


Please keep for future reference

 Visit any Santander branch

 Speak to your Business Banking Manager

 Call us on **0330 678 2589**

 santander.co.uk/business

Business Loans under the Coronavirus Business Interruption Loan Scheme (CBIL Scheme)

Key Facts Document
(including Our lending commitments and what we ask of you)

Effective from 25 April 2024

Product features	
The CBIL Scheme	<p>The Coronavirus Business Interruption Loan Scheme (CBIL Scheme) supports small and medium sized businesses by providing access to a source of alternative finance if you are impacted by the coronavirus outbreak.</p> <p>At Santander we understand that it's important to have the flexibility to cope with changes to your day to day cash flows if you're impacted by the coronavirus outbreak.</p> <p>The CBIL Scheme is a government backed guarantee scheme, which may allow you to borrow money in these circumstances. The guarantee provides Santander with a partial guarantee, should you fail to repay the loan following a demand by Santander. However, you will always remain responsible for repayment of the whole (ie.100%) of the debt.</p> <p>By asking us to consider your CBIL Scheme eligibility, you're confirming that your cash flow has been impacted by the coronavirus outbreak and you believe that, if you are approved for the loan you apply for, it would ensure you should remain in the business for the short to medium term.</p> <p>If you are accepted for a CBIL Scheme Business Loan, the UK Government will pay the interest due on your loan for the first 12 months on your behalf.</p>
Loan amounts	We offer loans of between £2,000 and £25,000 for business purposes.
Loan term	You can choose to borrow over 1 to 5 years.
Loan Purpose	<p>A CBIL Scheme Business Loan from Santander can be used for a wide range of purposes, subject to the following limitations:</p> <ul style="list-style-type: none"> ◦ it must not be provided in support of export-related activities; ◦ it must not be provided contingent upon the use of domestic over imported goods. <p>There could be other lending options available to you that you may wish to consider, please visit santander.co.uk/business for more information.</p> <p>We are unable to lend for personal uses or to fund any illegal activity.</p>
Eligibility	<p>You can apply for a CBIL Scheme Business Loan if:</p> <ul style="list-style-type: none"> ◦ you're a Santander business current account holder; ◦ all directors, owners (shareholders) or partners are aged 18 or over; ◦ all directors, owners (shareholders) or partners are UK residents; ◦ your business is registered in the UK; ◦ your business is UK-based in its business activity, with annual turnover of no more than £45m; ◦ you have a borrowing proposal which, were it not for the current coronavirus pandemic, would be considered viable by Santander, and for which Santander believes the provision of finance should enable your business to trade out of any short-to-medium term difficulty; ◦ you are either a sole trader or your business is a partnership, limited liability partnership or a private limited company; ◦ you have a good credit history and haven't been declared bankrupt or had an Individual Voluntary Arrangement in the last 6 years (either the company, the directors, owners or partners);

Product features (continued)

<p>Eligibility (continued)</p>	<ul style="list-style-type: none"> ◦ you haven't been a disqualified director or a director of a failed business within the last 6 years; ◦ you're able to repay your fixed loan repayments by Direct Debit; <p>You may be eligible for a preferential rate of interest, if in addition to the above, you are a 11213 Business World customer when you apply for a CBIL Scheme Business Loan. To be a Santander 11213 Business World customer, you must hold a 11213 Business Current Account (including Start-up and Switcher offers).</p> <p>You are not eligible for a CBIL Scheme Business Loan if your business falls into one of the following trades or organisations:</p> <ul style="list-style-type: none"> ◦ banks, building societies, insurers and reinsurers (but not insurance brokers); or ◦ the public sector including primary and secondary schools.
<p>Loan Interest Rates</p>	<p>The rate you pay is fixed and will remain so for the life of your loan.</p> <p>If you apply for a CBIL Scheme Business Loan, you will be offered a Business Interruption Payment (BIP) by the UK Government.</p> <p>The BIP will cover payments of interest for a period of 12 months. Even if you apply for a BIP, your loan documentation will state that interest is payable, but in practice the BIP will be paid directly by the UK Government to Santander for your benefit, and Santander will send a written statement to you setting out the total amount of the BIP which you have received.</p> <p>You will be required to confirm that the UK Government can pay the Business Interruption Payment directly to Us and We will offset these payments against interest which you would otherwise have to pay on your loan in order to enable you to benefit from the Business Interruption Payment.</p> <p>The provision by the Secretary of State of this support does not imply any endorsement or warranty of Santander from the Secretary of State or the UK Government.</p> <p>For details of our current rates for Business Loans please visit our website santander.co.uk/business. You may be eligible for a preferential rate of interest on our Business Loans if you are a 11213 Business World customer (please see the 'Eligibility' section above).</p>
<p>Arrangement Fee</p>	<p>There is no arrangement fee for setting up a CBIL Scheme Business Loan.</p>
<p>Repaying your loan early</p>	<p>You can repay all or part of your loan at any time. There is no charge for repaying part of your loan early. However, if you repay the full amount of your loan early, you may be charged up to an additional 30 days of interest.</p>

