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Main Street Lending Program: Lender Registration Now Open

On June 15, 2020, the Federal Reserve Bank of Boston (“Boston Fed”), which administers the Main Street Lending Program (“MSLP”), announced that the program is now open for lender registration. We refer you to our earlier publications on the MSLP for information about the background and structure of the facilities [here](#). In the announcement, the Boston Fed also encourages lenders to begin making Main Street loans. Lenders should note, however, that while they may advance Main Street loans before obtaining a commitment that the Main Street special purpose vehicle (“SPV”) will purchase a participation interest, lenders can also condition funding on obtaining a binding commitment from the Main Street SPV to purchase a participation interest.

Opening the MSLP for lender registration follows the publication on June 8, 2020 of transaction specific and standard forms of documents (some of which were updated on June 11, 2020) and significant changes to the MSLP to allow greater access to borrowers, including:

- Lowering the minimum loan size from \$500,000 to \$250,000 for the Main Street New Loan Facility (“MSNLF”) and the Main Street Priority Loan Facility (“MSPLF”);
- Increasing the maximum loan size from \$25 million to \$35 million for MSNLF, from \$25 million to \$50 million for MSPLF, and from \$200 million to \$300 million for the Main Street Expanded Loan Facility (“MSELF”);
- Increasing the loan term for all Main Street loans from four years to five years;
- Extending the deferred principal payment period from one year to two years and the principal amortization schedule to 15 percent in year three, 15 percent in year four, and 70 percent in year five for all Main Street loans; and
- Making the Main Street SPV’s participation 95 percent for all Main Street loans (MSPLF was 85 percent).

Lenders interested in participating in the MSLP can start the registration process on the Boston Fed website ([here](#)), which has links to the relevant lender registration documents. Lenders wishing to register must have a lender account which can be created on the site.

Blank Rome's attorneys are continuing to monitor developments in the MSLP and keep our clients and friends informed. In the meantime, if you have any questions about the MSLP, please feel free to contact us.

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