

Annex II

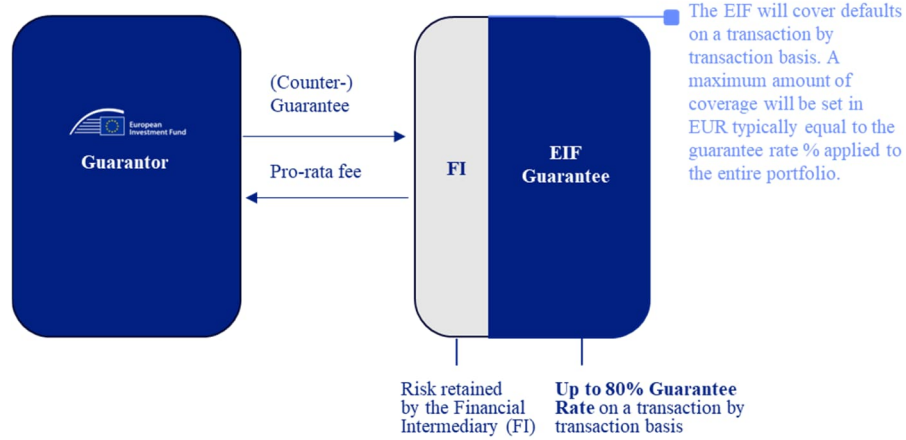
InvestEU Export Credit Portfolio Guarantee Product

- Specific provisions -

Export Credit (Counter-)Guarantee	An irrevocable and unconditional (counter-)guarantee provided by the EIF to a Financial Intermediary on a portfolio of newly originated ¹ Final Recipient Transactions directly or indirectly by the Financial Intermediary (the “ (Counter-)Guarantee ”).
Guarantor	European Investment Fund (“EIF”)
Individual (Counter-)Guarantee Agreement	Means the legal agreement signed between the EIF and a Financial Intermediary, outlining the terms and conditions applicable to the (Counter-)Guarantee.
Individual Portfolio	A portfolio of a Financial Intermediary composed of Final Recipient Transactions that are newly originated ¹ (in case of Guarantees) or Intermediary Transactions covering exclusively newly originated ¹ Final Recipient Transactions (in case of Counter-Guarantees) under an Individual (Counter-)Guarantee Agreement.
Language and Governing Law	The terms of the Individual (Counter-)Guarantee Agreement shall be in the English language and shall be governed by the laws of Luxembourg.
Currency of the (Counter-)Guarantee	EUR ²
Applicability of the (Counter-)Guarantee Currency	<p>Guarantee Transactions shall be denominated in (i) EUR, (ii) another tradeable currency that is the legal tender of the Member State, or Other Participating Country, as applicable, where the Final Recipient is established, or (iii) currencies other than the legal tender of the Member State, or Other Participating Country, as applicable, where the Final Recipient is established and other than EUR, only when there is a strong economic rationale for doing so.</p> <p>The Committed (Counter-)Guarantee Volume shall be expressed in EUR.</p> <p>Payments made under Payment Demands and Recovery notices shall be made in EUR.</p>
Structure of the (Counter-)Guarantee	<p>The EIF support can take the form of a Guarantee or a Counter-Guarantee.</p> <p>A Guarantee shall cover Defaulted Amounts incurred by the Financial Intermediary in respect of Final Recipient Transaction Defaults at a Guarantee Rate subject to a Maximum Guarantee Amount.</p> <p>A Counter-Guarantee shall cover Defaulted Amounts incurred by the Financial Intermediary in respect of Final Recipient Transaction Defaults, where a</p>

¹ In cases where the Financial (Sub-)Intermediary has an existing framework agreement with a Target Final Recipient, new transactions (i.e. invoices or single covers) entered into under such framework shall be considered as newly originated Final Recipient Transactions.

² In case of non-EUR Guarantee Transactions, the guaranteed amount will be the EUR equivalent of the non-EUR amount of the Guarantee Transaction (based on the ECB exchange rate at the date of its inclusion in the Individual Portfolio).

