



SALIX ENERGY EFFICIENCY LOANS SCHEME

Application Notes – December 2011

1. Introduction

Salix Finance Ltd (“**Salix**”) is an independent, publicly funded company, set up in 2004, to accelerate public sector investment in energy efficiency technologies.

Following the success of its previous public sector 100% loans schemes, which allocated £77m of interest free loans during financial years 2009-11, Salix is pleased to be able to launch a further loans scheme, with funding of £20m, which is to be provided to public sector bodies in England (excluding Central Government Departments, their Agencies and NDPB’s).

2. The Salix Energy Efficiency Loans Scheme 4 (SEELS4) (the “Scheme”)

The Scheme allows public sector bodies to apply for an interest free loan to finance up to 100% of the costs of energy saving projects meeting the criteria set out in paragraph 4 below. This initial tranche of loans will be paid back to Salix by direct debit on a 6 monthly basis over a period of 4 years, commencing in March 2013.

The application process will be in two stages:

- The application, project assessment and commitment to fund from Salix.
- The completion of the project with set up of the loan and payment of the money (unless Salix agree to fund on an interim payment basis – see further below).

3. Timing

The funding can be applied for in this current financial year only, ending on 31 March 2012. **Applications will be processed on a first come first served basis until all funds are allocated so the sooner an application is made then there is a greater chance of obtaining**

the required funding. Once a project is accepted for funding by Salix, the applicant has up to 9 months to complete the works from the date of a commitment letter from Salix agreeing to finance the projects applied for in the application form.

The application form can be found on the Salix website. The application form should be completed on-line, downloaded and signed and sent to SEELS, Salix Finance 25 Southampton Buildings London WC2A 1AL.

An example of the application form can be found at Annex I.

4. Project Criteria

Projects must comply with the following criteria:

- the project must pay for itself from energy savings within a maximum 5 year period
- the cost of CO₂ must be less than £100 per tonne over the lifetime of the project
- the project must be “additional” (see below)

There is a minimum value for any single project of £500 and a total minimum application and loan value of £5,000.

To help assess whether projects meet the payback and £100/tCO₂ criteria, Salix provides a Project Compliance Tool. The Project Compliance Tool can be found on our website. It is an easy-to-use *Excel* based tool which, once clients input basic information (project costs, estimated savings, technology type and building life expectancy) automatically calculates whether the project is compliant (Note – this does not mean that the application will be approved or funding granted). The Project Compliance Tool contains a list of all the technologies currently funded by Salix. For ease of reference, these are also listed in Annex II at the end of these application notes. The completed Project Compliance Tool should be submitted to seelsapplication4@salixfinance.co.uk

There are specific Project Compliance Tools to be used for CHP and for technologies that result in a change of fuel (dual fuel tool). These are available on request to the SEELS team.

Projects must also be “additional” – i.e. would not have happened without this funding.

There are a number of criteria that are used to assess whether a project is “additional”, including:

- Is the project required by legislation? If so it is “not additional”.
- Is it required by Building Regulations or planning officers (e.g. requirement for a percentage of electricity demand in new buildings to be met by onsite renewables)? If so, it is “not additional”.
- Has it already started or has funding already been agreed? If so it is “not additional”.

If the answer to all of the above questions is NO then the project can be funded under the Scheme. Salix looks to self certification for additionality, although it will be confirmed if an audit is undertaken of the project.

5. Eligibility

Any PSB (excluding Central Government departments) who receive the majority of their income directly from the public sector can apply. Only those projects where the resultant energy savings, over the lifetime of the project, go directly back to the public sector and the public sector gains a direct financial benefit are eligible. Further details on the definition of a public sector body are available on the Salix website.

An example of an ineligible project would be an outsourced estate management contract in which the outsource supplier paid the energy bills and benefitted from any savings achieved from the project. However, if the energy bill was a pass through under the contract and the public sector benefitted from the energy savings, then the project would be eligible.

6. Responsibilities and competence

Salix assumes that the applicant and/or the partner(s) they are working with are competent and fully responsible for the projects to be funded. This may include but is by no means limited to:

- project identification & development
- establishment of firm costs and calculated estimated savings
- reasonable project sequencing and due care to ensure no double counting of savings when considering multiple projects on the same site
- selection of suitable supplier(s)
- project delivery including project management
- post project completion activities including any verification of savings

7. The application process

Preparing your application

You can apply for loan funding for more than one project in a single application.

Clients should be in a position to be project ready and have clear costs and savings identified with all internal approval needed in place to proceed. Your application must include:

- a completed application form; and

- a completed Project Compliance Tool, listing all the projects for which you are seeking funding.
- for individual projects valued over £25,000, the client is required to support the application with saving calculations, internal business case paper work and evidence of cost basis
- for individual projects over £100,000, a full business case, **using the Salix template**, will need to be submitted to support the application

Only those projects that meet the criteria outlined in paragraph 4 will be funded, subject to final approval by Salix and availability of loan funding. Please complete the application form on line and only print it out for signing. This will allow Salix to capture the data electronically. The completed Project Compliance Tool should be sent electronically to seelsapplication4@salixfinance.co.uk and the completed application form in hard copy, signed by an authorised official and sent to SEELS 4, Salix Finance Limited, 25 Southampton Buildings, London WC1A 1AL.

Salix may provide loan funding for projects where the applicant makes a contribution to the cost in order to make the project compliant. This information and level of contribution must be declared when making the application.

In certain circumstances where applicants have confirmed their commitment to a project(s) and then withdraw or change the project(s) there may be a one off charge made by Salix to cover technical and administrative costs incurred.

8. Completing the Project Compliance Tool

In order to complete the Project Compliance Tool, you will need to know:

- the date of expected commencement and completion of the project(s);
- the expected life of the building in which the project is due to be implemented;
- Salix funding requested for each project including any appropriate sub-metering;
- Salix funding requested expressed as % contribution of the total project cost (where a client is not asking Salix for the full amount of the project);
- the average price expected to be paid for energy used in the project over the next 5 years;
- the load used by the existing equipment prior to the change and the load after installation of the new technology so you can enter the annual kWh saving; from the above, the % kWh you are projecting to save.

Once you have input this information the Project Compliance Tool tests that each project will pay for itself within 5 years, that the cost of CO₂ is less than £100 (per tonne) over the lifetime of the project and that the project payback is shorter than the expected future life of the building. The final column indicates whether or not the project meets the compliance criteria.

With regards to energy price, please bear in mind that over the course of the next 5 years energy prices may change and the figure used should be one you believe your organisation will be paying, on average, during the period.

All requested data must be completed on the Project Compliance Tool or the application will not be successful.

Provided a project meets the Scheme's compliance criteria, project costs can include installation costs and the cost of project managing the installation if this is required, i.e. the cost of a consultant to manage the implementation and completion of a project.

