

## Application form

### Eligibility criteria

The scheme is aimed at Scottish businesses that fall within the EC definition of Small and Medium-sized Enterprise (SME), private sector landlords, not-for-profit organisations and charities. However, businesses operating in the fisheries sector do not qualify.

To be eligible your business must:

- Be based in Scotland.
- Have been trading for at least 12 months.
- Have fewer than 250 employees.
- Have a turnover not exceeding €50 million (approximately £40 million) and/or a balance sheet total not exceeding €43 million (approximately £35 million).<sup>1</sup>
- Have no controlling interest more than 25 per cent by a non-SME.
- Have had an energy review completed by an approved energy consultant.
- Be applying for a loan of between £1,000 and £100,000.
- Use the loan for measures that reduce energy consumption and/or to install renewable energy technologies
- Have a satisfactory credit score.
- Agree that repayments will be made within 4 years for energy efficiency only measures and within 8 years for renewable installations.
- Be eligible for funding within the context of EC State Aid rules.

If a charity or not-for-profit organisation, your memorandum and articles must allow you to borrow money.

### Application process

Applying for a loan

1. Before applying contact an approved energy consultant for a free energy review to be carried out.
2. Arrange quotes for the proposed work. For renewable installations it is recommended that you use an accredited installer. A list of accredited installers operating in Scotland is available from the Energy Saving Trust on 0800 512 012 or can be downloaded from [energysavingtrust.org.uk/schri/](http://energysavingtrust.org.uk/schri/).
3. Fully complete the attached application form.
4. Submit your application with ALL supporting information. PLEASE REFER TO THE CHECKLIST.

If you need any help, contact your **Energy Saving Scotland** advice centre on **0800 512 012** and ask to speak to a business adviser.

### Essential application checklist

#### Application form

This must be signed, dated and fully completed.

#### Approved Consultant's energy review

This must include savings in KWh per fuel type, current load, fuel type switch (if applicable) and all measures listed on the application form.

#### Consultant's contact details

#### Quote(s) for work project

These must cover each of the measures to be installed.

<sup>1</sup> Calculated in accordance with European Commission Recommendation 2003/361/EC

## Application form

Please note that it will not be possible to process your application until we have received ALL the necessary information. Please ensure you have read the criteria and terms and conditions before completing the form.

<b>Business name</b>	<b>Telephone</b>	<b>Annual energy bill</b> £
<b>Trading as</b> (if different from business name)	<b>Fax</b>	<b>Amount of loan requested</b> (£1,000–£100,000) £
	<b>Email</b>	VAT element is not payable on loan advanced
<b>Business type</b>	<b>Contact name</b>	<b>Are there any court judgements against the business?</b>
<input type="checkbox"/> Limited		<input type="checkbox"/> Yes
<input type="checkbox"/> Partnership		<input type="checkbox"/> No
<input type="checkbox"/> Sole trader	<b>Main activity of business</b>	<b>Has the business received or applied for any other public sector support within the last three years?</b>
<input type="checkbox"/> Charity		<input type="checkbox"/> Yes
<input type="checkbox"/> Not for profit		<input type="checkbox"/> No
<b>Are you a private sector landlord?</b>	<b>Years and months of trading</b>	<b>If YES, what was the source of this funding and what was its value?</b>
<input type="checkbox"/> Yes		
<input type="checkbox"/> No	<b>Total number of employees</b>	
<b>Registration number</b>	<b>Turnover (from latest accounts)</b> £	
<b>Charity number</b>	<b>Balance sheet total (from latest accounts)</b> £	
<b>Address</b>	<b>Is the business based in Scotland?</b>	
	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	
<b>Postcode</b>	Businesses that are not based in Scotland are not eligible	

## Proposed energy efficiency and/or renewable measures to be installed.

Please list each individual measure and list any additional measures on a separate sheet of paper and attach it to this form.

<b>1. Item</b>	<b>2. Item</b>
<b>Purchase and installation cost</b> £	<b>Purchase and installation cost</b> £
<b>Potential saving</b> £	<b>Potential saving</b> £
<b>Potential saving (KWh by fuel type)</b>	<b>Potential saving (KWh by fuel type)</b>
<b>Fuel type switch (e.g. oil to biomass)</b>	<b>Fuel type switch (e.g. oil to biomass)</b>
<b>3. Item</b>	<b>4. Item</b>
<b>Purchase and installation cost</b> £	<b>Purchase and installation cost</b> £
<b>Potential saving</b> £	<b>Potential saving</b> £
<b>Potential saving (KWh by fuel type)</b>	<b>Potential saving (KWh by fuel type)</b>
<b>Fuel type switch (e.g. oil to biomass)</b>	<b>Fuel type switch (e.g. oil to biomass)</b>
<b>Total cost (excl. VAT)</b> £	<b>Total potential annual energy savings KWh</b>
<b>Total potential annual savings</b> £	<b>Measures recommended by (consultant's name)</b>

## Authorised Signatory

IMPORTANT: If you make a false or incorrect declaration your organisation may be liable to pay back any loan monies immediately with interest. You must ensure that the person signing the form is authorised by the business to enter into a loan agreement on behalf of the business. By signing this form you will be confirming that the information provided is true, accurate and complete and that you are authorised to sign on behalf of the business.

