

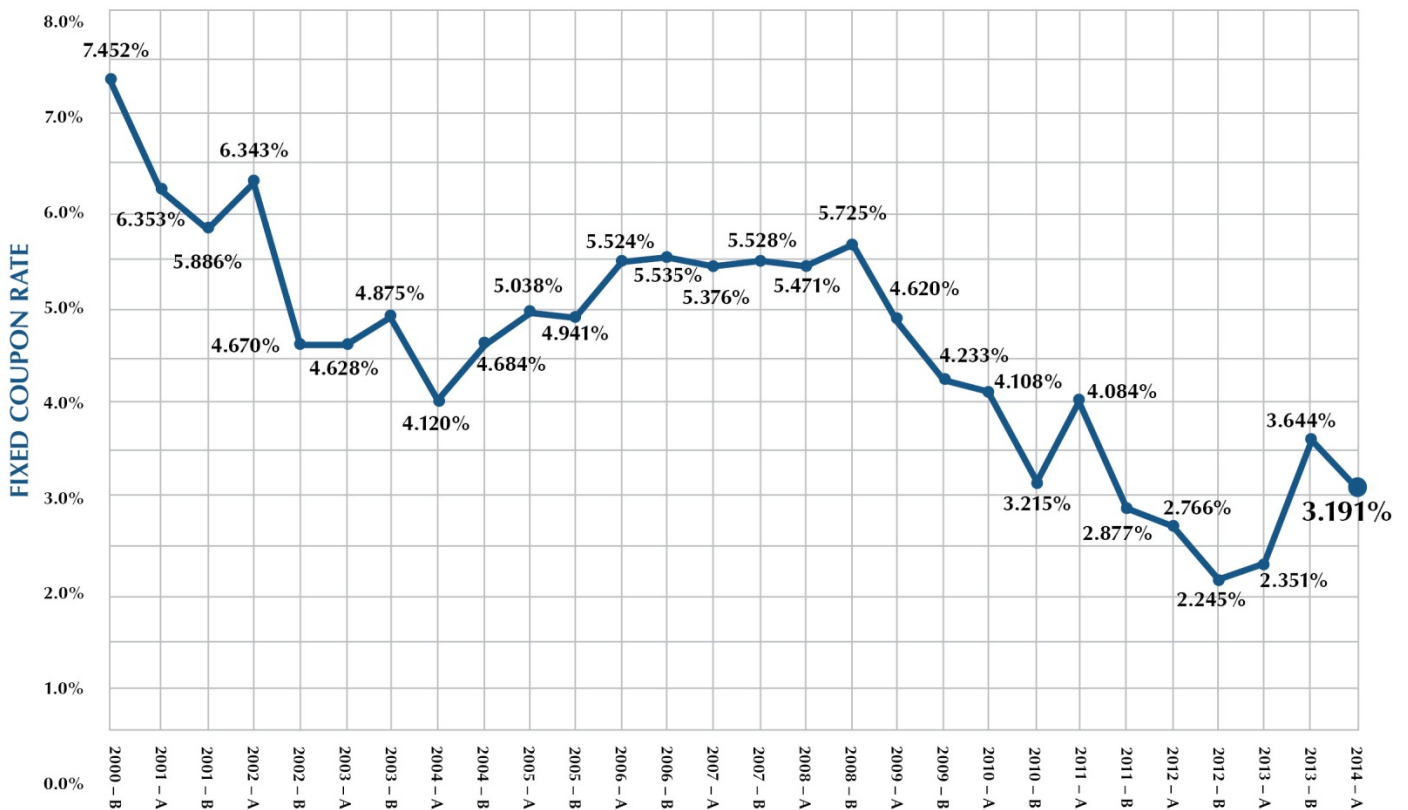
Spring 2014 SBIC Debenture Coupon Rates Move Lower to 3.191%

In March 2014, the SBIC Funding Corporation completed a pooling of SBA debentures in the amount of \$996,205,000. The SBA debentures have a coupon rate of 3.191%. This most recent pricing reflects a decrease from the September 2013 rate of 3.644% and continues the trend of historically low rates.

The pricing of the pool is a critical component to the cost of funding used by SBIC Funds. Once pooled, the interest rate on the SBA debentures becomes fixed for a 10-year period. The SBIC Fund is responsible only for a semiannual interest payment on the SBA debentures until the SBA debentures are repaid, which must occur within 10 years. In addition, there are no prepayment penalties.

The historical pooling is reflected in our chart.

SBIC DEBENTURE PRICING



McGuireWoods LLP. For more information, please contact Mark A. Kromkowski at 312.849.8170.

The [private equity practice group](#) at McGuireWoods is dedicated to keeping clients advised of new legislative and business developments as they occur. If you have any questions regarding these issues, please feel free to contact Mark A. Kromkowski (312.849.8170), your primary attorney at McGuireWoods, or any of the authors.

Mark A. Kromkowski
312.849.8170
mkromkowski@mcguirewoods.com

Bryan P. Bylica
312.750.3617
bbylica@mcguirewoods.com

Ryan D. Taylor
312.849.3672
rdtaylor@mcguirewoods.com

McGuireWoods news is intended to provide information of general interest to the public and is not intended to offer legal advice about specific situations or problems. McGuireWoods does not intend to create an attorney-client relationship by offering this information, and anyone's review of the information shall not be deemed to create such a relationship. You should consult a lawyer if you have a legal matter requiring attention.

© 2014 McGuireWoods LLP. All Rights Reserved.