In particular for larger projects, we also allow and would recommend that the cost of any appropriate sub metering be included as part of the total project cost. We would see this as very beneficial to support the future monitoring of actual consumption and associated savings be it for internal or external verification.

If your organisation cannot reclaim VAT, this should be included as part of both the project cost and fuel costs. If VAT can be reclaimed, it should be excluded from the calculations.

9. Processing the application

Salix will assess your application, your business case and the projects submitted on the Project Compliance Tool to ensure they are realistic. We will aim to process applications and inform you of the outcome within 2 weeks.

Salix will also carry out a technical check on the details provided which may lead to a request for further information **(1)**. It will not be possible to process the application until this information is provided and agreed by Salix.

Confirmation of the loan funding will be done in writing from Salix by way of a commitment letter outlining exactly what has been agreed. A copy of this letter must also be signed by the authorising officer and returned to Salix.

Salix may, in certain circumstances, agree to provide interim/stage loan funding for a particular project(s) during implementation and before completion, perhaps to tie in with the payment profile which you the applicant have agreed with your external suppliers. You must let Salix know if this is something you require and Salix will consider your application as such. If Salix does agree to provide such interim/stage loan funding and the application is successful, a loan agreement and direct debit mandate must be entered into by the PSB and Salix before the first interim payment can be released.

Note 1 - Information such as saving calculations, internal business case paper work and evidence of cost basis submitted with your application will help to speed up the technical check process.

10. Processing the loan agreement

Once projects reach completion, applicants will be asked to submit to Salix a signed and authorised completion certificate for the final costs of the works. This certificate can be found on the Salix website [by clicking here](#). Subject to the final costs remaining within project compliance criteria, a loan agreement will then be issued by Salix and sent for signature and return, (unless a loan agreement has been issued and entered into prior to this, in the case of agreed interim/stage payments), together with a direct debit mandate.

Where there are changes in the final costs and/or savings to be achieved then it will be necessary to submit a revised project compliancy tool for reassessment before final payment is made.

The loan agreement will identify the value of the loan, the criteria under which it is being made and the dates on which the loan has to be repaid. Once the signed loan agreement and direct debit mandate are returned to Salix with the Public Sector Body's bank account details, the funds will be paid into this account and the loan set up. A copy of a typical loan agreement can be seen below. It includes the direct debit authority which must also be completed for the loan to be set up.

The loans must be paid back to Salix by direct debit every March and September over 4 years in 8 equal instalments. The 1st direct debit will be originated by Salix at the start of March 2013.

Experience to date has shown that the majority of projects funded by Salix are actually expected to recoup their cost in energy savings in comfortably less than 4 years.

11. Support and Advice

Salix has set up a support team to assist Public Sector Bodies with their applications. This team will be able to provide advice on how to complete the forms and how to work out the input figures needed for the Project Compliance Tool. Please email enquiries to seelssupport4@salixfinance.co.uk and the support team will respond either by email or telephone. Please remember to include your personal contact details on the email.

In addition to the support provided by Salix for completing your application, additional support may be available from consultancy and advice companies or technology suppliers. If this support is in connection with implementing the project, any costs associated with obtaining it can be added to the project cost as long as the project remains compliant. The application form must though be submitted by the PSB and not by the adviser.

12. Audit

Salix is required to carry out an audit process for a selection of applications and this will take place once a project has been agreed and committed. This audit will either be through an onsite visit to check on project progress or by requesting certain papers which support the work in progress. Salix will need to check the supporting documentation for the project and the calculations which have been made to estimate the energy savings that each project is forecast to achieve. We expect this type of documentation to form part of the project file, which will be kept and maintained by you throughout the project implementation process and for the term of the loan, which will also include procurement details and appropriate external invoices. For a selection of applicants Salix will request post project data to understand the level of actual savings achieved against those forecasts and to confirm project implementation.

13. Background notes

- Salix has supported over 7,500 energy saving projects to date. On average, these have a technical payback period of 3.4 years and a lifetime cost of CO2 of £42.95 per tonne lifetime. It is therefore believed that, on average, successful applicants will benefit with a standard 4 year cash repayment profile.
- Funding will be allocated on a 1st come 1st served basis as long as projects are accepted. **Early application is therefore strongly recommended.**
- For larger projects, interim/stage payments may be possible and this will be agreed on a case by case basis. If a project is not completed then all interim payments made must be returned immediately.
- Salix will be monitoring progress of the projects once loan funding is agreed in order to ensure that project completion is progressing as expected.
- Projects which increase in cost to the extent that they are no longer compliant with the Scheme's criteria cannot be funded unless the PSB is prepared to cover the additional costs. Project assessments at the start therefore need to be thorough and project management during the installation needs to be well controlled.
- Projects not completed within the timescale agreed will also not be loan funded.
- In very rare circumstances, Salix reserves the right to amend any of the requirements in respect of deadlines and will confirm any change in writing to the specific applicant. This amendment will not be transferable.

Frequently Asked Questions

Q: How do I calculate current energy use if a building is not metered?

A: Apportion the total bill on a square meter basis

A: Refer to Carbon Trust guidance on benchmarking which provides useful details to assist.

Q: How do I calculate energy savings?

A: Different technologies save different amounts of energy. As set out in section 6, the applicant and/or the partner(s) involved should be competent and fully responsible for the projects to be funded including the establishment of calculated savings.

A: Carbon Trust have a number of publications covering technologies funded by Salix which may be useful in helping you estimate savings.

Q: Where a project is currently underway, can we still apply for a loan?

Q: We have recently completed a project; can we still apply for the loan?

A: This loans scheme is designed for new projects only and unfortunately those projects already started or completed are not eligible.

Q: Should VAT be included within the calculation?

A: If you cannot reclaim VAT the disallowable element should be included as part of the project cost to be shown on the Project Compliance Tool. If VAT can be reclaimed, it should be excluded from the calculations, as the VAT paid to your suppliers can be reclaimed from HMRC.

Q: Will there be any extension to the 9 month completion deadline?

A: All projects must be completed within 9 months of the date of the commitment letter from Salix.

Q: What is the maximum amount a public sector body can apply for?

A: There is no maximum application limit, although Salix may need to review very large applications to ensure a fair spread of loan funding across the public sector. The total value of funding is also limited for this scheme which will determine the amount available.

Q: The public sector body is using a consultant for identifying projects and assisting with the application, how are their costs included within the Project Compliance Tool?

A: Consultant costs for assisting with the application and Project Compliance Tool can be included.

Q: The public sector body is using a consultant to project manage the implementation of the project through to completion can this cost be included?

A: The cost of a consultant to manage the successful completion and commissioning of a project can be loan funded. As long as the project remains compliant all of these costs can be included in the calculations.

Q: Please can you advise if an Automated Monitoring and Targeting System falls within the parameters of the funding available? If so, which “technology type” should be applied?

