

## 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.

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 £42 million) and/or a balance sheet total not exceeding €43 million (approximately £36 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.
- Be applying for a loan of more than £25,000 if your business is a partnership or if you are a sole trader and you are applying for a loan on which you will pay interest.
- 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. If you are a not for profit organisation or a non-limited charity you will need to supply your three most recent year end accounts as part of your application, for credit assessment purposes.

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

### Important information regarding your Energy Saving Scotland Small Business Loan application and the financial incentives known as Feed-In Tariffs (FITs) and the Renewable Heat Incentive (RHI).

If you wish to receive FITs or the RHI in relation to the installation funded by the loan you will **not** be entitled to an interest free loan. You are required to declare in the application form whether you intend to apply for FITs or the RHI and this will determine whether you are eligible for an interest free loan. If you declare that you will not be applying for FITs or RHI your details will be passed to Ofgem who administer these schemes. If you intend to apply for FITs or the RHI you may be offered a loan at an interest rate of 5%.

The interest foregone on Energy Saving Scotland Small Business Loans is regarded as state aid under European rules and is granted as *de minimis* aid under EC regulation 1998/2006, EC 1535/2007 or EC 875/2007. Businesses applying for an interest free loan should ensure that the interest foregone added to any other *de minimis* aid received does not exceed the *de minimis* threshold.

Applications are processed on a rolling basis all year round, subject to the overall availability of loan funds. We reserve the right in consultation with the Scottish Government to suspend or reject preliminary assessments of applications on the basis that there are insufficient funds available in any financial year to provide loans to all applicants.

For more information call your **Energy Saving Scotland advice centre on 0800 512 012** and ask to speak to a business advisor or visit [energysavingtrust.org.uk/smallbusinessloans](http://energysavingtrust.org.uk/smallbusinessloans)

Our business advisors can assist you with your small business loans application.

### Application process

Applying for a loan

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

### 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.

#### Quote(s) for work

These must cover each of the measures to be installed.

#### Financial accounts

If a not for profit organisation or non-limited charity you will need to supply your three most recent year end accounts.

## 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.

**Business name**

**Telephone**

**Turnover (from latest accounts)**

£

**Trading as  
(if different from business name)**

**Email**

**Balance sheet total  
(from latest accounts)**

£

**Business type**

- Limited
- Partnership
- Sole trader
- Charity
- Not for profit

**Contact name**

**Is the business based in Scotland?**

- Yes
- No

**Are you a private sector landlord?**

- Yes (If YES, please provide your landlord registration number or explain the reason why you are exempt from registration in the box below.)
- No

**Main activity of business**

**Businesses that are not based in  
Scotland are not eligible**

**Registration number/Charity Number**

**Annual energy bill**

£

**Installation Address**

**Is your business involved in the  
primary production of agricultural  
products or the production,  
processing and/or marketing of  
fisheries products?**

**Amount of loan requested  
(£1,000–£100,000)**

£

**Postcode**

**Years and months of trading**

**VAT registered?**

- Yes
- No

**Correspondence Address and  
postcode (if different from above)**

**Total number of employees**

The VAT amount is eligible for businesses unable to reclaim it.

**Are there any court judgements  
against the business?**

- Yes
- No

**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.

**Has the business received or applied for any other public sector support within the last three years?**

Yes

No

**If YES, what was the source of this funding and what was its value excluding VAT? Please include any funding that you are currently applying for.**

**Where did you hear about the loans scheme (tick as many as appropriate)?**

Promotional literature

Energy Saving Scotland advice centre

Business consultant

Friends and family

Work colleagues

E-mail

Newspaper

Website

Event / Exhibition

Installer

**1. Item**

**Purchase and installation cost excluding VAT**

£

**For this installation do you intend to claim (if applicable):**

**Feed in Tariff (FIT):**

Yes  No

**Renewable Heat Incentive (RHI):**

Yes  No

Please note that if you answer yes to either FIT or RHI, you will be required to pay interest on the loan.

**3. Item**

**Purchase and installation cost excluding VAT**

£

**For this installation do you intend to claim (if applicable):**

**Feed in Tariff (FIT):**

Yes  No

**Renewable Heat Incentive (RHI):**

Yes  No

Please note that if you answer yes to either FIT or RHI, you will be required to pay interest on the loan.

**2. Item**

**Purchase and installation cost excluding VAT**

£

**For this installation do you intend to claim (if applicable):**

**Feed in Tariff (FIT):**

Yes  No

**Renewable Heat Incentive (RHI):**

Yes  No

Please note that if you answer yes to either FIT or RHI, you will be required to pay interest on the loan.

