

Coronavirus Business
Interruption Loan Scheme
(CBILS)

Newable

What is CBILS?

Coronavirus Business Interruption Loan Scheme, (CBILS), is a new scheme that can provide facilities of up to £5m for smaller businesses across the UK who are experiencing lost or deferred revenues, leading to disruptions to their cashflow. CBILS supports a wide range of business finance products, including term loans, overdrafts, invoice finance and asset finance facilities.

How it works

The scheme can provide facilities of up to £5m for UK smaller businesses (SMEs) who are experiencing increased costs or disruptions to their cashflow. Newable is able to provide loans from £26,000 to £150,000.

The scheme provides the lender with a government-backed guarantee, potentially enabling a 'no' credit decision from a lender to become a 'yes'.

SMEs from all sectors can apply for the full amount of the facility. CBILS is available through the British Business Bank's accredited lenders, of which Newable is proud to be.

- 1 A UK-based smaller business¹ that is experiencing lost or deferred revenues, leading to disruptions to their cashflow, needs funding.
- 2 The business must have a borrowing proposal which, were it not for the COVID-19 pandemic, would be considered viable by the lender, and for which the lender believes the provision of finance will enable the business to trade out of any short-to-medium term difficulty.
- 3 The government, operating through the British Business Bank, guarantees 80% of the facility balance to the lender, which may enable a 'no' credit decision to become a 'yes'.
- 4 The lender, using the Coronavirus Business Interruption Loan Scheme, can now offer the finance facility requested, providing all other lending criteria can be met². The Government will make a Business Interruption Payment to cover the first 12 months of interest payments and any lender-levied fees³, so smaller businesses will benefit from no upfront costs and lower initial repayments.
- 5 The business now has the finance it needs to sustain its operations during this period of uncertainty. The business remains liable for paying 100% of the outstanding facility.



¹The following trades and organisations are not eligible to apply: Banks, Building Societies, Insurers and Reinsurers (but not insurance brokers); The public sector including state funded primary and secondary schools; Employer, professional, religious or political membership organisation or trade unions.

²The business must be UK based, with an annual turnover of no more than £45m, and be able to repay the finance facility.

³Fishery, aquaculture and agriculture businesses may not qualify for the full interest and fee payment.

Eligibility checker

To help you understand if you may be eligible to apply for a CBILS-backed facility, please ensure you can answer YES to these points, before contacting Newable or one of the other 40+ accredited CBILS lenders.

1. Your application must be for business purposes
2. You must be a UK-based SME with annual turnover of up to £45m
3. Your business must generate more than 50% of its turnover from trading activity
4. Your CBILS-backed facility will be used to support primarily trading in the UK
5. You wish to borrow up to a maximum of £5m. (Finance terms are to six years for term loans and asset finance. For overdrafts and invoice finance facilities, terms will be up to three years)

Key Financial Features of CBILS

- CBILS guarantees facilities up to a maximum of £5m available on repayment terms up to six years for term loans and asset finance.
- Newable is able to provide loans between £26,000 to £150,000.
- For overdrafts and invoice finance facilities, terms will be up to three years.
- The scheme provides the lender with a government backed partial (80%) guarantee against the outstanding facility balance.
- There is no guarantee fee for SMEs to access the scheme. Lenders will pay a fee to access the scheme. The Government will make a Business Interruption Payment to cover the first 12 months of interest payments and any lender-levied fees. (1) You (the SME) will therefore benefit from no upfront costs and lower initial repayments. (2) At the discretion of the lender, the scheme may be used for unsecured lending for facilities of £250,000 and under. For facilities above £250,000, the scheme requires the lender to establish a lack or absence of security prior to businesses using CBILS. Primary Residential Property (PPR) cannot be taken as security under the scheme. If the lender can offer finance on normal commercial terms without the need to make use of the scheme, they will do so.
- SME remains 100% liable for the debt.

Apply today



FAQs can be found here:

[FAQs](#)

Applications can be made online:

lending.newable.com/nw/register

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