

Coronavirus Business Interruption Loan (CBIL) Scheme

For Business Banking customers

Product Profile

Description

The Product Description:

- The Coronavirus Business Interruption Loan (CBIL) Scheme is a UK Government backed loan guarantee scheme.
- The scheme is intended to allow businesses negatively impacted by Covid-19 who meet the criteria for the CBIL scheme to borrow.
- The Department for Business Energy and Industrial Strategy (BEIS) provide the Bank with a limited guarantee of up to 80% of the capital of eligible CBIL. The borrowing business however remain 100% liable for the debt, including any accumulated interest even if the Government guarantee has paid out.
- Unlike the Enterprise Finance Guarantee (EFG) Scheme, no guarantee fee is payable to the UK Government under the CBIL Scheme.
- Limited refinancing of loans and overdrafts is allowed, subject to specific rules.

Eligibility

Your business may be eligible if it:

- has been negatively impacted by the outbreak of Covid-19 (e.g. reduced cash flow).
- is based in the UK.
- is trading.
- has been running for over 12 months and has a turnover of no more than £45 million in the last 12 months or has not been running for over 12 months and has an expected turnover of no more than £45 million for its first 12 months of business activities.
- does not exceed the European Community State Aid maximum, as a result of taking out a CBIL.
- does not operate in an ineligible or excluded sector.
- has a viable borrowing request, and meets our normal viability criteria.
- is able to attest to one of the three following tests (this information will be used to assess the business' liquidity needs and determine the amount of the loan you are entitled to):
 - (i) the annual wages bill of the business (including social charges as well as the cost of personnel working on the business' site but formally in the payroll of subcontractors) for 2019, or the last year available. If the business was established on or after 1 January 2019, the business will need to provide an estimated annual wage bill for the first year of its operation;
 - (ii) the turnover of the business in 2019; or
 - (iii) the liquidity needs of the business from the moment the loan is granted for the coming 18 months (or for the coming 12 months, if the business has more than 250 employees). The business liquidity plan may include both working capital and investment costs.

Viability

- The business needs to demonstrate that it will be able to meet all its repayment obligations, including repayment of the proposed CBIL.

- The business needs to demonstrate that it has a viable business proposition, which will be assessed according to our lending criteria.
- CBIL will only be considered where a conventional facility for the same amount could not be offered because there is no or insufficient lending security[†].

CBIL will be considered if:

- The finance will help the business trade out of any short to medium term cashflow difficulties and
- If the facility is granted the business should not go out of business in the short to medium term.

Viability will be considered in relation to future trading expectations and business plans.

Suitability

CBIL is suitable for businesses that:

- need a loan for working capital, expansion project, diversification or development.
- need a loan for more than £250,000 but do not have sufficient lending security to meet conventional lending requirements, or
- need a loan for less than £250,000 which would not have been provided without the availability of the CBIL Scheme.

Sector Restrictions

Restrictions apply in the following sectors:

- Agriculture
- Aquaculture
- Fisheries

Further details on eligible and excluded sectors can be found at: <https://www.british-business-bank.co.uk>

Product Summary

The CBIL Scheme is suitable for eligible and viable businesses that have been impacted by Covid-19.

You may be able to borrow up to £250,000 on an unsecured basis under the CBIL Scheme.

If you have assets with partial lending security[†], we will look at a combination of secured and unsecured lending and may consider CBIL lending.

If you have no assets we can look to for lending security[†], we will consider unsecured lending and may consider CBIL lending.

If you use the CBIL Scheme for all or part of your borrowing needs we:

- may still require a 100% personal guarantee for loans over £250,000 along with a debenture when the borrowing is to be taken in the name of a limited company or LLP.
- will take a lending charge over any other allowable personal asset (e.g. investment property) or business asset (e.g. premises) you have, even if they do not presently have lending value based on normal commercial terms.
- will NOT take a charge over your personal private residence in respect of the CBIL borrowing as this is not permitted under the scheme rules.

