

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 is the Growth Guarantee Scheme (GGS)?

The successor scheme to the Recovery Loan Scheme, The Growth Guarantee Scheme (GGS) launched in July 2024 and is 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 are 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 are not prevented from accessing Growth Guarantee Scheme, but borrowing under these schemes may reduce the maximum amount a borrower is eligible for.

Can I borrow under the GGS?

If we can't offer you one of the lending products we have now. In this case, your local Relationship Team will talk to you about if a GGS loan could suit you.

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

The maximum amount of a facility provided under the scheme is £2m per business group for borrowers outside the scope of the Northern Ireland Protocol, and up to £1m 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 that you have a viable business proposition, and you must not be a business in difficulty, including not being in relevant insolvency proceedings. Growth Guarantee Scheme loans are available for most types of businesses.

The loans are subject to maximum subsidy limits. You will need to provide written confirmation that receipt of the Growth Guarantee

Scheme 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 with borrowing from £25,001 up to £2 million (subject to individual eligibility and credit assessment).
- Available terms from 12 month 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).
- Interest rates and fees charged will vary and will depend on the specific lending proposal. Santander's pricing will take into account the benefit of the Government guarantee.
- 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 will always remain 100% liable for the debt.
- Decision-making is delegated to Santander. Growth Guarantee Scheme-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 at least pay an interest rate which combines both:

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

If the Bank of England Base Rate goes up, we'll also put up the interest rate you pay.

You'll also need to pay an arrangement fee. And maybe other fees depending on your situation. Your Santander Relationship Director will agree all fees with you under the terms of your loan.

How do we work out your payments?

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

At the start of the term, we'll agree how much loan capital each of your payments covers.

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

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

Be sure to get independent professional advice.

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

For more on this, go to **santander.co.uk** and search for 'Growth Guarantee Scheme'.

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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