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Memorandum

Federal Reserve Updates and Expands the Scope of the Main Street Business Lending Program

May 1, 2020

On April 30, 2020, the Federal Reserve updated the terms for its forthcoming Main Street Lending Program. As previously stated, the Main Street Lending Program will make up to $600 billion in new financing in the form of four-year term loans available to eligible small- and mid-sized businesses. The Treasury Department, using funds appropriated to the Exchange Stabilization Fund under the CARES Act, will make a $75 billion equity investment to backstop the Main Street Lending Program.

As updated, the Main Street Lending Program will include three facilities: (i) the Main Street New Loan Facility ("New Main Street Facility"), under which the Federal Reserve Bank of Boston ("Reserve Bank") will purchase, through a special purpose vehicle ("SPV"), 95% participations in new loans made by eligible lenders to eligible borrowers, (ii) the Main Street Expanded Loan Facility ("Expanded Main Street Facility"), under which the Reserve Bank will purchase 95% participations in upsized tranches of certain existing loans made by eligible lenders, and (iii) a newly announced Main Street Priority Loan Facility ("Priority Main Street Facility"), under which the Reserve Bank will purchase, through an SPV, 85% participations in new loans made by eligible lenders to eligible borrowers.[1]

A number of the terms of the April 30 update are largely consistent with the Main Street Lending Program terms previously stated on April 9, 2020. Notably, however, the Federal Reserve received more than 2,200 comments from individuals, businesses and nonprofits on the initial terms of the Main Street Lending Program, and implemented several important revisions and clarifications to the Main Street Lending Program in its April 30 update in response to these public comments.

The maximum size of a loan or loan upsize under each of the Main Street Lending Program facilities will be limited by maximum borrower leverage ratios of debt to the borrower's adjusted 2019 earnings before interest, taxes, depreciation and amortization ("adjusted 2019 EBITDA"), up to capped dollar amounts that vary based on the type of Main Street Lending Program facility. As indicated below, the Federal Reserve has provided certain clarifications as to the calculation of the borrower's adjusted 2019 EBITDA. The borrowers will have to determine whether the loans, both as to their amount and the related restrictions, are permitted, or otherwise affect rights

[1] The term sheet for the Main Street New Loan Facility, as of April 30, 2020, is available here. The term sheet for the Main Street Expanded Loan Facility, as of April 30, 2020, is available here. The term sheet for the Main Street Priority Loan Facility, as of April 30, 2020, is available here.

and obligations, under any existing debt agreements, equity agreements and/or other contractual obligations, and whether separate amendments or consents may be required under any such agreements in order for the borrower to participate. In addition, borrowers will be required to make certain commitments, including to refrain from repaying certain other indebtedness until the Main Street Lending Program loan (the "Main Street loan") is repaid in full[2] and to not seek to cancel or reduce any committed lines of credit with any lender, and will be subject to restrictions on compensation, stock buybacks and dividends as prescribed by the CARES Act.[3] Borrowers will also be expected to use commercially reasonable efforts to maintain their payroll and retain their employees during the time the Main Street loan is outstanding.

The Main Street Lending Program is not yet operational. The Federal Reserve will indicate on its website the official launch date and the time and date at which the Main Street SPV will begin purchasing participations in Main Street loans.

Following is a summary of key terms of the Main Street Lending Program facilities, along with notable updates to the April 9 terms and key considerations for prospective borrowers.

Main Street Lending Program Facilities' Updated Key Terms

- **Eligible Lenders**: U.S. federally insured depository institutions (including a bank, savings association or credit union), a U.S. branch or agency of a foreign bank, a U.S. bank holding company, a U.S. savings and loan holding company, a U.S. intermediate holding company of a foreign banking organization or a U.S. subsidiary of any of the foregoing.[4]
- **Eligible Borrowers**: Businesses[5] that were established prior to March 13, 2020 that are organized in the United States, with significant operations in and a majority of its employees in the United States, and with either (i) 15,000 employees or fewer (increased from 10,000)[6] or (ii) 2019 annual revenues of $5 billion (increased from $2.5 billion) or less.[7]

[2] Borrowers under the Priority Main Street Facility may, at the time of origination of the Main Street loan, refinance existing debt owed by the borrower to another lender.

[3] A borrower under the Main Street Lending Program would not be subject to the more detailed restrictions set forth in section 4003(c)(3)(D) relating to the Assistance for Mid-Sized Businesses program, including retaining at least 90% of the borrower's workforce at full compensation and benefits through September 30, 2020.