A: Unfortunately, automatic Metering M&T Systems (AMS) cannot be loan funded as a separate project ('Technology Type') on the Project Compliance Tool. Of themselves AMS do not save energy, they lead to the identification of projects which do. However, because of this they may be loan funded as part of another energy saving project (by adding it to the capital cost of the existing project), providing that, overall, the project remains compliant.

Q: We are considering the installation of voltage management equipment on our site. Do you have any guidance on estimating the savings we will achieve using this technology?

A: Carbon Trust guide [CTG045](#) covers voltage management and had information on where savings can be achieved using this technology and how to calculate them. In addition, there is a Salix voltage management calculation tool which clients are required to complete and submit with applications for voltage management projects

Q: We are wishing to replace oil fired boilers with gas ones. We have a rebuild programme which will commence soon. Any new boilers would be used to heat the current building and then used for any new build as it comes on stream. Under this programme is this allowable?

Q: If the new build is not ready in time, can measures such as 'Office equipment improvements' or perhaps 'Voltage management equipment' be applied to an existing building and then transferred to the new building when ready, assuming it is compliant?

A: Yes, if the equipment is suitable to be moved, then the lifetime of the building can be taken as the lifetime of the new building the equipment is moved to. In signing the application form however, the applicant will be self certifying the reuse of the equipment and hence the extended lifetime.

Q: We provide accommodation for our students can we carry out energy efficiency projects in these areas.

A: This will depend on who benefits from the energy saving projects. If the students gain from lower rents or energy charges then these projects are not eligible. If the organisation benefits and it is not passed to the students then the projects are eligible.

A: However if you are a Specialist Further Education College where the accommodation is seen as part of the learning process, this would be eligible.

Q: We are a consultancy firm who are working with a public sector body on energy efficiency are we able to submit an application on their behalf?

A: The application and the Project Compliance Tool must be signed and submitted by the public sector body. It will not be considered acceptable if it comes from any other source. However the consultancy can prepare the application and submit it to the public sector body for signing and submission.

Q: Do we have to go through a tender process with suppliers before submitting our application?

A: If you have the time to carry out this process then it would be useful but it is not essential for the application stage.

Q: Do we have to be totally accurate concerning our project costs on the application?

A: It is hoped that if you obtain an estimate that this will be fairly accurate. However payment will only be made against the final completion certificate submitted at the end of the project.

Q: Why is the money only being paid out at the end of the project?

A: Experience has suggested that there have been issues arising with project changes and changes in costs during implementation and it was therefore considered to be better from a control aspect to make payment against a completion certificate at the time of project completion.

Q: I want to apply for a large value project which can be completed within the 9 month deadline but my supplier is demanding interim payments. Are these available?

Q: The supplier requires some payment in advance how should this be met?

A: In certain circumstances Salix may agree to interim/stage payments in order to assist. The documentation required in these instances will be different from that shown on the website and included as part of these application notes. Contact the Salix helpline for further details seelssupport4@salixfinance.co.uk

Q: I would like to do a project that will receive feed in tariff. Can I use that to repay the loan?

A: No. Feed in tariff or Renewable Heat Incentive payment cannot be used for Salix loan repayments. Only the savings achieved from lower energy bills can be used to repay the loans. Projects that attract either FITs or RHI payments are not eligible for Salix funding.

Q: What if I apply to carry out a project but do not complete it within the timescale?

A: If it is not completed within 9 months of the date of the commitment letter from Salix, then funding will not be paid.

Q: What if the £20 million allocated to this scheme is oversubscribed?

A: Unfortunately if there is an oversubscription then projects will not be accepted and funding will not be confirmed. However Salix will build up a list of applicants for future funding if this becomes available.

Q: I am considering a project but I am not certain what I should include for this on the Project Compliance Tool.

A: Please contact the helpline by emailing seelssupport4@salixfinance.co.uk

Q: If I have further questions, who should I ask?

A: Please make full use of the helpline by emailing seelssupport4@salixfinance.co.uk Salix are there to support you and to help you complete your application, as well as providing technical support.

Q: Is there any other documentation I can read?

A: We would also refer you to the Carbon Trust website, ECA website, Buying solutions website and the ESTA website.

Q: What paperwork do I need to keep for audit purposes?

A: You will need to keep all relevant documentation related to your procurement procedures and, for each project, the relevant supporting business case.

Q: What if we complete earlier than the date we specified on the Project Compliance Tool

A: You can submit your completion certificate at this earlier date.

Q: What if we find we cannot complete all of the projects submitted within the timescale

A: You must advise Salix immediately of those projects that will not be completed within the timescale. You should continue with those that you are able to complete on time. You will be sent a new letter of commitment.

Q: Can I submit a further application at a later date before 15 March 2012?

A: Yes, providing that funds are still available at that time. We encourage clients to make their full application as early as possible before the closing date.

Q: Having made an application, we find that we will not be able to complete any of the projects.

A: You must advise Salix immediately, who will discuss the process of withdrawal with you.

Q: Can I use the savings I make (before repayments start) to invest in new projects?

A: It is up to you to manage the funds locally and make the repayments on time – but recycling internally on further energy efficiency projects is encouraged whenever possible.

Q: If the project value exceeds the financial thresholds specified in the EU Procurement Directives, how will this impact upon my ability to complete the project within 9 months?

A: Many of the technologies supported by Salix funding will fall below these financial thresholds. However, the OGC's ICT and Energy Categories are working with central purchasing bodies to put in place collaborative frameworks for energy efficiency technologies which may either exceed the thresholds and/or have been flagged as a common requirement across the public sector estate.

Further details regarding these opportunities are available on:

http://www.ogc.gov.uk/commodities_procurement_energy.asp.

Q: I have printed off the completed application form and in doing so have automatically sent through the details entered on the form but I now need to make some changes to some of the details submitted. What do I have to do?

A: You can submit a new application form and we will use the data from the last copy we receive to link to the Project Compliance Tool which you send in. As long as the value of project funding applied for balances to the most recent signed application form, they will be processed.

Annex I – Salix Energy Efficiency Loan Scheme Application Form

Confidential



SALIX ENERGY EFFICIENCY LOANS SCHEME APPLICATION FORM

Instructions for Return of Form	
Electronic copy of project compliance tool to be sent to	seelsapplication4@salixfinance.co.uk
Signed hard copy of this application form to be sent within 2 days of submitting the electronic copy of the project compliance tool to	SEELS4 Salix Finance Ltd 25 Southampton Buildings London WC2A 1AL

Author:

Organisation:

Date Submitted

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Salix Finance Ltd ("**Salix**") is running an interest free loans programme for Public Sector Bodies.

In line with its aim of encouraging sustainable development and investment, the interest free loans are for specific, accepted projects which meet certain criteria and will save energy and reduce CO2 emissions within individual estates.

