**Norway Grants and EEA Grants**

**Declaration regarding undertaking in difficulty**

In order to be eligible for state aid awarded according to the provisions of ***Commission Regulation (EU) No.651/2014*** *declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty*, the undertaking should not be in difficulty. Therefore, the undertaking is requested to confirm that it does not fulfill the definition of “undertaking in difficulty” included in Article 2, paragraph 18 of the above-mentioned Regulation.

The definition of **“undertaking in difficulty”** (Article 2, item 18) is as follows:

‘undertaking in difficulty’ means an undertaking in respect of which at least one of the following circumstances occurs:

1. In the case of a limited liability company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, ‘limited liability company’ refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU (1) and ‘share capital’ includes, where relevant, any share premium.
2. In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, ‘a company where at least some members have unlimited liability for the debt of the company’ refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
3. Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
4. Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
5. In the case of an undertaking that is not an SME, where, for the past two years:
6. the undertaking's book debt to equity ratio has been greater than 7,5 and
7. the undertaking's EBITDA interest coverage ratio has been below 1,0.

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| **Declaration** |
| I, the undersigned, declare that, at the date of this declaration, the company\_\_\_\_\_*(insert complete name of the applicant)\_*\_\_\_\_\_\_\_\_\_\_\_\_\_**is NOT an undertaking in difficulty**, in the meaning of the ***Commission Regulation (EU) No.651/2014*** *declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty* (article 2 of the above mentioned Regulation, paragraph 18 “undertaking in difficulty”).  I acknowledge that I am authorised to sign this declaration on behalf of  \_\_\_\_\_\_\_\_\_\_\_\_ *(insert complete name of the applicant)* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and understand the requirements included in article 2, paragraph 18 of Commission Regulation (EU) No.651/2014).  By signing below, I confirm that I represent  \_\_\_\_\_\_\_\_\_\_\_\_ *(insert complete name of the applicant)* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and that the information set out above is accurate for the purposes of receiving state aid. |

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| **Undertaking’s**  **name** |  |
| **Registration number** |  |
| **Name of legal representative** |  |
| **Position** |  |
| **Place** |  |
| **Date** |  |
| **Signature of legal representative** |  |
| **Stamp** |  |