



COVID-19 RESPONSE

In partnership with



COVID-19 Webinar: Coronavirus Business Interruption Loan Scheme (CBILS)

23 April 2020

Welcome

Patrick Dewar
Corporate Finance Executive
Invest NI

Agenda

- Welcome
- Overview of CBILS and CLBILS
- A lender's perspective
- Preparing your lending application
- Further information and online resources
- Questions

Overview of CBILS and CLBILS

Susan Nightingale
Senior Manager: Northern Ireland
British Business Bank

1) CBILS: Overview, key features and eligibility

2) CLBILS: Overview, key features and eligibility

3) CBILS vs. CLBILS

Overview of CBILS

- The Coronavirus Business Interruption Loan Scheme (CBILS) is designed to support the continued provision of finance to UK **smaller** businesses (SMEs) during the COVID-19 outbreak.
- Since CBILS launched on **23 March 2020**, almost 16,000 facilities valued at £2.8bn have been approved by lenders accredited to the British Business Bank's CBIL Scheme.
- Changes announced on **3 April 2020** to widen the scheme's eligibility, so that more small businesses across the UK can benefit and access the funding they need.

Key features of CBILS

- Up to £5m facility.
- 80% guarantee to the lender.
- No guarantee fee for SMEs to access the scheme.
- Interest and fees paid by Government for 12 months.
- Finance term of up to 6 years.
- No personal guarantees for facilities under £250,000.
- Personal guarantees for facilities above £250,000 at the discretion of the lender.

The borrower always remains 100% liable for the debt.

Eligibility criteria

- UK-based.
- Turnover of **no more than** £45m per year.
- Viable proposal.
- Self-certification.

Overview of CLBILS

- The Coronavirus Large Business Interruption Loan Scheme (CLBILS) will support the continued provision of finance to UK mid-sized and large businesses during the COVID-19 outbreak.
- The CLBILS Scheme went live on **20 April 2020** will be **available through a range of British Business Bank accredited lenders.**
- The scheme will support **senior debt facilities** including term loans, revolving credit, invoice finance and asset finance facilities.
- Businesses with the same private equity or venture capital backer (even when that backer has a dominant stake) **will be treated as a separate business for the purposes of assessing turnover.**

Key features of CLBILS

- Up to £50m facilities.
- 80% guarantee to the lender.
- No guarantee fee for businesses to access the scheme.
- Finance term of 3 months to 3 years.
- No personal guarantees for facilities under £250,000.
- Personal guarantees for facilities above £250,000 at the discretion of the lender.

The borrower always remains 100% liable for the debt.

Eligibility criteria

- UK-based.
- Turnover of **over** £45m per year with no upper limit.
- Open to businesses that have **not** received a facility under the Bank of England's Covid Corporate Financing Facility (CCFF).
- Businesses from **virtually all sectors can apply** for a facility.
- Viable proposal.
- **Lender and Borrower are still free to enter into loan agreements outside of CLBILS.**

Key differences

CBILS

- Available to UK-based businesses with annual turnover of up to £45m.
- The maximum value of a facility provided under the scheme is £5m
- Repayment terms limited to a maximum of six years for term loan and asset finance facilities. For overdrafts and invoice finance facilities, terms will be up to three years.
- The Government will make a Business Interruption Payment to cover the interest and any lender-levied fees in the first 12 months of any CBILS facility, so smaller businesses will benefit from no upfront costs and lower initial repayments.

CLBILS

- Available to UK-based businesses with annual turnover over £45m per year who have not taken up the Bank of England's CCFF scheme.
- The maximum value of a facility provided under the scheme is £50m for businesses with a turnover in excess of £250m, and £25m for businesses with turnover between £45m and £250m.
- Repayment terms limited to a maximum of three years.
- Business Interruption payments will not be made for CLBILS. However, the 80% guarantee will cover interest and fees as well as principle.

A lender's perspective

Geoff Sharpe
Head of Corporate Banking
Danske Bank UK

A lender's perspective

- Current cash position
- Past trading performance
- Provision of accurate and verifiable information and forecasts
- Cost reduction measures
- Viability and impact
- Ability to repay

Support for business

Interventions

- Over 2,000 support interventions across Corporate and Business

CBILS lending

- 160+ approvals totaling £40m+

COVID-19 lending

- 850+ approvals totaling £30m+

Asset finance and capital holidays

- 190+ approvals totaling £15m+

Summary

- Higher levels of activity and lending in past 3 weeks than pre-COVID-19

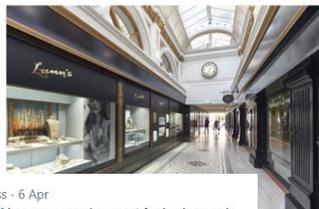
Northern Ireland jeweller Lunn's takes out 'substantial loan' to get through coronavirus pandemic



ASK THE EXPERT: HOW BUSINESSES CAN ACCESS SUPPORT FROM THEIR BANKS DURING CORONAVIRUS PANDEMIC

9 Apr 2020 Ireland

The question a lot of businesses are asking themselves at the through the difficulties caused by the coronavirus outbreak? R... sector engagement at Danske Bank offers his advice.



