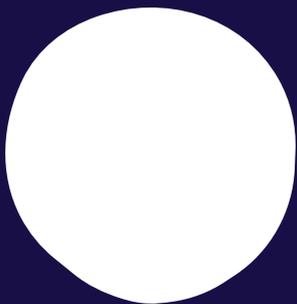
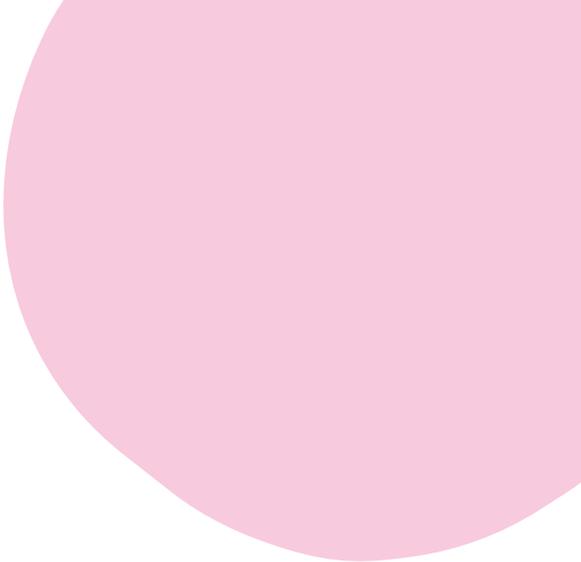


# Financing your business.

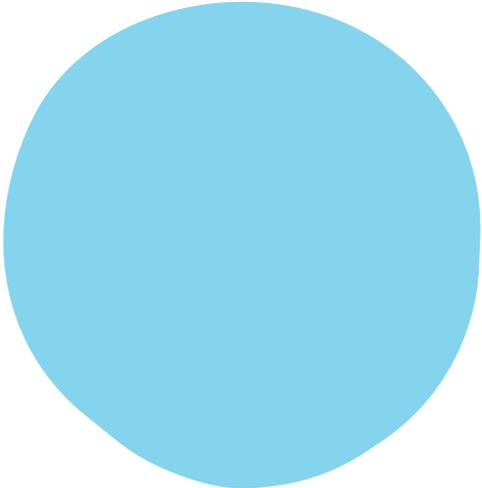


Business



# What's inside?

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# Financing your business.

## Matching your needs to the right finance choices.

### Which financing option is right for your business?

Whether you're taking advantage of a new business opportunity or simply planning to cover day-to-day expenses more efficiently, we can help you put together a financing package, with an amount and term that suits your business. Your business may be well established or perhaps you're just starting out, either way there is a financing option to meet your specific needs. Understanding exactly why you need funding is key to selecting the best option for your business. On the following pages we've set out potential financing options, to help you choose the product which is right for you and your business needs.

### Important information that applies to all borrowing options

- All borrowing is subject to approval and we will need your permission to carry out a credit check on you and your business.
- You need to be a sole trader, partnership, LLP, limited partnership or limited company to apply for borrowing with us. You can't apply for borrowing if you're a charity, club, society, association, public limited company or a business that's not trading.
- Your business must be in Scotland, England or Wales. We won't lend if you're based in Northern Ireland.
- If you're a sole trader, you need to be over 18.
- You will usually need to hold a TSB Current Account to apply for lending. Otherwise a loan servicing account may be required.
- We don't provide business finance to businesses operating in some industry sectors. Please contact us to check if we can support your application.

### Arrangement Fees

You'll pay an arrangement fee depending on the amount you borrow.

Amount borrowed or agreed overdraft limit	Arrangement fee
Up to £5,000	£100
£5001 - £10,000	£175
£10,001 - £15,000	£250
Over £15,000	Up to 1.5% depending on term (minimum £250)

### Security

- Security over an asset, usually property, will be required for amounts of £25,000 or more.
- We'll require a director's guarantee for limited companies borrowing amounts of £10,000 and over.
- Please contact us if you have further questions in relation to security.

Any property given as security, which may include your home, may be repossessed if you do not keep up repayments on your mortgage or other debts secured on it.

## Boosting your day-to-day cash flow

Even with a strong balance sheet, if your cash is tied up in stock or with slow paying customers, it can cause peaks and troughs in your cash flow and your confidence.

If your business needs to dip in and out of extra funds at short notice, an overdraft limit will help with cash flow when you need it and with a known interest rate you know where you stand.

## Overdraft

Key features	
<b>Overdraft limit</b>	Usually from £1,000 to £1,000,000 depending on our assessment of your business circumstances.
<b>Interest rate</b>	We set the interest rate based on our assessment of your business circumstances. The interest rate is linked to the Bank of England Base Rate. This means it will go up as well as down depending on how the Base Rate changes.
<b>How interest will be charged</b>	We calculate interest daily on the amount you actually borrow. We charge that interest to your business current account monthly.
<b>Term</b>	Terms are usually available for up to 12 months. We'll review your overdraft periodically (at least annually) to ensure it still meets your business needs. Your overdraft is repayable on demand at any time even before the end of the term. For example, we may ask you to repay your overdraft if your circumstances change.

If you need funds for a longer period or you know you may have difficulty in regularly keeping your account in credit, please speak to your relationship manager who will discuss alternative options with you.

## If you are looking to grow your business, we can help you find the right option.

After talking through your reasons to borrow with us, you may decide a business loan best meets your funding needs. Alternatively, you may find one of our other options more appropriate.

