



## **ART Business Loans Standard Terms and Conditions**

### **Eligibility**

- The Loan is available to limited companies, sole traders, partnerships and social enterprises
- All applicants must have been declined by their bank for some or all of the required funding
- Most sectors will be considered where there is no moral, legal or ethical reason to exclude
- Activities that impact in disadvantaged areas are particularly welcome

### **Location**

- The business has to be located in the West Midlands

### **Amount and Term**

- Loans are available between £10,000 to £150,000
- Loans are advanced for periods from 6 months to 7 years, dependent upon purpose
- There are no penalties for early repayment

### **Social Investment Criteria**

- All projects will need to show a social benefit and in the majority of cases this will be exhibited by creating or safeguarding employment

### **Interest Rate**

- Loans are charged at the Bank of England base rate plus 10%--18% and will be determined by the level of assessed risk.

### **Fees**

- Fees for the taking of any security are levied on a cost basis
- Arrangement Fee is 5% which can be added to the loan if the total loan amount is less than £150,000
- ART is a mutually owned member's society and each borrower has to buy one share of £250. This amount can be added to the loan and can be redeemed once the loan is repaid

### **Security**

- Personal Guarantees are always required
- Security will be taken where it is available and felt necessary

### **Application Procedure**

- Applications must be made on the standard ART application form