[4] At this time, nonbank financial institutions that are not subsidiaries of an eligible lender are not eligible to participate in the Main Street Lending Program. However, the Federal Reserve is considering options to expand the list of eligible lenders in the future.

[5] For purposes of the Main Street Lending Program, a "business" is an entity that is organized for profit as a partnership; a limited liability company; a corporation; an association; a trust; a cooperative; a joint venture with no more than 49 percent participation by foreign business entities; or a tribal business concern as defined in 15 U.S.C. § 657a(b)(2)(C), except that "small business concern" in that paragraph should be replaced with "business" as defined in the Main Street Lending Program. Other forms of organization may be considered for inclusion as a business under the Main Street Lending Program at the discretion of the Federal Reserve.

[6] Businesses should count as employees all full-time, part-time, seasonal, or otherwise employed persons, excluding volunteers and independent contractors, in accordance with 13 C.F.R. 121.06, and use the average of the total number of persons employed by the eligible borrower and its affiliates for each pay period over the 12 months prior to the origination or upsizing of the Main Street loan.

[7] A business may use its (and its affiliates') annual "revenue" per its 2019 GAAP audited financial statements; or annual receipts for the fiscal year 2019, as reported to the Internal Revenue Service. For purposes of the Main Street Lending Program, the term "receipts" has the same

- ◦ The Federal Reserve announced that businesses that are ineligible for Paycheck Protection Program ("PPP") loans under the existing rules of the Small Business Administration ("SBA") would likewise be ineligible for loans under the Main Street Lending Program. Such ineligible businesses include "financial businesses," which the SBA has previously interpreted broadly to include, among others, "finance companies," "investment companies" and "other businesses whose stock in trade is money." In more recent guidance following the CARES Act, the SBA clarified that it had determined that hedge funds and private equity firms themselves are ineligible for PPP loans. Accordingly, such entities are likewise expected to be ineligible for loans under the Main Street Lending Program.
- ◦ Similarly, the Federal Reserve has announced that a business's employees and 2019 revenues for purposes of eligibility under the Main Street Lending Program will be calculated by aggregating the employees and 2019 revenues of the business itself with those of the business's affiliated entities in accordance with the SBA's affiliation rules applicable to PPP applicants.[8]
- ◦ Borrowers will be permitted to participate only in one of the three facilities, and will not be permitted to also participate in the Primary Market Corporate Credit Facility ("PMCCF").[9] However, companies that have received PPP loans will be permitted to borrow under the Main Street Lending Program.

- **Upsized Tranches Under Expanded Main Street Facility**: To be eligible for "upsizing," the existing term loan or revolving credit facility must have been originated on or before April 24, 2020, and must have a remaining maturity of at least 18 months. The lender may extend the maturity of an existing loan or revolving credit facility at the time of upsizing in order for the underlying instrument to satisfy the 18-month remaining maturity requirement.

  Underlying loans eligible to be upsized will include existing revolving credit facilities (in addition to existing term facilities), as well as syndicated facilities. Only the lender for the upsized tranche is required to meet the eligible lender criteria. Other members of a syndicated facility are not required to meet the eligibility criteria.

- **Loan Pricing**: Loans and loan upsizes under each Main Street Lending Program facility will have an adjustable interest rate of the one-month or three-month LIBOR plus 300 basis points (instead of a pricing range of SOFR as provided in the previously announced terms on April 9, 2020). Consistent with the recommendations of the Alternative Reference Rates Committee, the Federal Reserve indicated that the loan agreements should include fallback considerations to be used should LIBOR become unavailable during the term of the loan.

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meaning used by the SBA in 13 CFR 121.104(a). If a potential borrower (or its affiliate) does not yet have audited financial statements or annual receipts for 2019, the borrower (or its affiliate) should use its most recent audited financial statements or annual receipts.

[8] The waiver of the SBA's affiliation rules under the CARES Act (*i.e.*, for hotels, franchises, and companies that received SBIC financial assistance) does not appear to apply to the Main Street Lending Program.

[9] The PMCCF was established on March 23, 2020 to support credit to investment grade companies and provides bridge financing for up to four years; the facility was expanded on April 9, 2020. Our memorandum on the PMCCF is available here.

