

# Collateral Support Program (CSP)



## BENEFITS

Establishes pledged cash collateral accounts with participating lenders to enhance the loan collateral coverage for borrowers exhibiting a shortfall in collateral. These collateral deposit accounts are established on an individual loan basis with the intent to mitigate a portion of the banks risk, in turn, providing financial assistance to small business owners on acceptable terms and conditions.

- Maximum Loan Amount: \$1 million
- Maximum Collateral Support amount: \$250,000
- Quick Turnaround for qualifying loan amounts
- Low Fees

## ELIGIBILITY

- Authorized to conduct business in Louisiana and maintains an office in Louisiana.
- 100 employees or less
- Must create at least one new permanent job
- Minimum borrower equity of 10%
- Funding requests for an eligible business purpose
- Must exhibit a shortfall in collateral

For more information, visit [LouisianaSSBCI.com](http://LouisianaSSBCI.com) or email LEDSSBCI2@la.gov or call 1.833.457.0531.

## Process

1

Applicant/borrower contacts a Louisiana Lender to discuss their loan request.

2

A completed CSP Application must be submitted to LEDC by the lender seeking the Collateral Support.

3

The LEDC staff evaluates the loan application, reviews the bank's collateral analysis and makes recommendations to the appropriate LEDC approval body.

4

After review of the application packet by the appropriate LEDC committee/board, the lender is notified of the Collateral Support decision.

