may be passed on to the borrower.<br>2. Borrower pays an origination fee of up to 100 basis points of the principal amount of the loan.<br>3. The SPV pays the lender an annual loan servicing fee of 25 basis points of the principal purchased by the SPV. | 1. Lender pays the SPV a transaction fee of 75 basis points of the principal of the upsized tranche at the time of upsizing. Lender may require borrower to pay this fee.<br>2. Borrower pays an origination fee up to 75 basis points of the principle amount of the upsized tranche.<br>3. The SPV pays the lender an annual loan servicing fee 25 basis points of the principal amount of the upsized tranche. | 1. Lender pays the SPV a facility fee of 100 basis points of the principal purchased by the SPV. This fee may be passed on to the borrower.<br>2. Borrower pays an origination fee of up to 100 basis points of the principal amount of the loan.<br>3. The SPV pays the lender an annual loan servicing fee of 25 basis points of the principal purchased by the SPV. |
| **Collateral** | May be secured or unsecured. | May be secured or unsecured; however, an upsized tranche must be secured if the underlying loan is secured. | May be secured or unsecured |
| **Termination** | The SPV will cease purchasing participations on September 30, 2020 unless the facility is extended. The Reserve Bank will continue to fund the SPV after such date until the SPV's underlying assets mature or are sold. | The SPV will cease purchasing loan participations on September 30, 2020 unless the facility is extended. The Reserve Bank will continue to fund the SPV after such date until the SPV's underlying assets mature or are sold. | The SPV will cease purchasing loan participations on September 30, 2020 unless the facility is extended. The Reserve Bank will continue to fund the SPV after such date until the SPV's underlying assets mature or are sold. |