- **Loan Pricing Maturity and Payment Terms**: Loans and loan upsizes will have a four-year maturity. Amortization of principal and interest on Main Street Lending Program loans will be deferred for one year, and prepayment will be permitted without penalty. Unpaid interest will be capitalized during the one-year deferral.

  For years two through four, loan principal will be amortized as follows:

Facility	Year 2	Year 3	Year 4
New Main Street Facility	33.33%	33.33%	33.33%
Priority Main Street Facility	15%	15%	70%
Expanded Main Street Facility	15%	15%	70%

- **Minimum Loan Amount**: The minimum loan size under both the New Main Street Facility and Priority Main Street Facility will be $500,000. The minimum loan size under the Expanded Main Street Facility will be $10 million.
  - The April 30 update decreased the minimum loan size from $1 million for the New Main Street Facility and increased the minimum loan size from $1 million for the Expanded Main Street Facility.
- **Maximum Loan Amount**:
  - *New Main Street Facility*: Lesser of (i) $25 million or (ii) an amount that, when added to the borrower's existing outstanding and undrawn available debt,[10] does not exceed four times the borrower's adjusted 2019 EBITDA;
  - *Priority Main Street Facility*: lesser of (i) $25 million or (ii) an amount that, when added to the borrower's existing outstanding and undrawn available debt, does not exceed six times the borrower's adjusted 2019 EBITDA;
  - *Expanded Main Street Facility*: lesser of (i) $200 million (increased from $150 million), (ii) 35% of the borrower's existing outstanding and undrawn available debt that is *pari passu* in priority with the Main Street loan and equivalent in secured status (increased from 30%), or (iii) an amount that, when added to the borrower's existing outstanding and undrawn available debt, does not exceed six times the borrower's adjusted 2019 EBITDA.[11]

[10] "Existing outstanding and undrawn available debt" includes all amounts borrowed under any loan facility, including unsecured or secured loans from any bank, non-bank financial institution, or private lender, as well as any publicly issued bonds or private placement facilities. It also includes all unused commitments under any loan facility, excluding (1) any undrawn commitment that serves as a backup line for commercial paper issuance, (2) any undrawn commitment that is used to finance receivables (including seasonal financing of inventory), (3) any undrawn commitment that cannot be drawn without additional collateral and (4) any undrawn commitment that is no longer available due to change in circumstance. Existing outstanding and undrawn available debt should be calculated as of the date of the loan application.

[11] While EBITDA is the key underwriting metric required for the Main Street Lending Program facilities, the Federal Reserve recognized that the credit risk of asset-based borrowers, as a matter of practice, is generally not evaluated on the basis of EBITDA. Accordingly, the Federal

- **<u>Priority and Subordination</u>**:
  - *<u>New Main Street Facility</u>*: The Main Street loan must not be, at the time of origination or at any time during the term of the loan, contractually subordinated in terms of priority (but not necessarily in security) to any of the borrower's other loans or debt instruments.[12]
  - *<u>Priority Main Street Facility</u>*: At the time of origination and at all times thereafter, the Main Street loan must be senior to or *pari passu* with, in terms of priority and security, the borrower's other loans or debt instruments, other than mortgage debt.
  - *<u>Expanded Main Street Facility</u>*: At the time of upsizing and at all times thereafter, the upsized tranche must be senior to or *pari passu* with, in terms of priority and security, the borrower's other loans or debt instruments, other than mortgage debt.
- **<u>Loan Classification</u>:** If the borrower had other loans outstanding with the 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.
- **<u>Assessment of Financial Condition</u>**: Lenders are expected to conduct an assessment of each potential borrower's financial condition and creditworthiness at the time of the potential borrower's application, applying their own underwriting standards. For example, lenders can require borrowers to pledge additional collateral to secure an upsized tranche as a condition of approval under the Expanded Main Street Facility.
- **<u>Loan Participations</u>**: The Reserve Bank will, through its SPV, purchase a 95% participation in the loan or upsized tranche at par value for the New and Expanded Main Street Facilities and will purchase an 85% participation in the loan at par value for the Priority Main Street Facility. In each case, the lender will retain the remaining portion until the loan or upsized tranche matures or the SPV sells all of its participation, whichever comes first.

  The Reserve Bank and the lender will share risk on a *pari passu* basis.

  The sale of a participation in the Eligible Loan to the SPV for all three Facilities will be structured as a "true sale" and must be completed expeditiously after the Eligible Loan's origination or upsizing.
- **<u>Loan Collateral</u>**: Loans or upsized tranches under any Main Street Lending Program facility may be secured or unsecured.

