

### Main Street Lending Program Update: Minimum Loan Size for Certain Facilities Available to For-Profit and Non-Profit Borrowers Reduced from \$250,000 to \$100,000

The Federal Reserve announced on October 30, 2020 that the minimum loan size for three Main Street Lending Program facilities available to for-profit and nonprofit borrowers, (1) the Main Street New Loan Facility (MSNLF), (2) the Main Street Priority Loan Facility (MSPLF) and (3) the Nonprofit Organization New Loan Facility (NONLF), has been reduced from \$250,000 to \$100,000. The fee structure for loans with a principal amount of less than \$250,000 has been adjusted to encourage the provision of these smaller loans.

In addition, the For-Profit Business Frequently Asked Questions and Nonprofit Organization Frequently Asked Questions were amended to, among other things, enable lenders and borrowers to exclude certain Paycheck Protection Program (PPP) loans of up to \$2 million from the calculation of “outstanding debt” for purposes of determining maximum loan size, if certain requirements are met (FAQ G.16).

The applicable Main Street Lending Program Forms and Agreements have now been updated and are available, together with comparisons showing changes, [here](#).

For an overview of the Main Street Lending Program, please read our prior information memos [here](#), [here](#) and [here](#).

The attorneys at Bond, Schoeneck & King can help by answering your questions regarding the Main Street Lending Program and whether your business or nonprofit organization meets the Program's eligibility criteria. Please contact [Jeffrey B. Scheer](#), [Anna W. Richards](#), any of the [attorneys](#) in the [Business and Transactions practice](#) or the attorney at the firm with whom you are regularly in contact.



Bond has prepared this communication to present only general information. This is not intended as legal advice, nor should you consider it as such. You should not act, or decline to act, based upon the contents. While we try to make sure that the information is complete and accurate, laws can change quickly. You should always formally engage a lawyer of your choosing before taking actions which have legal consequences. For information about our firm, practice areas and attorneys, visit our website, [www.bsk.com](http://www.bsk.com). • Attorney Advertising • © 2020 Bond, Schoeneck & King PLLC

CONNECT WITH US ON LINKEDIN: SEARCH FOR BOND, SCHOENECK & KING, PLLC

FOLLOW US ON TWITTER: SEARCH FOR BONDLAWFIRM