



# Barclayloan for Business – loans over £25,000

Barclayloan for Business offers you a funding solution for investment in your business. Your needs may range from purchasing motor vehicles, machinery or equipment, refurbishment of owner-occupied business premises or property development. You'll need to provide security for the loan.

- Financing available from £25,001
- Repayments can be spread from one to 25 years (up to £3 million) or up to five years (over £3 million) (subject to application)
- A choice of a fixed (for up to 10 years at a time) or variable interest rate, tracking the Bank of England base rate\*
- Flexible contractual terms available, with the ability to select a repayment term that's longer than the contractual term. This will leave an outstanding balance at the end of the contractual term. Longer terms could have a higher interest rate
- Monthly repayments, or other repayment frequencies like quarterly, six-monthly and annual are available
- The ability to request an interest-only period (known as a capital repayment holiday), at the start of your loan (subject to approval). You can also apply for a capital repayment holiday of up to 12 months during the term (subject to approval)
- You can overpay up to 10% of the loan balance per year before we'll charge you any breakage costs on fixed loans. There are no prepayment fees for loans on a variable rate.
- **Important information**
- Arrangement fees and associated borrowing costs will apply (arrangement fees don't apply to the Green Barclayloan for Business – please see page 3 for more details)
- There are no prepayment fees
- For fixed-rate loans, if you repay the loan early for any reason, you'll have to pay breakage costs
- Barclayloan for Business is subject to application and status
- Any property used as security may be repossessed if you don't keep up your loan repayments.

## Selecting your interest rate basis

We offer loans with a fixed or variable interest rates.

The variable rate allows you to pay an interest cost linked to the Bank of England base rate\*, while a fixed interest rate gives you certainty of the interest rate you'll pay.

## Your requirements

It's difficult to predict future interest rates, so there's no way to know if a fixed or variable interest rate will cost you more or less over the life of your loan. You'll need to consider a number of factors, including how large a payment you can afford, the length of the borrowing term you need and the level of certainty over costs that you need.

You also need to consider any possibility of early repayment, like selling a property.

## Capital repayment holidays

The ability to have an interest only period (known as a capital repayment holiday) at the start of your loan (subject to approval). During this time, you'll only pay interest on the outstanding loan.

When it ends, your repayments will increase to make sure the loan is repaid in line with your agreement. You'll also pay more interest over the life of the loan. You can also apply for a capital repayment holiday of up to 12 months during the loan term (subject to approval).

\* If this rate becomes less than zero, the variable rate will be deemed to be zero, i.e. the total interest rate will never be less than the facility margin. If you have any questions or concerns about this, please speak to an independent financial advisor.

The table below summarises the differences between your interest rate choices:

	Offers certainty against a rise in interest rates	Lower repayments if interest rates fall	Breakage cost applicable	Prepayment fees
Variable rate	No	Yes	No	No
Fixed rate loans	Yes	No	Yes	No

### The contractual term and repayment profile

We offer flexible **contractual terms** (how long we agree to lend for) and **repayment profiles** (how long you'll make specified payments for, to fully repay the loan). Where these are the same, the loan will be fully repaid by the maturity date. Where the repayment profile is longer than the contractual term, there'll be an outstanding balance at the maturity date (which might be significant).

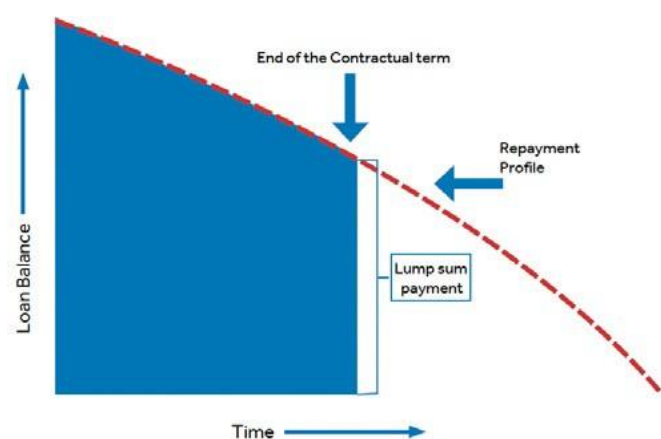
The contractual terms can affect the interest you pay and can be shorter than the repayment profile.

