

MEMBER NEWS

Preble County Recovery Edition 47

Chamber Energy Program available



Did you miss last month's Chamber Energy call? Our partners at Community Energy Advisors are scheduled to speak with our members again next month! Our small business community has been hit hard by mandatory closures and safety measures required to slow the spread of the coronavirus (COVID-19). Many business owners are struggling to cover their bills and are asking for help and wondering what they can do. Along with over 200 Chambers of Commerce in the State of Ohio, we offer the Chamber Energy Program to our members to help reduce their utility costs. On average, members are saving 15-20%. Learn how to reduce your costs so you can immediately put money back into your business. Join us from the comfort of your own home to learn more about this program, Tuesday, June 9, at 2:30 p.m.

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Member news & other resources

Below is information on the forthcoming Main Street Lending Program, which is designed to support lending to small and medium sized businesses. Thanks to Ben Thaeler from Congressman Warren Davidson's office for sharing this important update.

Main Street Lending Program: The Federal Reserve has announced that it is establishing a Main Street Lending Program (Program) to support lending to small and medium-sized businesses that were in sound financial condition before the onset of the COVID-19 pandemic. The Program will operate through three facilities: the Main Street New Loan Facility (MSNLF), the Main Street Priority Loan Facility (MSPLF), and the Main Street Expanded Loan Facility (MSELF). Term sheets for each facility and [Frequently Asked Questions \(FAQs\)](#) providing more information regarding eligibility and conditions can be found online at <https://www.federalreserve.gov/monetarypolicy/mainstreetlending.htm>

Structure. To implement the Program, the [Federal Reserve Bank of Boston](#) will set up a special purpose vehicle (SPV) to purchase participations in loans originated by eligible lenders. Lenders will retain a percentage of the loans. As detailed further in the term sheets, U.S. businesses may be eligible for loans if they meet either of the following conditions: (1) the business has 15,000 employees or fewer; or (2) the business had 2019 revenues of \$5 billion or less. Loans issued under the Program would have a four-year maturity, and principal and interest payments on the loans will be deferred for one year. Eligible lenders may originate new loans (under MSNLF and MSPLF) or increase the size of (or "upsized") existing loans (under MSELF) made to eligible businesses.

- **Operational Status.** The Federal Reserve is currently working to create the infrastructure necessary to operationalize the Program. More information will be posted here as it becomes available regarding Program terms and how eligible lenders can sell eligible loan participations to the SPV. Once the Program is operational, small and medium-sized businesses interested in the Program should seek to apply for Program loans from an eligible lender.

- **How do eligible borrowers apply?** Once the Program is operational, small and medium-sized businesses interested in the Program can apply for Program loans by contacting an eligible lender. A description of eligible lenders can be found in the Program term sheets.

What documents should eligible lenders prepare? The Federal Reserve will publicly issue a form loan participation agreement, form borrower and lender certifications, and other form agreements that are necessary to implement the Program in accordance with the term sheets. The Federal Reserve will not provide form loan documents for eligible lenders to use when making eligible loans to eligible borrowers. Rather, eligible lenders should provide these documents. Loan documents related to any loans that are participated to the SPV must reflect the terms of the Program. Direct questions to mslp@bos.frb.org

Additionally, the following webinars may be helpful:

[Lender Ask the Fed](#) webinar (presentation & Q&A) – May 28

[Business/borrower webinar](#) (presentation & Q&A) – May 29

[Business/borrower](#) drop-in call (Q&A) – June 3

For additional resources, visit

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