To: European Investment Fund
Re: ESIF EAFRD Greece FoF

Attention: ESIF EAFRD Greece FoF – Expression of Interest
Guarantees and Securitisation
37B, avenue J.F. Kennedy
L-2968 Luxembourg

EXPRESSION OF INTEREST
For the Guarantee
in the context of the ESIF EAFRD Greece FoF

Applicant submitting the Expression of Interest: __________, __________
(company name, registration number)

Dear Sir or Madam,

Herewith we are submitting our Expression of Interest on behalf of [Applicant] and [Participating Entities] in response to the Open Call for Expression of Interest dated XX XX 2019 and published on the European Investment Fund website in the framework of the ESIF EAFRD Greece FoF (the “Fund of Funds” or “FoF”). Capitalised terms utilised herein shall have the meaning attributed to them in the Call for Expression of Interest.

The undersigned duly authorised to represent the [Applicant] and [Participating Entities], by signing this form certifies/certify and declare(s) that the information contained in this Expression of Interest and its Appendices is complete and correct in all its elements.

The undersigned duly authorised to represent the [Applicant] and [Participating Entity], by signing this form certifies and declares to have read the EIF Anti-Fraud Policy and declares not to have made nor to make any offer of any type whatsoever from which an advantage can be derived under the Guarantee Agreement and not to have granted nor to grant, not to have sought nor to seek, not to have attempted nor to attempt to obtain, and not to have accepted nor to accept, any advantage, financial or in kind, to or from any party whatsoever, constituting an illegal practice or involving corruption, either directly or indirectly, as an incentive or reward relating to signing of the Guarantee Agreement.
The undersigned, duly authorized to represent the Applicant and Participating Entities, by signing this form certifies and declares that each of the Applicant and Participating Entities does not perform illegal activities according to the applicable legislation in the countries of establishment.

For the purpose of the EIF Transparency Policy and subject to the approval of the relevant operation by the EIF Board of Directors, the Applicant, by signing this form:

[Please tick as appropriate]

☐ confirms that the Applicant and [the Participating Entities] agree(s) with the disclosure of summary information relevant to this transaction (the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources) in the Board minutes published on EIF’s website (http://www.eif.org/who_we_are/governance/board_of_directors/decisions.htm), following the approval and signature of said minutes,

OR

☐ declares that (i) the Applicant and [the Participating Entities] request(s) the non-disclosure of summary information relevant to this transaction (the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources) in the Board minutes published on EIF’s website, following the approval and signature of said minutes and (ii) such disclosure would undermine the protection of commercial interests1 relevant to the operation.

Yours sincerely,

Signature(s):

Stamp of the Applicant (if applicable):

Name and position in capitals:

Applicant’s name

Place: Date (day/month/year):

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Appendices

Appendix 1 Applicant/Participating Entity Identification
Appendix 2 Declaration of Honour
Appendix 3 Information Requirements

1 Including by reason of such information being covered by a confidentiality agreement.
## Appendix 1 to the Expression of Interest

### APPLICANT/PARTICIPATING ENTITY IDENTIFICATION

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<th>INFORMATION REQUIRED</th>
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| CONTACT DETAILS      | Title: Mr/Ms/other (delete or complete as appropriate)  
Surname:  
Forename(s):  
Function:  
Address:  
Telephone:  
Email: |

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2 In case of a joint application, this form shall be completed separately by the Applicant and Participating Entities.
Appendix 2 to the Expression of Interest

DECLARATION OF HONOUR OF APPLICANT/PARTICIPATING ENTITY

The undersigned [name of the signatory(ies) of this Declaration], representing the following legal person: [name of the Applicant/Participating Entity] (the “Financial Intermediary”)

full official name:
official legal form:
full official address:
VAT registration number:

➢ declares that the Financial Intermediary is not in one of the following situations:

a) the Financial Intermediary, or persons having powers of representation, decision making or control over it, is as of the date of this declaration bankrupt or being wound up, is as of the date of this declaration having its affairs administered by the courts, in this context, have entered into an arrangement with creditors, has as of the date of this declaration suspended business activities, is as of the date of this declaration the subject of proceedings concerning those matters, or is as of the date of this declaration in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

b) In the last five (5) years from the date of this declaration, the Financial Intermediary or persons having powers of representation, decision-making or control over it have been the subject of a final judgment or a 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, which would affect its ability to implement the FoF;

c) In the last five (5) years from the date of this declaration, the Financial Intermediary or persons having powers of representation, decision-making or control over have been convicted by a final judgment or final administrative decision which would affect their ability to implement a Financial Instrument and which is for one of the following reasons:

(i) fraudulently or gross negligently misrepresenting material 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 award procedure for the implementation of a budget from the European Union;
(iv) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure for the implementation of a budget from the European Union;

3 In case of a joint application, this declaration shall be completed separately by each of the Applicant and the Participating Entities.
d) in the past five (5) years the Financial Intermediary or persons having powers of representation, decision-making or control over it 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; and

e) as of the date of this declaration, the Financial Intermediary is, to its knowledge, listed in the early-detection and exclusion system database, established under 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.

