

# Coronavirus Business Interruption Loan Scheme (CBILS) Overdrafts

## Key Facts Document



This document supplements the Santander Business Banking Current Account Key Facts Documents (including Our lending commitments and what we ask of you) and specifically covers the Coronavirus Business Interruption Loan Scheme (CBIL Scheme) requirements, and forms part of your agreement with Santander in relation to your Overdraft.

Effective from 3 October 2022.

### What is the CBIL Scheme?

The Coronavirus Business Interruption Loan Scheme (CBIL Scheme) is to support small and medium sized businesses by providing access to a source of alternative finance if you are impacted by the coronavirus outbreak.

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. We're committed to helping our customers through uncertain and disruptive times, so we're supporting businesses with simple banking needs by providing overdrafts from £1,000 to £25,000.

**Please be aware that this is a UK Government backed guarantee scheme, which may allow you to borrow money in these circumstances. However, your business will always remain responsible for repayments of the whole (i.e. 100%) of the debt.**

### Is my business eligible?

To be considered eligible your business must:

- be UK based in its business activity, with annual turnover of no more than £45m;
- 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 the business to trade out of any short-to-medium term difficulty.

Please visit [santander.co.uk/business](https://santander.co.uk/business) for full details.

### Please note:

The following trades and organisations are not eligible to apply:

- banks, building societies, insurers and reinsurers (but not insurance brokers);
- the public sector including (state funded) primary and secondary schools.

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 facility you've applied for, it would ensure you should remain in the business for the short to medium term.

### Your CBILS Overdraft

Should you be eligible and accepted for a CBIL Scheme product the UK Government will pay on your behalf:

- any arrangement fees on your product with us in the first 12 months;
- any interest for the initial 12 months.

**Overdrafts depend on your circumstances and you must repay any overdraft when we ask, in line with our General Terms and Conditions which can be found on our website [santander.co.uk/business](https://santander.co.uk/business)**

## Your Overdraft

Santander's ability to provide you with the Overdraft is dependent upon Santander receiving a guarantee from the UK Government under CBIL Scheme. The guarantee provides Santander with a partial guarantee, should you fail to repay the Overdraft following a demand by Santander.

You'll also be offered a Business Interruption Payment by the UK Government to cover payments of interest and other fees associated with the granting and maintenance of this Overdraft for a period of 12 months from the date on which the Overdraft is activated. By accepting these terms, you confirm that you are comfortable offsetting these amounts in order to enable you to benefit from the Business Interruption Payment.

Your Overdraft documentation will state that fees are payable, but in practice the Business Interruption Payment will be made 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 Business Interruption Payment which you have received.

Description	Overdraft interest rates and fees		
	11213 Business Current Account	Business Current Account	Business Everyday Current Account
Arranged Overdraft Annual Fee	1% of agreed overdraft (minimum fee £50)	1% of agreed overdraft (minimum fee £50)	1% of agreed overdraft (minimum fee £50)
Arranged Overdraft interest rate	10.00% EAR (variable)	10.00% EAR (variable)	25.00% EAR (variable)

EAR stands for Effective Annual Rate and represents the yearly cost of an overdraft, which takes account of how often we charge interest to the account and does not include any other fees or charges

The Annual Arranged Overdraft Fee is 1% of the agreed overdraft limit (minimum fee £50). We'll get back in touch nearing the end of the 12 months and inform you of next steps and confirm overdraft pricing thereafter.

All other fees and charges are as per detailed in your product specific Key Facts Document. Please note that your monthly billing period and statement date may change. Where we have indicated that a fee or charge will be pre-notified and deducted on a monthly basis, you'll continue to receive a pre-notification of charges each month.

### Additional facts about the CBIL Scheme

- If you are offered a CBIL Scheme Overdraft, you will receive a Business Interruption Payment Letter prior to the activation of the Overdraft. You must sign and return the Business Interruption Payment Letter in order to benefit from the Business Interruption Payment.
- The Business Interruption Payment does not apply to default interest or extraordinary fees, only the standard fees detailed in the tables above.
- Attached to this Key Facts Document is a copy of the Borrower Side Letter from the Secretary of State for Business, Energy and Industrial Strategy providing further information and confirming that no guarantee fee is payable by you to the UK Government in respect of this Loan.
- Overdrafts provided under the CBIL Scheme must be used within six months of the date on which they are activated, otherwise the rules of the CBIL Scheme mean we may have to remove it.
- 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.

### Next steps

For more information visit: [santander.co.uk/business](https://www.santander.co.uk/business)

**Please note that applications are subject to status and the right to decline any application is reserved.**

# 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.