

<u>Purpose</u>	<u>Customer Type / Credit Requirements</u>	<u>Min/Max Advance, Terms & Pricing</u>	<u>Documentation</u>
<p><u>Loan Purpose Examples:</u></p> <ul style="list-style-type: none"> • Non-residential Agricultural Buildings, Sheds etc. • Renewables (Biomass/Solar/Wind). • Robotic Milking Parlours/Upgrades. • Slurry Pits. • Livestock. • Sale & Purchase (Sale & HP/Leaseback) in Scotland. • Foreign Supplier deals. • Stage Payment Requirements. • Inputs* (e.g. fertiliser, seed) • Other short term quantifiable business expenses such as machinery repairs • Agricultural non-residential Property repairs or improvements 	<ul style="list-style-type: none"> • Established farmers only. • Owners and long established/larger tenant farmers. • Farm enterprise details, time trading, acreage owned/rented, farm type (livestock, arable, mixed). • Background information to the business (time trading, acreage owned/rented, type of farm) and rationale for the loan. • Accounting information is normally required with all loan proposals over £25k balance to finance. We reserve the right to request accounts for deals under £25k where the customer profile necessitates. • Other supporting information such as bank statements, Asset & Liabilities Statement and Land Valuations are useful additions to support the proposal and may be sought depending on the loan amount and credit strength. 	<ul style="list-style-type: none"> • £5,000 minimum loan size. • No maximum loan size, larger loans will be for the stronger / larger / owner farmers. • Maximum term 84 months – dependent on loan purpose (e.g. Inputs max term of 12 m) • Minimum term to be 6 months – dependent on loan purpose. • Seasonal payments will be considered where appropriate. 	<ul style="list-style-type: none"> • Fixed Sum Loan Agreement; Regulated or Non-regulated, available from document portal. • For sole traders and 2/3 person partnerships all partners should sign the Business Use Exemption of non-reg loan. • Recent invoice/quote/pro-forma to cover amount of the loan to be provided at proposal or payout stage. • We are only able to accommodate requests to pay the supplier directly on non-regulated loans.
<p><u>No Appetite:</u></p> <ul style="list-style-type: none"> • Standard purchases where there is no rationale for a loan. • Re-finance or cash raising. • Suppliers that HCBF would not wish to transact with. • Interest only or 'keep in touch' payments with a bullet payment at the end of the term. • * Input finance where HCBF already have a relationship with the seller/merchant directly. 	<p><u>No Appetite:</u></p> <ul style="list-style-type: none"> • Agricultural contractors, dealers and any non-farmer customers. 	<p><u>Rates:</u></p> <ul style="list-style-type: none"> • <u>Where term less than 18 months, please contact your account manager for pricing.</u> • There is no enforced minimum margin, however it is expected that the net margin for loans runs higher than the asset finance net margin. 	