**4. Item**

**Purchase and installation cost excluding VAT**

£

**For this installation do you intend to claim (if applicable):**

**Feed in Tariff (FIT):**

Yes  No

**Renewable Heat Incentive (RHI):**

Yes  No

Please note that if you answer yes to either FIT or RHI, you will be required to pay interest on the loan.

**Estimated start date of work**

**Planned completion date (loans are only valid for FOUR months from date of offer)**

**FOR SOLE TRADERS AND PARTNERSHIPS ONLY (INCLUDING THOSE THAT ARE PRIVATE SECTOR LANDLORDS)** please complete the three boxes below:

## 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. The person signing this form will be required to sign all future loan documents. 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.**

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. The Energy Saving Trust will require proof of payment for work carried out including documentation to evidence the correct equipment has been installed.

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

## Credit Check

**IMPORTANT: For sole traders and partnerships only,** in order to complete your application process we will make searches about you at credit reference agencies who will supply us with credit information, as well as information from the Electoral Register. The agencies will record details of the search whether or not this application proceeds. We may use credit-scoring methods to assess this application and to verify your identity. Credit searches and other information which is provided to us and/or the credit reference agencies, about you and those with whom you are linked financially may be used by the Energy Saving Trust and other companies if credit decisions are made about you, or other members of your household. This information may also be used for debt tracing and the prevention of money laundering as well as the management of your account. Information held about you by the Credit Reference Agencies may already be linked to records relating to one or more of your partners. For the purposes of this application you may be treated as financially linked and your application will be assessed with reference to any "associated" records. Where you borrow or may borrow from us, we may give details of your account and how you manage it to credit reference agencies. If you borrow and do not repay in full and on time, we may tell credit reference agencies who will record the outstanding debt. To prevent or detect fraud, or to assist in verifying your identity, we may make searches at fraud prevention agencies who will supply us with information. We may also pass information to financial and other organisations involved in fraud prevention to protect ourselves and others from theft and fraud. If you give us false or inaccurate information and we suspect fraud, we will record this. We and other companies may use this information if decisions are made about you or others at your address(es) on credit or credit-related services or motor, household, credit, life or any other insurance facilities. It may also be used for tracing and claims assessment.

**It is important that if you are a sole trader or partnership you read and understand the section entitled Credit Check. By signing this application, you agree that we can use your information in this way.**

Signature

Date of Birth

Current residential address and length of time at this address.

Full name and title

Previous residential address and length of time at this address.

Position

## 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 loan. 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. If you declare that you will not be applying for the Feed in Tariff (FIT) or Renewable Heat Incentive (RHI) we will pass your details to Ofgem who administer these schemes.

Date

## 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.

If you are successful in applying for a loan to fund both renewable and energy efficiency measures, you will receive two separate loan offers.

### 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. 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 installments 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.

If you will be claiming FITs or the RHI in relation to the installation funded by the loan, interest will be payable on your loan. Interest will be compounded and fixed at 5% per annum, and will accrue on a full monthly basis from the date the loan is paid. If the loan is paid in instalments then each instalment will attract interest from the date of payment.

A higher rate of interest may apply if repayments are not maintained. Full details will be set out in the loan agreement.

### Application conditions

1. 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.
2. 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.
3. For loans concerning energy efficiency measures, 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.
4. Where the loan application concerns 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.
5. If you will be claiming FITs or the RHI you will be required to pay interest on the loan. If you are applying for an interest free loan, one of the conditions of the loan agreement will be that you will not claim FITs or the RHI in relation to the installation funded by the interest free loan. If you declare that you will not be applying for FITs or RHI your details will be passed to Ofgem who administer these schemes.
6. 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.
7. The energy efficiency or renewable measure funded by the loan must be adequate, proportionate and appropriately designed, bearing in mind the energy requirements of the business. A property that is used for both residential and business purposes (such as a Bed and Breakfast) may be eligible for a loan however the loan value will be proportionate to the percentage energy use of the business.
8. All required planning permissions and/or building consents must be in place prior to the loan application being submitted.
9. All applicants will be subjected to a financial check. We may require annual accounts, a business plan or a bank reference before applications are approved.
10. The Energy Saving Trust cannot process applications until all the information on the checklist has been submitted. 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.

11. Applicants 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.
12. 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.
13. 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.
14. Private sector landlords will be eligible to apply for loans if they are registered as a private landlord with their local authority or if they are able to demonstrate that they are exempt from registration.
15. 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.

