

Growth Guarantee Scheme

Santander is participating in the Growth Guarantee Scheme (GGS) for businesses by providing access to an invaluable source of alternative finance.

What's the Growth Guarantee Scheme (GGS)?

The Growth Guarantee Scheme (GGS) launched in July 2024 as a successor scheme to the Recovery Loan Scheme. It's designed to support access to finance for UK small businesses as they look to invest and grow. The Growth Guarantee Scheme aims to improve the terms on offer to borrowers. If we can offer a commercial loan on better terms, we will do so.

Growth Guarantee Scheme-backed facilities are provided at the discretion of Santander. We're required to undertake our standard credit and fraud checks for all applicants.

Businesses that took out a Coronavirus Business Interruption Loan Scheme (CBILS), Coronavirus Large Business Interruption Loan Scheme (CLBILS), Bounce Back Loan Scheme (BBLs) or a Recovery Loan Scheme (RLS) facility before 30 June 2024 aren't prevented from accessing the GGS. However, borrowing under these schemes may reduce the maximum amount a borrower is eligible for.

Can I borrow under the GGS?

It could be we can't offer you one of the lending products we have now. In this case, your local relationship team will talk to you to see if a GGS loan could help.

The scheme is open to smaller businesses with a turnover of up to £45 million (on a group basis, where part of a group).

The maximum amount of a facility provided under the scheme is £2 million per business group for borrowers outside the scope of the Northern Ireland Protocol, and up to £1 million for Northern Ireland Protocol borrowers.

You must be carrying out trading activity in the UK and, for most businesses, generating more than 50% of your income from trading activity.

Santander will consider if you have a viable business proposition, and you mustn't be a business in difficulty, including not being in relevant insolvency proceedings. GGS loans are available for most types of businesses.

The loans are subject to maximum subsidy limits. You'll need to provide written confirmation that receipt of a GGS loan will not mean that your business exceeds the maximum amount of subsidy allowable.

Further information on eligible sectors and subsidies are available on www.santander.co.uk/corporate/solutions/finance/growth-guarantee-scheme

Features at a glance

- Loans from £25,001 up to £2 million (subject to eligibility and credit assessment).
- Available terms up to 6 years.
- GGS is available to smaller businesses with a turnover of up to £45m (on a group basis, where part of a group).
- Personal guarantees can be taken at our discretion, Principal Private Residences will not be taken as security within the Scheme.
- The scheme provides Santander with a 70% government-backed guarantee against the outstanding balance of the facility after it has completed its normal recovery process. You'll always remain 100% liable for the debt.
- Decision making is delegated to Santander. GGS-backed facilities are provided at the discretion of Santander and are required to undertake our standard credit and fraud checks for all applicants.
- The assistance provided through Growth Guarantee Scheme, like many Government-backed business support activities, is regarded as a subsidy and is deemed to benefit the borrower. There is a limit to the amount of subsidy that may be received by a borrower, and its wider group, over any rolling three-year period. Any previous subsidy may reduce the amount a business can borrow.

We'll look at if you can afford to pay back the loan. If you apply, we'll look at your credit situation, and we may turn you down.

What interest and fees will you pay?

You'll pay an interest rate which is made up of:

- your agreed lending margin
- the Bank of England Base Rate.

If the Bank of England Base Rate increases, so will the interest rate you pay.

You'll pay an arrangement fee and a documentation fee. You may also be required to pay a prepayment fee during the life of the loan. This will depend on your situation. Your Santander relationship team will agree all the fees with you under the terms of your loan.

How do we work out your payments?

We work these out so you can afford to pay off your loan over the agreed term.

At the start of the term, we'll work out how much capital and interest you'll pay. We'll agree with you how much loan capital each of your payments will cover.

Each payment will also include an interest payment. To work this out, we'll use the published Bank of England Base Rate plus our agreed lending margin.

Each payment will need to include an interest payment. To work this out, we use the published Base Rate and our agreed lending margin. You'll need to make interest payments from the start of the term.

What should you do if you're not sure or need advice?

Be sure to get independent professional advice.

So you know, we've only provided this notice only for your information. It belongs to us and our affiliates. Third parties can't use this notice. Nothing in it constitutes investment, legal, or tax accounting advice.

For more on this, go to **santander.co.uk** and search for 'Growth Guarantee Scheme' or contact your relationship team.

The Growth Guarantee Scheme is managed by the British Business Bank on behalf of, and with the financial backing of, the Secretary of State for Business & Trade. 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 www.british-business-bank.co.uk/finance-options/debt-finance/growth-guarantee-scheme
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