

SBA
U.S. Small Business Administration

The New DELTA

The Defense Loan and Technical Assistance Program

Lenders

If cuts in defense spending have hurt businesses in your area, you need DELTA

- Make low-risk, SBA-backed 7(a) loans of up to \$1.25 million with an 80 percent guarantee. That's an SBA guarantee of up to \$1 million.
- Fund 504 projects with fully guaranteed SBA debentures that cover 40 percent of the project, up to \$1 million.
- Enable defense-dependent companies to diversity into commercial markets -- saving jobs and boosting the local economy.
- Get access to --
 - technical assistance for both borrowers and lenders,
 - SBA support at DELTA loan pressing centers nationwide, and
 - local DELTA contacts at most SBA district offices.
- Benefit from a progressive loan-processing approach.

Defense Contractors

If your business has been hurt by cuts in defense spending, you need DELTA

- Diversify into commercial markets while retaining your place in the nation's technical/industrial base.
- Obtain 7(a) loans of up to \$1.25 million that you couldn't get through conventional channels.
- Get SBA-backed funding of up to \$1 million on 504 projects.
- Benefit from --
 - competitive rates and favorable terms,
 - free or low-cost technical assistance to help with transition,
 - the assistance of DELTA support staff at loan processing centers, and
 - local DELTA contacts at most SBA district offices.
- Contact your local SBA district office, a participating SBA lender or a certified development company to apply.

The New DELTA The Defense Loan and Technical Assistance Program

The Delta Program --

- is a joint effort of the U.S. Small Business Administration and the Department of Defense.
- provides financial and technical assistance to defense-dependent small businesses adversely affected by defense reductions.
- has approved over \$100 million in DELTA/SBA 7(a) and 504 loans.
- has over \$900 million in lending authority remaining.
- provides SBA-backed loans of up to \$1.25 million under the 7(a) Loan Guaranty Program, and SBA guaranteed debentures of up to \$1 million (up to 40 percent of a project: under the 504 Certified Development Company Program.
- includes revisions in the Small Business Act that allow the SBA to resolve reasonable doubts in favor of the DELTA applicant.

DELTA May Be Used For --

- working capital,
- acquisition of assets,
- raw materials or inventory,
- capital improvements (renovation, leasehold improvements, plant expansion or replacement, or retooling), and
- refinancing of current debt.

Get Technical Assistance Through --

- technical- and management-assistance experts,
- small business development centers,
- the Service Corps of Retired Executives, and
- other federal agencies.

Your Business Qualifies If It --

- meets requirements of the 7(a) or 504 program.
- derived at least 25 percent of its revenues from DoD or defense-related Department of Energy contracts or subcontracts in support of defense prime contracts in any one of five prior operating years.
- meets at least one of the program's policy objectives:
 - Job retention -- retains defense employees
 - Job creation -- creates job opportunities and new economic activities in impacted communities
 - Plant retooling and expansion -- modernizes or expands the plant and enables it to remain available to DoD

For More Information

The SBA has offices located throughout the United States. For the one nearest you, look under "U.S. Government" in your telephone directory, or call the SBA Answer Desk at 1-800-U-ASK-SBA. To send a fax to the SBA, dial 202-205-7064. For the hearing impaired, the TDD number is 704-344-6640. For information on your rights to regulatory fairness, the telephone number is 1-800-REG-FAIR.

To access the agency's electronic public information services, you may contact:
SBA OnLine: electronic bulletin board -- modem and computer required
1-800-697-4636 (limited access)
1-900-463-4636 (full access)
202-401-9600 (D.C. metro area)

Internet: using uniform resource locators (URLs)
SBA home page: www.sba.gov
SBA gopher: <gopher.sba.gov>
File transfer protocol: <ftp.sba.gov>
Telnet: <telnet.sba.gov>
U.S. Business Advisor: www.business.gov

You may also request a free copy of The Resource Directory for Small Business Management, a listing of for-sale publications and videotapes, from your local SBA office or the SBA Answer Desk.

All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

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