	<p>corresponding payment has taken place under the Intermediary Transaction, at a Counter-Guarantee Rate subject to a Maximum Guarantee Amount.</p>  <p>The (Counter-)Guarantee offers financial risk protection to Financial Intermediaries on Final Recipient Transactions originated by the Financial (Sub-)Intermediary in any event associated only to the non-payment by the Importer, exclusively due to its insolvency and/or default of payment.</p>
<p>Financial Intermediary</p>	<p>A legal entity meeting the requirements in Section 2 of the Call for expression of interest which:</p> <ol style="list-style-type: none"> 1. Is established and operating in at least one of the Eligible Countries; and 2. Enters directly or indirectly into Final Recipient Transactions with Target Final Recipients, and 3. Has been given mandate by a Member State or an Other Participating Country or a Member State's or an Other Participating Country's entity to carry out export credit activities. <p>and which has entered with the EIF into an Individual (Counter-)Guarantee Agreement.</p>
<p>Financial Sub-Intermediary</p>	<p>An entity that has entered into an Intermediary Transaction with a Financial Intermediary.</p> <p>Financial Sub-Intermediaries shall comply with each of the following eligibility criteria:</p> <ol style="list-style-type: none"> a) It shall be established or operating in at least one of the Eligible Countries; b) It is duly authorised, if applicable, to enter into the Final Recipient Transaction according to the applicable legislation; c) It shall not be in an Exclusion Situation. <p>Any additional Financial Sub-Intermediary eligibility criteria that may be specified in the relevant Individual Counter-Guarantee Agreement.</p>
<p>Target Final Recipient</p>	<p>A Final Recipient that is an SME or a Small Mid-cap established and operating in a Member State, an OCT or in an Other Participating Country exporting goods or services to an Importer.</p>
<p>Importer</p>	<p>An entity established and operating in Ukraine that imports goods or services from a Target Final Recipient of a Final Recipient Transaction.</p>

(Counter-)Guarantee Rate	Means a percentage (up to 80%) of each Guarantee Transaction, that is covered by the (Counter-)Guarantee, as further set out in the Individual (Counter-)Guarantee Agreement.
Final Recipient Transaction	Means an Export Credit Transaction or a Confirmed Letter of Credit provided directly or indirectly, as applicable, by the Financial Intermediary to support the export of goods or services by the Target Final Recipient to an Importer.
Confirmed Letter of Credit	Means an undertaking of the Financial Intermediary or of the Financial Sub-Intermediary acting as confirming bank, as applicable, issued upon request of the Target Final Recipient, to effect payment in favour of the Target Final Recipient as the beneficiary of the Confirmed Letter of Credit to cover the non-payment by the Importer and by the issuing bank of the relevant letter of credit.
Export Credit Transaction³	Means an undertaking by the Financial Intermediary to effect payment to the Target Final Recipient in case of non-payment of the underlying invoice(s) by the Importer due to its default.
Minimum and Maximum Amount of a Final Recipient Transaction	Minimum amount: No minimum amount Maximum principal amount: No maximum amount Obligor limit: Not applicable
Contractual maturity of a Final Recipient Transaction	Each Final Recipient Transaction shall have a minimum contractual maturity of 1 month. No maximum contractual maturity shall be set.
Enhanced Access to Finance Measure(s)	Enhanced Access to Finance Measure(s) required under InvestEU will be complied with by the mere fact that the Financial (Sub-)Intermediary enters into eligible Final Recipient Transactions with SMEs and Small Mid-caps, established and operating in a Member State, an OCT or in an Other Participating Country, exporting goods or services to an Importer.
Inclusion Period duration	The Inclusion Period shall be a period of maximum 3 years from the date of the signature of an Individual (Counter-)Guarantee Agreement, as further set out in the Individual (Counter-)Guarantee Agreement. The Inclusion Period cannot extend beyond 31 December 2030.
Inclusion Process	In order for a Guarantee Transaction to be covered by the (Counter-)Guarantee, it shall be signed ⁴ during the Inclusion Period (or as otherwise agreed in the Individual (Counter-)Guarantee Agreement) and shall be reported to the EIF by way of inclusion notices sent by the Financial Intermediary on a quarterly basis. For the avoidance of doubt, all eligible Final Recipient Transactions (in case of Guarantees and all Intermediary Transactions (in case of Counter-Guarantees) shall be reported for inclusion, regardless of the fact that they have fully matured and/or they have been reimbursed before the corresponding Report Date.

³ For the avoidance of doubt, including export credit instruments such as export credit guarantees or export credit insurance.

⁴ In case of Final Recipient Transactions that are invoices or single covers entered into under previously signed framework agreements, the signature shall refer to the issuance and acceptance by the parties of such invoice or single cover.

