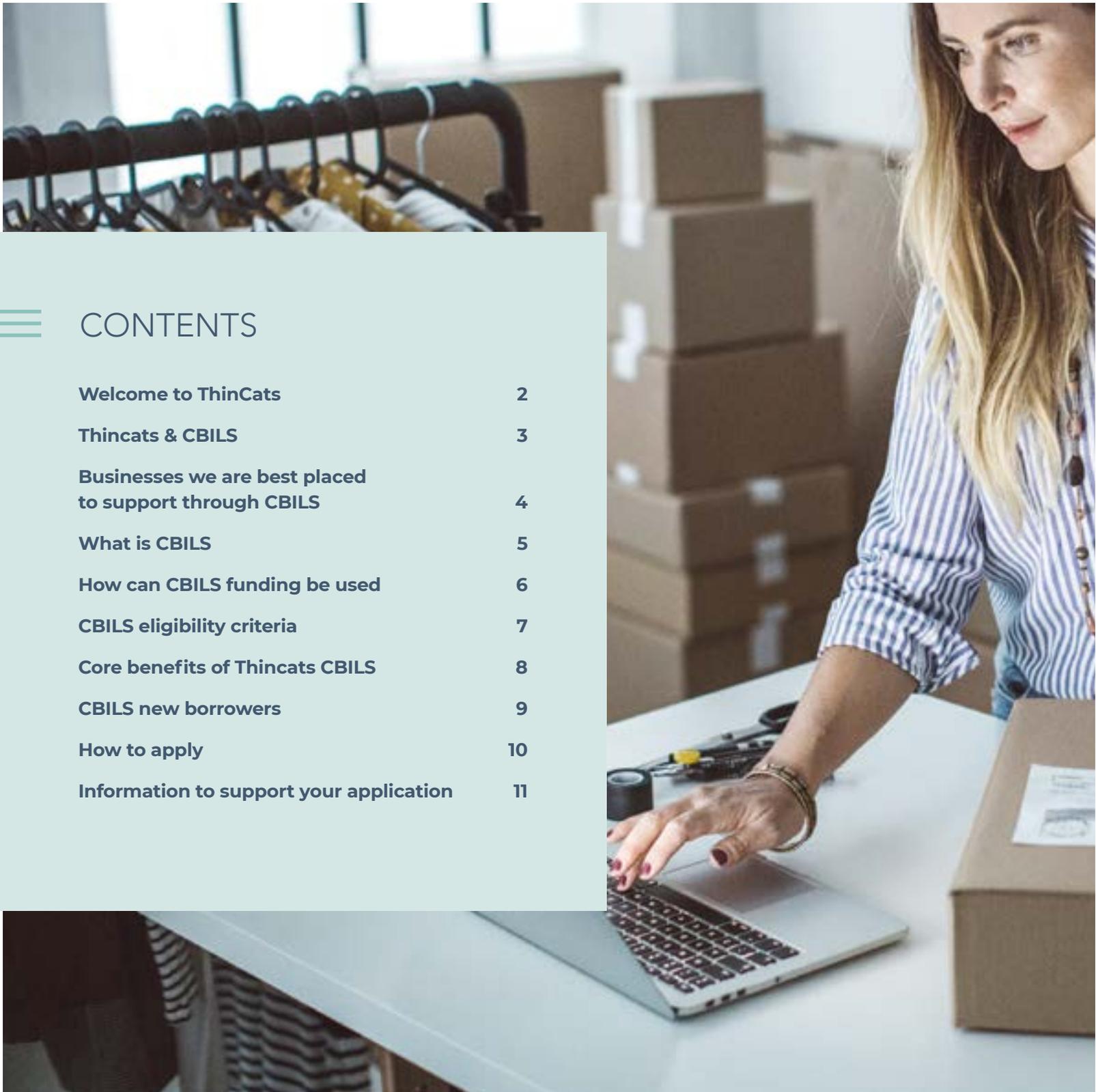


CORONAVIRUS BUSINESS
INTERRUPTION LOAN SCHEME

HELPING MID-SIZED BUSINESSES RISE TO THE CHALLENGE



Government-backed CBILS loans for mid-sized businesses requiring funding from £1m - £5m



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WELCOME TO THINCATS

Helping the mid-sized thrive

At ThinCats we believe talent, creativity and hard work should be the drivers of success for UK businesses, not access to funding.

