

December 19, 2019

Bank of Japan

**Amendment to "Principal Terms and Conditions for the Fund-Provisioning Measure to Stimulate Bank Lending Conducted through the Loan Support Program"**

At the Monetary Policy Meeting held on December 18 and 19, 2019, the Policy Board of the Bank of Japan made the decision to amend the "Principal Terms and Conditions for the Fund-Provisioning Measure to Stimulate Bank Lending Conducted through the Loan Support Program" (see Attachment) with a view to continuing to encourage financial institutions', firms', and households' actions, thereby stimulating bank lending.

Regarding this decision, please refer to "(Reference) Amendment to the Stimulating Bank Lending Facility" as well.

**Amendment to "Principal Terms and Conditions for the Fund-Provisioning Measure to Stimulate Bank Lending Conducted through the Loan Support Program"**

- Paragraph 8. shall be amended as follows.

8. Amount of Each Loan

The amount of each loan shall be the amount the counterparty wishes to borrow, provided that it shall not exceed the maximum amount of loans prescribed in 9. or 10. and the unused value of the total standing pool of eligible collateral pledged to the Bank.

- Paragraph 11. shall be renamed to paragraph 12., paragraph 10. shall be renamed to paragraph 11., paragraph 9. shall be renamed to paragraph 10., and the following paragraph 9. shall be added after paragraph 8.

9. Rollover of Loans

If the counterparty requests, the Bank shall allow either all or a part of loans to be rolled over on the maturity date of initially-disbursed loans, provided that the amount of loans shall not exceed the maximum amount prescribed below.

- (1) If the average of the month-end amounts outstanding of lending prescribed in 10.(1) regarding newly-disbursed loans (loans other than rollover loans, hereinafter the same) whose date of loan disbursement is the same as the date of rollover (hereinafter referred to as "the

average of the month-end amounts outstanding at maturity") is equal to or larger than the average of the month-end amounts outstanding of lending prescribed in 10.(1) regarding initially-disbursed loans (hereinafter referred to as "the average of the month-end amounts outstanding at the initial loan disbursement"), the maximum amount of loans shall be the amount of repayment of initially-disbursed loans.

(2) If the average of the month-end amounts outstanding at maturity is smaller than the average of the month-end amounts outstanding at the initial loan disbursement, the maximum amount of loans shall be the amount calculated by subtracting the difference between the average of the month-end amounts outstanding at maturity and the average of the month-end amounts outstanding at the initial loan disbursement from the amount of repayment of initially-disbursed loans.

- Paragraph 10. shall be amended as follows.

#### 10. Maximum Amount of Newly-Disbursed Loans

The maximum amount of newly-disbursed loans to each counterparty at each loan disbursement shall be twice as much as the amount calculated by subtracting the amount in (2) from the amount in (1). Housing loans in the trust property of eligible beneficial interest of a trust in housing loans submitted to the Bank as collateral pursuant to the "Collateral Guidelines on Eligible Beneficial Interest of a Trust in Housing Loans" (Policy Board Decision on March 15, 2016) shall be regarded as the counterparty's lending.

(1) No Change

(2) No Change

(Supplementary Provision)

These amendments shall become effective on April 1, 2020.