Public Sector Bodies are invited to apply for this loan funding by completing an application form and Project Compliance Tool and submitting these to Salix.

The loan is intended to cover the total cost of the project(s). The loan is repayable over 4 years in six monthly instalments from the first payment date of March 2013.

The application should be signed by an authorised officer of the Public Sector Body. The final closing date for applications is 15 March 2012, which will be handled on a first come first served basis. Salix aims to notify Public Sector Bodies of the success or otherwise of their application within 14 days of their application. Loans will only be paid by Salix against the submission of a completion certificate and signed loan agreement and direct debit mandate for the projects authorised.

Public Sector Bodies will be required to sign a loan agreement at project completion and agree the prescribed payback amounts and periods for the interest free loan prior to any payments being made to them.

Salix may, in limited circumstances, agree to fund a project on an interim/stage basis during implementation, in which case the Public Sector Body will be required to sign a loan agreement and direct debit mandate before the first payment can be made.

1) PROPOSAL CONTACT DETAILS

11.1.1 Organisation Details

Legal name

Organisation Type

Address

Postcode

Region

Telephone

Website

21.1.1 Main Contact Details

Contact

Position

Department

Address

Postcode

Telephone

Email

31.1.1 Authorising Official Details (should be at a senior level)

Contact

Position

Department

Address

Postcode

Telephone

Email

2) DATA PROTECTION

Providing examples of projects Salix has helped finance is the best way to share good practice and help others identify projects they can undertake.

By signing this application, you are confirming your agreement to Salix sharing information on the projects you propose undertaking with this application between other Salix current and future clients.

3) DECLARATION

In completing and signing this proposal, I/we confirm that:

- I/we are authorised to submit this application on behalf of the applying Public Sector Body.
- We have read the Salix Application Notes and accept the content.
- The information supplied in our application and the Project Compliance Tool is true and correct to the best of our knowledge.
- We agree to Salix sharing information about our funded projects with other current and future clients.
- We understand and accept that no payment will be made if the project is not completed within the agreed timescale of 9 months from Salix's authorisation of the project(s) or if the project otherwise fails to comply with the Scheme's criteria.
- We understand and accept that no payment will be made if the project costs alter and the final costs change so that the project is no longer compliant with the Scheme's criteria.
- We confirm and accept that before any funding is released, we will be required to submit a completion certificate and to complete a loan agreement and direct debit mandate
- We understand and accept that, if the project is funded on an interim payment basis, we may be required to repay the loan early if the project does not progress as expected.
- We confirm that we have submitted electronically the project compliance tool with the value of projects shown below:

Total value of projects included on Project Compliance tool:	£
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	<u>Author</u>	<u>Authorising Official</u>
Signed:		
Name:		
Date:		
Position:		

Annex II – Energy saving technologies funded by Salix

The following table provides details of the technologies which are currently supported by Salix and these will be the technologies which will form the basis of this loans programme. It gives an indication of the average cost of each of the projects and the estimated average annual energy savings those projects achieve.

Please note project costs and energy savings will vary from site to site.

A full list of technologies supported can be found on pages 17 -22.

Project Type	No.	Average Tech Cost	Average of Annual Financial Savings	Average Payback
Boilers	353	£15,727	£4,583	4.05
Building Management Systems	274	£12,773	£4,786	3.75
Combined Heat and Power	4	£218,727	£56,536	4.33
Compressor	18	£16,933	£6,034	3.00
Computers and IT	55	£43,909	£24,772	2.85
Cooling	63	£47,076	£14,316	3.96
Driers	1	£2,599	£880	3.00
Energy from Waste	1	£6,795	£1,485	4.60
Hand Driers	14	£10,348	£3,068	4.27
Heating	356	£14,860	£4,816	3.97
Hot Water	74	£7,146	£2,892	3.61
Industrial Kitchen Equipment	40	£7,766	£1,995	5.30
Insulation - Building Fabric	615	£7,108	£1,811	4.75
Insulation - draught proofing	203	£10,228	£3,013	4.37
Insulation - Other	41	£4,068	£1,403	3.35
Insulation - Pipework	639	£4,429	£1,925	3.49
Lab Upgrades	6	£8,716	£3,702	3.07
LED lighting	338	£12,500	£3,264	4.11
Lighting - Controls	412	£9,754	£2,996	4.01
Lighting - Upgrades	987	£15,809	£4,108	4.45
Motor Controls	294	£13,431	£6,976	2.96
Motor Replacement	14	£29,972	£7,710	4.18
Multiple Project Site	31	£16,767	£4,068	4.91
Office Equipment	6	£10,091	£3,719	2.52
Renewable Energy	4	£66,988	£13,485	4.71
Street lighting	135	£27,953	£7,925	4.88
Swimming	109	£9,357	£5,581	3.11
Time Switches	102	£1,673	£995	2.27
Traffic Lights	3	£49,421	£10,269	4.97
Transformers	4	£40,374	£7,345	5.05
Ventilation	54	£28,337	£8,163	3.47
Voltage Management	302	£27,052	£7,833	4.30

Single Fuel Work Types - Version 26

Project Type	Work Type	Current PF (Basic maintenance)
Boilers	Boilers - control systems	6.84
	Boilers - replacement condensing	14.44
	Boilers - replacement combination	7.22
	Boilers - replacement modular	10.83
	Boilers - burner management	6.84
	Boilers - retrofit economiser	10.83
Building management systems	BEMS - bureau remotely managed	9.00
	BEMS - not remotely managed	6.84
	BEMS - remotely managed	8.42
Combined heat & power	Gas, Diesel, gasoil engine CHP	15.20
	Biomass CHP	7.60
	Gas Turbine	11.40
Compressor	Compressed Air: air compressor upgrade	14.44
Computers & IT solutions	Network PC power management	4.00
	CRT to flat screen LCD	7.20
	Virtualisation	4.50
	Thin computers	4.50
	Uninterruptible Power Supplies	18.00
	Free Cooling for ICT	13.68
	Evaporative cooling for ICT	13.68
	Energy Efficient File Storage Replacement	4.50

	LED monitors instead of LCD (cost difference)	7.20
	CRT to LED monitors	7.20
	Hot aisle/cold aisle containment	10.83
	Multi Functional Devices	4.50
	Energy Efficient Server Replacement	4.50
Cooling	Cooling - plant replacement/upgrade	8.21
	Free cooling	13.68
	Replacement of air conditioning with evaporative cooling	13.68
Hand Driers	Hand Driers - replacement to more efficient type	4.18
Energy from waste	Anaerobic digestion	15.20
	Incineration	15.20
Heating	Electric to Gas - heating using CHP	15.20
	Electric to Gas - heating using condensing boilers	14.44
	Electric to Gas - tumble driers	8.40
	Heat recovery	10.83
	Heating - direct fired system	9.50
	Heating - discrete controls	6.84
	Heating – distribution pipework improvements	15.20
	Oil to Gas - boiler fuel switching	7.92
	Replace steam calorifier with plate heat exchanger	28.50
	Thermal Stores	18.00
	Heating - TRVs	6.84
	Heating - zone control valves	11.88
	Steam trap replacements	15.20

