

## **Coronavirus Business Interruption Loan Scheme (CBILS)**

### **Latest Update (8 July 2020)**

More than 53,500 Coronavirus Business Interruption Loans have now been approved with almost £11.5 billion lent.

This is from over 100 participating lenders in the Scheme. They include:

- high-street banks
- challenger banks
- asset-based lenders
- smaller specialist local lenders

A lender can provide up to £5 million in the form of:

- term loans
- overdrafts
- invoice finance
- asset finance

Following the launch of the Coronavirus Bounce Back Loans Scheme, the Coronavirus Business Interruption Loan Scheme is now available for loans of £50,001 and above.

If you've already received a loan of up to £50,000 under CBILS and would like to transfer it into the Bounce Back Loan scheme, you can arrange this with your lender until 4 November 2020.

### **Main Scheme Details**

In the Budget 2020 on Wednesday 11 March, the Chancellor announced a "Coronavirus Business Interruption Loan Scheme" (CBILS), and that it would become available "over the coming weeks".

This has been brought forward, and the new scheme is available from 23 March 2020 and will initially run for 6 months.

It will be provided by the British Business Bank through participating providers and will offer more attractive terms for both businesses applying for new facilities and lenders, with the aim of supporting the continued provision of finance to UK businesses during the Covid-19 outbreak.

### **Eligibility**

- This measure is targeted towards UK based SMEs with turnover of no more than £45 million per annum
- Generate more than 50 per cent of turnover from trading activity
- Have a borrowing proposal which, were it not for the COVID-19 pandemic, would be considered viable by the lender, and for which the lender believes the provision of finance will enable the business to trade out of any short-to-medium term difficulty.
- All business owners looking to borrow less than £250,000 will no longer have to offer up personal guarantees.
- The requirement for businesses to have first tried to get a normal commercial loan elsewhere has been dropped.

Finance terms are from three months up to six years for term loans and asset finance and up to three years for revolving facilities and invoice finance.

*However, it has been confirmed that the delivery of the Scheme, including all lending decisions, is fully delegated to the lending partners. It is for each individual lender to decide whether EFG is appropriate and confirm whether a business is eligible. While the British Business Bank provides a guarantee to the lender, they have no role in the decision-making process and are not party to the agreement between the borrowing business and the lender.*

#### Are any businesses excluded from the scheme?

Businesses from any sector can apply, except the following:

- Banks and building societies
- Insurers and reinsurers (but not insurance brokers)
- Public-sector organisations, including state-funded primary and secondary schools
- Employer, professional, religious or political membership organisations
- Trade unions

Please refer to Appendix 1 for other eligibility restrictions.

#### Scheme

The scheme provides the lender with a government-backed guarantee against the outstanding facility balance, potentially enabling a 'no' credit decision from a lender to become a 'yes'. Note - the borrower always remains 100% liable for the debt.

The maximum value of a facility provided under the scheme will be £5 million (the original Budget announcement suggested a maximum value of £1.2 million).

The Government will also cover the first 12 months of interest payments, so businesses will benefit from lower initial repayments. The business remains liable for repayments of the capital.

As well as loans, there are many other types of finance supported by the programme, depending on the provider.

#### Lenders

Details of the lenders and what type of finance they provide is shown in the following table:

	Term Loans	Asset Finance	Invoice Finance	Revolving Credit (Overdrafts)
1PM	Yes	Yes		
365 Business Finance	Yes			
4 Syte			Yes	
ABN-AMRO	Yes	Yes	Yes	
Adam and Company	Yes			
Aldermore		Yes	Yes	

AIB	Yes			
Arbuthnot Commercial	Yes		Yes	
AFL (Arkle Finance Limited)	Yes	Yes		
Art Business Loans	Yes			
Ask If	Yes			
AFP	Yes	Yes		Yes
Assetz Capital	Yes			
Atom	Yes			
Bank Leumi	Yes			Yes
Bank of Ireland	Yes			Yes
Bank of Scotland	Yes			
Barclays	Yes			
BCRS	Yes			
Bibby			Yes	
Business Enterprise Fund	Yes			
Calverton Finance	Yes		Yes	
Capital on Tap				Yes
Chamber Acorn Fund (Humber)	Yes			
Close Brothers		Yes	Yes	
Clydesdale Bank	Yes			
Compass Business Finance	Yes	Yes		
County Finance Group	Yes	Yes		
Coutts	Yes			
CWRT	Yes			
Cynergy Bank	Yes			Yes
Danske Bank	Yes			Yes
DSL Business Finance	Yes			
Ebury				Yes
Enterprise Answers	Yes			
Finance for Enterprise	Yes			
First Enterprise	Yes			
Fleximize	Yes			
Folk 2 Folk	Yes			
FSE Group	Yes			
Funding Circle	Yes			
FW Capital	Yes			
GC Business Finance	Yes			
Genesis Asset Finance		Yes		
Growth Lending	Yes		Yes	Yes
Handelsbanken	Yes			