Alliance Party @allianceparty · Apr 1

Encouraging response from @DanskeBank_UK to Alliance MP @StephenFarryMP on the issue of UK Government's Coronavir Interruption Loan Scheme for local companies.

"We look forward to other positive responses over the coming other banks," said Dr Farry.

Operating Room Systems supplies vital respiratory equipment with support from Danske Bank

Belfast-based medical equipment supplier Operating Room Systems has secured an express delivery of essential respiratory equipment from Asia for use in the fight against coronavirus.



JPCampbellBiz - Wash your hands... @JP_Biz

Airporter, which runs buses between Derry-Londonderry & the Belfast airports, says it's got a CBIL via Danske as well as deferral of all asset finance payments for six months, a three-month capital holiday & an extended overdraft.



Chartered Accountants Ulster Society @ChartAccsUlster · 7 Apr
COVID-19 Webinar: #CBILS and Job Retention Scheme – Your Questions Answered. With speakers from @BritishBBank @DanskeBank_UK & @ALGoodbody. Thursday 9th April at 1pm. Free and open to all. Booking required: bit.ly/3bVg13J



Susan Nightingale · 1st
UK Network Senior Manager Northern Irela...

Well done to **Danske Bank UK** and particularly **Robert McCullough** for being so proactive and visible with their CBILS activity over the last number of weeks.

Ulster Business @UlsterBusiness · 6 Apr

Danske Bank @DanskeBank_UK has announced support for businesses in its supply chain by processing invoice payments more quickly during the coronavirus crisis. These businesses will now receive payment within 15 business days



BITC NI @bitcni · 2h

Danske launches outreach programme to help its most vulnerable customers @DanskeBank_UK #BusinessTakingAction bitcni.org.uk/post-news/dans... Well done to the brilliant team!



Covid-19 | Business taking action
CHECKING IN AND CHATTING



Extern Charity @extern1978 · 17 Apr

An enormous thanks to the University Road branch of our charity partner @DanskeBank_UK for this amazing hamper. 🍌🍌🍌

This donation will ensure that the people we work with can still have access to vital items during this uncertain time.

#externcares

Danske Bank @DanskeBank_UK · 17 Apr

We're teaming up with @extern1978 to give some of their service users hampers of essential goods, and a few treats, that they need to keep going during this crisis.

Thank you to our Uni Road branch team, who made up this hamper for a family local to the branch.



Sync NI Business
@SyncNIBusiness

Danske Bank has announced a series of measures aimed at supporting its older and more vulnerable customers, calling over 250 people for personal support.

@DanskeBank_UK

Preparing your lending application

Charlie Kerlin
Director - Corporate Finance
Grant Thornton

Preparing your lending application

Impact of COVID-19

- Stakeholder engagement
- Impact of COVID-19 on the business
- Business performance prior to COVID-19
- Annual or Management Accounts
- Amount of funding requested and supporting rationale
- 6-month forecast and monthly cashflow projections and assumptions

Preparing your lending application

Actions taken to cut costs and reduce cashflow pressures

- Detail of engagement with key customers, suppliers and/or landlord
- Detail of any existing borrowings and capital repayment holidays
- Detail of any other support from government

Preparing your lending application

Future trading forecasts (beyond COVID-19)

- Longer term plan and forecasts
- Understanding debt capacity of the business
- COVID-19 impacts on primary markets
- COVID-19 impacts on supply chain

Further information and online resources

Patrick Dewar
Corporate Finance Executive
Invest NI

Support and signposting

COVID-19
RESPONSE



FINANCE OPTIONS YOUR BUSINESS OUR PROGRAMMES LIBRARY NEWS AND EVENTS ABOUT

CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME (CBILS)

CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME (CBILS)

The Coronavirus Business Interruption Loan Scheme (CBILS) is now available through participating lenders

Using the buttons below, select the option that's most relevant to you.

FOR SMEs AND ADVISORS

FOR ACCREDITED LENDERS

BECOME A CBILS ACCREDITED LENDER

CURRENT ACCREDITED LENDERS AND PARTNERS

For SMEs

For Accredited Lenders

For Prospective Lenders

ABOUT THE SCHEME

The Coronavirus Business Interruption Loan Scheme (CBILS) provides financial support to smaller businesses (SMEs) across the UK that are losing revenue, and seeing their cashflow disrupted, as a result of the COVID-19 outbreak.

Danske Bank

Log on

Our teams Become a customer Guides Products and services Help



Coronavirus Business Interruption Loan Scheme (CBILS)

Developed to help businesses affected by coronavirus manage their finances.

Call us Chat Find us



Questions