Terms of Loan Criteria

- Loans from £25,001 to £5,000,000, (subject to lending criteria, including your annual wage bill and total turnover) from one to six years.
- Arrangement Fees apply (however you will not be required to pay this as you will sign up to the Business Interruption Payment ("BIP") offer letter).
- No guarantee fee is payable on the CBIL facility.
- You will not have to pay any interest, fees or charges for 12 months from the initial draw down of the facility if you've confirmed in writing that payment of a BIP can be made to us directly by the Secretary of State.
- **PLEASE NOTE: You will start paying interest, fees and charges on your loan after the initial 12 months (if your loan term is longer than 12 months).**
- You will also benefit from 6 months' capital repayment holiday from the start of the facility.
- **PLEASE NOTE: You will start repaying capital on your loan after the initial 6 months.**
- Funds must be used for the purpose stated in the application.
- Limited refinancing is possible and specific rules apply.
- Additional Capital Repayment Holidays may be available and must be taken in 3 month blocks for up to a maximum of 6 months immediately after the initial 6 month capital repayment holiday.
- The Bank reserves the right to request documentary evidence to support the use of CBIL funds post loan drawdown.
- If the business fails to repay the loan and is completely unable to do so, the Bank will claim the whole outstanding debt plus interest under any personal guarantee (if your loan is for an amount over £250,000) or other guarantee held. All possible steps will be taken to achieve repayment.
- If, after all possible efforts to achieve repayment by the business have been

exhausted, and the Bank still has some or all of the capital not repaid, the Bank can ask the UK Government to honour its guarantee and pay back a proportion of the debt (although there is an overall cap on how much the Bank can claim in any scheme year, so the Bank may only receive part or nothing of what it claims).

- Notwithstanding the limited guarantee from the UK Government, the business will remain liable for 100% of the debt, including any accumulated interest.
- If the Bank is able to obtain repayment or partial repayment from the business even after the UK Government payment the Bank must take that payment from the business and will divide it between the Government and itself in proportion to the amounts paid under the guarantee claim.

For borrowing needs of less than £25,001 please contact your Business Manager, who will be pleased to discuss our overdraft and unsecured lending facilities.

All lending is subject to a satisfactory credit assessment and the Bank will need your permission to carry out a credit check on you and your business.

You should not apply for an amount that you cannot comfortably afford to repay now and in the future to avoid the possibility of legal action.

PLEASE NOTE: The customer will remain liable for 100% of the debt, including any accumulated interest even if the Government guarantee has paid out.

† Lending Security

Lending security is the value of both personal (e.g. investment property etc.) and business assets (premises, stock, debtors etc.). We look at the available value i.e. after taking account of any other borrowing secured on those same assets.

Example of how the guarantee works

- A UK business, borrows £100,000 from the Bank as a 6 year loan under the CBIL Scheme.
- Two years later the business fails with £80,000 still owed under this loan.
- The Bank pursues the customer for the outstanding debt of £80,000.
- After all options are explored, £50,000 is claimed by the Bank from the customer, leaving £30,000 outstanding.
- The Bank then makes a claim under the CBIL Scheme from the UK Government and £24,000 of the £30,000 remaining debt is paid to the Bank (80% of the remaining debt is the maximum which might be paid under the scheme).
- The Bank continues to look for repayment of the £30,000 from the customer. When, subsequently, the customer is able to pay £20,000 the Bank collects this and refunds £16,000 of it (80%) to UK Government - in line with the 80% paid by the Government.
- The customer remains liable for the £10,000 still outstanding. If this were to be repaid it would also be split with the Government in line with the guarantee claim.

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Introduction

The Lender is proposing to make available to the Applicant a loan facility under the Coronavirus Business Interruption Loan (CBIL) Scheme. This is a Government backed scheme that gives the Lender a guarantee from the Secretary of State, subject to certain terms and conditions, in place of the security, which the Lender would normally expect a borrower to provide.

To enable us to confirm your entitlement to the CBIL you will need to provide and certify the accuracy of certain information about your business. (Please refer to Section 19 for further guidance).

The Product Profile description must be read and understood by all Applicants.

The following sections must be completed by your Business Manager either during the discussion if face to face, or following discussion if discussed over the phone, and before you complete this Declaration form:

- Sections 5 & 7 (in all cases)
- Sections 8 (only if applicable)

The following sections must be completed by You, the customer:

- Sections 2, 3, 4, 6, 9 & 15
- Please ensure that you read and fully understand Sections 13, 14 before completing, signing and dating Section 15

Please note, the following sections are for internal use only and will be completed once your Business Manager has received this form back from You and the relevant customer sections have been reviewed and are complete:

- Sections 10, 11, 12, 16, 17 and 18

Important: If you are purchasing an existing business, your Business Manager will ask you to obtain certain information from the vendor, which will be needed to enable you to complete this Declaration form.

