

Business Overdraft

Account Features

- A borrowing limit which is connected to your account used to fund short-term cash flow and working capital.
- Available to customers with a Metro Bank Business or Commercial current account.
- Immediate and easy access to funds when you need them.
- Only pay interest on the funds you use. Interest is calculated daily and charged monthly.
- Your Overdraft Limit will be reviewed annually (and a renewal fee will be payable).
- Business Overdraft Limits start from £100.

Important Information Summary

The information in this document summarises the important features of Metro Bank Business Overdrafts and is intended to be read together with, but not to replace, the relevant Metro Bank Business Overdraft Letter Terms. You should carefully read this document and the Metro Bank Business Overdraft Letter Terms before applying for the Overdraft. If there is anything you do not understand, please ask any Local Business Manager or Commercial Banking Relationship Manager. All rates and charges set out in this Important Information Summary are subject to change. These details are correct as of 2 September 2024. If these details have changed by the time you apply for the overdraft, we will provide to you the then current Important Information Summary for the business overdraft.

1. INTEREST RATES AND CHARGES

	Business Overdrafts £100 to £25,000	Business Overdrafts £25,001 to £60,000	£60,001 and above
Interest rate	15.57% EAR* (variable) per annum	Agreed upon application	
Arrangement fee	1.75% or £50 (whichever is greater) There are no fees on overdrafts up to and including £500	Agreed upon application	
Term	Up to 12 months (renewed annually)		
Other fees	Security fees, valuation fees, legal fees and / or administration fees may be charged.		
Renewal fees	A renewal fee of 1.25% will be charged (minimum £50 charge applies). There are no fees on overdrafts up to and including £500		

2. OVERDRAFT CHARGES

Business Bank Accounts		Commercial Bank Accounts	
Unpaid item charge	No charge	Unpaid item charge	£25
Paid item charge	No charge	Paid item charge	£15
Debit interest on an unarranged overdraft	25% EAR* typical (variable)	Debit interest on an unarranged overdraft	25% EAR* typical (variable)
<ul style="list-style-type: none"> • We do not charge for paid/unpaid items on the business bank current account, business switcher current account, business start-up current account or business community current account. • An unarranged overdraft is created when a deduction or withdrawal from your account can't be met from the balance in your account or within an existing agreed overdraft. • Debit interest will be calculated daily on your account and applied monthly. Your monthly statement will show how much interest you have paid and when. 		<ul style="list-style-type: none"> • We do charge for paid/unpaid items on the commercial current account. • An unarranged overdraft is created when a deduction or withdrawal from your account can't be met from the balance in your account or within an existing agreed overdraft. • An unpaid item charge is incurred when there are insufficient funds in your account to cover a cheque, direct debit or standing order payment and we have to return this item unpaid. • A paid item charge is incurred when a cheque, standing order or direct debit is deducted from your account and creates an unarranged overdraft. • Debit interest will be calculated daily on your account and applied monthly. Your monthly statement will show how much interest you have paid and when. 	
		<p>How to avoid overdraft fees</p> <p>Transfer money into your account by 14:00 - if you ensure that sufficient funds are available in your account by 14:00 at the latest on the day the payment is due, you will not incur a paid or unpaid item fee. Please note that these need to be cleared funds, as simply transferring funds from another account is not sufficient as it can take a while for the money to be transferred, even with faster payments. Transferring from one Metro Bank account to another is instantaneous however.</p>	

*EAR stands for equivalent annual rate. It shows the rate you'd pay if you remained overdrawn for a year. It takes into account the interest rate you're charged when you go overdrawn, how often it's charged and the effect of compounding - charging interest on interest - on your debt.

Business Overdraft Important Information Summary *(continued)*

3. SECURITY REQUIREMENTS

Security may be required for a Metro Bank Business Overdraft. We may require one or more types of security, such as:

- Guarantee and indemnity from a third party / group entity / from directors or members of the borrower; and
- Security over property such as land or a bank account

The security we will require for your overdraft will be decided on a case-by-case basis and you will be advised if it is required upon application. Security fees may also apply.

When giving a guarantee or indemnity, you might have to pay instead of or as well as the borrower. We recommend you seek independent legal advice before entering into this guarantee and indemnity. A copy of the Personal Guarantee can be provided upon request, prior to commencing your overdraft application for you to take away and obtain legal advice. If you leave an application prior to completion, another credit check may be conducted and the decision could be different to any previously given.

4. THINGS YOU SHOULD CONSIDER

- You can apply to open a Metro Bank Business Overdraft if you hold a Metro Bank Business current account.
- We'll carry out a credit check and make a decision depending on your financial status.
- A copy of the Personal Guarantee can be provided upon request, prior to commencing your overdraft application for you to take away and obtain legal advice. If you leave an application prior to completion, another credit check may be conducted and the decision could be different to any previously given.
- Any property used as security, which may include your home, may be repossessed if you do not keep up repayments on a loan or other debt secured on it.
- If you have a Commercial Current Account, the fees and charges you will pay may differ to what is stated within this document, irrespective of the amount you borrow. The fees and charges for Overdrafts on a Commercial Account will be agreed with you upon application.
- For Business Overdrafts less than £25,000 the rate of interest is variable. The rate may be varied from time to time on giving you not less than two months' written notice. For Overdrafts greater than £25,000 the interest rate offered may be linked to and vary along with Metro Bank Base Rate. This will be agreed upon application.
- Overdrafts are designed to support your short-term cash-flow needs. If you require access to longer term borrowing, a loan may be more appropriate. Please ask a Metro Bank Local Business Manager or Commercial Relationship Manager if you require any further information.