DEALS AND SUITS

LEEFF Loan to Sunwing Airlines

On February 1, 2021, the Canada Enterprise Emergency Funding Corp. (CEEFC) announced a new loan under the Large Employer Emergency Financing Facility (LEEFF). The agreement gives Sunwing Vacations Inc. and Sunwing Airlines Inc. access to $375 million of liquidity to protect jobs in Canada's airline sector.

Sunwing Airlines Inc. and Sunwing Vacations Inc. together provide almost 3,000 Canadians with full-time jobs. Sunwing has agreed to maintain an account with money received from customers for travel that was cancelled due to the COVID-19 pandemic. This account will be maintained until the government's broader discussions with the airline industry conclude and a policy is established for the treatment of these prepaid amounts.

LEEFF loans provide bridge financing to Canada's largest employers whose needs during the pandemic are not being met through private market financing. It provides large Canadian employers with access to credit to preserve jobs and continue operations during the pandemic.

BLG represented CEEFC with a team led by Howard S. Silverman that included Frank Callaghan, Christine Mason, Philippe Tardif, Tyler McNaughton and Charlotte Chien.

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