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Customer details (To be completed by Customer)

Business and/or trading name

Branch sort code

Account number

Contact name(s) and title that paperwork will be addressed to

Contact address

(if different to Trading address where all CBIL paperwork will be forwarded)

Postcode

Contact telephone number

Email

Trading address

Postcode

Company/LLP registration number

Business activity (please give precise description)

SIC Code (obtainable from Office of National Statistics website)

Please indicate the legal status of the business:

Sole Trader	<input type="checkbox"/>	Partnership	<input type="checkbox"/>
Limited Liability Partnership	<input type="checkbox"/>	Limited Company	<input type="checkbox"/>
Unlimited Company	<input type="checkbox"/>	PLC	<input type="checkbox"/>

What was the turnover for the business in the 12 months to the date of this application (maximum £45 million)?

Amount (£)

Enter date on which the business commenced trading:

D	D	M	M	Y	Y
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3

Director/Partner/Sole Trader details (To be completed by Customer)

Position in business:

Director	Partner	Sole trader
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Title

Mr	Mrs	Miss	Ms	Other (please specify)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>

Full name

Position in business:

Director	Partner	Sole trader
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Title

Mr	Mrs	Miss	Ms	Other (please specify)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>

Full name

Position in business:

Director	Partner	Sole trader
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Title

Mr	Mrs	Miss	Ms	Other (please specify)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>

Full name

Position in business:

Director	Partner	Sole trader
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Title

Mr	Mrs	Miss	Ms	Other (please specify)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>

Full name

4

CBIL and Enterprise Finance Guarantee (EFG) borrowing (do not include any SFLG borrowing) (To be completed by Customer)

Enter the total outstanding balance on all facilities granted under CBIL or EFG (whether by us or any other lending or financial institution participating in CBIL or EFG).

Amount (£) (A)

Enter the total amount of CBIL now being requested (including any fees added to the loan).

Amount (£) (B)

Total CBIL and EFG borrowing (A+B) (which must not exceed £5,000,000 outstanding at any one time).

Amount (£)

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Other BIPs or payments you receive under the temporary framework

You are required to attest to whether your group of companies are already in receipt of any other BIPs under the CBIL Scheme, and whether you are receiving any other direct grants, repayable advances, tax or payments advantages under the Temporary Framework ("Qualifying Payments") as part of your origination process (the Temporary Framework can be found here - https://ec.europa.eu/competition/state_aid/what_is_new/sa_covid19_temporary-framework.pdf).

If you are in receipt of any of these, please include details here:

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Financial information about your business

Please tell us at least one of the following:

- 1 the annual wages bill of your business (including social charges as well as the cost of personnel working on the business' site but formally in the payroll of subcontractors) for 2019, or the last year available. If your business was established on or after 1 January 2019, you can provide an estimated annual wage bill for the first year of operation;
- 2 the turnover of your business in 2019; or
- 3 the liquidity needs of your business from the moment the loan is granted for the coming 18 months (or for the coming 12 months, if your business has more than 250 employees). Your business liquidity plan may include both working capital and investment costs.

Please add details

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Loan details (To be completed by the Business Manager)

Initial Capital Requirement

Amount (£)

Please indicate if the following fees are to be added to the loan:

Arrangement fee

Amount (£)

Total security fees

Amount (£)

Valuation fee

Amount (£)

Total sanctioned loan including fees where added (must not exceed £5,000,000 including outstanding balances on other facilities granted under CBIL and/or EFG)

Amount (£)

Does an RMC exemption apply?

Investment Property Loan exemption (IPL)

2nd Charge Business Loan

Term of loan:

(minimum 1 year, maximum 6 years)

Months

Margin:

Variable rate margin

%

At the outset, a Variable rate will apply to your loan. Whilst the Variable rate margin is known at the outset, the Bank of England Bank Rate is variable. This means the interest rate which applies is the Variable rate margin plus the Bank of England Bank Rate that is applicable at that time.

PLEASE NOTE: Within 12 months of signing up to this agreement, your Relationship Manager will be in touch to discuss the options available in relation to your interest rate which may include moving to a Fixed Rate margin plus the Cost of Funds. The Cost of Funds which will be added to the Fixed rate margin will be confirmed to you. This rate will remain the same during the life of your loan.