	<p>The Financial Intermediary shall not include the same Final Recipient Transaction (in case of a Guarantee) or the same Intermediary Transaction or Final Recipient Transaction covered by an Intermediary Transaction (in case of a Counter-Guarantee) in more than one portfolio supported by the InvestEU Fund.</p>
Replenishment	<p>During the Inclusion Period the Financial Intermediary may include, up to the Maximum Guarantee Amount, new Guarantee Transactions in its Individual Portfolio for an amount of the Guarantee Transactions for which no (Counter-)Guarantee call claims have been made and which have matured, as further set out in the relevant Individual (Counter-)Guarantee Agreement.</p>
Remuneration Fee	<p>Means any remuneration charged by the Financial Intermediary, on the Guarantee Transactions included in the Individual Portfolio, which shall be shared pro rata with the EIF based on the (Counter-)Guarantee Rate⁵.</p> <p>The Financial Intermediary, and if applicable, each Financial Sub-Intermediary, will set its remuneration with regards to its Final Recipient Transactions included in the Individual Portfolio in accordance with its own internal pricing policies, and/or, where applicable, in compliance with the pricing guidelines set out in the OECD Arrangement on Officially Supported Export Credits.</p> <p>The Remuneration Fee will be payable by the Financial Intermediary to the EIF in EUR and on a quarterly basis, with the exception of the cases where the Financial Intermediary receives its remuneration upfront on the Guarantee Transactions, in which case, the EIF shall also receive its share of the Remuneration Fee upfront.</p> <p>The Remuneration Fee is non-refundable, unless otherwise agreed in the Individual (Counter-)Guarantee Agreement.</p>
Individual (Counter-)Guarantee Termination Date	<p>The (Counter-)Guarantee shall terminate on the earlier of the following dates:</p> <ul style="list-style-type: none"> (a) the date on which an Early Termination Event has occurred; (b) the date (if any) on which the EIF is no longer liable to effect further payments to the Financial Intermediary and the EIF has no further claims against the Financial Intermediary; (c) 6 months following the last scheduled maturity date of any of the Final Recipient Transactions included in the Individual Portfolio; and (d) the date falling 12 years after the Inclusion Period end date as defined in the Individual (Counter-)Guarantee Agreement.
Trigger Event	<p>The EIF may include Trigger Events in the Individual (Counter-)Guarantee Agreement, in order to manage Individual Portfolio ramp-up and credit quality.</p> <p>The occurrence of a Trigger Event entitles but does not oblige the EIF to end the Inclusion Period for the relevant Individual Portfolio.</p> <p>Trigger Events may include, without limitation:</p> <ol style="list-style-type: none"> 1. A Cumulative Default Rate Trigger Event whereby a Trigger Event occurs on one or more specific date(s) as specified in the Individual (Counter-)Guarantee Agreement if the aggregate outstanding principal amount of defaulted Guarantee Transactions already included in the Individual Portfolio exceeds a predetermined level.

⁵ The EIF may agree, in the Individual (Counter-)Guarantee Agreement, to the Financial Intermediary retaining from the Final Recipient Transaction remuneration up to 10%, to cover operational expenses.

	<p>2. An Individual Portfolio Trigger Event whereby a Trigger Event occurs if on a predefined date the ratio between (i) the Actual (Counter-)Guarantee Volume and (ii) the Committed (Counter-)Guarantee Volume is below a predetermined level as set out in the Individual (Counter-)Guarantee Agreement.</p>
<p>Early Termination Event</p>	<p>The Individual (Counter-)Guarantee Agreement contains certain events of default, including non-payment, breach of obligation, insolvency, unlawfulness, sanctions and misrepresentation.</p> <p>The occurrence of an event of default, if it has not been remedied within the relevant grace period (if any), may result in the termination of the (Counter-)Guarantee before the scheduled Individual (Counter-)Guarantee Termination Date.</p>
<p>Anticipated Expiration of Final Recipient Transaction</p>	<p>During the Inclusion Period the Financial Intermediary may report certain Guarantee Transactions included in its Individual Portfolio (which have not yet matured and for which no Payment Demand has been submitted, but for which the Financial Intermediary decides to discontinue the coverage by the EIF⁶ as expired). Such Guarantee Transactions shall be considered expired and shall not be covered by the (Counter-)Guarantee as from the date of expiration as reported to the EIF.</p>
<p>Final Recipient Transaction Default</p>	<p>Means with regards to Export Credit Transaction or Confirmed Letter of Credit transaction, the event whereby, in case of:</p> <ul style="list-style-type: none"> (i) the Export Credit Transaction, the Importer; or (ii) Confirmed Letter of Credit, the issuing bank of the relevant letter of credit, <ol style="list-style-type: none"> 1. fails to meet any payment obligation under the relevant Guarantee Transaction, in line with the Financial (Sub-)Intermediary's credit and collection policies, and which has continued for at least ninety (90) consecutive calendar days from the first missed payment from the Importer (or in case of Confirmed Letter of Credit, from the issuing bank of the relevant letter of credit), and 2. provided that, the payment obligation of the Importer (or in case of Confirmed Letter of Credit, the issuing bank) is not discharged and remains due and payable under such Guarantee Transaction, following payment by the Financial Intermediary.
<p>Defaulted Amounts</p>	<p>Means any amount due to be paid by the Financial Intermediary to the Target Final Recipient (or to the Financial Sub-Intermediary, as applicable) under the terms of a covered Guarantee Transaction, as agreed between the EIF and the Financial Intermediary and specified in the Individual (Counter-)Guarantee Agreement, excluding late payment or default interest, capitalised interest, fees and any other costs and expenses, and any interest amounts which accrued after a period of ninety (90) consecutive calendar days from the first missed payment from the Importer, or in case of Confirmed Letter of Credit, from the issuing bank of the relevant letter of credit.</p>

⁶ This can be for example the case when the Financial Intermediary's coverage is terminated before the maturity and/or when the Financial Intermediary has provided its coverage under the Final Recipient Transaction for events or circumstances not covered by the Export Credit (Counter-)Guarantee, such as the occurrence of a risk other than a credit risk.