➤ Remedial measures:

The paragraphs above shall not apply where the Financial Intermediary or persons having powers of representation, decision-making or control over it can demonstrate that adequate remedial measures have been taken; or where it would not affect their ability to implement the Guarantee Agreement; 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.

[Only if applicable – erase otherwise–] The Financial Intermediary or persons having powers of representation, decision-making or control over it declare that have incurred in the following exclusion situation(s):

(a) [Description of the exclusion situation with reference to the date of its occurrence and, if applicable, reference to the final judgment or final administrative decision];

(b) […]

As per the above, the Financial Intermediary has taken the following remedial measures⁴:

(a) [Include description, if any].

[…]

Full name Date (day/month/year): Signature(s)

⁴ Remedial measures may include e.g. technical, organisational and personnel measures to prevent further occurrence, compensation of damage or payment of fines. The relevant documentary evidence which appropriately illustrates the remedial measures taken should be provided in annex to this declaration.
Appendix 3 to the Expression of Interest

INFORMATION REQUIREMENTS

The points below list the headings for the minimum information needed. In case of joint applications all the following information shall be provided for the Applicant and each Participating Entity.

All numerical data provided in the application should please also be provided in electronic format (.xlsx or similar) as per the model provided online.

For Applicants that have applied to EIF guarantee programmes within [one] year preceding the submission date of their Expression of Interest under the ESIF EAFRD Greece FoF, the information requirements included in Section 1, Section 2 and Section 4 may be limited only to the relevant updates or material changes and differences from the latest expression of interest presented to EIF under such other EIF guarantee programme, in particular highlighting the specific characteristics of the Applicant business practices applicable to the AGRI sector.

The Applicant shall indicate such expression of interest, and associated identifier, which shall be used by EIF for the purpose of the pre-selection process under the ESIF EAFRD Greece FoF and EIF reserves the right to request clarifications and any additional information during the pre-selection process.

1. FINANCIAL INTERMEDIARY’S ACTIVITY

1.1. General information

1.1.1. General description of the Applicant (date of establishment, number of employees capital structure and shareholders, banking group, organisational structure, distribution network, number of branches, etc.),

1.1.2. Applicant’s legal status, regulatory status and applicable regulations, regulatory capital framework5

1.1.3. Definition of the internal business segmentation (including the relevant segments applicable to SMEs) of the Applicant (in terms of number of employees, annual turnover, total assets, etc).

1.2 AGRI financing activity

1.2.1. Description of the lending products offered to Final Recipients, purpose of finance, minimum and maximum maturity of loans, rate of financing (as % of borrower financing needs), minimum and maximum amount, repayment features, etc.

1.2.2. Business strategy (e.g. positioning, objectives, strengths, core products, geographical areas/focus, origination volumes), market share, main competitors – current and outlook.

2. FINANCIAL STANDING

2.1. Key financial figures for the last three full years available to be provided as per the format available online.

2.2. Annual reports (including full set of financial statements with independent auditors report) for the last three years (links to the Applicant’s and, in the case of a joint Expression of Interest, the Participating Entities’ websites or, alternatively, annual reports to be annexed to the Expression of Interest in electronic version only).

3. IMPLEMENTATION

3.1. Applicants in their Expression of Interest are required to address the following items:

I. Proposed Maximum Portfolio Volume, taking into account the indicative Maximum Facility Volume, to be originated during the Inclusion Period;

II. Considering that implementing the FoF involves some administrative tasks e.g. the adaptation of internal procedures and IT systems, of Final Recipient Transaction contracts, or the training of sales force and loan approval bodies, please give an indication of what minimum level of Portfolio Volumes would be expected;

III. Expected timing of launch of the product in the market following the signature of the Guarantee Agreement. Timing required to build up the proposed Portfolio taking into account necessary pre-implementation actions (adoption of IT systems, development of underlying contracts, etc.) and the indicative eligibility criteria presented in Annex II - forecasts to be provided on a quarterly basis;

IV. Describe prior/proven experience (including compliance with relevant operational and reporting requirements) with the deployment of other similar EU/EIB(EIF) products;

V. Describe internal organisation set-up (and roles) for the implementation of a potential Guarantee Agreement, including the potential identification of a dedicated project team (or unit) and/or internal incentive mechanisms;

VI. Describe other measure intended to be undertaken so as to facilitate timely build-up of the Portfolio (e.g. training of sales force and of internal approval bodies);

VII. Provide a description of the envisaged marketing and publicity actions for the product(s) to be deployed under the FoF. Include potential additional publicity actions to those described in Annex II.

3.2. Proposal regarding the Transfer of Benefit, such as interest rate reduction and/or reduction in collateral requirements, vis-à-vis the Applicant’s standard policies, to be applied to each Final Recipient Transaction.

In this respect the Applicant is requested to provide two examples illustrating the principles underpinning the proposal.

