



ORIGINAL EQUIPMENT SUPPLIERS ASSOCIATION

March 17, 2009

Today the U.S. Department of the Treasury announced the Auto Supplier Support Program. We are extremely pleased that Treasury has stepped forward with this plan, and credit the collective efforts of OESA members and OESA and MEMA staff and who have been working to provide information and input to Treasury, Members of Congress, the administration, and other stakeholders.

[Click here for the Treasury release.](#)

[CLICK HERE](#) for a full fact sheet on the program. Key points of the Auto Supplier Support Program are below:

- The program will provide eligible suppliers with access to government-backed protection that money owed to them for the products they ship will be paid no matter what happens to the recipient car company.
- Participating suppliers will also be able to sell their receivables into the program at a modest discount. This will provide suppliers with desperately needed funding to operate their businesses and help unlock credit more broadly in the supplier industry.
- The program will be run through domestic auto companies that agree to participate in the program, GM and Chrysler have already agreed. Suppliers to those companies that agree to maintain qualifying commercial terms will have the opportunity to request this government backed protection. If granted, the supplier will pay a small fee for the right to participate in the program.
- The Treasury Department has made available up to \$5 billion in financing under this program.
- OESA and MEMA are working with Treasury and the OEMs to expedite a roll out of this program and to obtain additional clarification on plan specifics.

There are still many questions that remain to be answered. We have been in contact with officials at Treasury to request clarity on some of the open issues. We encourage members to submit additional questions to us so that we may ensure that this program is fully understood. [CLICK HERE](#) to submit a question or comment.

We are sharing with members all information that we have today. Additional updates will be sent as more information is made available.

As always, feel free to contact me with any comment or concerns.

Sincerely,

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