

May 4, 2010

Press Release re: Coastal Securities' Participation in U. S. Treasury's Small Business and Community Lending Initiative

In March 2009, the United States Treasury Department announced its intention to purchase SBA 7(a) pools directly from market participants as part of the Consumer and Business Lending Initiative. This effort was designed to stimulate business lending, particularly SBA guaranteed lending, which had stagnated since September 2008. Shortly after the announcement, professionals at Coastal Securities began to assist Treasury Department officials in crafting enabling documentation for this program that would provide equitable treatment of participating pool assemblers and protect the American taxpayer, while satisfying the requirements proscribed by Congress.

The Treasury Department named Earnest Partners as financial agent for the Department in managing the acquisition and performance of pools purchased in the program. After months of cooperative negotiations, the Treasury promulgated regulations essential for the program to become operational. Professionals at Coastal also worked with Treasury officials in the completion of the Master Purchase Agreement that was to provide the blue print for program operation. On March 2nd of this year, Coastal Securities became the first pool assembler to execute the Master Purchase Agreement for participation in the Treasury Department SBA 7(a) pool purchase program.

On Friday, March 19th, Coastal executed the first SBA 7(a) pool sale transaction to the Treasury Department through Earnest Partners. The completion of this transaction is the culmination of over a year's worth of collaborative effort by professionals in the private and public sector to ensure that every available vehicle is being utilized to re-energize the small business sector of the American economy.

For more information regarding Coastal Securities and the SBA secondary market, please visit www.coastalsecurities.com or send an email to jcm@coastalsecurities.com.