

Appendix 2 Minimal Financial Assistance

In addition to the Royal Academy of Engineering's Terms and Conditions specified in the Letter of Offer, the following terms and conditions are specific to those grants provided under the Minimal Financial Assistance Route as specified in the Letter of Offer.

1. Value and use of the Award

- a. The Award is awarded as in accordance with Section 36 of the Subsidy Control Act 2022 (referred hereafter as the Act) which enables the Host Organisation to receive up to a maximum level of subsidy without engaging the subsidy control requirements (with the exception of the transparency requirements for subsidies over £100,000) under the Act ("Minimal Financial Assistance"). The current threshold is £315,000 to a single enterprise over the elapsed part of the current financial year and the two preceding financial years ("the Applicable Period").
- b. The Host Organisation acknowledges and accepts that the relevant limit for Minimal Financial Assistance comprises other Minimal Financial Assistance, Services of Special Economic Interest Assistance (as defined under the Act), Small Amounts of Financial Assistance given under Articles 364(4) or 365(3) of the UK-EU Trade and Cooperation Agreement, and De Minimis State Aid ("Exempt Subsidy/Subsidies"), irrespective of whether such subsidy or aid was provided by other public authorities and their agents, related to other projects or was made by means other than grants (for instance, foregone interest on loans) awarded to the Host Organisation over the Applicable Period.
- c. The Academy has provided the Recipient and Host Organisation with a Minimal Financial Assistance notification in the Letter of Offer. The provision of this Award will be conditional upon the Award Holder and Host Organisation providing the Academy with the Minimal Financial Assistance declaration form confirming how much Exempt Subsidy if any, it has received in the Applicable Period.
- d. The Academy may not pay the Host Organisation the Award if, added to any previous Exempt Subsidy the Recipient has received during the Applicable Period, the Award causes the Host Organisation to exceed the relevant limit for Minimal Financial Assistance.
- e. For the purposes of the Minimal Financial Assistance declaration:
 - i. the financial year means a period of 12 months ending 31st March;
 - ii. an enterprise means the enterprise that receives, or would receive, minimal financial assistance; and
 - iii. subsidy is subsidy granted to a single enterprise, which may include legal entities separate to the Host Organisation (such as current or former subsidiaries).

2. Record keeping

- a. The Host Organisation must retain the Conditions of Award, Letter of Offer and the completed Minimal Financial Assistance declaration form and produce it on request by the Academy.
- b. The Host Organisation acknowledges that it is their responsibility to read the Subsidy Control Act 2022 in its entirety, and to seek advice (including legal advice) on its application to Host Organisation's business if appropriate.
- c. The Award Holder and Host Organisation acknowledges that the Academy and Host Organisation are jointly and severally responsible for maintaining detailed records with



the information and supporting documentation necessary to establish that all the conditions set out in these Conditions of Award are fulfilled.

- d. The Host Organisation agrees to keep a written record detailing that it has received a subsidy by way of Minimal Financial Assistance, the date on which it was given and the gross value amount of the assistance and must keep this record for at least three years from the given date.