We’re the European Investment Fund

Improving access to finance for micro-borrowers and micro and social enterprises during the COVID-19 crisis
We understand that it is a very difficult time for many European small businesses.

As part of the EIB Group, we are partnering with the EU to put in place relevant packages to help small businesses mitigate liquidity challenges as a result of COVID-19. In April, we announced improved risk sharing terms for InnovFin SMEG and COSME LGF.

We are now pleased to announce enhancements to the EaSI Guarantee Financial Instrument (EaSI GFI) dedicated to micro and social enterprises.

* This presentation is for information purposes only and should be read in conjunction with the detailed call for expression of interest documentation available at www.eif.org
COVID-19 support measures
Enhancements to EaSI GFI
Improved terms to help social and micro enterprises

Enhanced risk sharing to alleviate working capital & liquidity constraints
Improved terms for intermediaries in and outside the EU
Enhanced guarantee for intermediaries in and outside the EU
Simplified processes for existing intermediaries
Enhanced EaSI GFI terms

<table>
<thead>
<tr>
<th>Amended terms</th>
<th>Improved conditions</th>
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<tbody>
<tr>
<td>Guarantee/counter guarantee rate</td>
<td>Increased from up to 80% to up to 90% for transactions originated during the COVID-19 support period (*)</td>
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<tr>
<td>Cap rate revision</td>
<td>Possibility to increase by up to certain % (still up to max 30% cap rate (triggering a reduction in max portfolio volume)</td>
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<tr>
<td>Reduction of risk retention</td>
<td>Reduced from 20% to 10% for transactions originated during the COVID-19 support period (*)</td>
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<td>Fixed recovery rate</td>
<td>To be set taking into account, inter alia, expected transactions to be originated during the COVID-19 support period</td>
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<td>Guarantee coverage</td>
<td>Extended form 6 to 7 years for microfinance Extended from 10 to 11 years for social entrepreneurship</td>
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<tr>
<td>Coverage of accrued interest</td>
<td>Extended up to 360 days under certain conditions</td>
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<tr>
<td>Commitment fee</td>
<td>Possibility to waive the fee for intermediaries</td>
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<td>Availability period</td>
<td>Possible extension by 6 months for existing agreements</td>
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<tr>
<td>Maximum exposure per final recipient</td>
<td>Increased from €25K to €50k for microfinance Increased from €500K to €1m for social entrepreneurship</td>
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**EaSI GFI Main features**

<table>
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<tr>
<th>Microfinance</th>
<th>SMEs &lt; 10 FTE</th>
<th>&lt;2m annual turnover ≤€25K per loan</th>
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<tbody>
<tr>
<td>Social enterprises</td>
<td>enterprises with annual turnover &lt;EUR 30m ≤€500K per loan</td>
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</table>

**Capped guarantee**

Free of charge

**Financing purpose**

Working capital
Investment financing

* COVID-19 support period is from 01/04/2020 until 31/03/2021
Enhanced EaSI GFI guarantee
Up to 90% guarantee rate available on a loan by loan basis for transactions originated during the COVID-19 support period*

Standard

- < 80% Guarantee rate on a loan by loan basis
- Min 20% risk retained by the FI
- < 30% Guarantee cap rate

Total portfolio of loans

COVID-19 support period terms

- < 90% Guarantee rate on a loan by loan basis
- Min 10% risk retained by the FI
- < 30% Guarantee cap rate

Total portfolio of loans

* COVID-19 support period is from 01/04/2020 until 31/03/2021
How to sign up for improved terms
Simple notification-based process leading to a contract amendment for existing financial intermediaries

Where to find documentation

1. Notice: an existing financial intermediary in or outside of the EU
2. Call for Expression of Interest: a new financial intermediary established in or outside the EU

I am:

1. I am an existing financial intermediary in or outside of the EU
2. I want to benefit from COVID-19 support measures

I want to benefit from COVID-19 support measures:

1. Submit the acceptance letter by 31 October 2020*
2. The agreement is amended (subject to completeness of information)

Simple notification-based process leading to a contract amendment for existing financial intermediaries

1. Submit the acceptance letter by 31 October 2020*
2. The agreement is amended (subject to completeness of information)

Call for Expression of Interest

1. Apply using Annex 1
2. EIF conducts pre-selection
3. EIF conducts due-diligence
4. Approval & agreement

*Only applicable in case of direct guarantees with no bespoke features. Counter-guarantees and transactions with bespoke features will be treated separately, on a case by case basis.
**Please be informed that, as of 23 July 2020, the total amount of applications already received exceeds the EU budget available under the EaSI Guarantee instrument. Any new applications may be considered should additional resources become available.
More information available at www.eif.org