



# SBA Information Notice

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**TO:** All Employees

**CONTROL NO.:** 5000-1071

**SUBJECT:** 1<sup>st</sup> Quarter "Peg" Rate and Direct  
Interest Rate

**EFFECTIVE:** 9/25/2008

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The interest rate on Section 7(a) Direct Business Loans is 5 5/8 percent (5.625%) for the fiscal quarter beginning October 1, 2008. (Information only – no direct funds available at this time.)

The optional peg rate for fluctuating interest rates on guaranty loans is 4 5/8 percent (4.625%) for the October - December quarter of FY 2009.

Pursuant to 13 CFR 120.921(b), the maximum legal interest rate for a commercial loan which funds any portion of the cost of a project (see 13 CFR 120.801) shall be the greater of 6% over the New York Prime rate or the limitation established by the constitution or laws of a given State.

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Grady B. Hedgespeth  
Director  
Office of Financial Assistance

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**EXPIRES:** 9/1/2009

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SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete  
Must be accompanied by SBA Form 58