



SBA Information Notice

TO: All SBA Employees and 7(a) Lenders

CONTROL NO.: 5000-859410

SUBJECT: 7(a) Working Capital Pilot Fees for
Fiscal Years 2024 and 2025

EFFECTIVE: July 23, 2024

This Notice announces the SBA Guaranty Fee for 7(a) Working Capital Pilot loans for fiscal years (FYs) 2024 and 2025.

For guidance on when all 7(a) loan fees are due, see SOP 50 10 7.1 Section A, Chapter 4, Para. C. Fiscal years begin on October 1 and end on September 30.

FY 24 Working Capital Pilot Annual Service Fee (loans that receive an SBA loan number up to and including September 30, 2024):

The FY 2024 Lender's Annual Service Fee, based on gross loan approval amount, including SBA-guaranteed and unguaranteed portions, will be:

For loans of \$1,000,000 and less: 0.00%.

For loans of \$1,000,001 to \$5,000,000: 0.55% of the guaranteed portion of the outstanding balance of the loan.

Lenders may not pass the Annual Service Fee on to the Borrower.

FY 25 Working Capital Pilot Annual Service Fee (loans that receive an SBA loan number beginning October 1, 2024, through September 30, 2025):

The FY 2025 Lender's Annual Service Fee, based on gross loan approval amount, including SBA-guaranteed and unguaranteed portions, will be:

For loans of \$500,000 and less: 0.00%.

For loans of \$500,001 to \$1,000,000: 0.17% of the guaranteed portion of the outstanding balance of the loan.

For loans of \$1,000,001 to \$5,000,000: 0.55% of the guaranteed portion of the outstanding balance of the loan.

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EXPIRES: 10/1/25

SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete

Must be accompanied by SBA Form 58

Lenders may not pass the Annual Service Fee on to the Borrower.

FY 24 and FY 25 Upfront Fee for Working Capital Pilot Loans:

For Working Capital Pilot loans of \$1,000,000 or less (regardless of maturity): the Upfront Fee is 0.00%.

For Working Capital Pilot loans greater than \$1,000,000 with a maturity of 12 months or less: the Upfront Fee is 0.25% of the guaranteed portion.

For Working Capital Pilot loans greater than \$1,000,000 with a maturity of 13 up to 24 months: the Upfront Fee is 0.525% of the guaranteed portion.

For Working Capital Pilot loans greater than \$1,000,000 with a maturity of 25 up to 36 months: the Upfront Fee is 0.80% of the guaranteed portion.

For Working Capital Pilot loans greater than \$1,000,000 with a maturity of 37 up to 48 months: the Upfront Fee is 1.075% of the guaranteed portion.

For Working Capital Pilot loans greater than \$1,000,000 with a maturity of 49 up to 60 months: the Upfront Fee is 1.35% of the guaranteed portion.

When a Working Capital Pilot loan greater than \$1,000,000 is extended beyond the original maturity date, an additional Upfront Fee may be due to SBA based on the fee schedule above. The Lender must pay SBA the difference in the Upfront Fee originally paid and what the fee would have been if initially approved at the new longer maturity.

Multiple 7(a) loans made within 90 days of each other:

Working Capital Pilot loans are 7(a) loans, and the guidance issued in SOP [50 10 7.1](#) regarding multiple 7(a) loans made within 90 days of each other also applies to Working Capital Pilot loans.

Upfront Fee calculation for multiple 7(a) loans, including Working Capital Pilot loans, within 90 Days: The applicable Upfront Fee for the subsequent loan(s) will equal the amount of the fee that would have been charged had the loans been combined, less the fee that was paid or is due to be paid on the first loan approved. The fee will never be a negative amount.

Lenders are not permitted to split loans for the purpose of avoiding fees. These rules apply regardless of whether the loans were approved by the same or different Lenders.

Additional Upfront Fee for Working Capital Pilot Loan Increases

When a Working Capital Pilot loan is increased, an additional Upfront Fee may be due on that increased amount. **The additional fees are based on the rules in effect at the time the loan was originally approved.**

The amount of the additional Upfront Fee due for an increase will equal what the Upfront Fee would have been if the increase was part of the original loan amount, less the amount of the original Upfront Fee (if already remitted).

The additional Upfront Fee associated with the increase must be paid electronically within 30 days from the date the increase was approved, or the total loan guaranty will be canceled.

On loans that have been initially disbursed, the Upfront Fee associated with any increase approved by SBA must be paid to SBA, even if the increase is subsequently canceled. Note: This is not a new policy. SBA is re-stating it here in response to questions received.

Adjustments to the Annual Service Fee due to loan increases:

The Lender's Annual Service Fee for a loan is calculated based on the outstanding balance of the guaranteed portion of the loan in accordance with the fee schedule in effect at the time the loan was approved. When the loan is increased, the Annual Service Fee is recalculated based on the revised loan amount.

See SOP 50 10 7 Section A, Chapter 4, Subparagraph C. for more information on additional fees for loan increases.

Questions:

Questions concerning this Notice may be directed to the Lender Relations Specialist in the [local SBA Field Office](#).

Kathryn Frost
Associate Administrator
Office of Capital Access