

Questions & Answers

Guarantee – Exportation Development Canada (EDC) Business Credit Availability Program (BCAP)

1. What is EDC Business Credit Availability Program (BCAP)?

In partnership with Laurentian Bank, Export Development Canada (EDC) is launching the Business Credit Availability Program (BCAP). Under this program, EDC guarantees financing to allow you to access additional credit to cover operating costs, such as salaries.

2. What does this program entail?

The financing will be available through a term loan. The maximum term of the loan is extended to 5 years (compared to 1 year initially). Loans with a term shorter than 5 years will be eligible for renewal, subject to approval.

The loan can now be used to honour debt obligations (interest payments, equipment financing contracts, etc.), as well as to cover everyday operating costs (rent, payroll, etc.).

The proceeds cannot be used to finance the reimbursement or refinancing of debts, the payment of dividends, shareholder loans, bonuses, share buybacks, option programs or increases of executive compensation.

The maximum amount of the loan is \$6.25 million per company.

A total of 80% of the loan amount is guaranteed by EDC (the maximum guaranteed amount is \$5 million). The guarantee fee represents 1.8% of the total financed amount.

EDC's guarantee also applies to the renewal period if applicable.

3. How much can I claim under EDC Business Credit Availability Program (BCAP)?

The maximum loan amount is \$6.25 million per company.

4. How can I get more information about EDC Business Credit Availability Program (BCAP)?

For more information on EDC Business Credit Availability Program, you can visit <https://www.edc.ca/fr/campaign/coronavirus-covid-19.html> or contact your account manager.

Don't know your account manager? Please write to servicesauxentreprises@banquelaurentienne.ca.

Eligibility Criteria

5. Who is entitled to this program?

- › Existing and new Laurentian Bank clients are eligible.
- › The program is offered to all businesses, whether they have export sales or not.

Restricted industries are limited to the following categories:

- Government organizations or agencies or entities belonging to a government organization or agency
- Trade unions, charitable, religious or fraternal organizations or entities belonging to these organizations, except for T2 or T3010 registered corporations that generate a portion of their income from the sale of goods or services (so that the business operations of these entities remain eligible)
- Entities owned by individuals occupying political positions
- Entities that promote violence, incite hatred or discriminate on the basis of sex, gender, sexual orientation, race, ethnicity, religion, culture, region, education, age or mental or physical disability

6. Is EDC Business Credit Availability Program (BCAP) only available to export companies?

No. EDC BCAP is offered to all businesses, whether they have export sales or not.

7. I already have a credit facility with EDC. Can I also use EDC Business Credit Availability Program?

Yes, but only if BCAP is applied to a new operational loan or cash flow term loan.

8. My company is benefiting from other assistance available through other federal programs. Am I eligible for the program?

Yes, you are entitled to apply even if you are receiving other forms of financial assistance.

For example, you can combine EDC's Business Credit Availability Program and a loan from the Business Development Bank of Canada for a maximum of \$12.5 million, or \$6.25 million each.

Submission of a Request

9. How do I apply for this program?

You can submit your application now by contacting your account manager.

Don't know your account manager? Please write to servicesauxentreprises@banquelaurentienne.ca.

10. What is the deadline to apply for EDC Business Credit Availability Program?

You must submit your application for EDC's Business Credit Availability Program to your account manager by September 30, 2020.