Loan Purpose

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Capital repayment holiday details (To be completed by the Business Manager)

Please note: Any additional capital repayment holiday must be taken in 3 month blocks up to a maximum of 6 months immediately after the initial 6 month capital repayment holiday.

Capital repayment holiday requested?

Yes No
[] []

Length of capital repayment holiday (in months)

3 6
[] []

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Business purchase (Including Franchises) (To be completed by the Customer)

If the loan is to buy another business or franchise, what is the full name of that business

[]

Has that business received any other BIPs under the CBIL Scheme or Qualifying Payments?

Yes No
[] []

If yes, what is the total amount in Euros (€)

[] [] [] [] [] [] [] [] [] []

What date did that business commence trading?

[] [] [] [] [] []

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Business assets (To be completed by the Relationship Director/Manager)

List existing business related assets held as security (details will be quoted on the new CBIL agreement)

[]

Directors

Director's guarantee given? (A directors guarantee must be given for 100% of the lending plus fees)

Yes No
[] []

Supported? Note a charge over the personal private residence is not permitted under the CBIL Scheme

[] []

If Yes, please provide details of any assets charged or to be charged below:

[]

Sole Trader/Partners

Are any assets to be charged as security?

Yes No
[] []

If Yes, please provide details of any assets charged or to be charged below:

[]

Debenture/Bond & Floating Charge: (required for all LLPs/LTD companies)

Held []

Diarised to instruct Securities Centre

[]

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Charge over Business/Investment Premises (To be completed by the Business Manager)

Address

 Postcode

Freehold

Leasehold

Held

Diarised to instruct
Securities Centre

Given by: Name

Date of charge (held security only)

Address

 Postcode

Freehold

Leasehold

Held

Diarised to instruct
Securities Centre

Given by: Name

Date of charge (held security only)

Address

 Postcode

Freehold

Leasehold

Held

Diarised to instruct
Securities Centre

Given by: Name

Date of charge (held security only)

Address

 Postcode

Freehold

Leasehold

Held

Diarised to instruct
Securities Centre

Given by: Name

Date of charge (held security only)

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Assignment of Life Policy (To be completed by the Business Manager)

Life policy company name

Lives assured

Policy number

Sum insured (£)

Held

Diarised to instruct
Securities Centre

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Representations and Warranties

The Applicant represents and warrants to the Lender and the Secretary of State:

- (i) that the information given in this Declaration, the Application and any documents submitted in connection with it is true, complete and accurate in all respects as at the date of this Declaration and that the Applicant is not aware, having made due and proper enquiry in respect of the same, of any facts or circumstances which would adversely affect the decision of whether or not to provide finance to the Applicant;
- (ii) that full information with supporting evidence has been given in, and submitted with, this Declaration and Application to enable the Lender to carry out a full and proper commercial appraisal; and
- (iii) that the Applicant has applied to the Lender for a loan facility for the proposal detailed in the Application, but that no such loan facility could be agreed because the Applicant has no available or insufficient security. The Lender as an alternative means of financing the proposal offered a CBIL facility.

Use of Business information

When businesses apply for, or hold, products or services provided by us, we may acquire and process information relating to the business as well as personal data of individuals associated with the business. More information about how we use business information is available at www.bankofscotland.co.uk/businessprivacy

Privacy Notice

Who looks after your personal information

Your personal information will be held by Lloyds Bank plc which is part of the Lloyds Banking Group. More information on the Group can be found at www.lloydsbankinggroup.com

How we use your personal information

We will use your personal information:

- to provide products and services, manage your relationship with us and comply with any laws or regulations we are subject to (for example the laws that prevent financial crime or the regulatory requirements governing the products we offer).
- for other purposes including improving our services, exercising our rights in relation to agreements and contracts and identifying products and services that may be of interest.

To support us with the above we analyse information we know about you and how you use our products and services, including some automated decision making. You can find out more about how we do this, and in what circumstances you can ask us to stop, in our full privacy notice.

Who we share your personal information with

Your personal information will be shared within Lloyds Banking Group and other companies that provide services to you or us, so that we and any other companies in our Group can look after your relationship with us. By sharing this information it enables us to better understand our customers' needs, run accounts and policies, and provide products and services efficiently. This processing may include activities which take place outside of the European Economic Area. If this is the case we will ensure appropriate safeguards are in place to protect your personal information. You can find out more about how we share your personal information with credit reference agencies below and can access more information about how else we share your information in our full privacy notice.

