



Main Street Lending Program - Key Conditions and Requirements

The Federal Reserve has established the “Main Street Lending Program” (MSLP) under The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), that provides for up to \$600 billion of new or expanded credit facilities to small and medium-sized businesses. MSLP loans are funded by a combination of “Eligible Lenders” and a Federal Reserve “special purpose vehicle” (SPV) lender in favor of “Eligible Borrowers”. The scope of qualified “Eligible Borrowers” is very broad. The Fed’s SPV will purchase a 95% participation in each loan made by an Eligible Lender to an Eligible Borrower, with the remainder of the loan retained by the Eligible Lender.

MSLP loans may be secured or unsecured (subject to certain lien priority requirements), and the program includes loans structured as either term loans or revolving credits. Within the MSLP, there are three different types of loan facilities:

- (1) Term loans under the Main Street Priority Loan Facility (MSPLF)
- (2) Term loans under the Main Street New Loan Facility (MSNLF)
- (3) Term loans and revolving credits under the Main Street Expanded Loan Facility (MSELF).

[Click here](#) for a summary of certain key conditions and requirements that apply to each type of MSLP loan. Note that this summary does not describe all requirements of the MSLP program. We have included links to MSLP program documents at the end of this summary for further information.

If you have questions about the Main Street Lending Program, please contact a member of Hill Ward Henderson’s Corporate & Tax Group below.



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