

InvestEU Equity

Term Sheet

for

Senior Private Credit funds

Important Disclaimer

This document is for information purposes only. It is an outline of the principal operational guidelines for the product described herein, which are subject to change and non-exhaustive. It is intended to provide a basis for discussions and does not constitute a recommendation, a solicitation, an offer or a binding commitment – either implicit or explicit – on the part of the European Investment Fund (the “EIF”) and/or or any other person to enter into one or more transaction(s). Any finance commitment by the EIF can only be made, inter alia, after appropriate approval, conclusion of legal due diligence and finalisation of the required legal documentation. The EIF does not act as adviser to you or owe you any fiduciary duty. The EIF does not make any representations or warranties (whether explicitly or implicitly) with respect to the information contained in this document.

1. Terms of an InvestEU Investment

Size of InvestEU Investment

The EIF investment under InvestEU Equity into a Senior Private Credit Financial Intermediary shall generally represent at least 7.5% of the total commitments to such Financial Intermediary raised in the closing at which the InvestEU Investment occurs and no more than 25% of the total commitments of the Financial Intermediary¹.

In particular circumstances the EIF commitment may exceed the 25% of the total commitments to a Senior Private Credit Financial Intermediary. In deciding the maximum commitment size, the EIF will consider, inter alia, the following factors:

- a) adherence of the Senior Private Credit Financial Intermediary to the Gender Criteria,
- b) whether the investment strategy of the Senior Private Credit Financial Intermediary focuses on one or more EU member states classified as Moderate or Emerging Investor Countries (“MEICs”),
- c) the experience of the management team and the closing in which EIF participates.

InvestEU Investments shall not exceed one hundred million euro (EUR 100,000,000) or the euro equivalent in another eligible currency at the time of a commitment.

Closing

The InvestEU Equity investment shall typically occur at the first closing of the Senior Private Credit Financial Intermediary. EIF may participate at subsequent closings if it facilitates the Senior Private Credit Financial Intermediary reaching its target fund size.

Duration of an InvestEU Investment

The term of the InvestEU Equity investment typically ranges between 5 and 20 years.

Investor base of a Senior Private Credit Financial Intermediary

As a general rule, at least 30% of total commitments to a Senior Private Credit Financial Intermediary shall be made by Third-Party Benchmark Investors in the same risk class as the EIF, or by the EIF or EIB on their own risk and from their own resources, provided that Third-Party Benchmark Investors account for at least 15% of total commitments.

The minimum commitment from Third-Party Benchmark Investors may be further reduced under certain circumstances.

Ranking of InvestEU Investments

Any InvestEU investment will be made into a Senior Private Credit Financial Intermediary through a standard investment whereby the EIF shall rank *pari passu* with other investors investing in the same risk class (i.e. "like-risk-like-reward"). The InvestEU Investment shall not be subordinated to other investors in any risk class issued by the Senior Private Credit Financial Intermediary².

¹ Subject to EIF analysis, other conditions may apply.

² Exceptions may apply, subject to EIF and European Commission’s analysis.

**Minimum investment
allocation requirements**

Senior Private Credit Financial Intermediaries shall commit to invest, a minimum amount (the “Minimum Eligible Allocation”) into Eligible Final Recipients (as defined below in *section 3*). Only Primary Investments shall be eligible for the purpose of calculating the Minimum Eligible Allocation. The Minimum Eligible Allocation shall be equal to at least the higher of:

- i. 50% of the Senior Private Credit Financial Intermediary’s aggregate invested amounts; and
- ii. 2 times the amount drawn down from EIF under the InvestEU Investment for investment purposes, capped at 80% of the Senior Private Credit Financial Intermediary’s aggregate invested amounts.

2. InvestEU Senior Private Credit Financial Intermediaries

Establishment of Senior Private Credit Financial Intermediaries Senior Private Credit Financial Intermediaries shall be established in a Member State, in an OCT³ or in the territory of Other Participating Countries.

Independence of management teams Senior Private Credit Financial Intermediaries shall be managed by Independent Management Teams, except where, due to the nature of the market, the domain investment expertise is concentrated within a few industry participants who act, or are otherwise linked with potential investors in a Senior Private Credit Financial Intermediary.