<p>Final Recipient Transaction Eligibility Criteria</p>	<p>Each Final Recipient Transaction shall comply with each of the following eligibility criteria:</p> <ol style="list-style-type: none"> 1. It shall be in the form of an Export Credit Transaction or a Confirmed Letter of Credit; 2. It shall be signed⁷ during the Inclusion Period⁸; 3. It shall be denominated in (i) EUR, (ii) another tradeable currency⁹ that is the legal tender of the Member State, or Other Participating Country as applicable, where the Final Recipient is established, or (iii) currencies⁹ other than the legal tender of the Member State, or Other Participating Country as applicable, where the Final Recipient is established and other than EUR, only when there is a strong economic rationale for doing so; 4. It shall have a minimum contractual maturity of (1) month; 5. It shall not support any of the InvestEU Excluded Activities¹⁰; 6. It shall comply with the requirements set under the Sustainability Proofing¹⁰; and 7. It shall comply with any additional Final Recipient Transaction eligibility criteria that may be specified in the relevant Individual (Counter-)Guarantee Agreement.
<p>Intermediary Transaction Eligibility Criteria</p>	<p>An Intermediary Transaction shall comply with each of the following eligibility criteria:</p> <ol style="list-style-type: none"> 1. It must be signed during the Inclusion Period¹¹; 2. It shall be denominated in the relevant underlying Final Recipient Transaction currency¹²; 3. It shall cover, directly the principal amount of one or more underlying Final Recipient Transaction(s) at the applicable Guarantee Rate; 4. It shall cover (directly) Final Recipient Transactions meeting the Final Recipient Transactions Eligibility Criteria specified above; 5. It shall comply with any additional Intermediary Transaction eligibility criteria that may be specified in the relevant Individual (Counter-)Guarantee Agreement for each Individual Portfolio.

⁷ In case of Final Recipient Transactions that are invoices or single covers entered into under previously signed framework agreements, the signature shall refer to the issuance and acceptance by the parties of such invoice or single cover.

⁸ Or in case of retroactive inclusions, during the period starting on the date falling within 6 months prior to the first day of the Inclusion Period for the relevant Individual Portfolio (but in no event prior to the date of publishing the Call) and ending on the last date of the Inclusion Period for the respective Individual Portfolio, subject to further provisions of the Individual (Counter-)Guarantee Agreement.

⁹ In case of non-EUR Guarantee Transactions, the guaranteed amount will be the EUR equivalent of the non-EUR amount of the Guarantee Transaction (based on the ECB exchange rate at the date of its inclusion in the Individual Portfolio).

¹⁰ For the avoidance of doubt, the assessment of compliance with this criterion shall be based on the Final Recipient and not be extended to the Importer.

¹¹ Or in case of retroactive inclusions, during the period starting on the date falling within 6 months prior to the first day of the Inclusion Period for the relevant Individual Portfolio (but in no event prior to the date of publishing the Call) and ending on the last date of the Inclusion Period for the respective Individual Portfolio, subject to further provisions of the Individual (Counter-)Guarantee Agreement.

¹² In case of non-EUR Guarantee Transactions, the guaranteed amount will be the EUR equivalent of the non-EUR amount of the Guarantee Transaction (based on the ECB exchange rate at the date of its inclusion in the Individual Portfolio).

<p>Sustainability Proofing</p>	<p>In order to comply¹³ with the sustainability proofing requirements set out in the <i>Sustainability Proofing Guidance</i> for the InvestEU Export Credit Portfolio Guarantee Product, the following requirements will apply:</p> <ul style="list-style-type: none"> a) For any Final Recipient Transaction whose purpose covers transport of CO2 and underground permanent geological storage of CO2, the Final Recipient must have in place a detailed monitoring plan in line with the provisions of the EU CCS Directive 2009/31/EC and EU ETS Directive 2018/410; b) The Final Recipient shall comply in all material respects with the national environmental, climate and social regulations to which it is subject; <p>For the purpose of the assessment of the eligibility criteria set out in (a) and (b), above, the Financial (Sub-)Intermediary may rely on representations of the Final Recipient.</p>
<p>Payment Demand</p>	<p>Means the document sent by a Financial Intermediary to the EIF for the purpose of requesting payment under the (Counter-)Guarantee as further detailed in the Individual (Counter-) Guarantee Agreement.</p>
<p>Process for Payment Demands</p>	<p>The Financial Intermediary may call on the (Counter-)Guarantee for Defaulted Amounts by sending a Payment Demand to the EIF via email. A single Payment Demand may cover Defaulted Amounts related to several Guarantee Transactions.</p> <p>A Payment Demand shall only be valid if it relates to Defaulted Amounts which have been identified in the latest Report sent to EIF by the Financial Intermediary.</p> <p>One Payment Demand may be sent by the Financial Intermediary for each calendar quarter, which shall be sent no later than the Report Date following the end of such calendar quarter.</p> <p>Subject to receiving valid Payment Demands, the EIF shall pay any amounts claimed thereunder within sixty (60) calendar days of the receipt of the relevant Payment Demand.</p>
<p>Recovery</p>	<p>Means each and every amount, net of recovery and foreclosure costs (if any), recovered or received by the Financial Intermediary, including by way of offsetting claims against each other, in respect of a Guarantee Transaction that has resulted in a Defaulted Amount, provided that:</p> <ul style="list-style-type: none"> a) a payment in respect of such Defaulted Amount made to the Financial Intermediary under a guarantee given by a guarantee institution (other than the EIF) shall not be treated as a "Recovery", and b) in respect of a Final Recipient Transaction which was subject to a Final Recipient Transaction Restructuring, only amounts received, net of recovery and foreclosure costs (if any), in relation to the Defaulted Amounts shall be treated as a "Recovery".
<p>Recoveries Process</p>	<p>Where the Financial Intermediary receives Recoveries, a Recovery notice document must be sent to the EIF in order to notify Recoveries recovered or received by the Financial Intermediary in relation to a Final Recipient Transaction or in relation to an Intermediary Transaction covering Final Recipient Transactions included in the relevant Individual Portfolio(s).</p> <p>The Financial Intermediary shall send to the EIF at any relevant time, but not later than thirty (30) calendar days after the end of each calendar quarter a Recovery</p>

