



PERSONAL – CASH BACKED LENDING (Loan)

Cash Backed Lending can be used to support expenses with cash held as guarantee.

Your Needs

This is an option worth considering if you have cash deposited for a fixed term and require access to liquidity in the short-term. It can provide access to funds through a loan using your cash deposit as security.

Our Solution

Credit facilities secured by cash, held with us, could allow you to release liquidity from your deposits. It can be structured as a loan from 6 months to a maximum of 1 year. You are also able to open this in multi-currency. Available on a fixed or variable rate product.

Benefits

- With a fixed rate product, it reduces your exposure to the risk of higher interest rates.
- With a fixed rate product, you can have the certainty of debt servicing costs for your personal use.
- Variable rate loans are flexible, which means you can make overpayments if you wish to, without an Early Repayment Charge (ERC's).
- Unlike an overdraft a loan is structured, so you know how much you will pay each month/quarter and when you will finish repaying it.
- Coutts offer loans in a range of currencies.

Considerations

- The Interest rate on a variable rate loan is linked to the Coutts Base Rate which means your payments can go up or down, but you will be notified of this in advance.
- Failure to keep up with your loan repayments could affect your ability to borrow credit in the future.
- A loan is a form of debt so the longer the term on the loan the more interest you will repay.
- Over the life of the loan, the fixed rate may result in higher costs than a variable interest rate loan if the variable interest rates are lower in comparison.
- On a fixed rate product there will be an early repayment charge if you wish to repay the borrowing before the end of the term.
- The loan is secured and if you do not keep up with your repayments, you risk losing your security.
- Cash Backed Lending cannot be used for Home Renovations.

Product Specifications

Interest Rate: Margin over Coutts Base Rate (GBP) or Currency Reference Rate (Non GBP).

Currency: GBP, USD, EUR, JPY & CHF.

Term: Minimum term is 6 months and maximum term is 1 year.

Minimum Threshold:
£60,261

Maximum Threshold: No Maximum however based on cash held as security.

Repayment Basis: Interest Only - Security required as described below. The Charge is collected quarterly.

Security: Instant, Notice and Fixed Deposits on a first party and same currency basis only.

Cash Backed Lending can be used for a wide range of purposes including purchase of a UK PPR and property purchase outside the UK.



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Pricing & Fees

- The larger your portfolio the lower your interest rate will be.
- There is no arrangement fee.

All costs will be available in your lending agreement when you apply for a loan. You will also be notified of any base rate changes, and these will be published on our website.

Is Cash Backed Lending right for you?

- You want certainty of borrowing costs with a fixed rate.
- Want to be protected against the risk of higher interest rates with a fixed rate.
- You believe variable rates may rise and want to be protected by a fixed rate.
- With a variable rate you should be comfortable with the fact the base rate can rise and fall, meaning the interest rate payable may increase or decrease.
- With a variable rate you want flexibility to be able to repay your loan with no charges.
- You are comfortable with currency fluctuations. With currency borrowing, there is a risk that due to currency fluctuation you may repay a higher amount in the currency of borrowing.
- Your cash collaterals are untouched. But this will be a secured facility, and this is taken over the cash balance held.
- You are comfortable that your borrowing is secured and if you do not keep up with your repayments, you risk losing your security.

Credit subject to individual circumstance. Over 18s only.

There are some limitations on the use of funds, and you can find out more by speaking to your private banker.

How it works

You can speak to your Private Banker who will be able to go through the application with you.

Discussion

Our team don't provide financial advice as part of the loan service we provide you. However, we will give you information to help you make an informed decision.

Assessment

Our team will support you through the application and work with our credit team to assess your request. Dependent on how much you are looking to borrow you may be asked to provide additional documentation.

Confirmation

Our team will let you know if your application was successful or not.

Ready to Use

Our team will let you know when your loan is in place.

If you would like this document in another format such as Braille, large print or audio, please let us know.