

Product guide

# Business overdraft

Flexible support for cashflow

# Running a business isn't always predictable.

That's why our business overdraft gives you flexible breathing space when you need it.

Use it to manage seasonal dips, bridge gaps while waiting for invoices, cover short-term operating costs or deal with unexpected expenses.

And from day one, you'll get a dedicated relationship manager who wants to get to know your business inside out, and who is easy to reach.

## Case study

"Allica's business overdraft has given me the peace of mind to really focus on growth. The extra cashflow headroom means we can take opportunities as they arise without this impacting our day-to-day even if a client invoice is delayed."

**Geoff Todd**  
Founder, Farsight Digital Solutions



# How Allica's business overdraft works

Allica's business overdraft is an arranged secured lending facility for business use only. It's a simple way to stay in control when you need to keep things flexible.

## Product details

### Product type

Arranged secured overdraft facility for business use only

### Term

12 months

### Minimum limit

£25,001

### Maximum limit

£2,000,000

### Repayment

Repayable on demand. This means we can ask you to pay back some or all the money you borrow at any time. We will usually give you advanced notice of any demand, but we may not give you any notice if it would be reasonable for us not to

### Renewal

Typically renewed annually

### Arrangement fee

1.5% on the agreed overdraft limit

Other fees apply (including professional and renewal fees)

## Here's what you can expect

- **Borrow from over £25,000 – £2,000,000**

Cashflow support tailored to your business needs

- **Flexible borrowing**

Only pay interest on what you need

- **Dedicated relationship manager**

Get direct access to our experts from day one

- **Fast and simple**

Submit an application online which usually takes a few minutes. Our team will look through your details, and if everything looks good, you'll then get a decision in principle.

If you haven't got a business current account with us, you'll be asked to set one up.

## Who is eligible?

Allica's business overdraft was built for Business Rewards Account customers who need the flexibility and tools to grow their business and must:

- Need an overdraft **over £25,000** for business purposes.
- Be a **UK Limited Company** or **Limited Liability Partnership**.
- Have been trading for at least **24 months**.
- Generate an **annual turnover above £500,000** (or above £300,000 if application supported by the Growth Guarantee Scheme) and be profitable.

If your overdraft application is approved but you don't already have a Business Rewards Account, you'll need to open one and make it your primary account before your overdraft can be set up. The current account switch service (CASS) makes this a simple process.

Overdraft Limit	Interest Rate*	Security Requirements
£25,001 to £49,999	10% above Bank of England base rate	Personal guarantee only
£50,000 to £99,999	6.75% above Bank of England base rate	First-ranking debenture and a personal guarantee**
£100,000 to £249,999	4.75% above Bank of England base rate	First-ranking debenture and a personal guarantee**
£250,000 to £2 million	Agreed on application	First-ranking debenture and a personal guarantee**

The information in this table is for guidance only and does not represent a final offer of credit. Allica may require different or additional security depending on your individual circumstances. Any overdraft facility remains subject to application, status and lending criteria.

\*The interest rate is a tracker rate calculated at a margin above the Bank of England base rate. If the Bank of England Bank base rate moves, your interest rate will move immediately by the same amount without any prior notice to you.

\*\*Personal guarantees may be required to fully or partially cover the facility, depending on individual circumstances.

# A bit more about Allica Bank

Allica makes banking for established businesses smarter, more rewarding, and more powerful.

We're an award-winning business bank dedicated exclusively to supporting established businesses with between 5 and 250 employees. That means a current account that rewards you, just for doing banking as usual, a relationship manager whose name and number you know, supported by powerful technology that makes your life easier, not harder.

It's how business banking used to be – just better.



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