¹³ For the avoidance of doubt, the assessment of compliance with these criteria shall be based on the Final Recipient and not be extended to the Importer.

	<p>notice with accompanying Recoveries schedule and shall pay to the EIF any relevant amount, within three (3) months of the end of each calendar quarter in which Recoveries are recovered or received by the Financial Intermediary.</p> <p>Recoveries shall be shared between the EIF and the Financial Intermediary pro-rata to the (Counter-)Guarantee Rate, as further specified in the Individual (Counter-)Guarantee Agreement.</p> <p>For the avoidance of the doubt, the obligation for the Financial Intermediary to share Recoveries shall continue, including following the Individual (Counter-)Guarantee Termination Date, until such time as the Financial (Sub-)Intermediary, acting in good faith and in a commercially reasonable manner may determine at any time in accordance with its internal guidelines and recovery procedures that the recovery period for the relevant defaulted Final Recipient Transactions shall be terminated. The Financial Intermediary shall notify the EIF once the recovery periods for all defaulted Final Recipient Transactions have been terminated.</p>
Exclusion Process	<p>At any time, the EIF may verify (and/or ask information to the Financial Intermediary in order to verify) whether a Guarantee Transaction included in the Individual Portfolio is an eligible Guarantee Transaction and whether its inclusion in the relevant Individual Portfolio is in compliance with the terms of the Individual (Counter-)Guarantee Agreement. At any time, the EIF may notify the Financial Intermediary of a non-eligible Guarantee Transaction by sending an exclusion notice.</p> <p>If a Financial Intermediary becomes aware that a Guarantee Transaction is or becomes a non-eligible Guarantee Transaction or any other undertakings, requirements or requests of the Individual (Counter-)Guarantee Agreement are not complied with or satisfied in connection with such Guarantee Transaction, the Financial Intermediary shall include such information in the immediately following report delivered to the EIF and flag any such Guarantee Transaction as excluded.</p> <p>Guarantee Transactions that do not comply with the Final Recipient Transaction and/or Intermediary Transaction Eligibility Criteria, as applicable, are deemed excluded from the relevant Individual Portfolio (and shall not be covered by the (Counter-)Guarantee). However, if an eligible Guarantee Transaction is or becomes a non-eligible Guarantee Transaction as a result of any event or circumstance beyond the control of the Financial Intermediary after a Payment Demand relating to such Final Recipient Transaction was sent by the Financial Intermediary to the EIF or relating to a Final Recipient Transaction covered by such Intermediary Transaction was sent by the Financial Sub-Intermediary to the Financial Intermediary, as applicable, and the Financial Intermediary could not, acting diligently, have become aware thereof prior to such date, that Guarantee Transaction shall nonetheless be covered by the (Counter-)Guarantee for the period until the Financial Intermediary became aware.</p>
Servicing	<p>The Financial Intermediary shall perform the servicing of the Individual Portfolio, including monitoring and recovery actions, in accordance with its internal policies and procedures.</p>
Reporting	<p>Financial Intermediaries shall provide the EIF with the information in respect of that calendar quarter in a report on the Report Date.</p>
Report	<p>Means a standardized document prepared by a Financial Intermediary for the EIF including (but not limited to) information on Final Recipients and Financial Sub-Intermediaries (as applicable) and on the Final Recipient Transactions and</p>