Financial difficulties

We've got lots of help and support on our website santander.co.uk/business. You can also search 'if business finances are a struggle' online or on our website. If you'd prefer to speak to someone independent there's help available, you can contact Business Debtline. They offer free and independent advice over the phone or online. Call Business Debtline on **0800 197 6026** or go to businessdebtline.org

All lending is subject to status, availability, our lending criteria and the CBIL Scheme eligibility criteria. The right to decline any application is reserved.

Business Loans Pre-Contractual Explanation



If there is any part of your documentation that you do not understand or on which you require clarification: please call **0800 056 1991**



Further information including a list of FAQs is also available at [santander.co.uk/business](https://www.santander.co.uk/business)

What is a 'CBIL Scheme Business Loan'?

A CBIL Scheme Business Loan from Santander is a loan for a fixed amount, repayable over a fixed period, with interest charged at a fixed rate. We are able to make it available to you because of the UK Government support provided under the CBIL Scheme. The duration or term of the loan will depend on what is agreed at the time the loan is made but it will be for a short or medium term, of one to five years. The terms of the CBIL Scheme mean we will not take a charge over your property when you take the loan.

A CBIL Scheme Business Loan must only be used for the purposes set out in your business loan application. If you are looking for a credit facility to improve your short term cash flow, then a business overdraft facility may be more appropriate (and these are also provided under the CBIL Scheme).

Put simply

It's money that you borrow from us. The amount of the money that you borrow, the interest rate and the repayment time period are all fixed. We don't take security for a CBIL Scheme Business Loan.

You remain responsible for the repayment of the CBIL Scheme Business Loan at all times, regardless of the guarantee provided by the UK Government.

What checks do you need to do for me to get a CBIL Scheme Business Loan with Santander?

If you wish to apply for a loan then we will, with your prior consent, conduct a search of your credit history with a credit reference agency. This will leave a record on your credit file which will be seen by other credit providers you may apply to. We may decline your application if you provide us with false information as part of your application, or if there are issues with your credit scores when we check your details with a credit reference agency. We will give you details of the agency that we used to inform our decision so you may contact them. For more information a leaflet called 'Your application and credit scoring' is available on request.

Put simply

To apply for a CBIL Scheme Business Loan you must agree to us conducting a credit check on you. It's very important to provide accurate information in your application. We might decline your application based on the results of your credit check, or if you have provided false information.

How much do I have to pay under the agreement?

You will need to make repayments every month by Direct Debit which include principal (the original loan amount) and interest over the duration of the loan. The monthly repayments for the first 12 months will not include the interest repayments which are covered by the BIP. Monthly repayments thereafter include interest and will be for the same amount every month until the loan is fully repaid. Details of the amount you have to pay (both monthly and in total, including all interest) the frequency and number of repayments, and the duration of the loan, are contained in your credit agreement.

Put simply

You pay a fixed amount each of the first 12 months because we receive the BIP on your behalf from the UK Government.

After the first 12 months the BIP will expire and your payments will increase to include the amount of interest.

All payments will be made by Direct Debit. Your credit agreement will detail how much you pay (in total and each month), and when the payments will be due.

What are the consequences if I do not keep up with repayments?

If you miss a loan payment we will record the details with a credit reference agency which could damage your credit rating and may make it more difficult for you to obtain credit in the future. Also, failure to make your loan payments when they fall due may result in legal proceedings being taken against you by Santander UK plc, which may result in us taking enforcement action against you in order to recover the monies that are owed.

