



Medium to Large Business Recovery Loans Guidelines

1. About the program

The objective of this assistance measure, provided under the *Disaster Recovery Funding Arrangements*, is to assist the recovery of medium to large businesses impacted during the 2021-2022 disaster season.

The Medium to Large Business Recovery Loans provide concessional loans to impacted businesses that are critical to the supply chain, including the agricultural industry, that may not meet the eligibility requirements for existing primary producer or small business DRFA funding. Loans from \$250,000 up to a maximum \$5 million are available under the scheme for the *eligible disaster*.

An amount of \$150 million is being made available to provide loans under the scheme for the *eligible event*.

2. Available funding

2.1 The minimum loan amount is \$250,000 and the maximum loan amount is \$5 million.

2.2 The amount available is based on an assessment of an applicant's financial position, including any amount recovered under an insurance policy.

3. How funding may be used

3.1 Eligible recovery activities include any of the following:

- a) repairing or replacing damaged plant and equipment;
- b) repairing or replacing buildings;
 - i. to pre-disaster standards; or
 - ii. in a way the buildings are more resilient to a natural disaster.
- c) repairing primary access to, and exit from the business;
- d) relocating the business or critical infrastructure of the business to another area in the local government area in which the business is located, or in an adjacent local government area, if QRIDA is satisfied the relocation:
 - i. is to mitigate the effect of any potential future natural disaster; and
 - ii. does not include making substantive improvements to the production capacity of the business;
- e) flood mitigation works approved by the relevant authority;
- f) purchasing livestock to replace livestock lost in the disaster;
- g) purchasing stock for up to one month to replace lost stock and maintain liquidity of the business;
- h) meeting carry-on requirements, including:
 - i. re-planting, restoring or re-establishing areas affected by the eligible disaster
 - ii. essential property operations



- iii. paying rent and rates

3.2 Loan funds are not provided to compensate for loss of income suffered as a result of the *eligible disaster*.

4. Eligibility criteria

4.1 To be eligible for a loan:

- a) the applicant must be a *medium to large business*;
- b) the applicant must hold an Australian Business Number (ABN) and have held that ABN at the time of an *eligible disaster*;
- c) the applicant must be registered for GST;
- d) assets used by the business were —
 - i. located in the *defined disaster area* for the *eligible disaster* immediately before the disaster; and
 - ii. damaged as a direct result of the eligible disaster.
- e) the applicant can not repair or replace damaged assets from the applicant's own resources and without assistance under the scheme;
- f) the applicant is primarily responsible for meeting the costs of an eligible recovery activity claimed in the application;
- g) the applicant has not received a loan related to the *eligible disaster* under the Disaster Assistance Loan scheme for either for primary producers or small business;
- h) the applicant has the ability to repay the loan; and
- i) there are reasonable prospects for the long-term viability if the assistance is approved.

5. Loan security

5.1 Applicants must:

- a) provide adequate security and loans must be secured by:
 - i. a mortgage of land and other assets satisfactory to QRIDA; and
 - ii. any other security considered necessary, for example – a Specific Security Agreement over plant and machinery, or a General Securities Agreement.

6. Interest rates and loan terms

6.1 The term of the loan is decided by QRIDA up to a maximum of ten years.

6.2 An initial interest only period of up to two years may be granted.

6.3 The initial annual interest rate for a loan is 0.8%.

7. How to apply

7.1 To be considered for a loan please submit a completed application form, accompanied by the documentation stated on the application form.

7.2 Application forms and related information can be accessed at www.qrida.qld.gov.au.

7.3 Complete applications are assessed in order of receipt and QRIDA may request further information to help assess an application.

7.4 The scheme will close to applications on 31 December 2023 or earlier if available funds are fully used.

8. Terms and conditions

- 8.1 Loans given are subject to an annual review and the necessary financial information must be provided when requested each year by QRIDA.
- 8.2 If QRIDA considers an applicant's financial position has improved it may increase the interest rate up to a commercial rate.
- 8.3 Loan recipients must provide *evidence of expenditure* in relation to amounts drawn against the loan when requested by QRIDA.
- 8.4 Penalties apply, including call-up of the loan provided where false or misleading information has been provided.