Hot water	Hot Water - distribution improvements	18.00
	Hot Water - point of use heaters	9.50
Industrial kitchen equipment	Steriliser to dishwasher replacement	10.80
Insulation - building fabric	Cavity wall insulation	30.00
	Dry wall lining	30.00
	Loft insulation	27.00
	Retrofit single glazing units	8.00
	Roof insulation	30.00
	Secondary glazing	7.92
Insulation - draught proofing	Insulation - draught proofing	29.25
Insulation - pipework	Heating pipework insulation (internal)	22.50
	Heating pipework insulation (external)	9.00
Insulation - other	Radiator reflective foil (external walls)	8.00
	Automatic/revolving doors	8.45
	Automatic speed doors	8.45
	Draught Lobby (internal)	29.25
	Draught Lobby (external)	29.25
	Air Curtains - heated	10.83
	Air Curtains - ambient	11.40
Lab Upgrades	Energy Efficient Freezers (-25°C)	9.60
	Energy Efficient Freezers (-86°C)	5.80
	Diode pumped solid state lasers	6.80
	Fume Cupboards - VAV Controls + Inverter Drives	10.26
	Fume Cupboards - Auto Sash Closing + PIR	6.84

	Energy Efficient Fume Cupboards	16.25
	Heat Recovery on Extract System	10.83
Lighting controls	Lighting - discrete controls	8.89
	Lighting control system centralised	10.26
Lighting upgrades	Electronic ballast with dimming control	11.40
	Replace halogen with HID metal halide	20.00
	HP Sodium including new fitting	20.00
	Compact Fluorescent including changing the fitting	20.00
	Compact Fluorescent using same fitting	10.00
	Induction Fluorescent including changing the fitting	20.00
	T5 lighting including changing the fitting	20.00
	T5 lighting retrofit using adaptors	10.00
	T8 lighting including changing the fitting	20.00
	T8 lighting retrofit using adaptors	10.00
LED lighting	Halogen to LED including changing the fitting	25.00
	Halogen to LED using same fitting	13.00
	Flood lighting to LED including changing the fitting	20.00
	Compact Fluorescent to LED including new fitting	25.00
	Compact Fluorescent to LED using same fitting	13.00
	Incandescent to LED including new fitting	25.00
	Incandescent to LED using same fitting	13.00
	T12/T8 to LED including new fitting	25.00
	T12/T8 to LED using same fitting	13.00
Street lighting	Replace fitting, controls with electronic ballasts	15.00

	Replace fitting with LED	20.00
	Replace controls including electronic ballasts	12.72
	Replace controls but not ballasts	8.89
	Fit centralised controls with electronic ballasts	12.72
	Fit centralised controls but not ballasts	12.72
	Solar powered bollards	10.00
Traffic lights	Replace with LED including new fitting	20.00
	Replace with LED using same fitting	10.00
Motor controls	Fixed speed motor controls	11.40
	Variable speed drives	10.26
	Motors - flat belt drives	11.40
Motor replacement	Motors - high efficiency	15.00
Office equipment	Office equipment improvements for non-ICT	3.00
Renewable energy	Biomass boilers	15.12
	Heat Pump (Air Source)	10.83
Swimming	Swimming pool covers - liquid	8.80
	Swimming pool covers - manual	7.92
	Swimming pool covers - motorised	8.45
Time switches	Time switches	6.84
Transformers	Low loss (cost difference)	30.00
	Low loss	30.00
	Low loss+voltage management(cost difference)	30.00
	Low loss+voltage management	30.00
	Transformer tapping change	30.00

Ventilation	Ventilation - distribution	30.00
	Fans - air handling unit	23.75
	Fans - high efficiency	14.25
	Ventilation - presence controls	6.84
Voltage management	Voltage management - fixed ratio	19.00
	Voltage management - variable ratio	19.00

APPLICATION NO. 15-18-ES



COMPLETION CERTIFICATE

Public Sector Body
 Name of Authorised Officer
 Position of Authorised Officer

Project ID	Project details	Project cost(s) applied for	Final project cost(s)	Completion date(s)
	Total loan value requested		£	

Project Amendments

If there have been any changes to the scope, cost or any other information previously given on compliance tools relating to the above projects, detail the changes in the attached addendum and return with a new compliance tool for the changed projects.

Are there any amendments to the above projects?

- Yes
- No

This document certifies the completion of the above referenced project(s) (the “Project(s)”) undertaken by the public sector body named above (the “Public Sector Body”) in line with the requirements of Salix Finance Ltd. The Public Sector Body acknowledges that on the signing of this certificate a loan agreement (the “Loan Agreement”) will be entered into between the Public Sector Body and Salix Finance Ltd to document the funding that the Public Sector Body is to receive for the Project.

The Public Sector Body acknowledges, understands and agrees that any funding received from Salix Finance Ltd is based on the Public Sector Body having completed the Project(s) within the timescale, costing and remit for the Project as agreed with Salix Finance Ltd and that this Completion Certificate should only be executed when the Public Sector Body is satisfied that the Project(s) has been completed to and in compliance with this required standard.

The Public Sector Body further acknowledges, understands and accepts that Salix Finance Ltd will rely on this Completion Certificate and the certifications and confirmations contained within it when entering into the Loan Agreement and when making any loan to the Public Sector Body. As such, the Public Sector Body acknowledges, understands and agrees that if any confirmation or certification stated in this Completion Certificate proves to be untrue or incapable of being substantiated, that any loan made by Salix Finance Ltd to the Public Sector Body may become immediately repayable in full.

Declaration

I, the above named Authorised Officer, confirm that I am duly authorised by the Public Sector Body to make, and do make, the following confirmations and certifications on behalf of the Public Sector Body.

I confirm that the Project(s) has been completed within the agreed timescale and that the final costs of the Project(s) remain compliant with the terms of our application or as otherwise agreed with Salix Finance Ltd. I further confirm that the Project(s) is, and will at all times during the term of the proposed loan remain compliant with all the conditions and requirements of the Salix Finance Ltd Energy Efficient Loan Scheme.

I also confirm that the Public Sector Body has maintained, and will continue to maintain, clear records of the Project(s), including detailed costings, such that the Project(s) and the records may be audited by Salix Finance Ltd (or an agent or contractor on their behalf) or any governmental body if required.

I confirm that a detailed and diligent assessment of the Project(s) has been undertaken with all due care and skill such that the energy savings and CO2 reductions that the Project(s) was to produce, as agreed with Salix Finance Ltd, can be fully substantiated.

