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Speak to your Business Relationship Manager



Call us on **0800 313 4482**



santander.co.uk/business

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

Key Facts Document (including the Statement of Lender and Borrower Responsibilities)

Effective from 23 March 2020

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)

Eligibility (continued)	<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.
Loan Interest Rates	<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>
Arrangement Fee	There is no arrangement fee for setting up a CBIL Scheme Business Loan.
Repaying your loan early	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.

Financial difficulties

If you would like more information about managing your finances please speak to your Business Relationship Manager or give us a call. You can also find more information online in the help and support area of our website.

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.

Santander is able to provide literature in alternative formats. The formats available are: large print, Braille and audio CD. If you would 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.

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STANDARDS of LENDING PRACTICE

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.

- 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.