

# Boost Business Loan

PRODUCT GUIDE

Loan Amount			\$10,000 – \$100,000	\$100,000 – \$200,000	\$200,000 – \$500,000
Terms	6 – 24 months (≤\$50,000 is maximum 12 months)		6 – 24 months		6 – 36 months
Repayment Options	Weekly, Fortnightly or Monthly				Weekly, Fortnightly or Monthly
Lending Ratio	Up to 125% of monthly sales		Up to 150% of monthly sales		Up to 150% of monthly sales
Property Owner	No		Yes		Yes – LVR rules apply (Registered property security at funding)
Security	No		Sometimes		Yes
Bank Statement Conduct	Minimum: Good or minimal adverse. Ideal: Regular and consistent income, no adverse, no other cash flow loans.				Minimum: Good or minimal adverse. Ideal: Regular and consistent income, no adverse, no other cash flow loans.
Equifax Score	Ideal: 625				Minimum: 625
Trade Length	Ideal: 4 years+ (Minimum 12 months)				Minimum: 36 months
Minimum Application	ABN, Mobile, Email, Applicant Name				ABN, Mobile, Email, Applicant Name
Minimum Documentation	ID, Privacy Consents & Bank Link (all business accounts).				ID, Privacy Consents & Bank Link (all business accounts), Statement of debt position.
Settlements	Within 24 hours				Within 24 hours
Pricing, Commissions & Fees					
Facility Fee	From 16%				From 12%
Commissions	Standard 2%. Option to add additional 1% or 2% commission.				Standard 2%
Draw Down Fee	3%				From 2%

## Special Notes:

- The facility fee is expressed as simple interest and may vary depending on the strength of the application.
- Upfront asset security is not required in most cases.
- Information shown above represents an ideal client.

## Credit Scorecard:

1. Banking/Income Conduct (Max 40 points):
• No other cash flow loans or being paid out as part of the transaction. – 4.5 points
• No debt collector payments. – 4.5 points.
• No more than 20 days overdrawn in the most recent 6 months. – 4.5 points.
• Upward or flatline sales trend over the last 6 months. – 4.5 points.
• Minimum of 10 deposits per month. – 4.5 points.
• Consistent monthly sales. – 4.5 points.
• Minimal dishonours (<10% of Monthly sales). – 4.5 points.
• Minimal gambling (<5% of Monthly sales). – 4.5 points.
• Current loan payment ratio < 6%. – 4.5 points.

2. Time in Trading (Max 20 points):
• 12 months – 4 points.
• 1-2 years – 8 points.
• 2-3 years – 12 points.
• 3-4 years – 16 points.
• 4+ years – 20 points.

3. Equifax Score (Max 20 points):
• 325-425 – 8 points.
• 425-525 – 12 points.
• 525-625 – 16 points.
• 625+ - 20 points.

4. Property Ownership (Max 20 points):
• No property - 4 points.
• Property in background but excluded (existing caveat / under construction) – 8 points.
• Property in background, not being used as security – 12 points.
• Property in background, registering on title (LVR > 80%) – 16 points.
• Property in background, registering on title (LVR < 80%) – 20 points.

*The client is placed in a credit scoreband based on the above that dictates our lending capacity:*

Credit Band:	Lending capacity:	Security sought:	Facility Fee:
<b>Credit band 1 &amp; 2 (76 – 100)</b>	<b>150%</b> of Monthly sales	No property security required up to \$200K	16% - 20%
<b>Credit band 3 (66-75)</b>	<b>100%</b> of Monthly Sales	Over \$150K we will ask for a caveat	20% - 23%
<b>Credit band 4 (54-65)</b>	<b>75%</b> of Monthly Sales.	Over \$100K we will ask for a caveat	23% - 26%

**\*Note balance of other Cashflow loans will be deducted from Loan offering\***

### **Knock Out Rules:**

- Less than 12 months trading.
- Monthly turnover below \$10,000.
- Directors with previous insolvencies / administrations (in the last 4 years).
- Equifax score below 325.
- Any outstanding dishonours – all dishonours are to be made up prior to application.
- Dishonours no greater than 5% of total direct debits.
- Any outstanding defaults above \$5,000 or with a financial institution.
- More than 2 current Cashflow Loans unless being refinanced.

### **Benefits of a Boost Business Loan:**

- No industry restrictions.
- Capable of lending alongside other cash flow lenders.
- Capable of refinancing from ALL other cash flow lenders.
- No need to provide financial statements.
- No property security registrations for loans up to \$200,000.
- Fee Rebates are provided if the loan is repaid early, this is 50% of the unexpired interest at the time the loan is repaid.
- As the business grows Scotpac can continue to support them via other forms of funding such as Debtor, Trade, Asset or Property Finance.