



SBA Information Notice

TO: All Employees

CONTROL NO.: 5000-1170

SUBJECT: 1st Quarter "Peg" Rate and Direct
Interest Rate

EFFECTIVE: 9/24/2010

The interest rate on Section 7(a) Direct Business Loans is 4 1/8 percent (4.125%) for the fiscal quarter beginning October 1, 2010. (Information only – no direct funds available at this time.)

The optional peg rate for fluctuating interest rates on guaranty loans is 3 1/4 percent (3.250%) for the October - December quarter of FY 2011.

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.

Grady B. Hedgespeth
Director
Office of Financial Assistance

EXPIRES: 9/1/2011

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