

## LIQUIDITY IN DISRUPTION

— Working capital solutions to sustain your workforce and operations —

### LIQUIDITY ANALYSIS

Over the past several weeks, we have been assisting companies with financial planning and managing liquidity needs, including:

- Stress test scenarios for near and medium term —
- Working capital and balance sheet assessments for each scenario —
- 13 week cash flow studies for each scenario (critical for discussions with lenders and capital sources) —
- Use these tools to develop the near-term survive to thrive strategy, including the triggers and milestones for pulling operating levers —

### WORKING CAPITAL & LIQUIDITY FUNDING SOURCES

We have access to a variety of capital sources that we have been actively pursuing over the last several weeks. The following are a few examples of capital available for immediate liquidity needs:

**SBA Disaster Relief Loans:** These loans are direct loans from the government. They have many features that are attractive for short-term funding including low-cost, flexible terms. It is imperative to get applications in for these programs as soon as possible. Our sources inform us that more than 35,000 businesses have applied and this number is going to increase.

**New SBA Loan Programs in the Pending Legislation:** We are watching the new loan program in the Senate's legislation very carefully. These loans will look much more like traditional SBA loans and will be distributed by the banking market with government guarantees. In some cases, there will be the opportunity to have these "forgiven" if borrowers maintain certain workforce goals. More news to come on these.

**Existing Credit Facilities:** Banks and non-bank credit providers are working hard with their clients. The regulators provided guidance this week to banks on the measures they expect banks to employ with their existing customers. They are encouraging them to do overlines (for revolving lines of credit), extend/amend terms, accrue principal and interest payments (in many cases putting these payments on the back of maturities as balloon payments), etc. In addition, they are providing them guidance on how to do this without causing these loans to become negatively rated for the banks.

**Access to Other Emergency Capital Providers:** We have relationships with large institutions (non-banks) who are actively looking to provide short term emergency capital. These solutions will be more expensive than traditional banks or emergency funding programs. However, they will also be more appropriate for large organizations as these loans could go as high as \$40 million.

### GET ORGANIZED & MOVE QUICKLY

Every capital provider in this country (and around the world) will be overwhelmed. To get the funding you need, you must be the most organized and easiest situation to understand (thus the work I mentioned at the start of this memo), you must get yourself in the "queue" for the programs. In many cases, applying for multiple options. Finally, you need to do it NOW - the current funding time frame for the SBA disaster relief loan is around 30 days - those funding times are only going to get longer as folks flood into the market.

At ButcherJoseph, our team stands ready to help as many businesses as we can survive in this environment. Our deep knowledge of the credit markets, leveraged lending and hundreds of capital provider relationships are at your disposal.

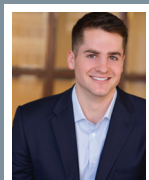
## OUR TEAM

View our complete team of professionals at  
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