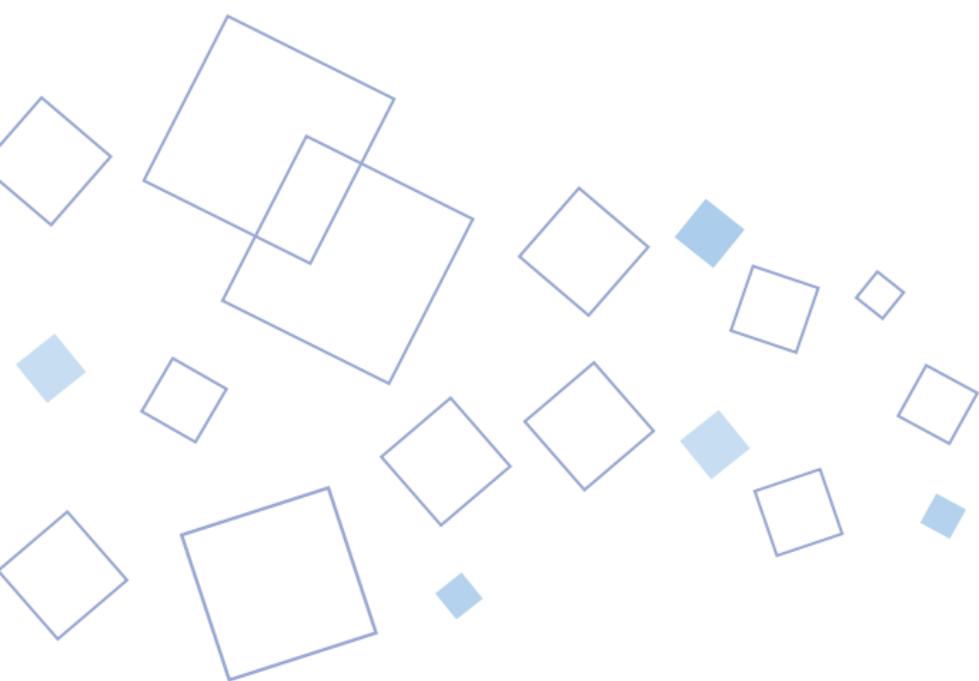




# European Angels Fund



## What is the European Angels Fund?

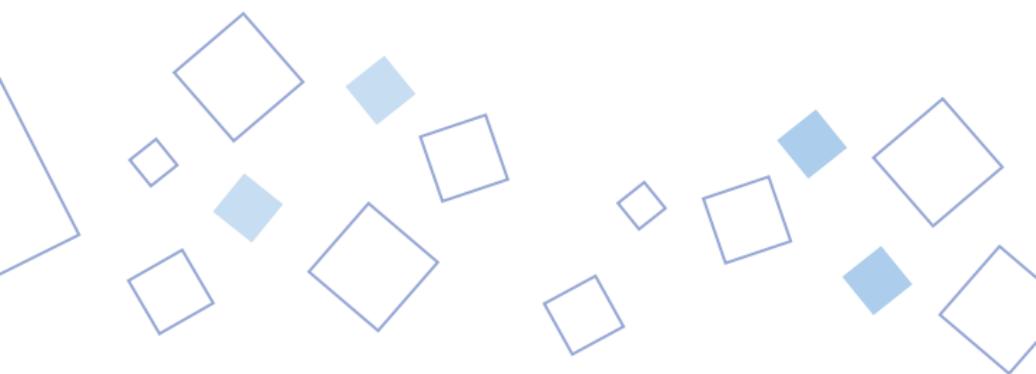
The European Angels Fund (EAF) initiative provides equity to business angels and other non-institutional investors with a view to financing innovative companies through co-investments.

It works hand in hand with business angels and helps them to increase their investment capacity in seed, early or growth stage enterprises.

The EAF's activities are adapted to the investment style of the selected business angels, which are granted the highest degree of freedom in terms of decision-making and managing investments.

The EAF is advised by the European Investment Fund, and the programme is already operational in Germany, Spain, Austria, the Netherlands, Ireland and Denmark. Furthermore, EAF is about to be extended to other geographies, aiming to achieve a pan-European coverage.

The current volume of the aggregate facility is around EUR 280m, of which approximately EUR 120m have already been committed to business angels that have built a portfolio of more than 150 SMEs.

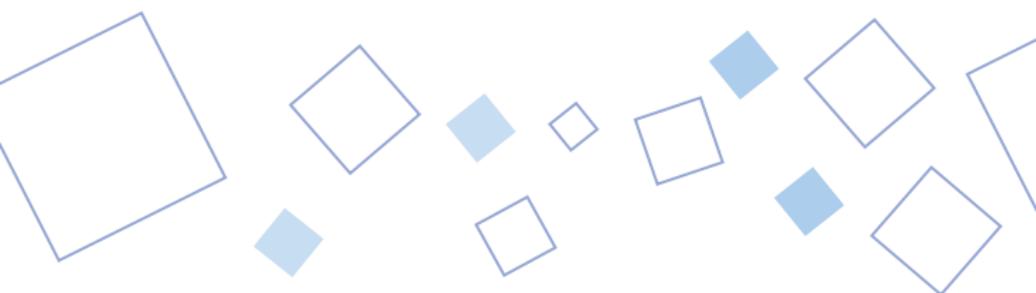


## How does the EAF work?

Instead of granting co-investments on a deal-by-deal basis, the EAF enters long-term contractual relationships with business angels. Co-investment framework agreements (CFAs) are established, through which the EAF grants upfront a predefined amount of equity to each business angel.