Signed
Name (please print)
Dated
For and on behalf of

Addendum

Project Amendments

Project ID	Summary of Change

APPLICATION NOTES

**SALIX FINANCE LTD ENERGY EFFICIENCY LOANS PROGRAMME
PROJECT LOAN SUMMARY**

Loan Ref. No:
Public Sector Body:
Main Telephone:
Contact Name:
Contact Position:
Contact Mobile Phone:
Date agreed & Signed

Drawdown Date:

Project Description

Project Costs/Maximum Loan Amount (£)	£	Repayments		
		No	Date	Amount
		1	01/03/2013	£
Est. Annual Savings (£)	£	2	01/09/2013	£
Repayment (% of est. annual saving)		3	01/03/2014	£
Annual Repayment (£):	£	4	01/09/2014	£
Est. Annual Savings CO2 (tCO2)		5	01/03/2015	£
		6	01/09/2015	£
Est. Total CO2 Savings (tCO2)		7	01/03/2016	£
Cost per tCO2 Savings (£/tCO2)	£	8	01/09/2016	£
Technology Payback (years): (Proj cost / Est. Ann Savings)				
Loan Payback (4 years): (Proj & Admin cost/ Ann. Repayment)	4 years			
Project Notes:				
Other Legal Terms of the Loan	See Overleaf			

By signing below the Public Sector Body certifies that, to the best of its knowledge, the above information is true, complete and accurate and the Public Sector Body agrees to be bound by these Terms (including the terms and conditions attached overleaf) for the term of the Loan.

Signature of Applicant
For and on behalf of:

Signature of
For and on behalf of:

SALIX FINANCE LIMITED

TERMS OF LOAN

1. DURATION

These Terms will come into effect on the First Drawdown Date and will continue until the Loan (together with all other sums due under these Terms) is repaid in full.

2. THE LOAN

- 2.1 The Loan shall be unsecured and interest free (other than any default interest which may become due pursuant to Clause 2.9) and the Public Sector Body, subject to the provisions of Clause 2.13, may draw the Loan during the Availability Period in not more than [NUMBER] Advances.
- 2.2 Subject to the other terms of these Terms, Advances will be made by Salix Finance in accordance with the Drawdown Schedule, or as otherwise agreed by Salix Finance and the Public Sector Body.
- 2.3 The Public Sector Body must deliver a completed Interim Payment Certificate to the Lender by not later than 10.00 am [5] Business Days before each proposed Drawdown Date (or such shorter time as agreed by the parties).
- 2.4 If the Public Sector Body has not drawn the full amount of the Loan by the end of the Availability Period, the remaining amount shall automatically be cancelled.
- 2.5 The obligations of Salix Finance under these Terms only arise once Salix Finance has received all the documents and evidence specified below in the form and containing the information it requires:
 - 2.5.1 an acknowledged Commitment Letter;
 - 2.5.2 a Drawdown Schedule;
 - 2.5.3 any other information in relation to the Public Sector Body or the Project reasonably requested by Salix Finance.
- 2.6 Salix Finance's obligation to make an Advance is subject to the further conditions precedent that on the relevant Drawdown Date:
 - 2.6.1 the Warranties are true and correct in all material respects and will be true and correct in all material respects immediately after the Advance is made; and
 - 2.6.2 no Event of Default or other breach of these Terms is continuing or would result from the proposed Advance.
- 2.7 The conditions specified in Clauses 2.5 and 2.6 are inserted solely for Salix Finance's benefit. Salix Finance may waive them, in whole or in part and with or without conditions, without prejudicing Salix Finance's right to require subsequent fulfilment of such conditions.
- 2.8 The Public Sector Body shall, irrespective of any energy savings achieved or the suitability of the Project and whether or not the Project (or any assets comprised or utilised in the Project) remains under the control or ownership of the Public Sector Body, pay back the Loan to Salix Finance or, if it is directed to do so in accordance with the provisions of Clause 6.7, the Department of Energy and Climate Change ("DECC"), in the instalments and on the dates detailed on the Project Loan Summary, unless otherwise agreed in writing by Salix Finance. The Public Sector Body may not re-borrow any amount of the Loan which has been repaid. The Public Sector Body may repay the full outstanding balance of the Loan (together with any other sums which may be due under these Terms) at any time on giving Salix Finance 14 days notice in advance.
- 2.9 If the Public Sector Body does not pay any sum it is obliged to pay under these Terms when it is due, the Public Sector Body shall pay interest on that unpaid amount from time to time outstanding at the rate of 3% above the Bank of England's base rate (from time to time) for the period beginning on its due date and ending on the date Salix Finance receives it, both before and after judgment.
- 2.10 All payments that the Public Sector Body is required to make under these Terms shall be made by Direct Debit and the Public Sector Body must complete and return to Salix Finance the Direct Debit mandate attached to these Terms. All such payments must be made in full, without any deduction, set-off or withholding.
- 2.11 Any payment which is due to be made on a day which is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one), or the immediately preceding Business Day (if there is not).
- 2.12 The Public Sector Body hereby acknowledges and agrees that if it has not claimed the Loan in full by 31 December 2011, the Public Sector Body's right to claim and be paid the Loan (or any part thereof not yet paid to the Public Sector Body), shall terminate forthwith and it is agreed by Salix Finance and the Public Sector Body that the Public Sector Body shall no longer have any right to claim and be paid the Loan (or, if applicable, any part) and that Salix Finance is under no obligation whatsoever to pay the Loan (or, if applicable, any part thereof) to the Public Sector Body.
- 2.13 Without prejudice to any other rights that it may have under these Terms or at law, Salix Finance reserves the right to reduce, suspend, or withhold payment of the Loan or any Advance or require repayment of the Loan where it considers at its sole discretion that it is reasonable in the circumstances to do so, which shall include, but shall not be limited to, circumstances where there is any overpayment of the Loan, Salix Finance is required to repay the funding provided to it by DECC, the Public Sector Body fails to carry out any work under the Project, the Public Sector Body fails to comply with any of these Terms or the Public Sector Body sells any items purchased with the Loan.

3 OBLIGATIONS OF THE Public Sector Body

- 3.1 The Public Sector Body must ensure that a Project Manager is appointed to administer and manage the Loan at all times during the term of the Loan.
- 3.2 The Public Sector Body shall only use the Loan and each Advance for the Project or the repayment of capital expenditure and other expenses previously approved by Salix Finance in relation to the Project. Salix Finance is not obliged to monitor or verify how the Loan or any Advance is used.
- 3.3 The Project Manager shall properly and diligently monitor the activities and effects of the Project during the term of the Loan to ensure that the Loan and each Advance is being used appropriately and the Project continues to produce the energy savings and CO2 reductions envisaged and agreed with Salix Finance.
- 3.4 The Public Sector Body shall, during the term of the Loan, keep a full, accurate and proper auditable record of the progress of the Project, including all expenditure and other costs incurred in relation to the Project and the effects of the Project in terms of energy savings and CO2 reductions achieved, and shall provide such information and assistance as is required by Salix Finance.