If you have any current or savings accounts with Santander UK or any other member of the Santander Group, we may move funds from those accounts to settle any outstanding payments on your loan. Alternatively, we may terminate the loan agreement early, meaning you will have to pay the outstanding total amount payable early.

If you don't make your repayments and incur significant arrears we may decide to sell or transfer your loan to a debt recovery company. That company may commence legal proceedings against you that may result in enforcement action being taken against your property for recovery of the monies owed.

Put simply

You remain responsible for the repayment of the CBIL Scheme Business Loan at all times, regardless of the guarantee provided by the UK Government.

If you miss a repayment, we can deduct the missed payment from your other accounts with us. We will also record details with a credit reference agency which could damage your credit rating.

If you miss multiple repayments, your credit rating can be damaged and you might have legal proceedings brought against you or a charging order registered against your house.

To avoid getting into this situation please contact us if you are having difficulties in making your repayments.

Are there any features of the agreement which may operate in a manner which may adversely affect me?

Before signing your business loan agreement you should read all the pre-contractual information and the credit agreement provided to you carefully to ensure that this is the best product for you and that you understand the features of this product.

If you don't make your repayments and incur significant arrears we may decide to sell or transfer your loan to a debt recovery company.

Put simply

You should read all documentation provided to you and consider the information carefully before taking out a business loan to make sure that it is right for you.

Your right to cancel

You have 14 days to change your mind from the date that you sign the agreement – this can be changing the amount of the loan, seeking a different facility, or cancelling the loan altogether. If you exercise the right to withdraw from the agreement you must repay any monies we have advanced to you within 30 days from the date that you notified us of your intention to cancel.

If you want to cancel you can do so by contacting us in writing or by telephone. Please refer to the agreement for details and the addresses of who to contact.

Put simply

You can change your mind up to 14 days after you sign. If you do this, you must repay anything you owe.

Can I repay my business loan early?

If you wish to repay your business loan early in full, you'll be required to repay the original loan amount but you will not be required to pay all of the interest due over the remainder of the agreement.

We calculate your settlement figure by first determining your 'settlement date'. For a business loan of less than, or equal to one year, we work out your settlement date by counting forward 28 days from the date we receive your request to settle early. If your loan agreement is longer than one year we are allowed to calculate the settlement date by counting forward for a further 30 days or one calendar month. We will charge interest up to your settlement date.

You can make partial repayments of your loan without incurring any additional charges. Upon making a partial repayment you can choose whether to either reduce the term of your loan or your monthly repayment amount.

Put simply

You may repay the loan in full at any time before the final payment is due. Details of how to do this are in your agreement.

A CBIL Scheme Business Loan is designed for borrowing a fixed amount of money for business purposes over the full term of the loan, however it can be repaid early, if you wish.

What else should I know about the CBIL Scheme?

As part of your application, we will need to take some information about you and your business to assess whether you are eligible for a CBIL Scheme Business Loan. This includes confirmation of the turnover of your business, the sector(s) in which it operates and whether you have any other CBIL Scheme loans in place, like an overdraft.

If you are offered a CBIL Scheme Business Loan, you will need to sign and return some specific documents to us: your BIP Offer Letter, your Information Declaration and your Data Protection Confirmation. These will be provided to you with details of how to complete and return them. If you do not return the BIP Offer Letter, you will not be able to benefit from the BIP.

The BIP does not apply to default interest or extraordinary fees.

Put simply

Your application will require you to provide information to determine whether or not you are eligible for a loan under the CBIL Scheme.

In order to benefit from the BIP, you must sign and return the BIP Offer Letter included with your covering letter from us. You must also sign and return the Information Declaration and your Data Protection Confirmation.

The BIP does not cover additional interest or fees on overdue amounts owed to us.

You are not required to pay a fee to us in exchange for the UK Government's guarantee of part of your obligations to us under your CBIL Scheme Business Loan.

'AER' stands for Annual Equivalent Rate and shows what the interest rate would be if we paid interest and added it to your account each year. The gross rate is the interest we pay where no income tax has been deducted. 'EAR' stands for Effective Annual Rate and represents the yearly cost of an overdraft, which takes into account how often we charge interest to the account, and does not include any other fees and charges.