Haydock Finance	Yes	Yes		
Hitachi Capital	Yes	Yes	Yes	
HSBC	Yes		Yes	Yes
Independent Growth Finance	Yes		Yes	Yes
In Fund	Yes			
Investec	Yes	Yes	Yes	
Invocap	Yes			
Iwoca	Yes			Yes
JCB Finance	Yes	Yes		
Lending Crowd	Yes			
Let's Do Business Group	Yes			
Leumi	Yes		Yes	Yes
Liberis Finance	Yes			
Lloyds Bank	Yes			
Market Finance	Yes			Yes
Maven	Yes			
Maxxia	Yes	Yes		
Merchant Money	Yes			
Mercia Asset Management	Yes			
MSIF	Yes			
Metro Bank	Yes			
Natwest	Yes			
NEL Fund Managers	Yes			
Newable	Yes			
Nucleus Commercial Finance	Yes			
OakNorth Bank	Yes			Yes
Paragon	Yes	Yes		
Previser	Yes			
Robert Owen	Yes			
Santander	Yes			Yes
Satago			Yes	
Scania		Yes		
Secure Trust Bank	Yes		Yes	
Shawbrook Bank	Yes			
Shire Leasing	Yes	Yes		
Silicon Valley Bank	Yes			
Skipton Business Finance			Yes	
Social Investment Business	Yes			
Sonovate			Yes	
Starling Bank	Yes			Yes
SWIG Finance	Yes			

The Co-operative Bank	Yes			Yes
RBS	Yes			
Thincats	Yes			
Tower	Yes	Yes		
Triodos Bank	Yes			Yes
Triple Point	Yes			Yes
TSB	Yes			Yes
UKSE	Yes			
Ulster Bank	Yes			
UCIT	Yes			
Ultimate Finance	Yes	Yes	Yes	
United Trust Bank	Yes	Yes		
White Oak	Yes	Yes		
Whiterock Finance	Yes			
Woodsford Trade Bridge	Yes		Yes	
Yorkshire Bank	Yes			

## Ineligible and restricted sector list

UK SIC 2007	EFG Eligibility	New De Minimis Regulation	Further information	Threshold - If Eligible at Reduced Threshold	Equivalent EFG Lending limit (Over 5 years)	Equivalent EFG Lending limit (Over 10 years)
<b>01100</b>	Growing of non-perennial crops	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific agricultural uses are excluded	15,000	90,000	45,000
<b>01200</b>	Growing of perennial crops	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific agricultural uses are excluded	15,000	90,000	45,000
<b>01300</b>	Plant propagation	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific agricultural uses are excluded	15,000	90,000	45,000
<b>01400</b>	Animal production	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific agricultural uses are excluded	15,000	90,000	45,000
03100	Fishing	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific fishing uses are excluded	30,000	180,000	90,000
03200	Aquaculture	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific aquaculture uses are excluded	30,000	180,000	90,000
10200	Processing and Preserving of fish, crustaceans and molluscs	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific fishing uses are excluded	30,000	180,000	90,000
<b>15000</b>	Mixed farming	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific agricultural uses are excluded	15,000	90,000	45,000
<b>16000</b>	Support activities to agriculture and post-harvest crop activities	Eligible - Reduced Threshold - see SIC tab	Note: Certain specific agricultural uses are excluded	15,000	90,000	45,000
49410	Freight transport by road	Eligible - Reduced Threshold - see SIC tab	Note: Finance for acquisition of road freight vehicles is ineligible	100,000	600,000	300,000
64191	Banks	Not Eligible				
64192	Building Societies	Not Eligible				
64205	Activities of financial services holding companies	Eligible	Provided the group does not contain authorised deposit taker or insurer			
65100	Insurance	Not Eligible				
65200	Reinsurance	Not Eligible				
81100	Combined facilities support activities	Eligible – Provided no ONS public sector classification of borrower or group				
84000	Public administration and defence, compulsory social security	Eligible – Provided no ONS public sector classification of borrower or group				
85100	Pre-primary education	Eligible – Provided no ONS public sector classification of borrower or group				
85200	Primary education	Not Eligible				
85310	General secondary education	Not Eligible				
85420	Tertiary education	Eligible – Provided no ONS public sector classification of borrower or group				
86101	Hospital activities	Eligible – Provided no ONS public sector classification of borrower or group				
86900	Other human health activities	Eligible – Provided no ONS public sector classification of borrower or group				
87000	Residential care activities	Eligible – Provided no ONS public sector classification of borrower or group				

88100	Social work activities without accommodation for the elderly and disabled	Eligible – Provided no ONS public sector classification of borrower or group				
88990	Other social work activities without accommodation n.e.c.	Eligible – Provided no ONS public sector classification of borrower or group				
91010	Library and archive activities	Eligible – Provided no ONS public sector classification of borrower or group				
91030	Operation of historical sites and buildings and similar visitor attractions	Eligible – Provided no ONS public sector classification of borrower or group				
94100	Activities of business, employers and membership organisations	Not Eligible	Sporting membership organisations are eligible, but would expect to use a different SIC code			
94200	Activities of trade unions	Not Eligible				
94910	Activities of religious organisations	Not Eligible				
94920	Activities of political organisations	Not Eligible				
97000	Activities of households as employers of domestic personnel	Not Eligible				
98000	Undifferentiated goods and services producing activities of private households for own use	Not Eligible				