- 3.5 The Public Sector Body accepts that Salix Finance (or an agent or contractor on its behalf) may conduct an audit of the Loan to ensure compliance by the Public Sector Body of the terms of the Loan and the Public Sector Body agrees to afford Salix Finance, or any agent of Salix Finance, assistance in relation to any such audit, to include reasonable access (upon reasonable notice being given by Salix Finance) to such buildings or premises or other assets or equipment of the Public Sector Body to enable Salix Finance to review and verify the progress and effects of the Project.

4 COVENANTS

- 4.1 In consideration of the Loan and each Advance being made and for so long as any amount remains outstanding under these Terms, the Public Sector Body undertakes to Salix Finance:
- 4.1.1 not to create, or permit to subsist, any mortgage, charge (whether floating or specific), pledge, lien or other security interest on any of its undertaking, property or assets comprised or utilised in the Project without Salix Finance's prior written consent;
- 4.1.2 not to use the Loan, any Advance or any funding received from Salix Finance for political or religious advocacy;
- 4.1.3 that it will acknowledge the Loan from Salix Finance in any publicity material that it creates and / or distributes in relation to the Project;
- 4.1.4 that it will ensure at all times that it has appropriate auditing arrangements in place in relation to the Loan, which shall include, but shall not be limited to, keeping and maintaining full and accurate records of the expenditure of the Loan and / or any Advance;
- 4.1.5 that it will notify Salix Finance in writing immediately on the happening of any Event of Default or as soon as it becomes aware that an Event of Default may occur;
- 4.1.6 that it will maintain or cause to be maintained in full force and effect adequate insurances in respect of all its assets comprised or utilised in the Project against all risks and contingencies;
- 4.1.7 that it will ensure that all professional consultants and/or contractors involved in the provision of services in relation to the Project hold and maintain appropriate professional indemnity insurance cover in relation to the services carried out or to be carried out and that the Public Sector Body obtains copies of the relevant certificates; and
- 4.1.8 it shall comply, in all respects, with all relevant legislation and regulations in the operation of the Loan and the Project.

5 WARRANTIES

- 5.1 In consideration of the Loan and each Advance being made and for so long as any amount remains outstanding under these Terms, the Public Sector Body warrants to Salix Finance that:
- 5.1.1 it is a public sector body and has the power to own its assets and carry on its business as it is being conducted;
- 5.1.2 it has the power and authority to execute, deliver and perform its obligations under these Terms and the transactions contemplated by them. No limit on its powers will be exceeded as a result of the borrowing contemplated by these Terms;
- 5.1.3 the execution, delivery and performance of the obligations in, and transactions contemplated by, these Terms do not and will not contravene or conflict with the Public Sector Body's constitutional documents or any agreement binding on it or its assets or any law or regulation or judicial or official order, applicable to it;
- 5.1.4 it has taken all necessary action and obtained all required or desirable consents to enable it to execute, deliver and perform its obligations under these Terms and any such authorisations are in full force and effect;
- 5.1.5 its obligations under these Terms are legal, valid, binding and enforceable;
- 5.1.6 all information, in written or electronic format, supplied by the Public Sector Body to Salix Finance in connection with the Loan and/or any Advance was, to the best of the Public Sector Body's knowledge, complete, true and accurate in all material respects at the time it was supplied and not misleading in any material respect, nor rendered misleading by a failure to disclose other information;
- 5.1.7 each Project is progressing in accordance with the agreed timescale and costings and in accordance with the other requirements previously agreed with Salix Finance and the Public Sector Body sees no reason why the Project will not be completed in accordance with the same; and
- 5.1.8 there has been no material adverse change in the business or financial condition of the Public Sector Body since the date of the application for the Loan.

6 REPAYMENT OF LOAN

- 6.1 Salix Finance may require all or part of the Loan to be immediately repaid if:
- 6.1.1 the Public Sector Body fails to pay any monies payable by it under these Terms when due; or
- 6.1.2 the Public Sector Body fails (other than a failure to pay) to comply with any material term or condition of these Terms or the reasonable directions of Salix Finance; or
- 6.1.3 any information provided by the Public Sector Body in the application for the Loan or in subsequent or supporting correspondence is found to be incorrect or incomplete to an extent which Salix Finance considers to be material; or
- 6.1.4 any statement by or on behalf of the Public Sector Body within any Interim Payment Certificate or the Completion Certificate proves to be untrue or incapable of being substantiated; or
- 6.1.5 there is a failure by the Public Sector Body to keep and maintain the records in relation to the Project as required by Salix Finance; or
- 6.1.6 the Loan or any Advance has not been used for the purpose for which it was given; or
- 6.1.7 the Project is not completed within the agreed timescale or agreed costing or in accordance with the other requirements previously agreed with Salix Finance or if, in Salix Finance's reasonable opinion, it appears likely that the Project will not be so completed; or
- 6.1.8 a Material Adverse Event shall occur;
and, if any such failure or breach as referred to above is remediable, the same is not remedied by the Public Sector Body within 7 Business Days of a written notice from Salix Finance to do so,
(the circumstances referred to in Clauses 6.1.1 to 6.1.8 each being an "Event of Default").
- 6.2 The Public Sector Body agrees that on receipt of any notice from Salix Finance requiring repayment of all or any part of the Loan under Clause 6.1 that it shall make such repayment within 20 Business Days of receipt of such notice.
- 6.3 The Public Sector Body shall promptly notify Salix Finance if it becomes aware that a Material Adverse Event may occur.
- 6.4 If the Loan becomes due and payable as provided by Clause 6.1, the Public Sector Body will reimburse Salix Finance on a full indemnity basis all reasonable costs and expenses, including legal fees, incurred by Salix Finance in connection with the

enforcement, or the preservation, of any rights under these Terms and will indemnify Salix Finance against all losses incurred by Salix Finance and attributable to Salix Finance having entered into the Loan, including in liquidating or employing deposits from third parties acquired to effect or maintain the Loan or any part thereof.