I have read and understood the application conditions contained in this document and confirm that the information and declarations given are true, accurate and complete in all respects.

**Please note no work should be undertaken until written confirmation of an offer of a loan has been received.**

The Energy Saving Trust will require proof of payment for work carried out including receipted copies of the relevant contractors invoices, and may also require other documentation to evidence the correct equipment has been installed. If this application is successful and a loan offer made, you will be informed whether an independent inspector will visit your business after installation to inspect the work.

Before submitting your application, please use the Checklist to ensure ALL relevant information is provided.

**Signature**

**Print name**

**Position**

**Date**

### Data Protection Statement

The Energy Saving Trust will use the personal information you provide for the purpose of processing your application for an Energy Saving Scotland – small business loans. We may need to re-contact you for further information to support your application. We will retain your details for monitoring and evaluation, and may wish to contact you for follow-up consultations. Your information may also be disclosed to the Scottish Government which provides the funding for this initiative.

## Terms and conditions

### Assessing your application

A standard assessment procedure is followed to ensure the aims of the scheme are met and the risk associated with lending public money is kept to a minimum. An application must pass each stage of the process before progressing.

1. Application assessed against eligibility criteria and application conditions.
2. Proposals assessed using the recommendations in your energy review.
3. Financial check carried out.
4. If approved, confirmation will be sent in writing with the loan documents and direct debit mandate for you to sign and return.

We aim to make a decision within 10 working days of receiving a full and complete application. The Energy Saving Trust's decision is final and details of any credit scoring are confidential and may not be disclosed.

### Installing the measure (s)

Work should not commence until you have received written loan approval. The loan offer is valid for 4 months from date of issue. Should you need to draw down funding in stages this facility is available and would need to be agreed as a part of your initial application. Repayments must be made by direct debit and will usually start on the 15th of the month following payment.

### Loan payment

1. Submit copies of relevant invoice(s).
2. A site inspection will be carried out for all loans of £10,000 and above and for a sample of smaller loans.
3. If satisfactory, payment will be made directly into your account and a copy of your loan agreement will be sent to you for your records.
4. The direct debit payment will be activated on the 15th of the month following payment.

### Loan repayment

You must repay the loan in the instalments shown in the loan agreement by direct debit. You can repay the full amount at any time, however please inform us if you intend to do so. A statement showing the original loan amount, the repayments you have made during the previous year and the amount of loan still outstanding is available on request.

Penalties may apply if repayments are not maintained. Full details will be set out in the loan agreement.

### Application conditions

The brochure and application form do not constitute an offer of loan and businesses should wait until written authorisation is received before commencing any work.

Applications will be considered on the basis of the essential criteria set out in this application form, and the savings and recommendations detailed in your energy review report.

For loans concerning energy efficiency measures only, in most cases, the loan value will equal the predicted savings over a five year period with a repayment period of up to four years.

Where the loan application concerns renewable measures only or where the loan application concerns **both** energy efficiency and renewable measures:

- a repayment period of eight years will be offered unless our calculation indicates that the likely savings mean a shorter payback could be achieved;

and

- the loan provided can pay for the **full cost** of purchase and installation of the measures even if the predicted payback period is more than eight years.

Any electricity-generating renewable system, which your energy review suggests will result in the site becoming a net exporter of electricity over the course of a year, is not eligible for a loan.

All applicants will be subject to a financial check.

The Energy Saving Trust cannot process applications until all the information on the checklist has been submitted.

A bank reference may be required before applications are approved.

Successful applicants wishing to take up a loan offer will be required to sign a loan agreement specifying the amount and purpose of the loan, the repayment period and monthly repayments. They will also be required to sign a direct debit instruction in favour of the Energy Saving Trust for loan repayments. No other repayment methods will be accepted.

Loan funds will be advanced subject to the receipt of relevant invoices for the work and, in some cases, after a site inspection. The Energy Saving Trust reserves the right to inspect any installation, no matter what size the loan. The purpose of inspections is to verify that the installation has been completed and complies with the scheme's conditions.

Successful applicants must also agree to provide reasonable co-operation in relation to an energy monitoring exercise.

A maximum of £100,000 can be on loan to any one business at any point in time.

