



“ This example really demonstrates the speed and efficiency of our service from application, to quote issued, to quote purchased, all within the space of 48 hours.
 Keir Cox, Operations Director

£500K

Funding amount

£50K

Personal Guarantee insured

CBILS Loan

Type of loan

£902K

Net assets

£50k PGI approval for £500K CBILS loan

Overview to the deal

The company specialises in commercial drug sourcing and supply for clinical research. As a result of the current climate the business was experiencing a huge increase in demand for its services and they required a suitable funding line to ensure the business could fulfil its order book.

The company opted to utilise a £500,000 Coronavirus Business Interruption Loan "CBILS" given the attractive interest rates and the cash flow advantages of the 12 month Business Interruption Payment paid on behalf of the company by the Government. As the CBILS loan value was in excess of £250,000 the bank was permitted to request a Personal Guarantee from the Director in support of the facility; the Director was put off completing on the facility due to this and he therefore applied for Personal Guarantee Insurance as a way to mitigate some of his personal risk.

The Purbeck underwriters were able to work with the Director to ensure he had a quote in place ahead of completion on the loan, giving the Director comfort to proceed with the finance to help his business grow.

Interesting fact(s) about the case:

- > Despite the business having a record 6 months the bank still required the Director to sign a Personal Guarantee which was 10% of the overall facility.
- > The Purbeck underwriters were able to issue a quote for purchase within 24 hours of the application.
- > Personal Guarantees can be required in support of CBILS loans in excess of £250,000; this is at the discretion of the lender. However, recoveries are capped at a maximum of 20% of the outstanding balance following failure and after the proceeds of business assets have been applied.

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