

# Small firms are to get access to 100% taxpayer-backed loans

after they raised concerns about slow access to existing coronavirus rescue schemes.

The scheme is **now launched** on Monday 4th May, and it is clear clients need to do the applications themselves as requires login details for online banking through their own company account.

The limit is **25% of turnover**

**2.5% over six years**

It's a 2 page form and the government are underwriting.



The Bounce Back Loan scheme will help small and medium-sized businesses to borrow between £2,000 and £50,000.

The government will guarantee 100% of the loan and there won't be any fees or interest to pay for the first 12 months.

Loan terms will be up to 6 years. No repayments will be due during the first 12 months. The government will work with lenders to agree a low rate of interest for the remaining period of the loan.

The scheme will be delivered through a network of accredited lenders.

## ELIGIBILITY

You can apply for a loan if your business:

- ▶ Is based in the UK
- ▶ Has been negatively affected by coronavirus
- ▶ Was not an 'undertaking in difficulty' on 31 December 2019

The following businesses are not eligible to apply:

- ▶ Banks, insurers and reinsurers (but not insurance brokers)
- ▶ Public-sector bodies.
- ▶ Further-education establishments, if they are grant-funded.
- ▶ State-funded primary and secondary schools.
- ▶ If you're already claiming funding.
- ▶ You cannot apply if you're already claiming under the Coronavirus Business Interruption Loan Scheme (CBILS).
- ▶ 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.