



Update on Economic Stimulus Impacting ILPA Members Invested in Portfolio Companies in the United Kingdom: April 3, 2020

Overview: As countries around the world have been dealing with the impact of COVID-19 on their economies, a variety of economic stimulus measures have been implemented to provide support for workers and businesses in those countries. These measures will have an indirect impact on Limited Partners by providing potential vital financial support for portfolio companies of venture capital and private equity funds. ILPA is committed to keeping you informed about the impact of these programs so you can be informed about the options for the investments in your portfolio.

The United Kingdom has taken the following contingency measure to provide economic stimulus to UK companies:

| United Kingdom | | | | |
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| Eligibility | What it Does | Facility Terms | Loan Forgiveness | Participation |
| The British government has unveiled a package of financial measures worth £350 billion to support the economy. | £330 billion will be allocated to government-backed loans and guarantees. £20 billion will be allocated to other aid, such as: £25,000 and £10,000 cash grants and a business interruption loan scheme administered by the British Business Bank and HM Treasury. | Government-backed loans and guarantees are available to businesses of all sizes to help them avoid insolvency in adverse economic conditions. The cash grants are available for the smallest businesses who do not have insurance. The business interruption loan scheme is available for smaller businesses based on the European Union's definition of an SME, thus grants are limited to £5 million per company. | N/A | For updates on this program, please click here . |

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| <p>Under the Coronavirus Job Retention Scheme, the British Government has committed to providing businesses with grants to keep workers in jobs.</p> | <p>The UK Treasury will provide businesses with government grants worth up to 80% of wages to keep workers in jobs.</p> | <p>The scheme opened on March 23 and will pay up to £2,500 per worker each month, helping those who are self-isolating or caring for loved ones.</p> | <p>N/A</p> | <p>For updates on this program, please click here.</p> |
| <p>The Bank of England has adopted a number of measures to address the challenges present in the banking sector today, including a lending facility and a liquidity insurance tool.</p> | <p>The joint Bank of England and HM Treasury lending facility Covid Corporate Financing Facility (CCFF) is designed to support liquidity among larger firms. Separately, through the Contingent Term Repo Facility tool, the Bank of England allows participants to borrow cash in exchange for collateral.</p> | <p>Under CCFF, firms bridge disruption to their cash flows through the purchase of short-term debt in the form of commercial paper. For the Contingent Term Repo Facility, participants borrow central bank reserves in exchange for other, less liquid assets, as this program is intended to provide bridge financing for firms.</p> | <p>N/A</p> | <p>For updates on this program, please click here.</p> |