

Key Facts

This document sets out key customer information for the NatWest Rapid Cash working capital facility. Please read it carefully so you can make an informed decision about your application.



Eligibility Criteria

To be eligible for Rapid Cash you must be trading for more than 6 months, have an annual turnover of at least £100,000 and either be a Limited Company or Limited Liability Partnership in England and Wales. Additionally, you need to invoice other businesses and use one of the following digital accounting software: Sage 50, Sage Business Cloud (formerly Sage One), Xero, Quickbooks Online, Netsuite (Oracle), Kashflow and FreeAgent.

Security and guarantee(s) required. Product fees may apply.

Pricing

For borrowing up to £300,000, there are no arrangement, monthly or exit fees. You're only charged for what you borrow, at an interest rate ranging from 4.5% to 8.5% above the Bank of England base rate. The rate you pay is calculated daily and charged once a month to your Rapid Cash balance.

For borrowing above £300,000, our interest rates range from 1.5% to 6% above the Bank of England base rate. Interest is calculated daily and applied once a month to your Rapid Cash balance. There's also an annual facility fee of 1.5% of the facility limit, which you pay monthly in arrears. This fee is divided into 12 equal monthly instalments applied to your Rapid Cash balance. The fee is payable even if the facility remains unused for any period of time.

On each anniversary from when you set up the facility, the annual fee of 1.5% of the facility limit will be renewed. You pay this monthly as before.

Security

Our standard security is an all assets debenture and personal guarantee from the director(s) and/or shareholder(s) of the business. This amounts to 10% of your facility limit (minimum £10,000). Additional security may also be required subject to a review of your company's structure.

Trust Account

All nominated debtors are required to pay into your Rapid Cash Trust Account. This is created under your company name, keeping our facility confidential from your customers, and has its own sort code and account number. This enables our facility to get repaid. We understand that some debtors may not immediately pay into this account, so to make this easier we may be able to automatically sweep these funds into the account for you.

Concentration

As well as checking your invoices for eligibility, we also consider how much concentration or dependency to individual customers your business has. Being overly reliant on very few key customers is riskier than having a spread of customers to do business with, for instance one of your customers could get into financial difficulty, delaying or being unable to pay your invoices. For this reason we work out an acceptable concentration limit for each of your customers based on various factors. The factors can include the type of business they are and their credit ratings, if available. The concentration limit is a percentage of your total invoicing that we would approve for funding.

Facility Limit

This is the maximum amount of funds you can draw down. It is subject to the size and spread of your eligible sales ledger. This limit will be set at the outset and will be reviewed annually.

Eligible Invoices

These are your invoices to other businesses, where the goods have been delivered or the service completed ahead of the invoice being raised.

NatWest Overdraft Reserve

If you have a NatWest overdraft limit and choose to keep it, we'll offset it against your Available Funds. This means you can use it to top up your available funding. For example, if Rapid Cash provides you with access to £100,000 and you choose to keep a £20,000 overdraft limit, you can still access £80,000 with Rapid Cash.