In such case, the Senior Private Credit Financial Intermediary shall take the necessary measures in order to mitigate potential conflicts of interest, such measures to be agreed with the EIF.

Transparency of remuneration The remuneration of the Senior Private Credit Financial Intermediary’s manager or advisor, as the case may be, shall be transparent to its investors. Management fees shall be set at a level that covers operational and management costs in a sustainable way without disturbing the alignment of interests aimed for. The level of management fees shall in principle allow for the execution of the Senior Private Credit Financial Intermediary’s investment strategy.

Addressing Climate Action and Environmental Sustainability The Senior Private Credit Financial Intermediary’s contribution to Climate Action and Environmental Sustainability is measured as the aggregate percentage of the InvestEU supported financing, which contributes to climate and environment activities by matching the activity criteria of the CA&ES, which have been determined in the spirit of the EU Taxonomy for sustainable finance⁴.

The contribution, if any, to Climate Action and Environmental Sustainability included in the contractual documentation between the EIF and the Senior Private Credit Financial Intermediary will be monitored as part of the operational reporting presented by the Senior Private Credit Financial Intermediary to the EIF and as described in Annex VI to the CEoI.

³ [Overseas Countries and Territories | International Partnerships \(europa.eu\)](#)

⁴ [EU taxonomy for sustainable activities | European Commission \(europa.eu\)](#)

3. InvestEU Final Recipients

Senior Private Credit Financial Intermediaries shall select Final Recipients according to their internal rules and procedures, taking due account of the economic viability of projects of Final Recipients.

Eligible Final Recipients

Final Recipients which are not Excluded Final Recipients and which satisfy all of the following eligibility criteria

- a) Are established and operating (in the case of enterprises) in a Member State, an OCT or in the territory of Other Participating Countries, and
- b) Are SMEs or Small Mid-Caps.

An Eligible Final Recipient, which is an enterprise, shall be considered to be established and operating in a Member State, in an OCT or in the territory of Other Participating Countries, if at the time of the first investment by the Senior Private Credit Financial Intermediary, it is:

- a) incorporated or has legal presence in a Member State, an OCT or in the territory of Other Participating Countries through a subsidiary or other form of legal entity and
- b) exercising its main activities in one or more Member States, OCTs or Other Participating Countries.

For Final Recipients in early stage with insignificant operations, the assessment of their main activities shall be based on the Final Recipient's business plan at the time of the first investment.

Excluded Final Recipients

Senior Private Credit Financial Intermediaries shall not be entitled to invest in, or issue any drawdown notice relating to an investment:

- a) in Final Recipients which have business activity that consists of an illegal economic activity or substantially focuses on restricted sectors as per the Guidelines on the EIF Restricted Sectors⁵ as amended from time to time; and/or
- b) in Final Recipients which are in one of the Exclusion Situations (or do not provide the Financial Intermediary with analogous representations as per **Annex I**).
- c) in Final Recipients which have business activity that does not adhere to the Paris alignment restrictions.

⁵ https://www.eif.org/news_centre/publications/2010_Guidelines_for_Restricted_Sectors.htm

4. Miscellaneous

Monitoring and Audit The Senior Private Credit Financial Intermediaries and the relevant Final Recipients must agree to allow and to provide access to documents and premises related to the relevant InvestEU Investment for the representatives of the European Commission (including the European Anti-Fraud Office (OLAF), the European Public Prosecutor’s Office (EPPO), the European Court of Auditors, EIF, agents of EIF, EIB and any other European Union institution or European Union body which is entitled to verify the use of the InvestEU Investment and any other duly authorized body under applicable law to carry out audit or control activities. To that effect, the Senior Private Credit Financial Intermediaries shall also include appropriate provisions in each agreement with the Final Recipients.

