

March 23, 2020 10:51 AM EDT

Newtek Small Business Finance Positioned to Extend Capital to Small- and Medium-Sized Businesses as Part of the Proposed Coronavirus Aid, Relief and Economic Security Act (CARES Act)

BOCA RATON, Fla., March 23, 2020 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#), (NASDAQ: NEWT), an internally managed business development company (“BDC”), today announced that Newtek Small Business Finance (“NSBF”), the Company’s nationally licensed SBA-lender subsidiary, is prepared to extend capital to small- and medium-sized businesses as part of the proposed Coronavirus Aid, Relief and Economic Security Act (CARES Act) that is currently under consideration in the U.S. Senate. The proposal in its current form includes \$350 billion to be allocated for Small Business Interruption Loans, which would assist small businesses with fewer than 500 employees affected by the pandemic by providing loans under the Small Business Administration (“SBA”) Section 7(a) program to cover their payroll and other working capital expenses. The CARES Act, in its present form being considered by the U.S. Senate, provides that qualifying small businesses may borrow up to \$10.0 million from SBA lenders through the existing SBA 7(a) loan guarantee program.

Barry Sloane, Chairman, President and Chief Executive Officer said, “The government’s pending proposal is to utilize SBA 7(a) lenders as a tool to help alleviate the disruption of business for the small- and medium-sized business community, which according to SBA statistics, makes up approximately 50% of the U.S. non-farm economy. As the nation’s second largest lender by dollar volume under the SBA Section 7(a) program, we expect that Newtek Small Business Finance (NSBF) would be one of the approved SBA 7(a) lenders that will be utilized to further support this market through this proposal under consideration by the U.S. Senate. With a 17-year history as an SBA lender, NSBF has risen to be the second largest SBA 7(a) lender in the nation, supported by its automated lending platform, secure file-vault technology, as well as the use of NewTracker®, its patented state-of-the-art referral system. We stand ready to support the small- and medium-sized business community in this time of turmoil, and anticipate being able to assist small- and medium-sized businesses that were previously operational, and enable them to sustain their operations until this quarantine period is over.”

SOURCE: Newtek Business Services Corp.
Investor Relations & Public Relations
Contact: Jayne Cavuoto
Telephone: (212) 273-8179 / jcavuoto@newtekone.com