Santander can provide literature in alternative formats. The formats are: large print, braille and audio CD. If you'd like to register to receive correspondence in an alternative format please visit [santander.co.uk/alternativeformats](https://www.santander.co.uk/alternativeformats). For more information, ask us in branch or give us a call. If you are deaf, have hearing loss or speech loss, please use Relay UK at [relayuk.bt.com](https://www.relayuk.bt.com). This is a free service that can help you communicate over the phone. If you're using British Sign Language (BSL) and would like to use video relay, you can learn more at [santander.co.uk](https://www.santander.co.uk) by searching 'accessibility'

Our commitments to our business customers and what we ask of you



As a lender we have committed to follow the **Standards of Lending Practice** for business customers. By adhering to the Standards we are demonstrating a commitment to ensuring that our customers are treated fairly.

Our commitments to you

- ✓ We will lend responsibly and treat your business fairly and reasonably at all times.
- ✓ We will ensure that all information we provide about our products and how they work is clear and understandable so that you can decide what is best for your business' needs.
- ✓ We will provide clear, upfront information on the documents required to support an application. Taking account of this will help to ensure that we can deal with your application efficiently.
- ✓ If we are unable to approve your application, we will explain why and provide a referral, where appropriate, to alternative sources of finance.
- ✓ If your application is declined you have the right to appeal the decision.
- ✓ We will set out any requirements/conditions we may have to support any borrowing in a clear, understandable way.
- ✓ We will confirm the conditions of your business borrowing in writing and highlight any covenants or material conditions attached to it.
- ✓ We will clearly set out the type and frequency of information we will require to monitor the business' performance.
- ✓ If your business experiences difficulties, we will seek to understand the overall circumstances to try and identify suitable and pragmatic solutions. Where appropriate, we will provide details of free debt advice.

What we ask of you

- That, prior to making an application you double check what information we will need to process an application. If you are unsure or have any questions, please contact us.
- That all information you provide to us during our relationship is accurate and timely.
- We ask you to think carefully about whether the business can afford the product applied for and to be open in your dealings with us.
- To make sure that you understand the terms and conditions associated with your product.
- That you seek professional advice, where this is appropriate for the needs of your business and the type of product you are applying for.
- That the business maintains any commitments it has to us, for example providing information which we may reasonably request to monitor performance.
- Take care of any security information to help prevent fraud and protect your account(s).
- Tell us as soon as possible if someone is misusing confidential information.
- Carefully check your business' account statements/records to make sure they are accurate. If anything isn't right, please get in touch with us.

Please let us know if

- your contact details change or there is a change in how your business is run for example, ownership/directorships etc, so we can keep our records up to date;
- your business may be about to experience, or is experiencing difficulties. The sooner you do this, the more likely it is we'll be able to find a way to help you.

Financial Services Compensation Scheme (FSCS) Information Sheet



Protected

Basic information about the protection of your eligible deposits

Eligible deposits in Santander UK plc are protected by:	the Financial Services Compensation Scheme ('FSCS') ¹
Limit of protection:	£85,000 per depositor per bank ² The following trading names are part of your bank: cahoot, Santander Business and Santander Corporate & Commercial trading names.
If you have more eligible deposits at the same bank:	All your eligible deposits at the same bank are 'aggregated' and the total is subject to the limit of £85,000. ²
If you have a joint account with other person(s):	The limit of £85,000 applies to each depositor separately. ³
Reimbursement period in case of bank failure:	20 working days ⁴
Currency of reimbursement:	Pound sterling (GBP, £)
To contact Santander UK plc for enquiries relating to your account:	For all Retail accounts: 0330 9 123 123 For all Santander Corporate and Commercial accounts: 0333 207 2229 For Business Banking accounts: 0330 678 2456 For all cahoot accounts: 0330 678 2811
To contact the FSCS for further information on compensation:	Financial Services Compensation Scheme PO Box 300 Mitcheldean GL17 1DY Tel: 0800 678 1100 or 020 7741 4100 Email: ICT@fscs.org.uk
More information:	http://www.fscs.org.uk

Additional information

¹ Scheme responsible for the protection of your eligible deposit

Your eligible deposit is covered by a statutory Deposit Guarantee Scheme. If insolvency of your bank, building society or credit union should occur, your eligible deposits would be repaid up to £85,000 by the Deposit Guarantee Scheme.

