



FAME BUSINESS WEBINAR SERIES

FAME Direct Loan: Flexibility to Get Your Deals to “Yes!”

Presenter: Charlie Emmons,
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Q: Will there be a recorded session available?

A: Yes. The webinar recording is now available on FAME's [website](#).

Q: Will there be another round of Maine Seed Capital?

A: Yes. The current program is set up so that each year there's an additional \$5 million of credits for \$10 million worth of investments, but FAME has a bill in front of the legislature right now to increase this to \$15 million of credits, which is \$30 million of investments. We don't know the status of this bill as yet. It requires a fiscal note, and the budget is being discussed as we speak, so we're not sure about the results. Regardless, the \$5 million of credits continues indefinitely.

Q: Can the FAME Direct Loan be used for non-profits?

A: Yes! 501(c)3s are able to get the FAME Direct Loan, and there are numbers of examples that we've done in the past. We're a little bit different from our competition in that regard.

Q: Can you please give a rundown of the fees on the different programs?

A: Because each program has different fees associated with it, I recommend visiting our website to get this information. You'll find it in our [Lender Partner Guide](#), on [pages 600.1–600.2](#). If you have further questions, you can call any one of us, or call me directly (207-620-3510) and I'll be glad to answer your questions.

Q: Does the financial institution refer the borrower directly to FAME, or what is the process?

A: Not necessarily. The program is directed to companies in general, and is open to most. In 2008, when there was a real economic crisis, suddenly a vast majority of our requests for direct loans came from companies through our lending partners. So the lending partner asked the company to call us, and then at some point, the lending partner also called us in conjunction with their customer. FAME will take the applications for this program any way they come. Remember in the loan insurance program, the lending partner is our customer. In the FAME Direct Loan program, the company is our customer.

Q: Will FAME refi other debts for the Borrower beyond our approved debts?

Clarification to the question: What if we've financed everything we are willing, but there are other loans with specialized lenders (Ally, Kubota, CCs, etc.)? Will FAME restructure with direct loan to improve cash flow?

A: Each request is handled differently, but yes, FAME will look at a request from a potential Borrower, and evaluate the uses as requested and make a decision from there as to whether or not FAME will be able to lend the money for the use. Please remember that FAME will NOT lend for religious or fraternal organizations; gambling or adult entertainment facilities; personal, family or household expenses; investment real estate, or residential housing.

Q: Can private businesses access municipal funding loans for upgrades to waste water treatment systems?

A: This question pertains to the bond programs that were a part of the Business Life Cycle slide (the Revenue Obligation Securities Program and the Municipal Securities Approval Program). These programs are provided by FAME to larger, credit-worthy companies, and though part of the Life Cycle slide shown, are not really relevant to the discussion on the FAME Direct Loan. You can find more information about these programs on our [website](#).