

Introduction of the Special Funds-Supplying Operations to Facilitate Corporate Financing regarding the Novel Coronavirus (COVID-19)

1. Purpose of the Operations

- The Bank decided to introduce the Special Funds-Supplying Operations (hereinafter referred to as the “Special Operations”) with a view to doing its utmost to ensure smooth corporate financing and maintaining stability in financial market, given the impact of the outbreak of the novel coronavirus (COVID-19) on economic activity. Through the Special Operations, the Bank will provide loans up to the value of corporate debt pledged as the standing pool of eligible collateral.

2. Outline of the Operations

(1) Eligible counterparties

- Eligible counterparties of the Funds-Supplying Operations against Pooled Collateral at all offices that wish to be counterparties for the Special Operations shall become the eligible counterparties of the operations.

(2) Duration of Loans

- Within one year.

(3) Loan Rates

- 0 percent per annum.
- As well as the Loan Support Program and the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas, twice as much as the amount outstanding of financial institutions’ borrowing through the Special Operations will be added to their Macro Add-on Balances.

(4) Maximum Amount of Loans for Each Counterparty

- Within the value of corporate debt (corporate bonds, dematerialized commercial paper issued by domestic corporations, dematerialized commercial paper issued by foreign corporations with guarantees, bills drawn by companies, commercial paper, electronically recorded monetary claims on companies, and loans on deeds to companies) pledged as the standing pool of eligible collateral.

(5) Collateral

- Eligible collateral shall be pledged as the standing pool from counterparties in

advance.

(6) Implementation Period

- Until September 30, 2020.

3. Effective Date

- These operations shall become effective today.
- The first loan will be offered on March 24, 2020.