Where we collect your personal information from

We will collect personal information about you from a number of sources including:

- information given to us on application forms, when you talk to us in branch, over the phone or through the device you use and when new services are requested.
- from analysis of how you operate our products and services, including the frequency, nature, location, origin and recipients of any payments.
- from or through other organisations (for example card associations, credit reference agencies, insurance companies, retailers, comparison websites, social media and fraud prevention agencies).
- in certain circumstances we may also use information about health or criminal convictions but we will only do this where allowed by law or if you give us your consent.

You can find out more about where we collect personal information about you from in our full privacy notice.

Do you have to give us your personal information

We may be required by law, or as a consequence of any contractual relationship we have, to collect certain personal information. Failure to provide this information may prevent or delay us fulfilling these obligations or performing services.

What rights you have over your personal information

The law gives you a number of rights in relation to your personal information including:

- the right to access the personal information we have about you. This includes information from application forms, statements, correspondence and call recordings.
- the right to get us to correct personal information that is wrong or incomplete.
- in certain circumstances, the right to ask us to stop using or delete your personal information.

- from 25 May 2018 you will have the right to receive any personal information we have collected from you in an easily re-usable format when it's processed on certain grounds, such as consent or for contractual reasons. You can also ask us to pass this information on to another organisation.

You can find out more about these rights and how you can exercise them in our full privacy notice.

Other individuals you have financial links with

We may also collect personal information about other individuals who you have a financial link with. This may include people who you have joint accounts or policies with such as your partner/spouse, dependents, beneficiaries or people you have commercial links to, for example other directors or officers of your company.

We will collect this information to assess any applications, provide the services requested and to carry out credit reference and fraud prevention checks. You can find out more about how we process personal information about individuals with whom you have a financial link in our full privacy notice.

How we use credit reference agencies

In order to process your application we may supply your personal information to credit reference agencies (CRAs) including how you use our products and services and they will give us information about you, such as about your financial history. We do this to assess creditworthiness and product suitability, check your identity, manage your account, trace and recover debts and prevent criminal activity.

We may also continue to exchange information about you with CRAs on an ongoing basis, including about your settled accounts and any debts not fully repaid on time, information on funds going into the account, the balance on the account and, if you borrow, details of your repayments or whether you repay in full and on time. CRAs will share your information with other organisations, for example other organisations you ask to provide you with products and services. Your data will also be linked to the data of any joint applicants or other financial associates as explained above.

You can find out more about the identities of the CRAs, and the ways in which they use and share personal information, in our full privacy notice.

How we use fraud prevention agencies

The personal information we have collected from you and anyone you have a financial link with may be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found in our full privacy notice.

How we share personal information about insurance products

If you apply to us for insurance, we may pass your details to the relevant insurer and their agents. If a claim is made, any personal information given to us, or to the insurer, may be put onto a register of claims and shared with other insurers to prevent fraudulent claims.

Our full privacy notice

It is important that you understand how the personal information you give us will be used. Therefore, we strongly advise that you read our full privacy notice, which you can find at www.bankofscotland.co.uk/businessprivacy or you can ask us for a copy.

How you can contact us

If you have any questions or require more information about how we use your personal information please speak to your usual bank contact or email the data privacy team at CBDataPrivacy@LloydsBanking.com.

If you feel we have not answered your question Lloyds Banking Group has a Group Data Privacy Officer, who you can contact on **0345 721 3141 (+44 131 337 4218** from outside the UK) and tell us you want to speak to our Data Privacy Officer.

Version Control

This notice was last updated in January 2018.

The Applicant acknowledges that:

- (i) in the event that a loan facility under the CBIL Scheme is made available to the Applicant the Applicant will be required on a continuing basis to provide further information and supporting evidence to the Lender and the Secretary of State to enable them to monitor the performance of the Applicant's business, and
- (ii) this Declaration is given for the benefit of both the Lender and the Secretary of State and that the Lender and the Secretary of State are respectively making available the CBIL Facility and Guarantee in reliance on the representations and warranties given by the Applicant in this Declaration.