² General limit of protection

If a covered deposit is unavailable because a bank, building society or credit union is unable to meet its financial obligations, depositors are repaid by a Deposit Guarantee Scheme. This repayment covers at maximum £85,000 per bank, building society or credit union. This means that all eligible deposits at the same bank, building society or credit union are added up in order to determine the coverage level. If, for instance a depositor holds a savings account with £80,000 and a current account with £20,000, he or she will only be repaid £85,000.

This method will also be applied if a bank, building society or credit union operates under different trading names. Santander UK plc also trades under cahoot, Santander Business and Santander Corporate & Commercial trading names.

In some cases eligible deposits which are categorised as 'temporary high balances' are protected above £85,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable. These are eligible deposits connected with certain events including:

- (a) certain transactions relating to the depositor's current or prospective only or main residence or dwelling;
- (b) a death, or the depositor's marriage or civil partnership, divorce, retirement, dismissal, redundancy or invalidity;
- (c) the payment to the depositor of insurance benefits or compensation for criminal injuries or wrongful conviction.

More information can be obtained under <http://www.fscs.org.uk>

³ Limit of protection for joint accounts

In case of joint accounts, the limit of £85,000 applies to each depositor.

However, eligible deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of £85,000.

⁴ Reimbursement

The responsible Deposit Guarantee Scheme is the Financial Services Compensation Scheme, 10th Floor Beaufort House, 15 St Botolph Street, London, EC3A 7QU, Tel: 0800 678 1100 or 020 7741 4100, Email: ICT@fscs.org.uk. It will repay your eligible deposits (up to £85,000) within 20 working days until 31 December 2018; within 15 working days from 1 January 2019 until 31 December 2020; within 10 working days from 1 January 2021 to 31 December 2023; and within 7 working days from 1 January 2024 onwards, save where specific exceptions apply.

Where the FSCS cannot make the repayable amount available within 7 working days, it will, from 1 June 2016 until 31 December 2023, ensure that you have access to an appropriate amount of your covered deposits to cover the cost of living (in the case of a depositor which is an individual) or to cover necessary business expenses or operating costs (in the case of a depositor which is not an individual or a large company) within 5 working days of a request.

If you have not been repaid within these deadlines, you should contact the Deposit Guarantee Scheme since the time to claim reimbursement may be barred after a certain time limit. Further information can be obtained under <http://www.fscs.org.uk>.

Other important information

In general, all retail depositors and businesses are covered by Deposit Guarantee Schemes. Exceptions for certain deposits are stated on the website of the responsible Deposit Guarantee Scheme. Your bank, building society or credit union will also inform you of any exclusions from protection which may apply. If deposits are eligible, the bank, building society or credit union shall also confirm this on the statement of account.

FSCS EXCLUSIONS LIST

A deposit is excluded from protection if:

- (1) The holder and any beneficial owner of the deposit have never been identified in accordance with money laundering requirements. For further information, contact your bank, building society or credit union.
- (2) The deposit arises out of transactions in connection with which there has been a criminal conviction for money laundering.
- (3) It is a deposit made by a depositor which is one of the following:
 - credit institution
 - financial institution
 - investment firm
 - insurance undertaking
 - reinsurance undertaking
 - collective investment undertaking
 - pension or retirement fund¹
 - public authority, other than a small local authority.
- (4) It is a deposit of a credit union to which the credit union itself is entitled.
- (5) It is a deposit which can only be proven by a financial instrument² (unless it is a savings product which is evidenced by a certificate of deposit made out to a named person and which existed in the UK, Gibraltar or a Member State of the EU on 2 July 2014).
- (6) It is a deposit of a collective investment scheme which qualifies as a small company.³
- (7) It is a deposit of an overseas financial services institution which qualifies as a small company.⁴
- (8) It is a deposit of certain regulated firms (investment firms, insurance undertakings and reinsurance undertakings) which qualify as a small business or a small company⁵ – refer to the FSCS for further information on this category.
- (9) It is not held by an establishment of a bank, building society or credit union in the UK or, in the case of a bank or building society incorporated in the UK, it is not held by an establishment in Gibraltar.

For further information about exclusions, refer to the FSCS website at www.FSCS.org.uk

¹ Deposits by personal pension schemes, stakeholder pension schemes and occupational pension schemes of micro, small and medium sized enterprises are not excluded

² As listed in Part I of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, read with Part 2 of that Schedule

³ Under the Companies Act 1985 or Companies Act 2006

⁴ See footnote 3

⁵ See footnote 3