



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](https://www.santander.co.uk)

Business Loans

Pre-Contractual Explanation

What is a 'Business Loan'?

A business loan from Santander is a loan for a fixed amount, repayable over a fixed period, with interest charged at a fixed rate. 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 loan is unsecured which means that Santander will not take a charge over your property when you take the loan.

A Santander 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.

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 business loan.

What checks do you need to do for me to get a 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 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 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 month by Direct Debit (made up of the original loan amount and the interest charged). 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

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 credit 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 will 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 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.

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.