









COMPARING THE 5 GOVERNMENT LENDING SCHEMES



What's available, to whom, how & when?

		Future Fund	Bounce Back Loan Scheme	Coronavirus Business Loan Interruption Scheme	Coronavirus Large Business Interruption Loan Scheme	Covid Corporate Financing Facility
Eligible Businesses 		Private equity-backed businesses (which have raised at least £250,000 in equity investment in the last 5 years)	<ul style="list-style-type: none"> Small to medium enterprises Micro businesses Other businesses requiring smaller loans 	Businesses with a turnover of £45m or less	Businesses with a turnover of more than £45m	Investment grade businesses
Loan Amount 		£125,000 to £5 million (subject to at least equal matched funding from equity investors)	£2,000 - £50,000 (capped at 25% of the business' turnover)	Up to £5m	Up to £200m (depending on turnover)	Minimum of £1m and up to: <ul style="list-style-type: none"> £1bn for A1/P1/F1/R1 rated businesses £600m for A2/P2/F2/R2 rated businesses £300m for A3/P3/F3/R3 rated businesses
Type of Financing Available 		Convertible Loan	Term Loans	<ul style="list-style-type: none"> Term Loans Revolving Credit Facilities (including overdrafts) Invoice Finance Asset Finance 	<ul style="list-style-type: none"> Term Loans Revolving Credit Facilities Invoice Finance Asset Finance 	Commercial paper issued by the business is purchased by the Bank of England
Repayment Terms 		36 months or earlier if there is an exit event	<ul style="list-style-type: none"> 6 year term No repayments during the first 12 months Early repayment possible (without any early repayment fees) 	<ul style="list-style-type: none"> Up to 3 years for Revolving Credit Facilities and Invoice Finance Up to 6 years for Term Loans and Asset Finance 	Up to 3 years	Maturity of 1 week to 12 months
Fees Interest Pricing 		<ul style="list-style-type: none"> Interest set at a minimum of 8% per annum to be paid on maturity of the loan Redemption premium of 100% of the loan amount if repaid rather than converted Discounted conversion rate of at least 20% in the event loan is converted to equity 	<ul style="list-style-type: none"> No set up fees Interest set at 2.5 per cent. per annum Interest payments covered by the Government for the first 12 months 	<ul style="list-style-type: none"> Interest rate and fees set by the Lender and payable by the business (save as set out below) Interest payments and fees covered by the Government for the first 12 months 	Interest rate and fees set by the Lender and payable by the business	Pricing set by Bank of England (comparable to market pricing before the Covid-19 economic shock) and payable by the business
Security 		Unsecured	Unsecured	Lender can ask for security (but not personal guarantees for loans of £250,000 or less)	Lender can ask for security (but not personal guarantees for loans of £250,000 or less)	Unsecured but a guarantee from the primary entity in the business' group may be required
Government Support 		Loan is made by the Government and its matched investor and converted into equity at the businesses next qualifying funding round	100 per cent. Government guarantee	80 per cent. Government guarantee	80 per cent. Government guarantee	Debt securities are bought directly by the Bank of England
Availability 		Opened in May (until end of September 2020)	Opened in April (initially until 4 November 2020)	Opened in March (initially for 6 months)	Opened in April (initially for 6 months)	Opened in March (initially for 12 months)

CONTACT US

We are advising clients from numerous sectors including retail, hotels, construction and manufacturing on whether they are eligible to access the government lending schemes and how those schemes could be used to help their business during this difficult time. Please get in touch to see how our team can help you:

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