- 6.5 Salix Finance may require the Public Sector Body to repay all or any part of the Loan or may otherwise vary the Terms if:
- 6.5.1 any law or regulation is introduced or changed, the effect of which makes it unlawful for Salix Finance to fund or maintain the Loan, or allow the Loan to remain outstanding at all or in accordance with the then current Terms; or
- 6.5.2 any other authority binding on Salix Finance or the Public Sector Body makes it unlawful for Salix Finance to fund or maintain the Loan, or allow the Loan to remain outstanding at all or in accordance with the then current Terms; or
- 6.5.3 such repayment or variation is necessary in order that Salix Finance or the Public Sector Body complies with any direction, request or requirement (whether or not having the force of law) from any monetary agency or governmental or regulatory authority.
- 6.6 Salix Finance shall give notice to the Public Sector Body of any repayment or variation required pursuant to Clause 6.5, giving the date for that repayment or variation, which shall be the last date for payment or variation under the applicable law, regulation, regulatory requirement, request or direction.
- 6.7 Upon notice by Salix Finance of any required repayment pursuant to this Clause 6 for any reason, any undrawn amount of the Loan shall be immediately cancelled.
- 6.8 The Public Sector Body acknowledges that DECC has made funding available to Salix Finance to enable it to provide the Loan to the Public Sector Body. The Public Sector Body and Salix Finance agree that DECC may enforce these Terms as though they were named herein in place of Salix Finance including, but not limited to, the right to demand repayment of the Loan.

7 CAPITAL ASSETS

- 7.1 The Public Sector Body shall not, during the useful life of any Capital Asset and whilst any part of the Loan remains outstanding, sell, transfer or otherwise dispose of such Capital Asset without re-payment to Salix Finance of (at Salix Finance's sole discretion) all or any part of the Loan remaining outstanding.

8 VAT

- 8.1 Where the Public Sector Body is registered for VAT, the Loan and each Advance is made exclusive of VAT and no part of the Loan shall be used by the Public Sector Body towards meeting any VAT incurred by the Public Sector Body.
- 8.2 Where the Public Sector Body is not registered for VAT, the Loan and each Advance shall include VAT.

9 LAW AND JURISDICTION

- 9.1 These Terms and the Loan shall be governed by and construed in accordance with English law and each party hereby submits to the exclusive jurisdiction of the English Courts.

10 MISCELLANEOUS

- 10.1 No amendment or variation of these Terms or, for the avoidance of doubt, the Project Loan Summary shall be effective unless made in writing and agreed by Salix Finance.
- 10.2 Salix Finance may assign any of its rights under these Terms or transfer all its rights or obligations under these Terms by novation to another person.
- 10.3 The Public Sector Body may not assign any of its rights or transfer any of its rights or obligations under these Terms without the prior written consent of Salix Finance.
- 10.4 Any waiver of any right or consent given under these Terms is only effective if it is in writing and signed by the waiving or consenting party. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 10.5 No delay or failure to exercise any right under these Terms shall operate as a waiver of that right.
- 10.6 These Terms may be executed and delivered in any number of counterparts, each of which is an original and which, together, have the same effect as if each party had signed the same document.
- 10.7 Other than DECC, a person who is not a party to these Terms cannot enforce or enjoy the benefit of any term of these Terms under the Contracts (Rights of Third Parties) Act 1999.
- 10.8 The Public Sector Body agrees that Salix Finance may appoint one or more agents from time to time to carry out its obligations and exercise its rights under these Terms.

11 DEFINITIONS AND INTERPRETATIONS

- 11.1 The definitions and rules of interpretation in this Clause apply in these Terms.

“**Advance**” means an advance made, or to be made, by Salix Finance to the Public Sector Body under these Terms, or the principal amount of such an advance outstanding;

“**Availability Period**” means the period beginning with the First Drawdown Date and ending on and including [DATE][the date shown as such on the Project Loan Summary];

“**Business Day**” means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London;

“**Capital Asset**” means any item of equipment or other asset which has, or any two or more similar items which collectively have, a purchase value of five hundred pounds (£500) or more and which:

(a) on the date of its or their purchase has or have a useful life of more than one year; and

(b) is or are purchased wholly or partly out of the Loan or such purchase is being re-financed out of the Loan;

“**Commitment Letter**” means the letter entitled as such from Salix Finance to the Public Sector Body approving the Public Sector Body's loan application;

“**Completion Certificate**” means the certificate given by or on behalf of the Public Sector Body certifying certain matters in relation to the completion of the Project;

“**Drawdown Date**” means the date on which an Advance is made, or is to be made;

“**Drawdown Schedule**” means the schedule setting out the required Advances and requested Drawdown Dates and to be provided by the Public Sector Body to Salix Finance (as the same may be amended from time to time with Salix Finance's written agreement);

“**Event of Default**” means any of the events set out in Clause 6.1;

“**First Drawdown Date**” means the first Drawdown Date and shown as such on the Project Loan Summary;

“Interim Payment Certificate” means the certificate given by or on behalf of the Public Sector Body certifying certain matters in relation to the Project to be completed and provided to the Lender before each Drawdown Date;

“Loan” means the total amount of the Advances advanced or to be advanced by Salix Finance to the Public Sector Body (or such part of it or them as is for the time being owing by the Public Sector Body to Salix Finance) to fund the Project, the maximum amount of which is detailed on the Project Loan Summary;

“Material Adverse Event” means any event or circumstance which, in Salix Finance’s reasonable opinion, is likely to materially and adversely affect the Public Sector Body’s ability to perform all or any of its obligations under, or otherwise comply with, these Terms;

“Project” means the project operated by the Public Sector Body and approved in advance by Salix Finance to assist in the reduction of energy use through the uptake of energy saving technologies, as detailed on the Project Loan Summary;

“Project Loan Summary” means the summary of the Project and the Loan attached to the front of these Terms;

“Project Manager” means the project manager appointed by the Public Sector Body to administer the Loan, as detailed on the Project Loan Summary, and their replacement from time to time notified to Salix Finance;

“Public Sector Body” means the Public Sector Body named on the Project Loan Summary, and its successors or permitted assigns;

“Salix Finance” means Salix Finance Ltd (a company limited by guarantee and not having a share capital) registered in England and Wales under company number 5068355, the registered office of which is at 65 Kingsway, London WC2B 6TD (and its statutory successors assigns and transferees);

“Terms” means the terms and conditions relating to the Loan and set out in this document, including the Project Loan Summary and by reference also include the Commitment Letter and the Completion Certificate and all other terms and conditions of Salix Finance’s Energy Efficient Loan Scheme;

“VAT” means value added tax payable by virtue of the Value Added Tax Act 1994 and any similar tax from time to time in addition to it, replacing it or performing a similar fiscal function;

“Warranties” means the warranties given by the Public Sector Body and set out in Clause 5.

- 11.2 Words in the singular include the plural and vice versa.
- 11.3 A reference to a person shall include a reference to an individual, firm, company, corporation, unincorporated body of persons, or any state or any agency of any person.
- 11.4 A reference to these Terms (or any provision of it) or any other document shall be construed as a reference to these Terms, that provision or that document as it is in force for the time being and as amended, varied or supplemented in accordance with its terms or with the agreement of the relevant parties.
- 11.5 A reference to a “regulation” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