Sustainability Proofing In order to comply with the sustainability proofing requirements set out in the Sustainability Proofing Guidance⁶ for the InvestEU Equity, the following requirements will apply:

- a) for any Final Recipient whose activities include anaerobic digestion of bio-waste, landfill gas capture and utilization, a monitoring plan for methane leakage of these activities must be in place;
- b) for any Final Recipient whose activities include transport of CO₂ and underground permanent geological storage of CO₂, a detailed monitoring plan in line with the provisions of the CCS Directive 2009/31/EC and EU ETS Directive 2018/410 must be in place;
- c) no Final Recipient Transaction covers the financing of vessels, vehicles or rolling stock specifically dedicated to transport fossil fuels;
- d) the Financial Intermediary and Final Recipient shall comply with the national environmental, climate and social laws and regulations to which it is subject;
- e) for Final Recipients whose activities or projects require an environmental impact assessment - as per the national legislation - that the assessments, permits and authorisations are in place;
- f) Without prejudice to the excluded activities/sectors of InvestEU support, and the exclusion areas reflected in the Paris Agreement alignment commitment:
 - o in the case of Senior Private Credit Financial Intermediaries under an InvestEU Investment where the EIF’s share in the fund is below 30%. Final Recipients to whose activities the ETS Directive (Directive 2003/87/EC) applies⁷ must be encouraged to adopt a green transition / decarbonisation plan⁸.

⁶ [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021XC0713\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021XC0713(02))

⁷ The categories of activities to which the ETS Directive applies are presented in its Annex I: <https://eurlex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02003L0087-20200101&qid=1604659666744&from=EN#tocId68>

⁸ Documented plans to improve its carbon footprint (in the short, medium and/or long term). The green transition / decarbonisation plan needs to define targets, establish the implementation roadmap and identify the investment needs.

- in the case of Senior Private Credit Financial Intermediaries under an InvestEU Investment where the EIF's share in the fund is above 30%, Final Recipients covered under the ETS must be required to adopt a green transition / decarbonisation plan⁸.

Other Information

Senior Private Credit Financial Intermediaries may be requested to provide, from time to time, further information related to the Final Recipients covered by InvestEU in the context of programme evaluations and other reports or case studies to be prepared by the EIF. To this end, the Senior Private Credit Financial Intermediaries shall require the Final Recipients to provide certain information on the basis of a template provided by the EIF. The provision of such information by Final Recipients shall (i) be subject to applicable laws, including without limitation in relation to data protection and banking secrecy, and (ii) not be a mandatory requirement nor constitute a condition precedent to the relevant transaction or any eligibility criteria.

Visibility

Financial Intermediaries shall explicitly inform Final Recipients that financing is made possible through the support of InvestEU, using, unless otherwise agreed with the EIF, the form “This operation benefits from support from the European Union under the InvestEU Fund”.

Financial Intermediaries shall reflect, and shall contractually require Final Recipients to reflect the participation of the EU in all press releases, communications material, social media and contractual documentation related to the operation.

Publication

The EIF and the European Commission may publish on its website a list of Financial Intermediaries containing, for each Financial Intermediary the name and address, as well as the amount of financial support received under InvestEU.

The EIF and the European Commission may also publish on its website a list of Final Recipients, containing, for each Final Recipient, its name, address and the type of finance received under InvestEU⁹.

Record Keeping

The Financial Intermediary shall maintain or be able to produce all the documentation related to the implementation of the InvestEU Investment for a period of five (5) years following the termination of the InvestEU Investment. The Financial Intermediary shall require each Final Recipient to maintain and be able to produce all documentation related to the investment for a period of five (5) years following the termination of the investment in such Final Recipient, where such records are not also kept by the Financial Intermediary.

Protection of Personal Data

Financial Intermediaries shall comply with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to processing of personal data and on the free movement of such data.

⁹ Financial Intermediaries and Final Recipients may request, prior to receiving support under InvestEU, and under certain conditions, for this disclosure requirement to be waived.

Any personal data provided by the applicants shall be processed by EIF in compliance with its Data Protection Statement (EIF statement on the processing operations of applicants and Investment Funds' personal data, as published on the EIF's website¹⁰) and Regulation (EU) 2018/1725 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies offices and agencies and on the free movement of such data, as amended from time to time.