Mid-sized SMEs account for more than 25% of UK GDP yet even before the covid-19 pandemic, would often struggle to access the finance they need.

These businesses deserve better. ThinCats exists to fill this gap and help these mid-sized businesses thrive.

As one of the first non-bank lenders approved by the British Business Bank to provide term loans through CBILS, we are opening the scheme to new borrowers.

Mid-sized businesses impacted by coronavirus can now benefit from our bespoke funding solutions including government payment of the first 12 months' interest plus legal and lender fees.



THINCATS & CBILS

ThinCats has been approved by the British Business Bank as an accredited lender for term loans as part of the Coronavirus Business Interruption Loan Scheme (CBILS).

We typically fund businesses with loans from £1m up to £15m, however, for CBILS loans the maximum loan size permitted is £5m for businesses with turnover less than £45m.

Businesses with a turnover greater than £45m may be eligible for a Coronavirus Large Business Interruption Loan Scheme. ThinCats is an accredited lender for CLBILS, however, is currently offering CLBILS loans to existing borrowers only.



BUSINESSES WE ARE BEST PLACED TO SUPPORT THROUGH CBILS

Through the support that we are already providing to our existing borrowers, we believe there are a number of situations where we are particularly well placed to provide CBILS funding to businesses impacted by the covid-19 pandemic.



Consumer closure

A business offering a service that will resume once isolation restrictions are lifted



Order shift/supply chain

A business with contracted orders but affected by either postponed delivery schedules or problems sourcing input materials



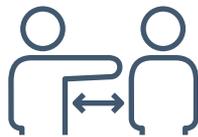
General fall in demand

A business where demand has fallen as a result of reduced economic activity



Delayed debtor receipts

A business experiencing delayed revenue due to customer cashflow difficulties



Staff closure

A business where staff are not able to work safely under social distancing rules despite ongoing demand for products



Investment/Acquisitions

Businesses whose underlying model has been impacted and are looking to diversify revenue streams, e.g. investment in online distribution or by acquiring new businesses

CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME

What is CBILS?