9. Conflicts of interest

- 9.1 A conflict of interest may arise due to a business dealing with QRIDA, if the applicant's private interests' conflict with their obligations under the agreement. Conflicts of interest could affect the awarding or performance of the applicant's agreement. A conflict of interest can be:
- real (or actual);
 - apparent (or perceived); or
 - potential.
- 9.2 QRIDA will ask the applicant to declare, as part of the application, any business dealings that may be considered an actual, perceived or potential conflict of interest or that, to the best of the applicant's knowledge, there is no conflict of interest. If the applicant later identifies that there is an actual, apparent, or potential conflict of interest or that one might arise in relation to the agreement, the applicant must inform QRIDA in writing immediately.

10. Defined disaster area

2021-2022 storm-flooding event	Defined disaster areas
Southern Queensland Flooding, 6 – 20 May 2022	<ul style="list-style-type: none"> • Balonne Shire Council • Gympie Regional Council • Lockyer Valley Regional Council • Somerset Regional Council • Southern Downs Regional Council • Western Downs Regional Council
South East Queensland Rainfall and Flooding, 22 February – 5 April 2022	<ul style="list-style-type: none"> • Brisbane City Council • Bundaberg Regional Council • Cherbourg Aboriginal Shire Council • Fraser Coast Regional Council • Gold Coast City Council • Goondiwindi Regional Council • Gympie Regional Council • Ipswich City Council • Lockyer Valley Regional Council • Logan City Council • Moreton Bay Regional Council • Noosa Shire Council • North Burnett Regional Council • Redland City Council • Scenic Rim Regional Council

	<ul style="list-style-type: none"> • Somerset Regional Council • South Burnett Regional Council • Southern Downs Regional Council • Sunshine Coast Regional Council • Toowoomba Regional Council • Western Downs Regional Council
Ex-Tropical Cyclone Seth, 7 - 10 January 2022	<ul style="list-style-type: none"> • Bundaberg Regional Council • Fraser Coast Regional Council • Gympie Regional Council • North Burnett Regional Council • South Burnett Regional Council
Central, Southern and Western Queensland Rainfall and Flooding, 10 November - 3 December 2021	<ul style="list-style-type: none"> • Banana Shire Council • Bundaberg Regional Council • Goondiwindi Regional Council • Lockyer Valley Regional Council • Scenic Rim Regional Council • Somerset Regional Council • South Burnett Regional Council • Southern Downs Regional Council • Toowoomba Regional Council • Western Downs Regional Council

11. More information

For more information on the Disaster Assistance Loans Scheme contact QRIDA on **Freecall 1800 623 946** or email contact_us@qrda.qld.gov.au.

QRIDA also has [Regional Area Managers \(RAMs\)](#) who are available to assist:

Location	Mobile	Location	Mobile
Brisbane	0427 763 787	Kingaroy	0417 778 317
Bundaberg	0417 775 547	Mackay	0427 770 147
Cloncurry	0427 007 240	Rockhampton	0417 775 245
Emerald (with an office in Longreach)	0417 775 345	Roma	0427 029 141
		Toowoomba	0427 690 448
Innisfail	0429 497 757	Townsville	0408 180 644

12. Definitions

Agricultural supply chain business means a business that distributes, processes or transports livestock or other goods associated with a primary production enterprise. *Examples – abattoir, livestock or produce freight company, cannery.*

Defined disaster area for an *eligible disaster* means the area that the appropriate Minister has defined for the purpose of activating the *Disaster Recovery Funding Arrangements*. These are published on QRIDA's website and set-out in section 10 above.

Eligible disaster means a 2021-2022 storm-flooding event as described in section 10 above.

Evidence of expenditure means a tax invoice showing full details of goods or services (identifiable as relating to damage from the eligible disaster) and the corresponding official receipt. The relevant cheque butt or bank transfer documentation is required if unable to provide an official receipt.

Medium to Large Business is a business that is:

- a) a primary production enterprise; or
- b) an agricultural supply chain business; or
- c) a non-agricultural supply chain business;
- d) is carried on by a sole trader; partnership, proprietary company or trust; and
- e) is not operated by a public company.

Non-agricultural supply chain business means a business that manufactures, repairs, supplies or transports equipment or machinery for use by a *primary production enterprise* or agricultural supply chain business. *Examples – an excavation or earthmoving company, a mechanical repair business.*

Primary production enterprise means a business that involves primary production, including the agricultural, apicultural, aquacultural, forestry, grazing and horticultural industries.