



# SBA Information Notice

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**TO:** All SBA Employees

**CONTROL NO.:** 5000-1187

**SUBJECT:** Intermediary Lending Pilot Program

**EFFECTIVE:** 11/29/2010

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On September 27, 2010, President Obama signed the Small Business Jobs Act of 2010 (Jobs Act) (Pub. L. 111-240). The purpose of this notice is to inform SBA employees about the creation of a new Intermediary Lending Pilot Program (ILPP) authorized by the Jobs Act. The SBA currently has funding to carry out the ILPP through fiscal year 2012.

The ILPP is a new three-year pilot program in which:

- SBA would make loans of \$1 million at an interest rate of 1 percent to up to 20 non-profit lending intermediaries each year, subject to availability of funds.
- Intermediaries would not pay any fees or provide any collateral to the SBA for their loans.
- Intermediaries would be granted a two-year grace period on principal and interest payments to the SBA.
- Intermediaries would use the ILPP funds to make loans of up to \$200,000 to small businesses in need of flexible debt financing.

The Office of Financial Assistance has established an ILPP Implementation Team, which is tasked with creating the regulations and establishing guidance for this new pilot program. The team has established a dedicated email account [ILPP@sba.gov](mailto:ILPP@sba.gov) in order to receive comments from SBA employees. This email account is for internal Agency use only; SBA will solicit comments from the public in connection with a rulemaking in the near future. Further guidance on the ILPP will be issued as the pilot program is developed.

If you have any questions regarding the ILPP, please email the team at [ILPP@sba.gov](mailto:ILPP@sba.gov) or contact Audrey Farley, ILPP Team Leader at [audrey.farley@sba.gov](mailto:audrey.farley@sba.gov).

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Grady B. Hedgespeth  
Director  
Office of Financial Assistance

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**EXPIRES:** 11/1/2011

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