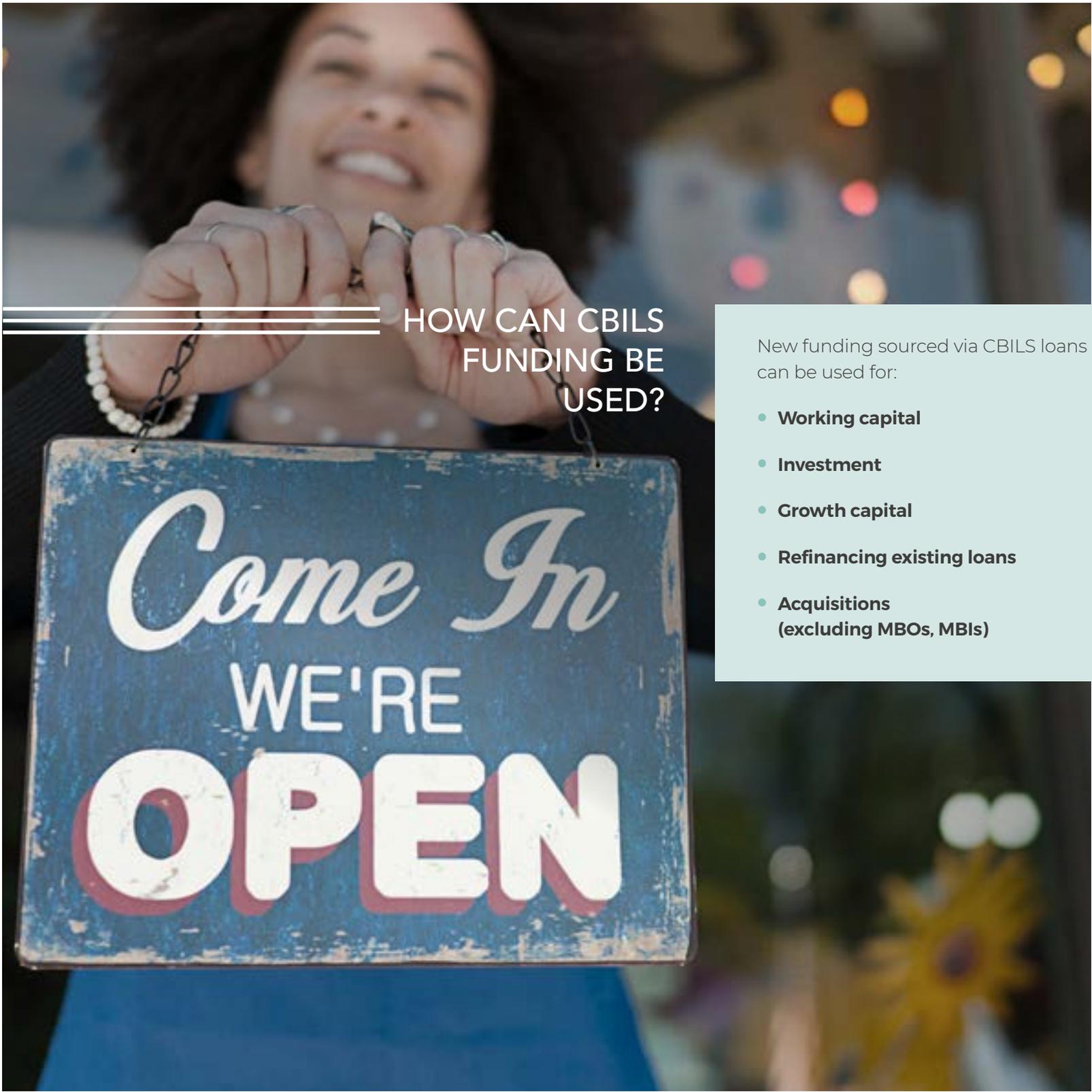
The Coronavirus Business Interruption Loan Scheme (CBILS) is designed to support the continued provision of finance to UK businesses during the Covid-19 outbreak. The scheme enables lenders to provide facilities of up to £5m to businesses across the UK who are experiencing lost or deferred revenues, leading to disruptions to their cashflow. It supports a wide range of business finance products, including term loans, overdrafts, invoice finance and asset finance facilities.

ThinCats has been approved as an accredited lender for term loans. The scheme provides lenders with a partial guarantee of 80% - **but the borrower remains liable for the full loan amount.** Under the scheme the government will pay a borrower's interest for the first 12 months plus legal and lender fees.



The Coronavirus Business Interruption Loan Scheme (CBILS) is managed by the British Business Bank on behalf of, and with the financial backing of the Secretary of State for Business, Energy and Industrial Strategy (BEIS).

Full details on CBILS and the list of participating CBILS lenders can be found on the British Business Bank website.



HOW CAN CBILS
FUNDING BE
USED?

New funding sourced via CBILS loans can be used for:

- **Working capital**
- **Investment**
- **Growth capital**
- **Refinancing existing loans**
- **Acquisitions
(excluding MBOs, MBIs)**

CBILS ELIGIBILITY CRITERIA

To be eligible for a CBILS loan the British Business Bank requires all businesses to meet the following criteria. [For full details see BBB eligibility check list.](#)

In addition, ThinCats has criteria specific to its CBILS loans that borrowers also need to meet. [See the ThinCats criteria.](#)

Type of business

- ✓ Sole trader, a partnership or an individual acting on behalf of a company or a company with a turnover less than £45m
- ✓ Based in the UK
- ✓ Generating more than 50% of turnover from trading or commercial activity in the UK

The following business types are not eligible:

- ✗ Banks, insurers or reinsurers
- ✗ Public-sector organisations
- ✗ State funded primary or secondary school

Viability

CBILS are designed to provide finance to businesses that were otherwise viable before the Covid-19 pandemic. To be eligible, businesses need to demonstrate that they were not a “business in difficulty” on 31 December 2019.