Reserve noted that it will be evaluating (together with the Treasury Department) the feasibility of adjusting the loan eligibility metrics of the Main Street Lending Program for such borrowers.

[12] This requirement does not prevent: (i) the issuance of a New Main Street loan that is a secured loan (including in a second lien or other capacity) to a borrower, whether or not the borrower has an outstanding secured loan of any lien position or maturity; (ii) the issuance of a New Main Street loan that is an unsecured loan to a borrower, regardless of the term or secured or unsecured status of the borrower's existing indebtedness; or (iii) the borrower from taking on new secured or unsecured debt after receiving a New Main Street loan, provided the new debt would not have higher contractual priority in bankruptcy than the New Main Street loan.

- If the loan underlying an Expanded Main Street Facility upsized tranche is secured, the upsized tranche must be secured, and any collateral securing the underlying loan (at the time of upsizing or on any subsequent date) must secure the Expanded Main Street Facility Upsized Tranche on a pro rata basis.

  Thus, by participating in the program, the lender would potentially reduce its collateral coverage for its current loan exposure since the same collateral pool would also secure the new upsized loan. However, lenders can require borrowers to pledge additional collateral to secure an Expanded Main Street Facility upsized tranche.

- **Required Lender Certifications and Covenants**: The following certifications and covenants will be required from each lender with respect to each loan in addition to other certifications required by applicable statutes and regulations:
  - Commit that it will not request that the borrower repay debt extended by the lender to the borrower, or pay interest on such outstanding obligations, until the Main Street loan or upsized tranche is repaid in full, unless the debt or interest payment is mandatory and due, or in the case of default and acceleration.
  - Commit that it will not cancel or reduce any existing committed lines of credit to the borrower, except in an event of default.[13]
  - Certify that the methodology used for calculating the borrower's adjusted 2019 EBITDA for the leverage ratio cap on the maximum loan amount is the same methodology previously used by the lender for adjusting EBITDA when extending credit to the borrower or similarly situated borrowers on or before April 24, 2020 (in the case of the New and Priority Main Street Facilities) or when originating or amending the underlying loan on or before April 24, 2020 (in the case of the Expanded Main Street Facility).
  - Certify that it is eligible to participate in the facility, including in light of the conflict-of-interest restrictions of the CARES Act, which would generally prohibit any entity from receiving Main Street loans if the entity is at least 20% owned by the U.S. President or Vice President, senior administration officials, a member of Congress or certain of their family members.
- **Required Borrower Certifications and Covenants**: The following certifications and covenants will be required from each Main Street borrower with respect to each loan in addition to other certifications required by applicable statutes and regulations:
  - Refrain from repaying the principal balance of, or paying any interest on, any debt until the Main Street loan or upsized tranche is repaid in full, unless the debt or interest payment is mandatory and due[14]

[13] This requirement does not prohibit the reduction or termination of uncommitted lines of credit, the expiration of existing lines of credit in accordance with their terms, or the reduction of availability under existing lines of credit in accordance with their terms due to changes in borrowing bases or reserves in asset-based or similar structures.

[14] The following actions will not be prohibited: repaying a line of credit (including a credit card) in accordance with the borrower's normal course of business usage for such line of credit; taking on and paying additional debt obligations required in the normal course of business and on standard terms, including inventory and equipment financing, provided that such debt is secured by newly acquired property (*e.g.*,

(except that borrowers under the Priority Main Street Facility may, at the time of origination of the Main Street loan, refinance existing debt owed by the borrower to another lender).

- Commit that it will not seek to cancel or reduce any of its committed lines of credit with any lender (except certain lines of credit in the normal course of its business).
- Certify that it has a reasonable basis to believe that, as of the date of origination or upsizing of the Main Street loan and after giving effect to such loan or upsizing, it has the ability to meet its financial obligations for at least the next 90 days and does not expect to file for bankruptcy during that time period.
- Commit that it will 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,[15] except that an S corporation or other tax pass-through entity that is a borrower may make distributions to the extent reasonably required to cover its owners' tax obligations in respect of the entity's earnings.
- Certify that it is eligible to participate in the facility, including in light of the conflict-of-interest restrictions of the CARES Act, which would generally prohibit any entity from receiving Main Street loans if the entity is at least 20% owned by the U.S. President or Vice President, senior administration officials, a member of Congress or certain of their family members.

