

# Bounce Back Loan

This scheme will help small and medium-sized businesses affected by coronavirus (COVID-19) to apply for loans of up to £50,000.

This scheme is not available yet. It will launch on 4 May 2020.

The Bounce Back Loan scheme will help small and medium-sized businesses to borrow between £2,000 and £50,000 or a maximum of 25% of business turnover.

The government will guarantee 100% of the loan and there won't be any fees or interest to pay for the first 12 months.

Loan terms will be up to 6 years. No repayments will be due during the first 12 months.

The government will work with lenders to agree a low rate of interest for the remaining period of the loan.

The scheme will be delivered through a network of accredited lenders.

## Eligibility

You can apply for a loan using a two-page standard form with no forward-looking business viability information needed.

if your business:

- is based in the UK
- has been negatively affected by coronavirus
- was not an 'undertaking in difficulty' on 31 December 2019

## Who cannot apply?

The following businesses are not eligible to apply:

- banks, insurers and reinsurers (but not insurance brokers)
- public-sector bodies
- further-education establishments, if they are grant-funded
- state-funded primary and secondary schools

Note – if you're already claiming funding under the [Coronavirus Business Interruption Loan Scheme \(CBILS\)](#) you can not apply. If you have already received a loan of up to £50,000 under CBILS and would like to transfer it into the Bounce Back Loan Scheme, you can arrange this with your lender until **4 November 2020**.

## How to apply

The Bounce Back Loan scheme will launch on **4 May 2020** at 9am and it has been stated that most loans will be paid within 24 hours of approval. Businesses will be able to access the loans through the existing network of accredited lenders.

See link <https://www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan>