

EMERGENCY CAPITAL INVESTMENT PROGRAM

U.S. Department of the Treasury

Frequently Asked Questions on Initial Supplemental Report

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1. What time period is covered by the Initial Supplemental Report?

The Initial Supplemental Report covers an applicant’s lending during the 12 months ending September 30, 2020. This period, referred to as the “baseline period,” was established by the ECIP statute.

2. Should applicants include loans guaranteed by the U.S. government (such as the Small Business Administration, Federal Housing Administration, Department of Veterans Affairs etc.) or other third parties in their reporting?

“Lending Activity,” as defined in the instructions for the Initial Supplemental Report, excludes the portion of any loan for which, on the date of origination, a third party other than the U.S. government, such as a nonprofit, assumed the credit risk of the loan. Loans that are fully or partially guaranteed by the U.S. government should be included in Lending Activity, except for Paycheck Protection Program loans, which should be excluded.

3. Should loans purchased by the applicant from a third party be counted as loans originated during the reporting period?

Consistent with the [Rate Reduction Incentive Guidelines](#), only loan purchases or participations from non-depository CDFI loan funds should be included in Lending Activity. Loan purchases or participations acquired from other sources should not be included in Lending Activity or reported as part of total originations.

4. Are loans to special-purpose entities, single-purpose entities, or special-purpose vehicles included in Qualified Lending as loans to small businesses?

No, loans to special-purpose entities, single-purpose entities, special-purpose vehicles or other similar types of non-operating businesses or legal entities formed for a specific, narrow, or temporary objective do not qualify as small businesses for purposes of identifying an applicant’s Qualified Lending or Deep Impact Lending.

5. Are forbearances included in Lending Activity, Qualified Lending, or Deep Impact Lending?

Forbearances will not be included in Lending Activity, Qualified Lending, or Deep Impact Lending in the Initial Supplemental Report or in the subsequent Quarterly Supplemental Reports. Because the baseline period included a very high level of forbearance activity due to the economic impacts of the COVID-19 pandemic, including such activity would skew participants’ baseline lending figures. Excluding forbearances from the reporting will improve the quality and consistency of lending data over time.

6. The Initial Supplemental Report instructions reference various data sources. Where can participants find these sources of data?

Treasury has posted reference datasets on the [ECIP webpage](#).

7. How long are participants required to maintain records of the Initial Supplemental Report?

Under the Securities Purchase Agreement that all ECIP participants will enter into, a participant must maintain in its files a signed and attested record of its completed Initial Supplemental Report, any Quarterly Supplemental Reports, any amended reports, and the methodology used to generate the data in the Initial Supplemental Report and Quarterly Supplemental Reports for five years after the report date, unless any applicable state requirements mandate a longer retention period.