- **Retaining Employees**: Each borrower that participates in the Facility should make commercially reasonable efforts to maintain its payroll and retain its employees during the time the Eligible Loan or upsized tranche is outstanding, in light of the borrower's capacities, the economic environment, its available resources and the business need for labor. Borrowers that have already laid-off or furloughed workers as a result of the disruptions from coronavirus disease 2019 ("COVID-19") would still be eligible to apply for Main Street loans.
- **Transaction Fee**: Lenders will be required to pay the SPV a transaction fee of 100 basis points of the loan principal amount (in the case of the New and Priority Main Street Facilities) and 75 basis points of the upsized tranche principal amount (in the case of the Expanded Main Street Facility) at the time of the loan or loan upsizing.
- **Loan Origination/Upsizing and Servicing Fees**: Borrowers will be required to pay lenders an origination fee of 100 basis points of the loan principal amount (in the case of the New and Priority Main

inventory or equipment), and, apart from such security, is of equal or lower priority than the New Main Street Facility loan, the Priority Main Street Facility loan, or the Expanded Main Street Facility upsized tranche; or refinancing maturing debt.

[15] CARES Act, H.R. 748, 116th Con. (2020) § 4003(c)(3)(A)(ii). Those provisions require a borrower to agree that until 12 months after the loan is repaid, it will not (1) repurchase an equity security that is listed on an national securities exchange of the borrower or any parent company of the borrower, except as contractually obligated or (2) pay dividends or make other capital distributions with respect to the common stock of the borrower. Additionally, a borrower must abide by the compensation guidelines in section 4004 of the CARES Act, which require that, until 12 months after the loan is repaid, (1) any officer or employee of the borrower whose 2019 total compensation exceeded $425,000 cannot receive total compensation greater than their 2019 total compensation, (2) any officer or employee of the borrower whose 2019 total compensation exceeded $3 million cannot receive total compensation greater than the sum of (i) $3 million and (ii) 50% of the excess of their 2019 total compensation over $3 million and (3) any officer or employee of the borrower whose 2019 total compensation exceeded $425,000 cannot receive more than twice their 2019 total compensation as severance pay.

Street Facilities) and 75 basis points of the upsized tranche principal amount (in the case of the Expanded Main Street Facility) at the time of the loan or loan upsizing. For each Main Street Lending Program facility, the SPV will pay the lender an annual servicing fee of 25 basis points of the principal amount of its loan participation.

- **Facility Termination**: The facilities will remain open to purchase participations until September 30, 2020, unless further extended by the Federal Reserve and the Treasury.

Key Changes and Considerations

- New Priority Main Street Facility: Under the newly announced Priority Main Street Facility, lenders would retain a 15% share on loans that when added to existing debt do not exceed six times a borrower's 2019 Adjusted EBITDA. Accordingly, the Priority Main Street Facility permits more highly leveraged borrowers to take advantage of new loans under the Main Street Lending Program as long as the lender is willing to hold a larger portion of the credit risk. Borrowers under the Priority Main Street Facility may, at the time of origination of the Main Street loan, refinance existing debt owed by the borrower to another lender.

- Changes to Scope of Eligible Borrowers: The revised Main Street Lending Program increased the employee and annual revenue thresholds for purposes of determining borrower eligibility, and clarified that an eligible borrower must only meet one of the tests to qualify for the program.

  However, the frequently asked questions accompanying the Main Street Lending Program's new term sheets indicate that compliance with these employee and annual revenue thresholds must be calculated taking into account the applicant business and all of its affiliates, as determined under the SBA's affiliation rules (and as have been applied to applicant borrowers under the PPP).[16] Although the Main Street Lending Program has significantly higher employee and revenue thresholds for purposes of borrower eligibility criteria than the PPP, the application of these affiliation rules may disqualify larger companies and some sponsor-backed portfolio companies from obtaining loans under the Main Street Lending Program, similar to how such rules have disqualified many such companies from obtaining PPP loans.

  Moreover, the Federal Reserve's incorporation of the SBA's rules on "ineligible businesses" will likely disqualify hedge funds, private equity firms and other finance companies from themselves being eligible Main Street borrowers.

- Changes to Scope of Eligible Lenders and Loans: The revised Main Street Lending Program expands the scope of eligible lenders to include, in addition to insured depository institutions and depository institution holding companies, U.S. branches or agencies of a foreign bank, a U.S. intermediate holding company of a foreign banking organization and any non-bank U.S. subsidiaries of a U.S. regulated banking organization.

