



# Federal Reserve Updates Terms of Main Street Lending Program

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The Federal Reserve Board has announced several changes to its Main Street Lending Program to enable smaller businesses to participate in the program. Specifically, the minimum loan size for the Main Street New Loan Facility, Main Street Priority Loan Facility and Nonprofit Organization New Loan Facility has been reduced from \$250,000 to \$100,000. In addition, the fees for these facilities have been adjusted to encourage additional applications. Finally, the Federal Reserve Board has clarified that applicants may exclude Paycheck Protection Program loans totaling less than \$2 million from their calculation of their “outstanding debt” for purposes of the application.

The program has a deadline of December 31, 2020, for acquiring participations in eligible loans. Treasury Secretary Steven Mnuchin announced on November 19<sup>th</sup> that he would not be extending the program, so businesses wishing to participate in the program should act quickly.

Our prior alert on the Main Street Lending Program is available [here](#).

If you have any questions about whether or how these facilities may apply to your business, please contact [Jason Navarino](#), [Rich Lomuscio](#), [Hannah Greendyk](#) or any member of Riker Danzig’s [Corporate](#) Department.

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