If any of the following applied at that time then a business will be deemed to be ineligible for CBILS:

- ✗ Accumulated losses of more than half of their subscribed share capital (for limited companies) or more than half of their capital (for unlimited liability companies);
- ✗ Started, or had fulfilled the criteria to be put into, collective insolvency proceedings;
- ✗ Previously received rescue aid that was yet to be reimbursed (or, in the case of a guarantee, terminated);
- ✗ Received restructuring aid, and were still under a restructuring plan; or (where they do not meet the SME criteria) have fallen below solvency ratios for the previous two years.
- ✗ Has not been classified as an SME and has fallen below solvency ratios for the previous two years.



THINCATS CBILS

The core benefits are:



Access to a specialist lender that understands the challenges facing established, mid-sized businesses.



The ThinCats CBILS has been specifically designed to cater for businesses with a turnover of less than £45m **looking for funding between £1m and £5m.**



Detailed assessment of eligibility for PE backed businesses including acquisitions.



Access to a nationwide team of regionally based experts who work with borrowers and their advisers to handle funding proposals from application to drawdown and beyond.



A genuine desire from ThinCats to become a long-term funding partner.



A bespoke funding solution that is flexible in terms of repayment schedules, security and covenants to meet a business's individual cash flow requirements.

CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME / NEW BORROWERS

General criteria		Cash flow	Minimum EBITDA of £0.5m for 12 months pre Covid-19, up to a maximum of 3 times gross
Profit making	Positive EBITDA for each of the 2 years pre Covid-19	Asset backed	Maximum loan to value of 75%
Loan size	£1m up to £5m	Loan Term	1 year up to 6 years
Sectors	Selective appetite for leisure, travel, retail	Eligibility	Not been a 'business in difficulty' at 31/12/2019
Purpose	Working capital, investment, growth capital, refinancing, acquisitions (exc MBOs, MBIs)	Turnover	Less than £45m – UK based

Loan Structure and Rates

Structure	First 12 months interest only, then ability to amortise including bullet repayment
Rate	6-9% depending on credit/security First year interest paid for by HM Treasury
Arrangement Fee	2% paid for by HM Treasury

Security and Monitoring Requirements

Security	First lien debenture with standard package – No initial PGs
Covenants	Initial – minimum cash, ability to revise to a standardised level
Reporting	Monthly reporting and require access to bank account via open banking app



HOW TO APPLY

To start your application visit please visit thincats.com/businesses/cbils

Advisers

If you are an adviser handling an application on behalf of a business and would like to speak to one of our origination team before starting the application process, please get in touch with your regional ThinCats representative.

thincats.com/advisers/uk-representatives

Existing ThinCats Borrowers:

All existing ThinCats borrowers should contact the Client Service Team at cst@thincats.com



INFORMATION TO SUPPORT YOUR APPLICATION

To support your application you will need to provide information covering:

-  The performance of your business prior to the onset of the virus
-  The actions you've already taken, or are considering, to mitigate the impact including the extent to which you have explored other areas of funding or Government support
-  Forecasts to estimate your total cash requirement over the next 12 months and the amount of borrowing you're seeking
-  Details of existing finance commitments
-  Any key assumptions or risk factors which may impact the above

Before starting your online application it's worth having the following documentation available as it will be required as part of the application process.

-  2 year historic (latest and previous year) and two-year forecast financials including monthly profit and loss and cashflows
-  Most recent management accounts not more than 2 months old (P&L, Balance sheet and cash flow)
-  Last 3 months bank statements for borrower



 thincats.com

 [Thincats](#)

ThinCats is a trading name of the ThinCats Group, c/o ESF Capital Limited (Registered in England and Wales No. 09707863) 2nd Floor, Newlands House, 40 Berners Street, London W1T 3NA.