

# Acceptance of Terms & Conditions



## Background

Business Enterprise Fund (BEF) offer loans as a "lender of last resort" to applicants who are prepared to participate in their Business Support Programme. This Programme seeks to assist new and young businesses to have a better chance of survival/sustainability through intensive support and training

Loans are only available to individuals who have been refused other forms of business finance. Where an applicant has been offered insufficient finance from other sources the Fund can offer "top-up" finance. Loans are available from £500 up to £30,000 to start or expand a business. In exceptional cases funding of up to £60,000 is available.

Loans up to £10,000 are available on Terms up to two years, Loans of £10,001 to £20,000 are available on Terms up to three years and over £20,000 up to five years. A capital repayment holiday of up to six months may be available with the agreement of the Credit Committee/Fund Management.

## Terms

If a Loan is offered it is on the condition that the money will be invested in the nominated business as proposed in the Business Plan & Application Form. However, if you accept the Loan it will be a personal debt and not dischargeable by winding up your proposed/existing business. **BEF will use every facility available to pursue repayment of the Loan.** The Loan cannot be used to fund past debts.

Security is generally not required but in some cases guarantees may be necessary. Where there is not sufficient security available the Fund may consider the use of the Enterprise Finance Guarantee Scheme (EFG); this is at the sole discretion of the Fund.

The Applicant(s) must demonstrate the viability of the business proposal by the provision of a "robust" business plan. The Applicant(s) must demonstrate a clear understanding of the business planning process (including how to prepare financial forecasts) or undertake training to obtain these skills.

A Mentor will be appointed to assist in the business planning process and there is a charge for the preparation of your Application whether successful or not. If your Application is unsuccessful or withdrawn, and the Fund has provided assistance to you in the preparation of that Application, you hereby agree to pay the Fund for any reasonable costs incurred.

The Mentor will present the business case to:

the Fund Management for Loans up to, and including, £10,000; or  
the Credit Committee for Loans in excess of £10,000

Applicants will be informed of the decision afterwards and these decisions are final with no right of appeal

Repayments are made on a monthly basis by Direct Debit. There is a penalty for late payment of an instalment by the due date unless this is approved in advance of the due date of the direct debit payment.

Recipients of a Loan must commit to the Business Support Programme which includes regular mentoring visits from Fund staff on a monthly basis and there are stringent requirements for the provision of information during the Term of the Loan. These include access to bank statements on a monthly basis and the provision of management accounts, to a satisfactory standard, on a quarterly basis.

By signing this *Acceptance of Terms & Conditions* document you have agreed to participate in the Programme and should your Application be accepted you agree to pay the Business Support Fees as per the tariff associated with the Loan product you have applied for (see separate product sheets). This is a separate contract and is bound by the terms herein stated and as outlined in the Business Support Leaflet.

## Payment for Business Support

The full cost of the Business Support will be added to the Principal Loan Amount and monthly instalments included within the Loan Repayment. Provided all conditions of the Business Support have been met the Borrower will receive a refund of the interest associated with the Support Charge on an annual basis by way of a deduction from the next monthly instalment. In the event of early settlement of the Principal Loan Amount the remaining balance for Business Support will be credited against the Loan Amount outstanding.



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Bradford Enterprise Agency Limited trading as Business Enterprise Fund  
Company Registration No. 1792109 | Registered in England | VAT No. 882 8721 83

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In the event of default in repayment of the Loan the cost of the Full Term Contract remains due for payment. VAT associated with the Business Support Fee will be invoiced quarterly in arrears following the occurrence of the support.

## Data Protection and Disclosure Declarations

On signing the *Acceptance of Terms & Conditions* you agree to Bradford Enterprise Agency Limited completing a credit check on you and providing your information to any organisation/individual associated with the provision of the funding requested. If you do not wish any of your details to be passed onto a third party you must not sign this document.

By signing the *Acceptance of Terms & Conditions* you are giving your permission to BEF, and the Government if the Application is processed under EFG procedures, to:

- make any enquiries about your Loan Application;
- take up references about you and your business;
- give information to each other about you and your business; and
- give information to any official involved in running or monitoring the EFG scheme

By signing the *Acceptance of Terms & Conditions* you are accepting that the information you give may be used for the purposes of preventing and detecting crime and that any misleading statements (whether deliberate or accidental) given at any stage during the application process may render the Application invalid and the Applicant(s) may be liable to return any money already paid out.

By signing the *Acceptance of Terms & Conditions* you agree to be bound by these terms and conditions

**Note: By misleading or giving false information in the process of this application you may be guilty of a criminal offence. If you are in the process of or intending to begin insolvency proceedings, such as an Individual Voluntary Arrangement (IVA) or Bankruptcy and do not disclose this fact at this stage then you may also be guilty of a criminal offence. If you are personally insolvent and it is reasonable to assume from your circumstances that this is the case; if you do not disclose this to BEA then you may be guilty of a criminal offence. BEA's policy is to pursue prosecutions in such situations vigorously.**

**I hereby agree to be bound by the Terms & Conditions of Bradford Enterprise Agency Limited**

First Applicant:

Name: ..... Date of birth: ..... / ..... / .....

Address: .....

..... Postcode: .....

Signature: ..... Date: ..... / ..... / .....

Second Applicant:

Name: ..... Date of birth: ..... / ..... / .....

Address: .....

..... Postcode: .....

Signature: ..... Date: ..... / ..... / .....



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