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Wellington-Halton Hills

News Release

FOR IMMEDIATE RELEASE

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Government of Canada Loan Programs for Small and Medium Sized Enterprises

The Government of Canada has created loan programs to support small and medium enterprises who have been negatively impacted by COVID-19.

OTTAWA – The government has established a Business Credit Availability Program (BCAP) to provide additional support through the Business Development Bank of Canada (BDC) and Export Development Canada (EDC). BDC and EDC are working with private sector lenders to coordinate on credit solutions for individual businesses, including in sectors such as oil and gas, air transportation, exports and tourism.

Below are details on some of the loan programs:

Loan Guarantee for Small and Medium-Sized Enterprises (SMEs)

- EDC is working with financial institutions to guarantee 80 per cent of new operating credit and cash flow term loans of up to \$6.25 million to SMEs.
- If your business needs access to working capital to cover operational costs as a result of the COVID-19 pandemic, you may be eligible for the EDC BCAP Guarantee.
- This financing support is to be used for operational expenses and is available to both exporting and non-exporting companies.
- For more information visit: <https://www.edc.ca/en/covid-19-business-resources.html>

Co-Lending Program for SMEs

- BDC is working with financial institutions to co-lend term loans to SMEs for their operational cash flow requirements.
- The program offers differing maximum finance amounts based on business revenues.
- Financed amount:
 - 80 per cent provided by BDC
 - 20 per cent provided by your financial institution
- This support is available until or before September 30th, 2020.
- For more information visit: <https://www.bdc.ca/en/pages/special-support.aspx?special-initiative=covid19>

Both the Loan Guarantee for SMEs and Co-Lending Program for SMEs are now available at various financial institutions and credit unions.

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BDC's Mid-Market Financing Program

- This financing program will provide commercial loans ranging between \$12.5 million and \$60 million to medium-sized businesses whose credit needs exceed what is already available through the Business Credit Availability Program and other measures.
- BDC anticipates that qualifying companies will have annual revenues in excess of approximately \$100 million.
- Details about the program and implementation strategy are now available:
<https://www.bdc.ca/en/pages/mid-market-financing-program.aspx>

EDC's Mid-Market Guarantee and Financing Program

- This financing program will bring liquidity to companies who tend to have revenues of between \$50 million to \$300 million, to sustain operations during this uncertain period.
- EDC will continue to work with Canadian financial institutions to guarantee 75 per cent of new operating credit and cash-flow loans – ranging in size from \$16.75 million to a maximum of \$80 million. These expanded guarantees are available to exporters, international investors and businesses selling products or services within Canada.
- More details will be made available soon; continue to check the Economic Response Plan's webpage for updates.

To learn about the COVID-19 Economic Response Plan, visit: www.canada.ca/en/departement-finance/economic-response-plan.html

Information about COVID-19 from the Government of Canada can be found here:
www.canada.ca/coronavirus

Our offices remain open and staffed to assist constituents during this coronavirus pandemic, but are closed to public access. To obtain assistance, please contact us by phone, e-mail or on social media.