

NEWTEK BUSINESS SERVICES INC
Form 8-K
October 23, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

October 23, 2007 (October 19, 2007)

Date of Report (date of Earliest Event Reported)

NEWTEK BUSINESS SERVICES, INC.

(Exact Name of Company as Specified in its Charter)

NEW YORK
(State or Other Jurisdiction of

001-16123
(Commission File No.)

11-3504638
(I.R.S. Employer

Incorporation or Organization)

1440 Broadway, 17th floor, New York, NY 10018

Identification No.)

(Address of principal executive offices and zip code)

(212) 356-9500

(Company's telephone number, including area code)

(Former name or former address, if changed from last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Forward-Looking Statements

Statements in this Current Report on Form 8-K (including the exhibits), including statements regarding Newtek's beliefs, expectations, intentions or strategies for the future, may be forward-looking statements under the Private Securities Litigation Reform Act of 1995. 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. Newtek undertakes no obligation to update any forward-looking statement to reflect events or circumstances that may arise after the date of this filing.

ITEM 1.01 Entry into a Material Definitive Agreement.

On October 19, 2007, a wholly owned subsidiary of Newtek Business Services, Inc, CrystalTech Webhosting, Inc (CrystalTech) entered into a Loan and Security Agreement with North Fork Bank, a division of Capital One, N. A., which provides for a revolving credit facility of up to \$10,000,000 (the Loan). In connection with the Loan, on October 19, 2007 Newtek Business Services entered into a Guaranty of Payment and Performance with North Fork Bank and entered into a Pledge Agreement with North Fork Bank pledging all CrystalTech stock as collateral.

On October 23, 2007, Newtek Business Services published a press release entitled Newtek Business Services Subsidiary Receives \$10 Million Line of Credit. A copy of the press release is filed as Exhibit 99.1 to this Form 8-K.

ITEM 9.01. Financial Statements and Exhibits

- 99.1 Press release dated October 23, 2007, entitled Newtek Business Services Subsidiary Receives \$10 Million Line of Credit.
- 99.2 Loan and Security Agreement dated October 19, 2007, between CrystalTech Webhosting, Inc. and North Fork Bank.
- 99.3 Guaranty of Payment and Performance dated October 19, 2007, between Newtek Business Services, Inc and North Fork Bank.
- 99.4 Pledge Agreement dated October 19, 2007, between Newtek Business Services, Inc and North Fork Bank.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NEWTEK BUSINESS SERVICES, INC.

Date: October 23, 2007

/s/ Barry Sloane
Barry Sloane
Chairman of the Board, Chief Executive Officer, Secretary

EXHIBIT INDEX

EXHIBIT

NUMBER	DESCRIPTION
99.1	Press release dated October 23, 2007, entitled Newtek Business Services Subsidiary Receives \$10 Million Line of Credit.
99.2	Loan and Security Agreement dated October 19, 2007, between Crystaltech Webhosting, Inc. and North Fork Bank.
99.3	Guaranty of Payment and Performance dated October 19, 2007, between Newtek Business Services, Inc and North Fork Bank.
99.4	Pledge Agreement dated October 19, 2007, between Newtek Business Services, Inc and North Fork Bank.