

### **Small Business Administration:**

Independent federal agency chartered in 1953 to provide financial assistance to small businesses. The SBA makes direct loans to borrowers who are unable to obtain conventional financing, participates in loans originated by financial institutions, and also guarantees loans made by banks and other financial institutions. The SBA preferred lender program, allows businesses to get SBA-guaranteed loans by filing loan applications directly with designated financial institutions, significantly reducing the time needed to obtain SBA funding. Typically, the SBA guarantees 85% of a small business loan. The agency also provides disaster assistance to small businesses and financial counseling to minority-owned businesses. The SBA also licenses, regulates, and provides venture capital assistance to a Small Business Investment Company . The SBA guarantees bank-originated business loans up to \$750,000 in loan principal.