

# Key Features

## East of England Regional Loan Schemes

### Expansion Loans

**Loan amount:** £50,000 - £500,000

**Loan term:** up to 5 years with a capital repayment holiday of up to 6 months

**Security:** debenture; limited unsupported personal guarantees may be required depending on risk assessment; legal assignment of Keyman insurance policy may be taken

**Interest charges and fees:** variable or fixed, reflective of risk

**Eligibility:** to apply, the business must:

- be an established business with existing sales and customers; minimum trading for 12 months and generated £100,000 sales per annum
- have a clear business strategy and be able to demonstrate competitive advantage
- require finance to invest in scaling up activities to deliver substantial growth impact such as:
  - ✓ sales & marketing
  - ✓ hiring new staff
  - ✓ new product development
  - ✓ entering new markets
  - ✓ exporting abroad
  - ✓ purchasing new equipment

### General Trade Finance Loans

**Loan amount:** £50,000 - £500,000

**Loan term:** maximum 3 years, revolving facility

**Security:** debenture; limited unsupported personal guarantees may be required depending on risk assessment; legal assignment of Keyman insurance policy may be taken

**Interest charges and fees:** variable or fixed, reflective of risk

**Eligibility:** to apply, the business must have a trade funding requirement that may include:

- ✓ working capital for specific individual new contracts/orders, enabling fulfilment otherwise unattainable due to e.g. up-front supplier costs, delivery timescales, client payment terms
- ✓ short-term irregular invoicing patterns from specific contracts/projects
- ✓ up-front tooling requirements for identifiable medium-term contracts or export activity
- ✓ cash-backing for performance bonds/guarantees: credit enhancement enabling banks to support tendering / delivery of significant contracts

### Specific Contract Finance Loans

**Loan amount:** £50,000 - £500,000

**Loan term:** maximum 12 months

**Security:** debenture; limited unsupported personal guarantees may be required depending on risk assessment; legal assignment of Keyman insurance policy may be taken

**Interest charges and fees:** variable or fixed, reflective of risk

**Eligibility:** to apply, the business must have a short-term funding requirement that may include:

- ✓ working capital for specific individual new contracts/orders, enabling fulfilment otherwise unattainable due to e.g. up-front supplier costs, delivery timescales, client payment terms
- ✓ short-term irregular invoicing patterns from specific contracts/projects
- ✓ up-front tooling requirements for identifiable medium-term contracts or export activity
- ✓ cash-backing for performance bonds/guarantees: credit enhancement enabling banks to support tendering / delivery of significant contracts

### Recovery Loan Scheme

**Loan amount:** £50,000 - £500,000

**Loan term:** up to 5 years

**Security:** debenture; limited unsupported personal guarantees may be required depending on risk assessment; legal assignment of Keyman insurance policy may be taken

**Charges and fees:** interest rate fixed at base rate plus maximum 9.4%; arrangement fee 1.5%; other fees payable dependent on security taken

**Eligibility:** for RLS eligibility and more information visit:

[www.thefseggroup.com/recovery-loan-scheme-2022](http://www.thefseggroup.com/recovery-loan-scheme-2022)

Guarantee to the lender: the scheme provides the lender with a government-backed guarantee against the outstanding balance of the facility; the borrower always remains 100% liable for the debt. The Recovery Loan Scheme is managed by the British Business Bank (BBB) on behalf of, and with the financial backing of, the Secretary of State for Business and Trade. BBB is a development bank wholly owned by HM Government. It is not authorised or regulated by the PRA or the FCA. Visit <http://www.british-business-bank.co.uk/recovery-loan-scheme>.

All applicant businesses must be a small to medium sized enterprise (SME) established as a limited company with a material part of operations in Essex, Suffolk, Norfolk, Cambridgeshire, Bedfordshire or Hertfordshire