	<p>Intermediary Transactions (as applicable), included in the relevant Individual Portfolio(s). An indicative reporting template is attached to this Call.</p> <p>Other reporting may be required from the Financial Intermediary as specified in the Individual (Counter-)Guarantee Agreement.</p>
Report Dates	<p>Means the dates which are 30 calendar days after the end of each calendar quarter.</p>
Monitoring and Auditing	<p>Financial Intermediaries, Financial Sub-Intermediaries and the relevant Target Final Recipients (as applicable) covered by the (Counter-)Guarantee shall agree to allow and to provide access to documents and premises related to the relevant (Counter-)Guarantee 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, the EIF, agents of the EIF, the EIB and any other European Union institution or European Union body which is entitled to verify the use of the (Counter-)Guarantee and any other duly authorized body under applicable law to carry out audit or control activities. To that effect, the Financial Intermediaries shall also include appropriate provisions in each agreement with the Financial Sub-Intermediaries and Target Final Recipients (as applicable).</p>
Know Your Customer	<p>The Financial Intermediary shall, prior to the signature of the Individual (Counter-)Guarantee Agreement, 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.</p>
Record keeping	<p>The Financial Intermediary shall maintain or be able to produce all the documentation related to the implementation of the Individual (Counter-)Guarantee Agreement for a period of five (5) years following the Individual (Counter-)Guarantee Termination Date. The Financial Intermediary shall require each Financial Sub-Intermediary to maintain and be able to produce all documentation related to the implementation of the relevant Intermediary Transaction for a period of five (5) years following the termination of the relevant Intermediary Transaction.</p> <p>The Final Recipient shall maintain or be able to produce all the documentation related to the implementation of the Final Recipient Transaction for a period of five (5) years following the date of termination of the Final Recipient Transaction. The retention period shall be three (3) years where the amount of the Final Recipient Transaction was lower than or equal to EUR 60 000.</p>
State aid	<p>Guarantee Transactions complying with the conditions set out in this product term sheet, the Individual (Counter-)Guarantee Agreement and the terms of the InvestEU Export Credit Portfolio Guarantee Product are considered as consistent with State aid rules.</p> <p>For the avoidance of doubt, in case of Guarantee Transaction with State bodies or vehicles using State resources, such as National Promotional Banks and Institutions, the Financial (Sub-)Intermediary's obligation to comply with State aid rules shall continue to apply notwithstanding the consistency of the InvestEU Export Credit Portfolio Guarantee Product with State aid rules.</p>
Publicity	<p>The Financial (Sub-)Intermediary shall explicitly inform Final Recipients that the Final Recipient Transaction and the Intermediary Transaction (as applicable) benefits from EU support under the InvestEU Fund by including a statement (in the relevant language) in all financing agreements pertaining such transactions:</p>

	<i>"This operation benefits from support from the European Union under the InvestEU Fund".</i>
Risk Retention	The Financial Intermediary shall maintain at all times a relevant portion corresponding to an economic exposure of at least 20% of the outstanding principal amount of each ¹⁴ Final Recipient Transaction or Intermediary Transaction, as applicable, included in the Individual Portfolio.
Transfer	The Financial Intermediary shall not be entitled to transfer any or all of its rights and obligations under the (Counter-)Guarantee without the prior written consent of the EIF.
Restrictive Measures Implementation	Contractual provisions shall be included in the Individual (Counter-)Guarantee Agreement to ensure that no funds or economic resources are made available directly or indirectly to, or for the benefit of, persons or entities designated by Restrictive Measures.
Maximum Guarantee Amount	Means, the maximum obligation of the EIF to pay for guarantee calls under the (Counter-)Guarantee, in relation to the Individual Portfolio, expressed in EUR, up to the Actual (Counter-)Guarantee Volume as set out in the Individual (Counter-)Guarantee Agreement.
Right of clawback by the EIF	The EIF will be entitled to be repaid by the Financial Intermediary certain amounts in specified circumstances, including any amounts paid under the (Counter-)Guarantee by the EIF in excess of the Defaulted Amounts, in excess of the Maximum Guarantee Amount, and any excess amount paid by the EIF as a result of an exclusion of a Guarantee Transaction from the Individual Portfolio.

¹⁴ In case of Guarantee Transactions originated in non-EUR currencies, the applied ECB exchange rate at the date of their inclusion in the Individual Portfolio to determine the EIF Guarantee will be considered.