### Nature of loan

The loan must be used wholly or predominantly for business purposes and if you are a sole trader or partnership you will be required to sign a declaration to that effect in the loan agreement. If you operate your business as a sole trader or as a partnership and you are applying for a loan on which you will pay interest the amount of the loan must be more than £25,000. The loan is not regulated by the Consumer Credit Act 1974.

### State Aid Information

If you are applying for an interest free loan the interest foregone on the loan granted under the Small Business Loan scheme is 'state aid' under European law. For applicants (other than applicants who are involved in the primary production of agricultural products or production, processing and marketing of fisheries products), the interest foregone is granted as *de minimis* aid under Commission Regulation (EC) 1998/2006 on the application of Articles 107 (ex 87) and 108 (ex 88) of the Treaty to *de minimis* aid (OJ L 379).

There is a ceiling of €200,000 (approximately £167,000) for all *de minimis* aid provided to any one business over a rolling, fiscal 3-year period. 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 *de minimis* aid from any other public bodies in the current or previous two fiscal years which would lead to you breaching the €200,000 limit and that you are therefore eligible to receive the benefit of the interest free loan.

For applicants involved in the primary production of agricultural products the interest foregone on the loan is granted as *de minimis* aid under Commission Regulation (EC) 1535/2007 on the application of Articles 107 (ex 87) and 108 (ex 88) of the Treaty to *de minimis* aid in the sector of agricultural production (OJ L 3337).

There is a ceiling of €7,500 (approximately £6,300) for all *de minimis* aid provided to any one business involved in the primary production of agricultural products over a rolling, fiscal 3-year period (under EC regulation 1535/2007). For applicants involved in the primary production of agricultural products, 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 *de minimis* aid from any other public bodies in the current and last two fiscal years which would lead to you breaching the €7,500 limit and that you are therefore eligible to receive the benefit of the interest free loan.

For applicants involved in the production, processing and marketing of fisheries products the interest foregone on the loan is granted as *de minimis* aid under Commission Regulation (EC) 875/2007 on the application of Articles 107 (ex 87) and 108 (ex 88) of the Treaty to *de minimis* aid in the fisheries sector.

There is a ceiling of €30,000 (approximately £25,000) for all *de minimis* aid provided to any one business involved in the production, processing and marketing of fisheries products over a rolling, fiscal 3-year period (under EC regulation 875/2007). For applicants involved in these activities 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 *de minimis* aid from any other public bodies in the current and last two fiscal years which would lead to you breaching the €30,000 limit and that you are therefore eligible to receive the benefit of the interest free loan.

For applicants other than those involved in the primary production of agricultural products, the estimated maximum 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) is €25,160. The estimated maximum benefit is based on a loan of £100,000 repaid over an eight year period and has been calculated as at February 2012 using:

- the European Commission reference rate of 5%
- the FSA loan calculator (available at <http://www.moneyadvice.service.org.uk/>); and

- the euro conversion rate published on the following website: <http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=home&Language=en>

For applicants involved in the primary production of agricultural products, the maximum benefit will be €7,500.

#### State Aid Declaration

By signing this application form you will be confirming that:

- you understand that the benefit described above to be received by the applicant constitutes State Aid for the purpose of the EC State Aid rules and Articles 107 – 109 of the Treaty on the Functioning of the European Union;
- for businesses other than those involved in the primary production of agricultural products or the marketing, processing or production of fisheries products, 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
- for businesses involved in the primary production of agricultural products, 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 1535/2007) which when added to the *de minimis* benefit described above amounts to more than €7,500
- for businesses involved in the production, processing and marketing of fisheries products, 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 875/2007) which when added to the *de minimis* benefit described above amounts to more than €30,000
- 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 industrial, agricultural or fisheries *de minimis* 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 group undertaking within the meaning given to that expression by section 1161(5) of the Companies Act 2006.

“Assistance from state resources” includes grants, loans, guarantees or other forms of assistance from central or local government, 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  
2nd Floor, Ocean Point 1  
94 Ocean Drive  
Edinburgh  
EH6 6JH

For more information please call the Energy Saving Trust on **0131 555 8659** or email **servicesdeliveryscotland@est.org.uk**

#### Have you included...

- 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.
- Quote(s) for work**  
These must cover each of the measures to be installed.
- Financial accounts**  
If a not for profit organisation or non-limited charity you will need to supply your three most recent year end accounts.