

GROWTH GUARANTEE SCHEME (GGS)

MOMENTA FINANCE IS ACCREDITED BY THE BRITISH BUSINESS BANK TO PROVIDE LOANS UNDER THE GROWTH GUARANTEE SCHEME (GGS).



The Growth Guarantee Scheme (GGS) is designed to support access to finance for UK small businesses as they look to invest and grow. The scheme aims to improve the terms on offer to borrowers, subject to scheme criteria. If we can offer a Momenta Finance business loan on better terms, we will do so. Businesses that took out a CBILS, BBLs or RLS facility before 30 June 2022 are not prevented from accessing government-backed facilities, although in some cases it may reduce the amount a business can borrow. Such facilities are provided at our discretion and we are required to undertake our standard credit and fraud checks for all applicants.

GGS AT A GLANCE

	Unsecured Loan Amount	£50,000 to £350,000*
	Secured Loan Amount	£50,000 to £1.5m
	Loan Term	6 - 72 months
	Personal Guarantee	Yes
	Interest Rate	Fixed starting from 15% p.a.**
	Geography	England, Wales, Scotland & Northern Ireland

LOAN PURPOSE

- Refinance to more favourable terms or consolidate debts from other providers
- Fuel business growth and expansion
- Increase inventory, fulfil contracts, and manage working capital
- Acquire property or land
- Purchase assets or machinery
- Cover deposits
- Fund staffing and training
- Invest in marketing efforts
- And many other business requirements

*The maximum amount of a facility, or facilities, provided across all lenders is £2m per business group for borrowers outside the scope of the Northern Ireland Protocol, and up to £1m per business group for Northern Ireland Protocol borrowers.

**Interest rates and fees charged by lenders will vary and will depend on the specific lending proposal. The lender's pricing will take into account the benefit of the Government guarantee and a fee that is charged to the lender for the guarantee.

REQUIRED DOCUMENTS

- Completed application via our online introducer portal or signed PDF form.
- Latest full filed accounts for the past year.
- Bank statements for all business accounts from the last 3 months. Open banking available.
- Completed GGS location set questions.





HOW DOES THE GOVERNMENT SUBSIDY WORK?

The assistance provided through GGS, like many Government-backed business support activities, is regarded as a subsidy and is deemed to benefit the borrower. There is a limit to the amount of subsidy that may be received by a borrower, and its wider group, over any rolling three-year period. Any previous subsidy may reduce the amount a business can borrow.

All borrowers in receipt of a subsidy from a publicly-funded programme should be provided with a written statement, confirming the level and type of aid received.

Borrowers will need to provide written confirmation that receipt of the GGS facility will not mean that the business exceeds the maximum amount of subsidy they are allowed to receive.

All borrowers will need to answer some questions to determine whether they are inside or outside the scope of the Northern Ireland Protocol, to determine the relevant subsidy limit and hence the potential maximum amount they can borrow under GGS.

A borrower in scope of the Northern Ireland Protocol may borrow up to £1 million per business group (across multiple lender facilities), unless such borrower operates in a sector where aid limits are reduced, in which case the maximum that can be borrowed is subject to a lower cap.

These include agriculture and fisheries / aquaculture.



ELIGIBILITY REQUIREMENTS

- ✓ Turnover limit: The scheme is open to smaller businesses with a turnover of up to £45m (on a group basis, where part of a group).
- ✓ UK-based: The borrower must be carrying out trading activity in the UK.
- ✓ Viability test: Momenta will establish that the borrower has a viable business proposition assessed according to its commercial lending criteria in place.
- ✓ Business in difficulty: The borrower must not be a business in difficulty, including not being in relevant insolvency proceedings.
- ✓ Purpose: the facility must be used to support trading in the UK and cannot be used to support certain export related activities. There are certain restrictions on the use of proceeds of facilities in the agriculture, fisheries and aquaculture sectors for borrowers impacted by the Northern Ireland Protocol.
- ✓ Guarantee is to the lender: The scheme provides Momenta Finance with a 70% government-backed guarantee against the outstanding balance of the facility after it has completed its normal recovery process. The borrower always remains 100% liable for the debt.



Working with
**British
Business
Bank**

The British Business Bank has a range of guidance and resources available to all businesses, including content on managing your cashflow and a list of independent advice services. The Growth Guarantee Scheme is managed by the British Business Bank on behalf of, and with the financial backing of, the Secretary of State for Business and Trade. British Business Bank plc is a development bank wholly owned by HM Government. It is not authorised or regulated by the PRA or the FCA. Visit <http://www.british-business-bank.co.uk/growth-guarantee-scheme>

