

Working Capital Pilot Program

Enhanced to deliver more flexibility

The U.S. Small Business Administration's (SBA's) Working Capital Pilot (WCP) Program is a line of credit revamped to better meet the needs of growing small and medium-sized businesses. Lines of credit are one of the most flexible and affordable ways to manage working capital needs because interest is only charged when the funds are needed.

The WCP leverages our signature 7(a) Loan Program and SBA Lenders, with an innovative fee structure to give business owners more affordable loan options and flexibility. It provides liquidity to go after new business, expand into international markets, and compete in the marketplace with the confidence that related costs can be covered.

Affordable Loan Options

- **Transaction-based loans** help support financing for projects, or purchase orders earlier in the sales cycle than allowed by traditional lines of credit.
- **Asset-based loans** help businesses more easily borrow against their inventory (up to 60%), accounts receivables (up to 85%), or uninsured foreign accounts receivable (up to 70%).

Use the loan's flexibility for specific purposes, such as, helping access international markets, or capitalizing on opportunities under the federal Home Energy Rebate Program. The latter allows electricians, plumbers, solar installers, and other small business contractors to access a line of credit to perform work and secure contracts.

FOR SMALL BUSINESSES



Loan Overview

Maximum Loan Amount: \$5 million dollars

SBA Guarantee: 85% for loans up to \$150,000; or 75% for loans greater than \$150,000

Interest rates:

- \$50,000 or less: cannot exceed base rate + 6.5%
- \$50,001 - \$250,000: cannot exceed base rate + 6.0%
- \$250,001 - \$350,000: cannot exceed base rate + 4.5%
- \$350,001 and greater: cannot exceed base rate + 3.0%

Term: Loan term varies according to the purpose of the loan, up to a maximum of 60 months



U.S. Small Business
Administration

SBA.gov

Export Financing

The WCP can provide critical working capital against domestic and international orders under a single loan facility. And new-to-export businesses will be able to use the WCP to open international markets without having to obtain a separate line of credit. As an extra benefit, **SBA subject matter experts** offer one-on-one counseling to guide businesses and lenders through their working capital transactions.

Get Started

Visit sba.gov/finance-managers, scan, or email 7aWCP@SBA.gov to contact a local subject matter expert for assistance.