## Longer term borrowing

A business loan is a longer-term borrowing option that can be used for growth opportunities such as developing new products, entering new markets or purchasing assets. You can choose whether the interest rate is fixed and/or variable, depending on your circumstances and your current and future business needs.

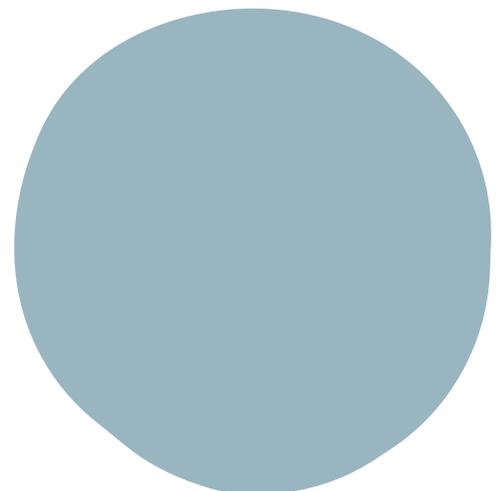
Key features			
	Fixed rate loan	Fixed to variable rate loan	Variable rate loan
<b>Interest rate</b>	Interest rate fixed for the lifetime of the loan. This means your monthly repayments won't change.	Interest rate fixed for a set period. After the fixed rate period, the interest rate is linked to the Bank of England Base Rate. This means the interest rate can go up as well as down when the Base Rate goes up or down. Your monthly repayments will change when the interest rate changes.	The interest rate is linked to the Bank of England Base Rate. This means the interest rate can go up as well as down when the Base Rate goes up or down. Your monthly payments will change when the interest rate changes.
<b>Interest calculation</b>	Interest is calculated daily on the outstanding loan balance and charged monthly when the payment is due.		
<b>Amounts</b>	£1,000 to £1,000,000	£100,000 to £1,000,000	£25,001 to £1,000,000
<b>Repayment Term</b>	1 to 10 years	1 to 25 years (Maximum fixed rate period of 10 years)	1 to 25 years
<b>Capital repayment holidays</b>	Up to 12 months from the start of the loan. If a capital repayment holiday is agreed, the total interest you'll repay over the term of the loan will be greater than if no capital repayment holiday is selected.		
<b>Break costs on early repayment in full or in part</b>	Loans over £25,000 only. A break cost will apply if you repay early in part or full during the fixed rate period. We'll give you more details in the Fixed Rate Lending fact sheet when you apply.		No break costs.

## Buying property

If you're looking to expand into new premises, or build your investment property portfolio, you'll need timely support to help you through any challenges that might crop up. We understand that no two businesses are the same and neither are your mortgage requirements whether it is to buy or re-mortgage one or more properties.

## Commercial mortgage

Key features	Commercial Mortgage
Interest rate	<p>Interest rate can be fixed, fixed to variable or variable.</p> <p><b>Fixed rate</b> – The rate is fixed for the full term of the loan. This means your monthly repayments won't change.</p> <p><b>Fixed to variable rate</b> – (Minimum mortgage of £100,000) Your rate will be fixed for the fixed rate period (maximum 10 years). Your payments won't change in the fixed rate period. After the fixed rate period, the interest rate is linked to the Bank of England Base Rate. This means the interest rate can go up as well as down when the Base Rate goes up or down.</p> <p><b>Variable rate</b> – Your monthly repayments will change when the interest rate changes. The interest rate is linked to the Bank of England Base Rate.</p> <p>This means the interest rate can go up as well as down when the base rate goes up or down. Your monthly payments will change when the interest rate changes.</p>
Interest calculation	Interest is calculated daily on the outstanding loan balance and charged monthly when the payment is due.
Amounts	£25,001 to £1,000,000
Repayment term	1 to 25 years (Maximum fixed rate period of 10 years)
Capital repayment holidays	Up to 12 months from the start of the loan. If a capital repayment holiday is agreed, the total interest you'll repay over the term of the loan will be greater than if no capital repayment holiday is selected.
Break costs on early repayment in full or in part	<p>Loans over £25,000 only.</p> <p>A break cost will apply if you repay early in part or full during the fixed rate period.</p> <p>We'll give you more details in the Fixed Rate Lending fact sheet when you apply.</p>



# Next steps

If you've any questions or would like to discuss any options in more detail please contact us on

**0345 835 3865**

We're on hand  
Monday to Friday  
(excluding Bank  
Holidays) 8am to 6pm,  
9am to 2pm Saturday.

Or visit  
**[tsb.co.uk/business](https://www.tsb.co.uk/business)**

Need some extra help to do your banking? This might be due to physical or mental wellbeing or a life event. We're here to support you. Let us know what you need by calling **0345 835 3858**, chat to us in the Mobile Banking App, or visit us in branch. This information is available in large print, braille and audio. Ask in branch or call us on **0345 835 3858** ( lines are open Monday to Friday 8am to 6pm, Saturday 9am to 2pm).

If you have a hearing or speech impairment you can call us using the Relay UK service. Type **'18001'** before entering our telephone number. A member of the Royal National Institute for Deaf People will join the call to speak with us as you send and receive text messages. Please visit **[www.relayuk.bt.com](https://www.relayuk.bt.com)** to read how they manage your data.

Not all Business Telephone Banking services are available 24 hours, 7 days a week. Speak to a TSB colleague for more information.

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