IMPORTANT NOTICE: If any representation or warranty made by you (the Applicant) in this Declaration proves to have been incorrect when made, then this may result in the Lender demanding immediate repayment of the CBIL Facility and/or the Lender and/or the Secretary of State claiming damages from you. You should, therefore, carefully check the accuracy of each such representation and warranty before signing this Declaration.

- I/We* confirm that I/We* have understood the information set out in this document, including the product description, eligibility, viability, suitability and sector restrictions, product summary, terms of loan criteria including the government funding criteria and wish to apply for a loan under the CBIL Scheme.
- I/We* note that all lending is subject to eligibility and a satisfactory credit assessment, and the Bank will need to carry out a credit check on me and my business.
- I/We* confirm that the funds advanced will only be used for the stated purpose and where required documentary evidence will be provided to the Bank.
- **I/We* confirm that in the event of default we remain liable for 100% of the outstanding debt (including accumulated interest).**
- I/We* note that I/We* have been advised to take independent legal advice.

* delete as appropriate

Signed for and on behalf of the Applicant

Date

Print name

Position held by Signatory (Director/Partner/Sole Trader)

Signed for and on behalf of the Applicant

Date

Print name

Position held by Signatory (Director/Partner/Sole Trader)

Signed for and on behalf of the Applicant

Date

Print name

Position held by Signatory (Director/Partner/Sole Trader)

Signed for and on behalf of the Applicant

Date

Print name

Position held by Signatory (Director/Partner/Sole Trader)

Signed by the Guarantor (if Guarantor is an individual and not a Director)

Date

Print name

Signed by the Guarantor (if Guarantor is an individual and not a Director)

Date

Print name

Business Manager's name

Business Manager's contact number (Mobile)

Business Manager's e-mail address

SMC Team:

RBB SME

BBM SBC

This is a debt appropriate business that I would be prepared to lend to but for the lack of collateral and for which other options have been exhausted. I am satisfied that this proposition meets the requirements of 'responsible lending' and I am willing to support the proposition.

Business Manager's name

Signature of authorised signatory

Date

All documents referred to in the application must be attached.



Copy of Business Plan



Loan quotations



Financials and ALIES



Copy of credit application and supporting notes

1 Commencement of Trading Date

(i) If your business is a limited company or a limited liability partnership

The Commencement of Trading Date is the date when the company/ business was first assessed for Corporation Tax.

(ii) If you are self-employed or a partnership

The Commencement of Trading Date is the date when,

- you/any of the partners were required to start paying Class 2 National Insurance contributions;

or

- you became exempt from such payments.

(iii) Did you acquire the business from another person as a going concern?

The Commencement of Trading Date is the date the business ("business" includes an existing franchise operation) started trading - not the date you took over the business.

(iv) Did you acquire the business or franchise out of receivership or administration?

The Commencement of Trading Date is the date you took over the business or franchise - not the date the business or franchise first started trading.

2 Previous borrowing under the EFG and CBIL Schemes

The maximum total amount that can be borrowed under the CBIL Scheme is £5,000,000 at any one time. This is subject to lending criteria, including the borrower's annual wage bill and total turnover.

You must add up the outstanding balance on all facilities granted under EFG and CBIL and subtract this amount from £5,000,000 to work out how much more you may be able to borrow.

If purchasing an existing business the applicant must also ascertain the level of outstanding EFG and CBIL borrowing provided by any other lender.

3 State Aid

The CBIL Scheme does not operate under EU de Minimis State aid regulations, instead it operates under the Temporary Framework for State aid measures which are in place to support the economy in the current COVID-19 outbreak. You will no longer be required to issue the SME with a State aid letter, nor will you have to take any de Minimis aid into account when checking a Borrower's eligibility for the CBIL Scheme.

Please contact us if you would like this information in an alternative format such as Braille, large print or audio.

Bank of Scotland plc Registered Office: The Mound, Edinburgh EH1 1YZ. Registered in Scotland no. SC327000.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under Registration Number 169628.

We adhere to The Standards of Lending Practice which are monitored and enforced by the LSB: www.lendingstandardsboard.org.uk

Eligible deposits with us are protected by the Financial Services Compensation Scheme (FSCS). We are covered by the Financial Ombudsman Service (FOS).

Please note that due to FSCS and FOS eligibility criteria not all business customers will be covered. Lloyds Banking Group is a financial services group that incorporates a number of brands including Bank of Scotland.

More information on Lloyds Banking Group can be found at lloydsbankinggroup.com.