

ISLE OF MAN GOVERNMENT

Department for Enterprise

SAMPLE TERMS AND CONDITIONS - GOVERNMENT FINANCIAL ASSISTANCE

A. Applicable to ALL investment grants

1. The grant will be payable on production of paid invoices/certificates to this office, together with a completed form of application **F103**.
2. The Department reserves the right to withhold payment of part or all of any grant claimed in order to offset such amount against a debt owed to any Government Department or body.
3. An administration charge of 2% of the total value of all Government financial assistance granted, will be levied and deducted at source.
4. All recipients of Government financial assistance will undertake to furnish the Department with the following information;
 - (a) New companies
During the first year of operation the management accounts must be provided on a quarterly basis, after which time Annual Accounts must be supplied together with a written progress report of the company's development.
 - (b) Existing companies
All companies must submit a copy of their Annual Accounts, together with a written progress report of the company's development.
5. Representatives of the Department may carry out visits periodically to discuss the progress of companies which have received financial assistance as well as being given the opportunity to inspect the plant and machinery (including the inventory), buildings, etc., in respect of which assistance has been or is due to be paid, either prior to or after the payment of such assistance in accordance with paragraph C3.
6. If the applicant shall cease to carry on the business referred to in the application within a period of **three years**, from the date of the last grant payment, the applicant shall immediately, and in any event not later than one calendar month after the happening of such event, notify the Department, thereupon the Department shall have the right to reclaim all or such part of the grant as it may determine and the applicant shall pay to the Department on demand the amount so reclaimed.
7. Approved financial assistance must be taken up by the applicant within a period of two years from the date of the approval of the award of such assistance, but without prejudice to a re-application being submitted by the applicant. Applications to extend this period must be in writing stating the reasons.
8. The grant will be payable on production of a certified statement or paid invoice to this office confirming that expenditure has been incurred in meeting costs detailed in the relevant application. The applicant to certify that all invoices have been paid by completing form of application **F103**. A false Declaration will lead to a reclaim of all or part of the grant paid.

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9. If the premises of the applicant, within **three years** from the award of any Government financial assistance, cease to be used for the purpose intended at the time of the application, then the applicant shall immediately, and in any event not later than one calendar month after the happening of such event, notify the Department, thereupon the Department shall have the right to reclaim all or such part of the grant as it may determine and the applicant shall pay to the Department on demand the amount so reclaimed.
10. At the discretion of Government, applicants may be required to execute and record an Instrument of Charge or Debenture in favour of the Department, providing a First Charge secured on the applicant's assets up to at least the level of financial assistance given and such Instrument of Charge or Debenture shall be prepared by H.M. Attorney General and shall contain such terms, powers, and conditions as H.M. Attorney General shall consider requisite for better securing such financial assistance.

B Applicable to investment grants in respect of buildings (only)

1. When assistance is granted towards the cost of construction work, the applicant will undertake, wherever practical, to seek tenders from the Manx Accredited Construction Contractors Scheme (MACCS) (details can be obtained from the Isle of Man Employer's Federation, 23a Village Walk, Onchan - Telephone: (01624) 660188, Fax 660189 or Email: info@employersfederation.co.im, for the work involved). If requested, the applicant will furnish copies of such tenders to the Department for Enterprise (hereinafter referred to as "the Department") for inspection.
2. Upon completion of the building the applicant will certify that the building has been erected and taken over in a satisfactory condition, and conforms to the specifications and Bye Laws of the relevant local authority, and the Department of Infrastructure by providing a Completion Certificate
3. On the happening of any one or more of the events set out below within **three years** from the date of each grant payment or last instalment of a grant made in respect of the building, the applicant shall immediately, and in any event not later than one calendar month after the happening of such event, notify the Department, thereupon the Department shall have the right to reclaim all or such part of the grant as it may determine and the applicant shall pay to the Department on demand the amount so reclaimed.
 - (i) the building or any part thereof is disposed of by the applicant, by sale, lease, assignment, or other transfer;
 - (ii) the building, works or any part thereof, or any item of works are destroyed so as to be unfit for use;
 - (iii) the building ceases to be used wholly or mainly for the purpose specified in the company's application for Government financial assistance;
 - (iv) all or part of the building is occupied by a person or persons other than the applicant or its employees.

C. Applicable to investment grants in respect of plant and machinery (only)

1. The applicant must confirm on the form of application for payment (F103), that the plant and machinery, being in this case the subject of Government financial assistance, has been received, is in satisfactory condition and is located at the place of business on the Island.

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2. On the happening of any one or more of the events set out below within **three years** from the date of each grant payment made in respect of the plant and machinery, shall immediately, and in any event no later than one calendar month after the happening of such event, notify the Department, thereupon the Department shall have the right to reclaim all or such part of the grant as it may determine and the applicant shall pay to the Department on demand the amount so reclaimed.
 - (i) the plant or machinery is charged or disposed of, or attempted to be charged or disposed of, by the applicant;
 - (ii) the plant or machinery is removed from the place of business, on the Island, of the applicant;
 - (iii) the plant or machinery otherwise ceases to be used at the place of business, on the Island, of the applicant;

Machinery or plant shall be taken to cease to be used if either the use thereof is terminated, or suspended for a period exceeding six months within the periods exceeding one year in aggregate, during the period of THREE YEARS from the date of installation, or if the plant or machinery ceases for such period to be in working order.

- (iv) the plant or machinery is not brought into use within six months from the estimated installation date shown on Form **F103**.
3. The company to maintain a register of equipment, to be open to the Department's inspection which should include serial numbers or unique identifying marks, current value, location and verification that it is still in use. The register must be kept up to date for the whole of the period under which the grant could become repayable. When submitting claims for payment, all serial numbers or unique identifying marks, must be included on the invoice by either the supplier or the grant recipient.

D. Applicable to investment grants provided to regulated business (ie financial institutions or e-Gaming businesses only)

1. Where a company is a regulated financial services business or other regulated activity in receipt of payment of grants, the company shall immediately inform the Department of any change in the status of its licence by way of surrender, withdrawal or downgrading and thereupon the Department shall have the right to reclaim all or such part of the grant as it may determine and the applicant shall pay to the Department, on demand, the amount so reclaimed.

On behalf of I accept the terms and conditions herein stipulated in connection with the offer of Government financial assistance notified to the company on

Signed:..... Name in BLOCK CAPITALS:.....

Position in Company:Date:.....

SAMPLE

St. George's Court
Upper Church Street
Douglas
Isle Of Man, IM1 1EX

Tel: (01624) 687179; Fax: (01624) 687171.

January 2018.