Other requirements

Financial Intermediaries and Final Recipients:

- Shall not use any investment under InvestEU Equity to support any of the excluded activities as described in Annex V, Section B of the InvestEU Regulation¹¹.
- Shall not be established in a NCJ unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy;
- Shall undertake to comply with all applicable laws and regulations and the relevant applicable international and European Union standards and legislation on the prevention of money laundering, the fight against terrorism, tax fraud, tax evasion and artificial arrangements aimed at tax avoidance; and, therefore, not support actions that contribute to tax evasion or finance artificial arrangements aimed at tax avoidance;
- Shall acknowledge the EIB Group Anti-Fraud Policy¹² which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing as amended from time to time, and shall take appropriate measures (as may be further specified in the relevant agreement) to (i) facilitate implementation of such policy as well as to (ii) undertake to support investigations performed by the EIF or the European Investment Bank, the European Public Prosecutor's Office (EPPO), or the European Anti-Fraud Office (OLAF), or the European Court of Auditors (ECA) in connection with actual or suspected prohibited conduct;
- Shall ensure via contractual provisions that no funds or economic resources are made available directly or indirectly to, or for the benefit of, persons or entities designated by Restrictive Measures¹³.

¹⁰ http://www.eif.org/attachments/eif_data_protection_statement_financial_intermediaries_due_diligence_en.pdf

¹¹ [Regulation \(EU\) No 2021/523 of the European Parliament and of the Council](#)

¹² <https://www.eib.org/en/publications/anti-fraud-policy>

¹³ As part of its due diligence process, EIF will analyse and exclude any applicant which itself or any of its ultimate beneficial owners/key persons are subject to UN/EU/OFAC/UK restrictive measures (sanctions) in relation to Russia as well as the non-government controlled territories of Ukraine.

5. Definitions

Whenever used in this Term Sheet, the following terms shall have the meanings opposite them. Any capitalised items not defined in this Annex have the meaning given to them in the Open Call for Expression of Interest or as the case may be [Annex II](#) thereto.

Exclusion Situations

Final Recipients and Senior Private Credit Financial Intermediaries that are in one of the situations below are deemed to be in an Exclusion Situation:

- a) they are bankrupt, are subject to insolvency, are being wound up, are having their affairs administered by a liquidator or by the courts, in this context are in an arrangement with creditors, are having their business activities suspended or a standstill (or equivalent) agreement has been signed with creditors and validated by the competent court when required by the applicable law, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) in the past five years, they have been the subject of a final judgment or final administrative decision for being in breach of their obligations relating to the payment of taxes or social security contributions in accordance with the applicable law and where such obligations remain unpaid unless a binding arrangement has been established for payment thereof;
- c) in the past five years, they or persons having powers of representation, decision-making or control over them have been convicted by a final judgement or a final administrative decision for grave professional misconduct, where such conduct denotes wrongful intent or gross negligence, which would affect their ability to implement InvestEU and which is for one of the following reasons:
 - i. negligently providing misleading information that may have a material influence or fraudulently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract or an agreement;
 - ii. entering into agreements with other persons aimed at distorting competition;
 - iii. attempting to unduly influence the decision-making process of the contracting authority during the relevant award procedure (as this term is defined in the Financial Regulation);
 - iv. attempting to obtain confidential information that may confer upon it undue advantages in the relevant award procedure (as this term is defined in the Financial Regulation);

- d) in the past five years, they or persons having powers of representation, decision-making or control over them have been the subject of a final judgment for:
 - i. fraud;
 - ii. corruption;
 - iii. participation in a criminal organisation;
 - iv. money laundering or terrorist financing;
 - v. terrorist offences or offences linked to terrorist activities, or inciting, aiding, abetting or attempting to commit such offences;
 - vi. child labour and other forms of trafficking in human beings;
- e) they are subject to a decision on exclusion contained in the early detection and exclusion system database (the EDES database available at the official website of the EU¹⁴), set up and operated by the European Commission;
- f) in the past five years, they have been subject to a final judgement or administrative decision by a national court or authority that they were created with the intent to illegally circumvent fiscal, social or any other legal obligations in the jurisdiction of their registered office, central administration or principal place of business;

provided that notwithstanding the above, EIF may decide not to exclude a Senior Private Credit Financial Intermediary where the Senior Private Credit Financial Intermediary can provide evidence that remedial measures have been adopted to demonstrate its reliability despite the existence of a ground for exclusion, or where it is indispensable to ensure the continuity of the service, for a limited duration and pending the adoption of remedial measures, or where an exclusion would be disproportionate taking into account the circumstances.