### Things to consider when choosing a loan with a longer repayment profile than contractual term

Loans over £100,000 with a **longer contractual term may be priced higher than loans with shorter contractual terms to reflect the increased costs associated with lending money for longer.**

You might want a loan where the **contractual term is shorter than the repayment profile** if you think the associated interest rate will benefit your circumstances.

If you choose a loan with a **contractual term shorter than the repayment profile**, there'll be an **outstanding balance at the end of the contractual term**. If the term is considerably shorter than the repayment profile, the lump sum payable is likely to be substantial.



At the end of your contractual term, you might want to take out another loan with us to pay the outstanding balance. If you do this:

- You'll need to submit a new application and we can't guarantee we'll accept it
- The interest rate offered will reflect the rates and your circumstances at the time. The new interest rate could be higher or lower than the rate on your expiring loan and the lending margin could also change
- If we accept your application, we'll charge a new arrangement fee for this loan.

### Important information

- Any fixed interest rate we quote is indicative until we confirm it in your facility letter. You'll have 30 days to sign, return and draw down the full amount of the loan for any fixed rate in the facility letter to be valid
- We don't provide advice or recommendations on the suitability of your chosen finance solution. If you need advice, please consult an independent adviser
- Paying off your loans with multiple shorter-term loans can cost more or less over your total borrowing period.

### If you repay your loan early

You can pay up to 10% of the outstanding balance, (calculated on each anniversary of the first drawdown date) without having to pay any breakage costs. There are no breakage costs on variable rate loans.

However, if you choose a fixed-rate loan and repay it early for any reason, you may have to pay breakage costs as well as other fees.

The breakage cost is a percentage of the payment linked to the number of full years left on the fixed rate.

The below table is an example of the percentages for a loan with a 10-year fixed-rate period.

Year of the loan you're in when you make your payment (or required repayment)	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
% payable of the amount of the prepayment (or required repayment)	7%	7%	7%	6%	5%	4%	3%	2%	1%	1%

As an example, if you make a £100,000 prepayment three years and six months from the start of your loan, you're in your fourth year and you'll need to pay £6,000 in breakage costs (6%). This example assumes you've already used the 10% annual overpayment allowance.

The percentage amount you'll have to pay will differ, depending on the fixed-rate period you chose.

## Green Barclayloan for Business

Green Barclayloan for Business offers you a secured funding solution with discounted interest rates when purchasing or re-financing an eligible green asset. This is an asset that meets our green eligibility criteria, which might change from time to time. These assets include:

- Greener buildings: Buildings with EPC ratings B or above, insulation, heat pumps, building automation controls
- Renewable energy: solar panels, wind turbines, battery energy storage units
- Greener living: electric vehicles, electric vehicle charging points, sustainable water and waste prevention technologies
- Greener farming: renewable generation technologies, crop rotation technologies, agroforestry practices and soil remediation technologies

Green Barclayloan for Business will be subject to all the terms and conditions of a standard Barclayloan for Business and all of the other product features apply as standard.

The additional terms and conditions of the Green Barclayloan for Business include:

- You can only use the loan to finance or re-finance your purchase of eligible green assets and any eligible directly associated costs
- Before you draw down the loan, we may ask for evidence of the eligible green assets you're planning to buy or re-finance
- We might ask for evidence you've used the loan for its agreed purpose. If you haven't, we have the right to re-apply the interest rate discount to the interest rate applicable to the facility

## Next steps

Please get in touch if you'd like to discuss your requirements in more detail.

Any property used as security, which may include your home, may be repossessed if you don't keep up repayments on your mortgage.

This item can be provided in Braille, large print or audio by calling **0800 400 100\*** (via TextDirect if appropriate) or order online via our website: [barclays.co.uk/accessibleservices](https://www.barclays.co.uk/accessibleservices)

## Call monitoring and charges information

\*Calls to 0800 numbers are free from UK landlines and personal mobiles. To maintain a quality service, we may monitor or record phone calls.

Barclays Business is a trading name of Barclays Bank UK PLC. Barclays Bank UK PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 759676). Barclays Bank UK PLC adheres to The Standards of Lending Practice which is monitored and enforced by the Lending Standards Board. Further details can be found at [www.lendingstandardsboard.org.uk](http://www.lendingstandardsboard.org.uk)

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