From: Bethan Mullens
Sent: 05 May 2020 10:58
Subject: Bounce Back Loan

Good morning,

I trust you are all well and managing to get through this crisis time.

The banks launched the "Bounce Back Loan Scheme" yesterday and has proved very popular.

Basically it has a 100% Government Guarantee, no interest or repayments for a year and then becomes a repayment loan with maximum interest rate of 2.5%.

There are also no early repayment penalties.

I attach a more detailed factsheet on the loans and process.

If your business has been affected by Covid19 lockdown then you can apply.

You should apply to your business bank in the first place online. The process is very straightforward and you should receive the funds within 2 days.

Obviously it has to be repaid but if it will help you survive and recover from this difficult time then it's a good move to make.

Regards

Parker & Co

Beth Mullens
Parker & Co Accountants
Summit House
10 Waterside Court
Newport
South Wales
NP20 5NT

Tel: 01633 746666
Fax: 01633 745466
Direct E-mail:- bm@parkeraccountants.com

Take a look at our cartoon highlighting the risks of not having a valid will

PARKER & Co.
Accountants & Business Advisors
Adventure in Business

www.parkeraccountants.com

Please consider the environment - do you really need to print this email?

Note: This message is for the named person's use only. It may contain confidential, proprietary or legally privileged information. No confidentiality or privilege is waived or lost by any mis-transmission. If you receive this message in error, please immediately delete it and all copies of it from your system, destroy any hard copies of it and notify the sender. You must not, directly or indirectly, use, disclose, distribute, print or copy any part of this message if you are not the intended recipient. Parker & Co Accountants Ltd reserve the right to monitor all e-mail networks. Any views expressed in this message are

BRITISH BUSINESS BANK

BOUNCE BACK LOAN SCHEME

BOUNCE BACK LOAN SCHEME - FACTSHEET FOR SMEs

Following the Chancellor of the Exchequer's announcement, the Bounce Back Loan Scheme is now open for applications.

Delivered by lenders accredited by the British Business Bank for this scheme, Bounce Back Loans target small and micro businesses in all sectors, providing loans from £2k up to 25% of the business' turnover with a maximum loan of £50k.

Providing lenders with a 100% government-backed guarantee and standardising the application form is expected to lead to a faster process with many loans becoming available within days.

Scheme features

The Bounce Back Loan Scheme enables businesses to obtain a six-year term loan at a government set interest rate of 2.5% a year. The government will cover interest payable in the first year.

- **Up to £50,000 loan:** Loans will be from £2,000 up to 25% of a business' turnover or £50,000, whichever is lower.
- **100% guarantee:** The scheme provides the lender with a government-backed, full guarantee (100%) against the outstanding facility balance, both capital and interest. **The borrower always remains 100% liable for the debt.**
- **Interest rate:** The government has set the interest rate for this facility at 2.5% per annum, meaning businesses will all benefit from the same, low rate of interest.
- **Interest paid by government for 12 months:** The government will make a Business Interruption Payment to the lenders to cover the first 12 months of interest payable, so businesses will benefit from no upfront costs.
- **No principal repayments for first 12 months:** Borrowers will not have to begin principal repayments for the first 12 months, thereafter capital will be repaid on a straight line basis.
- **No guarantee fee for businesses or lenders to access the scheme.**
- **Finance terms:** The length of the loan is for six years but early repayment is allowed, without early repayment fees.
- **No personal guarantees:** No personal guarantees are allowed, and no recovery action can be taken over a principal private residence or principal private vehicle.

The borrower always remains 100% liable for the debt.

Eligibility criteria

Businesses from all sectors can apply for a facility. The business must self-certify to its lender the following:

- Confirm it is UK-based in its business activity, and established by 1 March 2020
- Confirm it has been adversely impacted by the Coronavirus (Covid-19)
- Confirm it is not currently using a government-backed Coronavirus loan scheme (unless using BBLS to refinance a whole facility)
- Confirm it is not in bankruptcy, liquidation or undergoing debt restructuring

Credit institutions (falling within the remit of the Bank Recovery and Resolution Directive), public sector bodies, a state -funded primary or secondary schools and insurance companies are not eligible to apply and subject to State-Aid restrictions.

How to apply

Businesses should check the British Business Bank website to find out which lenders provide Bounce Back Loans.

View and select an accredited lender

Businesses will be required to fill in a short online application form on their lender's website, which self-certifies whether they are eligible for a Bounce Back Loan facility. Eligible companies will be subject to standard customer fraud, Anti-Money Laundering (AML) and Know Your Customer (KYC) checks. Some State aid restrictions may apply to applications.

View our Bounce Back Loan Scheme frequently asked questions

OTHER BUSINESS FINANCE SUPPORT OPTIONS

You can find details of other government measures to support public services, people and businesses through this disruption on the Government's Business Support website.

GUIDANCE AND SUPPORT FOR YOUR BUSINESS DURING THIS PERIOD OF UNCERTAINTY

The British Business Bank and The Institute of Chartered Accountants in England and Wales (ICAEW) have created new content to help businesses that are facing financial and operational challenges as a result of the coronavirus outbreak.
You can view this regularly updated guidance at the Business Finance Guide website.