Final Recipient

means an enterprise, a special purpose vehicle or another final recipient of the funding provided directly or indirectly by the Senior Private Credit Financial Intermediary, including joint ventures, spin-offs, spin-outs, technology transfer projects or technology rights.

Financial Regulation

means Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EC, Euratom) No 966/2012 .

Fund Agreement

means, in relation to each InvestEU Investment, the agreement whereby the EIF commits to invest in a Senior Private Credit Financial Intermediary and/or alongside a Senior Private Credit Financial Intermediary.

¹⁴ https://ec.europa.eu/info/strategy/eu-budget/how-it-works/annual-lifecycle/implementation/anti-fraud-measures/edes/database_en

Fund-of-Funds	means an Equity Intermediary holding or targeting to invest in funds.
Gender Criteria	<p>A Senior Private Credit Financial Intermediary is considered to adhere to the Gender Criteria if it satisfies at least one of the following criteria:</p> <ul style="list-style-type: none"> a) Its management team is composed of at least one third of female partners¹⁵, or b) Its senior investment team provides for at least 40% of female representation, or c) At least 40% of female representation is provided in its investment committee
Independent Management Team	<p>means a team that exercises a significant degree of autonomy with respect to investment and divestment decisions of the transactions forming part of the Senior Private Credit Financial Intermediary’s portfolio which may include:</p> <ul style="list-style-type: none"> a) privately owned teams, whereby the investment team owns majority of the voting shares of the entity that is entrusted in investment management or investment advisory of the portfolio of the Senior Private Credit Financial Intermediary, or b) teams operating within (or with) a corporate or university structure, a foundation, or any financial institution established under any other form, including crowdfunding platform, provided that the management team makes the final investment and divestment decisions independently.
Impact Investing	means an investment approach aimed at generating societal benefits to individual stakeholders and the society at large while also targeting a financial return to the investor. The purpose of impact investing in enterprises hence is to support businesses whose business model seeks to generate an intentional and measurable positive impact alongside economic value, and which are managed in an accountable and transparent way.
InvestEU Investment	means the investment made by the EIF in the Senior Private Credit Financial Intermediary, under the terms of the Fund Agreement.
Know your Customer	The Financial Intermediary shall, prior to the signature, disclose to the EIF information on its beneficial ownership and at any time thereafter, promptly inform the EIF of any change in its beneficial ownership.
MEIC(s)	means Member States who are classified as Moderate and Emerging Innovator countries, according to the European Innovation Scoreboard 2021 ¹⁶ , such countries being: Bulgaria, Croatia, Cyprus, Czechia, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, and Spain.

¹⁵ i.e. one female partner when the management team is composed of up to 4 partners, otherwise two female partners.

¹⁶ [ET-AY-21-001-EN-N \(3\).pdf](#)

Minimum Eligible Allocation

means an the minimum aggregate amount to be invested in Eligible Final Recipients by the Financial Intermediary, as further defined in section I.

Non-Compliant Jurisdiction (NCJ)

means a jurisdiction:

- a) listed in the Annex I of the European Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes¹⁷;
- b) included in the OECD/G20 list of jurisdictions that have not satisfactorily implemented the tax transparency standards;
- c) listed in the Annex of the Commission Delegated Regulation (EU) 2016/1675 of 14 July 2016 supplementing Directive (EU) 2015/849 of the European Parliament and of the Council by identifying high-risk third countries with strategic deficiencies;
- d) rated as “partially compliant” or “non-compliant”, including corresponding provisional ratings, by the Organisation for Economic Cooperation and Development and its Global Forum on Transparency and Exchange of Information for Tax Purposes against the international standard on exchange of information on request;
- e) included in the Financial Action Task Force statement “High risk Jurisdictions subject to a Call for Action”); and/or
- f) included in the Financial Action Task Force statement “Jurisdictions under Increased Monitoring”,

in each case as such statement, list, directive or annex may be amended and/or supplemented from time to time.