For ease and speed, CFAs are generally standardised. Nonetheless, they leave sufficient room for adaptations to the specific requirements of individual business angels - such as timeframe, sector focus, and number of planned investments.

Investment decisions are taken by business angels and their investments are matched by the EAF on a *pari-passu* basis, i.e. by the same amount. The total available volumes under individual CFAs typically range between EUR 250k and EUR 5m. The EAF does not pay a management fee to business angels but shares investment-related costs on a pro-rata basis.

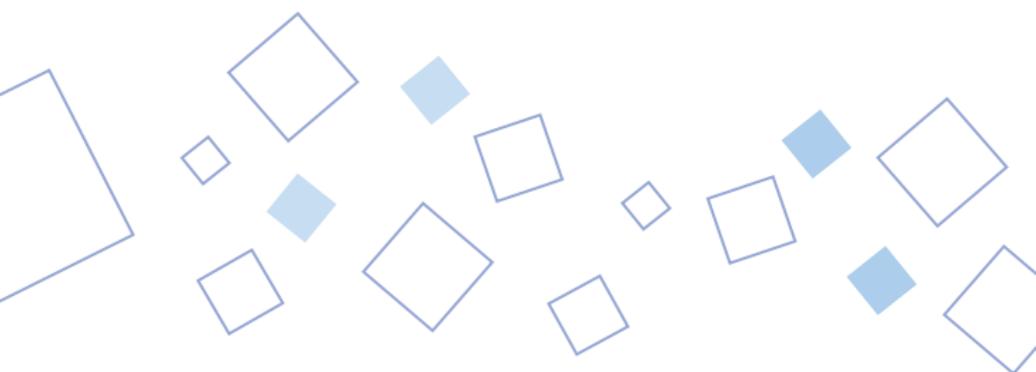


## What are the benefits for business angels?

The EAF has a unique set-up, which is adapted to the investment style and needs of business angels. It provides significant financial support while granting a maximum degree of freedom to each business angel. Carry payments from the EAF, i.e. disproportionate profit splits, increase the upsides of the investments for the business angels even further.

Business angels can also benefit from the European Investment Fund's solid expertise and widespread network as we are one of Europe's most experienced venture capital investors.

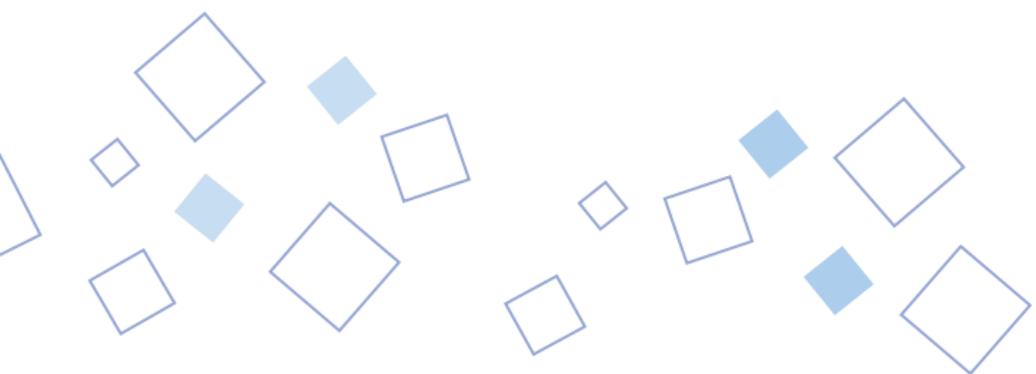
At the same time, administration processes are designed to be as lean as possible so that business angels can fully focus on their investment activity. A standardised tool allows for a simple and efficient reporting.



## Which companies can be financed?

The EAF aims to support innovative small and medium-sized enterprises (SMEs). Investments are possible in all sectors and at every stage (seed, early and expansion) of a company's development.

Co-investments under the EAF are primarily focused on new investments by business angels. However, subsequent follow-on investments in these companies may also be included.



## How to apply?

Business angels who are interested in partnering with us under the EAF initiative should fulfil at least the following criteria:

- Adequate experience in the targeted investment area;
- Track record of successful investments;
- Good access to quality deals; and
- Financial capacity to invest at least a total of EUR 250k during the CFA's lifetime (10 years).

A lean due diligence process and the use of CFAs ensure a short reaction time and a minimum administrative burden for business angels.

For further information please visit our website ([www.eif.org/eaf](http://www.eif.org/eaf)) or contact us by email ([eaf@eif.org](mailto:eaf@eif.org)).

## European Investment Fund

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