Private sector landlords will be eligible to apply for loans if they meet the following definition: "A person who owns a house subject to a lease or occupancy arrangement for use as a dwelling, who is not a local authority or registered social landlord".

Some loans may be made under the requirements of the Consumer Credit Act (CCA) but the CCA does not apply if you are:

- a limited company;
- a partnership of more than three partners; or
- a partnership of three partners or less or an individual, the loan is for more than £25,000 and you have signed a declaration recognising that the CCA does not apply. In these cases we will ask you to sign such a declaration. This declaration will form part of the loan agreement.

The interest foregone is regarded as *de minimis* aid under EC regulation 1998/2006. There is a ceiling of €200,000 (approximately £160,000) for all *de minimis* aid provided to any one firm over a 3-year period.

For the agriculture sector, under EC regulation 1535/2007, the ceiling is €7,500 (approximately £6,000).

Any *de minimis* aid awarded to you under this project will be relevant if you wish to apply, or have applied, for any other *de minimis* aid. You are required, therefore, to confirm that your business, together with all group companies, has not received more than €200,000 (or if your business or any of your group companies are active in the agricultural sector not more than €7,500) in state aid in the last three years and are therefore eligible to receive the benefit of the interest free loan.

We may wish to publicise our, your or any of the funding partners' involvement in the project, and ask that you co-operate and assist us as we reasonably require. This may include acknowledging in promotional literature or case studies that the Energy Saving Trust has made the loan to you and that it has been funded by the Scottish Government.

### State Aid Declaration

The benefit enjoyed by your business as a result of the interest free loan made by the Energy Saving Trust under the Energy Saving Scotland small business loans programme (i.e. the net present value of the total interest payable on the loan were you to obtain the same loan on commercial terms and at a market rate) constitutes State Aid which is granted under the *De Minimis* regulation (Commission Regulation (EC) No 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to *de minimis* aid, OJ 2006L379/5). European Commission rules prohibit any business from receiving more than €200,000 (approximately £160,000) or in the case of an undertaking active in the primary production of agricultural products (as listed in Annex I to the EC Treaty) more than €7,500 of *de minimis* aid over any three year fiscal period. Any *de minimis* aid granted over the permitted limits may be subject to repayment with interest.

The benefit of the interest free loan offered by the Energy Saving Trust under the Energy Saving Scotland small business loans programme (which also constitutes the estimated maximum amount being granted as *de*

*minimis* aid) amounts to an estimated maximum benefit of €14,937. (the "*De Minimis* Benefit"). The estimated maximum benefit is based on a loan of £100,000 repaid over an eight year period and has been calculated as at December 2008 using:

- the Bank of England base rate (3% as at December 2008);
- the FSA loan calculator (available at [moneymadeclear.fsa.gov.uk](http://moneymadeclear.fsa.gov.uk)); and
- the euro conversion rate published on the following website: [oanda.com](http://oanda.com)

By signing this application form you will be confirming that:

- you understand that the benefit described above to be received by the Borrower constitutes State Aid for the purpose of the EC State Aid rules and Articles 87 – 89 of the EC Treaty;
- in this fiscal year and the 2 previous fiscal years, your business together with all Group Companies (as defined below), has not received any grant or other form of assistance from state resources notified as *de minimis* aid (as set out in Commission Regulation (EC) No 1998/2006) which when added to the *De Minimis* Benefit described above amounts to more than €200,000 (or €7,500 if your business is involved in the agriculture sector); and
- all *de minimis* aid received by your business, together with all Group Companies, in this and the immediately preceding 2 fiscal years has been disclosed to the Energy Saving Trust.

If you are not sure whether any assistance that you have received from state resources is *de minimis* aid, please contact the body which granted the assistance to clarify this and provide information about all forms of assistance that you have received from state resources.

"Group Companies" means any holding company and subsidiaries of that holding company within the meaning given to these expressions by sections 736 and 736A of the Companies Act 1985.

"Assistance from state resources" includes grants, loans, guarantees or other forms of assistance from central or local government, a Regional Development Agency, a devolved administration or a Business Link.

### Funding and Management

Energy Saving Scotland – small business loans is managed by the Energy Saving Trust and funded by the Scottish Government. The scheme is marketed and supported throughout Scotland by the Energy Saving Scotland advice centres.

## What to do next

Send your completed application form with ALL the required information to:

### Energy Saving Scotland small business loans

Energy Saving Trust  
3rd Floor, Ocean Point 1  
94 Ocean Drive  
Edinburgh  
EH6 6JH

For more information please call the Energy Saving Trust on **0131 555 7900** or email **[smallbusinessloans@est.org.uk](mailto:smallbusinessloans@est.org.uk)**