Please refer to the EIB’s website¹⁸ for an FAQ containing the most updated reference lists of NCJs or enquire with the EIF for confirmation of NCJ status.

The Financial Intermediary shall not be established in a NCJ, unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy.

Other Participating Country

Means a country other than a Member State which has entered into an agreement with the Union for the purpose of contributing additional resources to the EU Compartment.

As of 24 October 2023, such countries are Norway and Iceland.

Overseas Country or Territory (“OCT”)

means a country or territory as set out in Annex II to the Treaty on the Functioning of the European Union¹⁹

Primary Investment

means an investment (including in the form of debt) in a Final Recipient resulting in financing flowing directly or indirectly into the Final Recipient during the duration of the investment. For avoidance of doubt

¹⁷ [EU list of non-cooperative jurisdictions for tax purposes - Consilium \(europa.eu\)](https://consilium.europa.eu/en/press/press-releases/2014/07/07/)

¹⁸ EIB Group NCJ policy – Frequently Asked Questions (FAQs)

¹⁹ OCTs Overseas Countries and Territories | International Partnerships (europa.eu)

it includes: (i) secondary issuances made by Final Recipients post IPO, (ii) buy outs or replacement capital not intended for asset stripping involving, directly or indirectly, flow of financing to the Final Recipient (e.g. including inter alia from third-party providers during the duration of the investment).

Any investment entailing a transfer of an existing financing from an existing lender to a Senior Private Credit Financial Intermediary not resulting in financing flowing directly or indirectly into the final beneficiary shall not be considered as a Primary Investment unless such transfer to the Senior Private Credit Financial Intermediary has occurred within 4 months from the date such financing has initially been funded by the existing lender provided that such financings comply with the terms set out in this Term Sheet.

Restrictive Measures	means restrictive measures, without limitation, adopted pursuant to the Treaty on European Union (TEU) or to the Treaty on the Functioning of the European Union (TFEU).
Senior Debt	Non-distressed non-contractually-subordinated debt, both secured or unsecured, in any legal form including but not limited to facilities in the form of loan, bond, unitranche or asset-based financing.
Senior Private Credit Financial Intermediary	<p>means an investment fund, a Fund-of-Funds, a (co-) investment scheme in any form (including managed accounts and other types of contractual arrangements), and a special purpose vehicle, in any form, established or to be established, (i) investing, directly or indirectly, predominantly in the form of Senior Debt, while it may, subject to the EIF's confirmation, also invest, directly or indirectly, in non-distressed contractually subordinated debt or hybrid debt-equity and (ii) applying a portfolio diversification approach.</p> <p>Senior private credit funds offer an alternative source of financing for their portfolio companies, providing tailor-made funding solutions via, inter alia longer tenors, flexible collateral requirements and/or flexible repayment options.</p>
SME	small and medium-sized enterprise' or 'SME' means a micro, small or medium-sized enterprise within the meaning of the Annex to Commission Recommendation 2003/361/EC ²⁰
Small Mid-Cap	an entity with fewer than 500 full-time equivalent employees that is not an SME.
Targeted Activities under the EIB Group NCJ Policy	means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance).
Third-Party Benchmark Investors	means the following entities:

²⁰ Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36)

- a) majority privately owned financial institutions (investing at own risk and from own resources)
- b) Fund-of-Funds that: (i) are classified as Alternative Investment Funds (AIFs) according to the AIFMD directive, and (ii) are managed or advised by the Independent Management Teams, and (iii) whose majority sponsors are not Member States, Other Participating Countries or National Promotional Banks or Institutions or EIF or EIB,
- c) private endowments & foundations
- d) family offices & business angels (including joint investment vehicles set-up by/with business angels)
- e) majority privately owned corporate investors
- f) insurance companies
- g) pension funds
- h) private individuals
- i) academic institutions /including private research institutions and universities/ investing out of their own resources stemming from their commercial activities

in as much as they do not receive any public incentive for the purpose of this investment.

In assessing compliance with the requirements of this definition, the EIF may rely on a declaration, representation or undertaking from the relevant entity.