



Newtek Small Business Finance Positioned to Extend Capital to Small- and Medium-Sized Businesses as Part of the Proposed Coronavirus Aid, Relief and Economic Security Act (CARES Act)

March 23, 2020

BOCA RATON, Fla., March 23, 2020 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#), (NASDAQ: NEWT), an internally managed business development company ("BDC"), today announced that Newtek Small Business Finance ("NSBF"), the Company's nationally licensed SBA-lender subsidiary, is prepared to extend capital to small- and medium-sized businesses as part of the proposed Coronavirus Aid, Relief and Economic Security Act (CARES Act) that is currently under consideration in the U.S. Senate. The proposal in its current form includes \$350 billion to be allocated for Small Business Interruption Loans, which would assist small businesses with fewer than 500 employees affected by the pandemic by providing loans under the Small Business Administration ("SBA") Section 7(a) program to cover their payroll and other working capital expenses. The CARES Act, in its present form being considered by the U.S. Senate, provides that qualifying small businesses may borrow up to \$10.0 million from SBA lenders through the existing SBA 7(a) loan guarantee program.

Barry Sloane, Chairman, President and Chief Executive Officer said, "The government's pending proposal is to utilize SBA 7(a) lenders as a tool to help alleviate the disruption of business for the small- and medium-sized business community, which according to SBA statistics, makes up approximately 50% of the U.S. non-farm economy. As the nation's second largest lender by dollar volume under the SBA Section 7(a) program, we expect that Newtek Small Business Finance (NSBF) would be one of the approved SBA 7(a) lenders that will be utilized to further support this market through this proposal under consideration by the U.S. Senate. With a 17-year history as an SBA lender, NSBF has risen to be the second largest SBA 7(a) lender in the nation, supported by its automated lending platform, secure file-vault technology, as well as the use of NewTracker®, its patented state-of-the-art referral system. We stand ready to support the small- and medium-sized business community in this time of turmoil, and anticipate being able to assist small- and medium-sized businesses that were previously operational, and enable them to sustain their operations until this quarantine period is over."

About Newtek Business Services Corp.

[Newtek Business Services Corp.](#), Your Business Solutions Company®, is an internally managed BDC, which along with its controlled portfolio companies, provides a wide range of business and financial solutions under the Newtek® brand to the small- and medium-sized business ("SMB") market. Since 1999, Newtek has provided state-of-the-art, cost-efficient products and services and efficient business strategies to SMB relationships across all 50 states to help them grow their sales, control their expenses and reduce their risk.

Newtek's and its portfolio companies' products and services include: [Business Lending](#), [SBA Lending Solutions](#), [Electronic Payment Processing](#), [Technology Solutions \(Cloud Computing, Data Backup, Storage and Retrieval, IT Consulting\)](#), [eCommerce](#), [Accounts Receivable Financing & Inventory Financing](#), [Insurance Solutions](#), [Web Services](#), and [Payroll and Benefits Solutions](#).

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Note Regarding Forward Looking Statements

This press release contains certain forward-looking statements. Words such as "believes," "intends," "expects," "projects," "anticipates," "forecasts," "goal" and "future" or similar expressions are intended to identify forward-looking statements. All forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from the plans, intentions and expectations reflected in or suggested by the forward-looking statements. Such risks and uncertainties include, among others, intensified competition, operating problems and their impact on revenues and profit margins, anticipated future business strategies and financial performance, anticipated future number of customers, business prospects, legislative developments and similar matters. Risk factors, cautionary statements and other conditions, which could cause Newtek's actual results to differ from management's current expectations, are contained in Newtek's filings with the Securities and Exchange Commission and available through <http://www.sec.gov/>. Newtek cautions you that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected or implied in these statements.

SOURCE: Newtek Business Services Corp.

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