

# Recovery Loan Scheme

Santander is participating in the Recovery Loan Scheme (RLS) for businesses by providing access to an invaluable source of alternative finance

## What is the Recovery Loan Scheme (RLS)?

The new iteration of the Recovery Loan Scheme (RLS) launched in August 2022 and aims to improve access to finance on offer to borrowers. The scheme is available until June 2024.

Businesses that took out a Coronavirus Business Interruption Loan Scheme, Coronavirus Large Business Interruption Loan Scheme, Bounce Back Loan Scheme or Recovery Loan Scheme facility before 30 June 2022 are not prevented from accessing RLS from August 2022, although in some cases it may reduce the amount a business can borrow.

Recovery Loan Scheme-backed facilities are provided at the discretion of Santander. We are required to undertake standard credit and fraud checks for all applicants. An RLS loan will provide a 70% Government-backed guarantee against the outstanding balance of the loan, after Santander complete it's normal recovery process.

The loan terms for a RLS range from 12 months up to 6 years, with loans starting from £25,001 up to a maximum value of £2 million.

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

## Is my business eligible?

If we're unable to provide you with one of our existing lending products, your local Relationship Team will discuss whether a RLS loan could be appropriate.

An RLS loan is available to most types of businesses with further information on eligible sectors available on [santander.co.uk/recovery-loan-scheme](https://santander.co.uk/recovery-loan-scheme). The Scheme can be used to obtain a new loan, refinance existing loans or to convert part or all of an existing overdraft into a loan to release capacity to meet working capital requirements (subject to certain criteria).

RLS loans are subject to maximum subsidy limits. You will need to provide written confirmation that receipt of the RLS facility will not mean that your business exceeds the maximum amount of subsidy allowable.

You will need to answer some questions to determine whether you are inside or outside the scope of the Northern Ireland Protocol, this will establish the relevant subsidy limit and the potential maximum amount you can borrow under the RLS.

## Features at a glance

- Loan with borrowing from £25,001 up to £2 million (subject to individual eligibility and credit assessment).
- RLS is available to smaller businesses with a turnover of up to £45m (on a group basis, where part of a group).
- Up to £2m facility per business or group (where part of a group).
- The borrower must be carrying out trading activity in the UK and must not be a business in difficulty, including not being in relevant insolvency proceedings.
- The facility must be used to support trading in the UK and cannot be used to support certain export related activities.
- Available term from 12 months up to 6 years.
- Personal guarantees can be taken.
- Turnover limit of £45 million.
- You can access the Recovery Loan Scheme if you already have a facility under Bounce Back Loans Scheme (BBLs), Coronavirus Business Interruption Loans Scheme (CBILs) or Coronavirus Large Business Interruption Loans Scheme (CLBILs), although in some cases it may reduce the amount a business could borrow.



Santander will consider if the loan repayments are viable. Any RLS application is subject to individual credit assessments where Santander reserves the right to decline any application.

### What interest and fees will I pay?

As a minimum you'll be expected to pay an interest rate which is made up of:

- o your agreed lending margin; and
- o Bank of England Base Rate.

Please note if the Bank of England Base Rate increases, your interest rate will also increase, which will lead to increased interest payments.

There will also be an arrangement fee to pay. There may be other fees for your facility which will vary dependent on individual circumstances. Your Santander Relationship Director will agree all fees with you under the terms of your loan.

### How are my payments calculated?

Your loan repayments will be calculated to ensure they're sufficient to repay your loan over the agreed term.

The amount of loan capital you repay as part of each loan repayment is agreed at the start of the loan. Unless agreed otherwise, this will remain the same for the full loan term.

Each repayment will also include an interest payment. To calculate this, we'll use the published Base Rate plus the agreed Santander lending margin. **You'll be required to make these interest payments from the start.**

### What should I do if I'm not sure or need advice?

If you're in doubt or need guidance, we strongly recommend that you get independent professional advice.

**Please note:** we have provided the information in this document for information purposes only. These materials are the property of Santander UK plc and its affiliates (Santander) and may not be provided to third parties. Nothing in these materials constitutes investment, legal, tax or accounting advice.

**Applications are subject to status and terms and conditions. The right to decline any application is reserved.**

For more information please visit:

[santandercb.co.uk/recovery-loan-scheme](http://santandercb.co.uk/recovery-loan-scheme)

The Recovery Loan Scheme is managed by the British Business Bank on behalf of, and with the financial backing of, the Secretary of State for Business, Energy & Industrial Strategy. British Business Bank plc is a development bank wholly owned by HM Government. It is not authorised or regulated by the PRA or the FCA. Visit <http://www.british-business-bank.co.uk/recovery-loan-scheme>

Santander Corporate & Commercial is a brand name of Santander UK plc (which also uses the brand name Santander Global Corporate Banking) and Santander Asset Finance plc. Registered Offices: 2 Triton Square, Regent's Place, London, NW1 3AN, United Kingdom. Registered Numbers 2294747 and 1533123 respectively. Registered in England and Wales. Santander UK plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register number is 106054. You can check this on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/register](http://www.fca.org.uk/register) Santander and the flame logo are registered trademarks.

CCB MC0270 AUG 22 H

# 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.