[16] *See* 13 C.F.R. 121.301(f) (1/1/2019 ed.).

In addition, the revised Expanded Main Street Facility terms clarified that underlying loans eligible to be upsized will include existing revolving credit facilities (in addition to existing term facilities), as well as syndicated facilities.

- Changes to Loan Pricing: Loans and loan upsizes will have an adjustable interest rate of the one-month or three-month LIBOR plus 300 basis points. This is a change from the initial term sheet which proposed the use of SOFR plus 250-400 basis points.
- Changes to Maximum Loan Size and Calculation of 2019 EBITDA: The revised Expanded Main Street Facility terms increased the dollar cap on a borrower's maximum loan size from $150 million to $200 million, and increased the outstanding debt-based cap from 30% to 35% of the borrower's existing outstanding and available undrawn debt.

  In addition, the revised Main Street Lending Program terms for each facility clarified that the leverage ratio calculations for purposes of calculating a borrower's maximum loan size would be based on the borrower's *adjusted* 2019 EBITDA, rather than an unadjusted figure, calculated using a methodology previously used by the lender for adjusting EBITDA when extending credit to the borrower or similarly situated borrowers on or before April 24, 2020.
- Lender Underwriting Criteria: The revised Main Street Lending Program clarifies that eligible lenders are expected to conduct an assessment of each potential borrower's financial condition at the time of the potential borrower's application; however, lenders may rely on a borrower's certifications and covenants required under the Main Street Lending Program, as well as subsequent self-reporting, without independently verifying the borrowers' compliance. The size of a Main Street loan will be determined by the lender in accordance with its standard underwriting criteria, subject to the maximums and minimums specified in the Main Street term sheets.
- Removed Financial Need Attestation: The revised Main Street Lending Program terms eliminate the prior requirement that a borrower attest that it requires the Main Street loan due to exigent circumstances presented by the COVID-19 pandemic and that it would use the proceeds to make reasonable efforts to maintain its payroll and retain its employees during the term of the Main Street loan. An analogous requirement under the PPP that applicants certify as to the financial need for a loan is expected to result in significant scrutiny by both the press and governmental authorities.

  Instead, a borrower under the Main Street Lending Program will be encouraged to make commercially reasonable efforts to maintain its payroll and retain its employees during the time the loan is outstanding, in light of its capacities, the economic environment, its available resources and the business need for labor. However, borrowers that have already laid-off or furloughed workers as a result of the disruptions from COVID-19 would still eligible to apply for Main Street loans.

Summary Table

Main Street Lending Program Option	New Loans	Priority Loans	Expanded Loans
Term	4 years	4 years	4 years
Minimum Loan Size	$500,000	$500,000	$10,000,000
Maximum Loan Size	Lesser of $25 million or 4 times adjusted 2019 EBITDA	Lesser of $25 million or 6 times adjusted 2019 EBITDA	Lesser of $200 million, or 35% of the borrower's existing outstanding and undrawn available debt that is *pari passu* in priority with the Main Street loan, or 6 times adjusted 2019 EBITDA
Risk Retention	5%	15%	5%
Payment (year one deferred for all)	Years 2-4: 33.33% each year	Years 2-4: 15%, 15%, 70%	Years 2-4: 15%, 15%, 70%
Rate	LIBOR + 3%	LIBOR + 3%	LIBOR + 3%

We offer a dedicated team of advisors to help businesses weigh available options and seek assistance under one or more of the liquidity and support programs established under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Whether in the form of direct funding from Treasury, loans or other credit support from a Federal Reserve lending facility or participation in Small Business Administration loan programs, our team has the expertise to help navigate the complex political and legal challenges associated with obtaining government financial assistance and the experience to help access the programs if a decision is made to do so.

Led by Lee Meyerson, who guided the Firm's financial crisis team that advised Treasury in developing, structuring and documenting its $250 billion TARP program for purchasing equity in U.S. financial institutions and related programs, and Keith Noreika, who recently served with Treasury Secretary Mnuchin as acting Comptroller of the Currency, a role in which he also acted as a director of the FDIC and member of the Financial Stability Oversight Council, the cross-disciplinary team also includes financing and governance lawyers, as well as former Treasury and Federal Reserve counsel.

See our Accessing Emergency Government Support Programs webpage for further information.

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