Glossary of terms

<p>Actual (Counter-)Guarantee Volume</p>	<p>Means, with respect to Guarantee Transactions included in the Individual Portfolio, the aggregate amount of Guarantee Transaction (Counter-)Guaranteed Principal Amount.</p> <p>Such Actual (Counter-)Guarantee Volume is subject to adjustments in accordance with the provisions of the Individual (Counter-)Guarantee Agreement.</p>
<p>Applicant</p>	<p>Means, other than for the purposes of Annex I - Expression of Interest, an entity that applies to qualify as a Financial Intermediary on its behalf and/or, acting as a coordinating entity, on behalf of one or more Participating Entities.</p>
<p>Committed (Counter-)Guarantee Volume</p>	<p>Means the maximum aggregate amount of Guarantee Transaction (Counter-)Guaranteed Principal Amount as set out in the Individual (Counter-)Guarantee Agreement.</p>
<p>Commission SME Recommendation</p>	<p>Means the Commission Recommendation 2003/361/EC concerning the definition of "micro, small and medium-sized enterprises" (OJ L124, 20.05.2003, p.36) notified under document number C(2003/1422), as amended, restated, supplemented and/or substituted from time to time.</p>
<p>Eligible Countries</p>	<p>Means any Member State of the European Union, OCTs (Overseas Country or Territory linked to a Member State as set out in Annex II to the Treaty on the Functioning of the European Union¹⁵) and any Other Participating Country¹⁶.</p>
<p>EU Compartment</p>	<p>Means the compartment of InvestEU, as further described in Article 9(1)(a) of the InvestEU Regulation.</p>
<p>EIF Exclusions and Restrictions</p>	<p>Means EIF exclusions and restrictions set out in EIF's Exclusions and Restrictions Policy (and the Paris Alignment Restrictions included therein) published on EIF's website, as at the date of the Individual (Counter-)Guarantee Agreement.</p> <p>The above exclusions and restrictions may be updated from time to time. The binding list of EIF Exclusions and Restrictions shall be set out in the relevant Individual (Counter-)Guarantee Agreement.</p>
<p>Exclusion Situation</p>	<p>Means that a Financial (Sub-)Intermediary or a Final Recipient, as the case may be, is in any of the following situations:</p> <ol style="list-style-type: none"> 1. bankrupt, is subject to insolvency, is being wound up, is having their affairs administered by a liquidator or by the courts, in this context are in an arrangement with creditors, is 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 in any analogous situation arising from a similar procedure provided for in national legislation or regulations; 2. 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;

¹⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:12012E/TXT>

¹⁶ Currently Norway and Iceland.

	<p>3. 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 the Individual (Counter-) Guarantee Agreement or Guarantee Transaction, as applicable, and which is for one of the following reasons:</p> <ul style="list-style-type: none"> a) 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; b) entering into agreements with other persons aimed at distorting competition; c) 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); d) 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); <p>4. 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:</p> <ul style="list-style-type: none"> (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; <p>5. they are subject to a decision on exclusion contained in the published early detection and exclusion system database (set up and operated by the European Commission);</p> <p>provided that the EIF may decide not to exclude a Financial Intermediary if the 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.</p>
Expression of Interest	Means the application sent by an Applicant in the form of Annex I of this Call.
Financial (Sub-)Intermediary	Means, as the context requires, the Financial Intermediary and/or the Financial (Sub-)Intermediary.

<p>Final Recipient</p>	<p>A Final Recipient shall be an SME or a Small Mid-cap that receives financial support under a Final Recipient Transaction and that is:</p> <ul style="list-style-type: none"> a) established and operating in at least one of the Eligible Countries; and b) a Target Final Recipient, as defined in the terms and conditions of the InvestEU Export Credit Portfolio Guarantee Product; and c) not a Restricted Final Recipient. <p>The Final Recipient shall not:</p> <ul style="list-style-type: none"> a) use a grant from a Union programme to reimburse the relevant Final Recipient Transaction, and b) use the Final Recipient Transaction to pre-finance a grant from a Union programme.
<p>Guarantee Transaction (Counter-)Guaranteed Principal Amount</p>	<p>Means:</p> <ul style="list-style-type: none"> (i) in case of a Guarantee: the product of the principal amount of a Final Recipient Transaction and the applicable Guarantee Rate. (ii) in case of a Counter-Guarantee: the product of the principal amount of a Final Recipient Transaction, the applicable Counter-Guarantee Rate and the guarantee rate applicable to the respective Final Recipient Transaction. <p>The Individual (Counter-)Guarantee Agreement may specify further the deviations from the above definition of Guarantee Transaction (Counter-)Guaranteed Principal Amount, taking into account specificities of certain types of Final Recipient Transactions.</p>
<p>Guarantee Transaction</p>	<p>Means, in the case of a:</p> <ul style="list-style-type: none"> (a) Guarantee: a Final Recipient Transaction, or (b) Counter-Guarantee: an Intermediary Transaction.
<p>InvestEU Excluded Activities</p>	<p>Means:</p> <ul style="list-style-type: none"> (1) activities which limit individual rights and freedoms or that violate human rights; (2) in the area of defence activities, the use, development, or production of products and technologies that are prohibited by applicable international law; (3) tobacco-related products and activities (production, distribution, processing and trade); (4) activities excluded from financing pursuant to the relevant provisions of the Horizon Europe Regulation: research on human cloning for reproductive purposes; activities intended to modify the genetic heritage of human beings which could make such changes heritable; and activities to create human embryos solely for the purpose of research or for the purpose of stem cell procurement, including by means of somatic cell nuclear transfer; (5) gambling (production-, construction-, distribution-, processing-, trade- or software-related activities); (6) sex trade and related infrastructure, services and media;

