

Additional clarification on the Call for Expression of Interest No. JER-004/4 to select Financial Intermediaries that will receive resources from the European Investment Fund, acting through the JEREMIE Holding Fund for Lithuania, to implement the First Loss Portfolio Guarantee (FLPG) Financial Instruments

The Deadline for the submission of Expressions of Interest is the 13 October 2010.

Capitalised expressions utilised below shall have the meaning attributed to them in the Call, unless otherwise defined below or the context requires otherwise.

	QUESTION	ANSWER
1.	Can we provide one common Expression of Interest for 2 companies? Our leasing company is established as a separate legal entity, but we are the part of the same group, and decisions are made according to bank's credit policy?	The Call for Expression of Interest foresees the possibility for <u>joint ventures / consortiums</u> express a <u>joint interest</u> . As it is understood from the question, the financial intermediary would apply for itself and for a sister company, with which it does not form a joint venture/consortium, but which is a specialised sister company, which would take care of a defined part of the operations proposed. The Call for Expression of Interest does not foresee subsidiaries, groups or sister companies to be covered by the Expression of Interest of a Financial Intermediary. Another option would be to submit two separate Expressions of Interest by each entity.
2.	Is it possible to apply this guarantees scheme for Nordic and international companies, if the investment projects take place in Lithuania?	Eligible SMEs are SMEs established and operating in Lithuania. Each SME loan, which can be included in the Portfolio covered by the Guarantee, shall also provide funding to be utilised within Lithuania. That said the place of registration of the shareholders / parent company does not need to be Lithuania.
3.	Could you please comment more on table 4 of part C (ff): Estimate of the expected timing for initiation of operations following the signature of the Operational Agreement and also estimate of the full commitment of the Financial Instrument to Eligible SMEs. Applicants are requested to submit a time table (on the basis of Table 4) indicating the expected amount of loans committed to SMEs on a quarterly basis.	Applicants have to submit Table 4 – Timetable indicating the expected amounts of loans committed to SMEs per quarter starting from the supposed date of the signature of the Operational Agreement (between EIF and respective Financial Intermediary) until the end of the Availability Period. Data should be presented on cumulative basis. The Availability Period is typically 24 months from the date of the signature of the Operational Agreement, during which Eligible Loans may be included by the Financial Intermediary in the Portfolio for cover. The purpose of the Table 4 is to indicate how fast the portfolio volume would be built up.

4.	May I ask you to clarify additionally your comment regarding working capital financing? As provided below, I understand that working capital loans with the guarantee can be issued only if investment loan has already been received by the same SME. Would be working capital loans eligible for the guarantee if investment loan is issued by different Financial Intermediary than the one which provides working capital loan?	Working capital loan, provided by the different Financial Intermediary, shall be ancillary to investment project with a very clear link to it. Hence, a working capital loan is eligible if there is a very clear link to an investment loan even if provided by a different financial intermediary.
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