	<p>(7) activities involving live animals for experimental and scientific purposes insofar as compliance with the European Convention for the Protection of Vertebrate Animals used for Experimental and other Scientific Purposes (1) cannot be guaranteed;</p> <p>(8) real estate development activity, such as an activity with a sole purpose of renovating and re-leasing or re-selling existing buildings as well as building new projects; however, activities in the real estate sector that are related to the specific objectives of the InvestEU Programme as specified in Article 3(2) and to the areas eligible for financing and investment operations under Annex II of the Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017, such as investments in energy efficiency projects or social housing, shall be eligible;</p> <p>(9) financial activities such as purchasing or trading in financial instruments. In particular, interventions targeting buy-out intended for asset stripping or replacement capital intended for asset stripping shall be excluded;</p> <p>(10) activities forbidden by applicable national legislation;</p> <p>(11) the decommissioning, operation, adaptation or construction of nuclear power stations;</p> <p>(12) investments related to mining or to the extraction, processing, distribution, storage or combustion of solid fossil fuels and oil, as well as investments related to the extraction of gas. This exclusion does not apply to:</p> <ul style="list-style-type: none"> a) projects where there is no viable alternative technology; b) projects related to pollution prevention and control; c) projects equipped with carbon capture and storage or carbon capture and utilisation installations; industrial or research projects that lead to substantial reductions of greenhouse gas emissions as compared with the applicable EU Emission Trading System benchmarks; <p>(13) investments in facilities for the disposal of waste in landfill. This exclusion does not apply to investments in:</p> <ul style="list-style-type: none"> a) on-site landfill facilities that are an ancillary element of an industrial or mining investment project and where it has been demonstrated that landfilling is the only viable option to treat the industrial or mining waste produced by the activity concerned itself; b) existing landfill facilities to ensure the utilisation of landfill gas and to promote landfill mining and the reprocessing of mining waste; <p>(14) investments in mechanical biological treatment (MBT) plants. This exclusion does not apply to investments to retrofit existing MBT plants for waste-to-energy purposes or recycling operations of separated waste such as composting and anaerobic digestion;</p> <p>(15) investments in incinerators for the treatment of waste. This exclusion does not apply to investments in:</p>
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	<ul style="list-style-type: none"> a) plants exclusively dedicated to treating non-recyclable hazardous waste; b) existing plants, where the investment is for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such investments do not result in an increase of the plants' waste processing capacity.
InvestEU Export Credit Portfolio Guarantee Product	Means the portfolio guarantee product offered by the EIF under the InvestEU Fund as described in this dedicated Call.
Inclusion Period	Means the period during which a Guarantee Transaction can be signed ¹⁷ in order to benefit from the (Counter-)Guarantee, as set out in the Individual (Counter-)Guarantee Agreement.
Intermediary Transaction	Means any guarantee instrument issued by the Financial Intermediary for the benefit of a Financial Sub-Intermediary, covering a Final Recipient Transaction.
National Promotional Bank or Institution	Means a legal entity that carries out financial activities on a professional basis which has been given mandate by a Member State or an Other Participating Country or a Member State's or an Other Participating Country's entity at central, regional or local level to carry out development or promotional activities.
Non-Compliant Jurisdiction ("NCJ")	<p>Means a jurisdiction:</p> <ul style="list-style-type: none"> a. listed in the Annex I of the Council of the European Union conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes; 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"; or f. included in the Financial Action Task Force statement "Jurisdictions under Increased Monitoring", <p>in each case as such statement, list, directive or annex may be amended and/or supplemented from time to time.</p> <p>The Financial Intermediary shall not (other than as a result only of events or circumstances beyond the control of the Financial Intermediary) be established in a NCJ, unless in the case of NCJ Implementation.</p>

¹⁷ For avoidance of doubt, given the reporting lag, transactions may be reported after the Inclusion Period end date while still qualifying as included during the Inclusion Period, provided that all eligibility criteria are complied with.

NCJ Implementation	Means that the Final Recipient and the Financial Sub-Intermediary are established and operating in the country of establishment of the Financial Intermediary and that there is no indication that the relevant Guarantee Transaction supports actions that contribute to (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and/or (ii) wholly artificial arrangements aimed at tax avoidance.
Other Participating Country	Means a country other than a Member State which is contributing with additional resources to the EU Compartment. As of 17 November 2023, such countries are Norway and Iceland.
Participating Entity	Means an entity on behalf of whom an application is submitted as part of a joint Expression of Interest.
Restricted Final Recipient	Means, based on the assessment of the Financial (Sub-)Intermediary during the origination process, an entity: a) that cannot benefit directly or indirectly from financing supported by the EIF as a result of the application of the EIF Policy on Exclusions and Restrictions; and/or b) falling under any of the Exclusion Situations as at the date of the signature of the relevant Final Recipient Transaction.
Restrictive Measures	Means, without limitation, restrictive measures adopted pursuant to the Treaty on European Union (TEU) or to the Treaty on the Functioning of the European Union (TFEU).
SME	Means a micro, small or medium-sized enterprise as defined in the Commission SME Recommendation.
Small Mid-cap	Means an entity with fewer than 500 full-time equivalent employees that is not an SME.