4. OPERATING PRINCIPLES (WITH RESPECT TO AGRI FINANCING)

4.1. Credit policy and risk appetite: description of the internal procedures, guidelines, tools and systems used in credit risk assessment.

4.1.1. Risk assessment procedures:

4.1.1.1. If applicable, description of the internal rating models/scoring systems in place and their last validation (including external rating source, if applicable) and if rating models not used for credit risk assessment, description of the tools used instead;

4.1.1.2. Description of the key inputs and their respective weight in the rating output;

4.1.1.3. If applicable, the rating master scale with the respective minimum, maximum and median probability of default (PD) per rating class.

4.1.2. Collateral policy

4.1.2.1. Description of the collateral requirements including personal guarantees (type, valuation, haircuts, down payment/upfront borrower contribution, etc.).

4.1.2.2. Description of the Loss Given Default (LGD) model and its validation (if applicable). Description of the key inputs and their respective weight in the LGD output.

4.1.3. Description of the approval procedures (process, delegation of approval powers, limits, etc.).

4.1.4. Description of the dunning procedure and monitoring system (monitoring of payment dates, early warning system, etc.).
4.1.5. Work-out / recovery procedures (steps taken, departments involved, indication whether recovery process is dealt with in-house or is outsourced, length of recovery procedures).

4.2. Risk management: methods utilised for loss forecasting, provisioning and credit risk management at portfolio level.

5. AGRI FINANCING ORIGINATION AND PERFORMANCE DATA

All information required below in section 5 shall be provided specifically with respect to:

a) SMEs (to the extent the information is available, otherwise to the relevant internal segments); and

b) A proxy portfolio of Final Recipient Transactions that fit at origination with the Eligibility Criteria or, if such information is not available, a portfolio of transactions as comparable as possible to the Final Recipient Transactions.

At least, the following Eligibility Criteria should be reflected in the extraction of the proxy portfolio: (a) eligible types of debt instruments, (b) minimum and maximum maturity, (c) maximum exposure, (d) SMEs established and/or operating in the Applicant’s territory and SMEs operating in an eligible industry sector.

EIF may ask for clarifications on the provided data, including an anonymous loan-by-loan tape used for the aggregate figures provided, or further breakdowns of the requested data.

Please use the model provided for completion of the required data.

5.1 Recent origination

5.1.1. AGRI financing volumes in Greece

5.1.1.1. New business: annual number and principal volume of Final Recipient Transactions entered into over the past 3 years, split by:

I. Industry (using NACE Rev.2);
II. Rating class (e.g. internal scoring/rating/ probability of default/expected loss) (if available);
III. Internal business segment;
IV. Type of borrowers (autonomous, SMEs, start-ups and micro enterprises) (if available);
V. Duration of the Final Recipient Transactions;
VI. Purpose of finance (investments or working capital (or other breakdown, please specify));
VII. Indicative percentage of research and/or innovation driven financing.

5.1.1.2. Outstanding portfolio: total number and principal volume of Final Recipient Transactions outstanding at the most recent available year-end or half-year end (whichever most recently available), split by:

I. Industry (using NACE Rev.2, Division level);
II. Rating class (e.g. internal scoring/rating/ probability of default/expected loss) (if available);
III. Internal business segment;
IV. Type of borrowers (autonomous, SMEs, start-ups and micro enterprises) (if available);
V. Duration of the Final Recipient Transactions;
VI. Purpose of finance (investments or working capital (or other breakdown, please specify)).

5.1.2. Interest rates and remuneration: description of interest spread components, including a) administrative costs component, b) minimum risk related margin, split by risk category of borrowers.

5.2. Expected characteristics of the Portfolio to be built up
The following information is required for the ex-ante assessment of each Portfolio.

5.2.1. Expected features of the Final Recipient Transactions:

Indicative expected breakdown, or expected values of the different features of the Final Recipient Transactions should be provided, such as:

5.2.1.1. Internal segmentation

Internal segments under which the Applicant intends to classify Final Recipient Transactions to be included in the Portfolio.

5.2.1.2. Economic sector

Expected agriculture sectors (using NACE Rev.2, Division level) and their expected weights in each Portfolio (both by number and volume of Final Recipient Transactions).

5.2.1.3. Start-ups & micro enterprises

Expected percentage of start-ups and micro-enterprises. Please provide internal definition of a start-up company.

5.2.1.4. Indicative expected breakdown by principal amount and expected average amount.

5.2.1.5. Maturity profile

Expected breakdown by maturity, weighted average maturity (WAM) and weighted average life (WAL).

5.2.1.6. Expected breakdown by amortisation type (French, linear, balloon, bullet, other). Please provide internal definition of bullet and balloon Final Recipient Transactions

5.2.1.7. Interest rate type breakdown.

Expected breakdown by interest rate type (fixed, floating, other) and subsequent split by indexation and frequency of payment.

5.2.1.8. Expected embedded options percentages and other special features (payments holidays, maturity extensions, IO periods, etc.).

5.2.2. Portfolio risk profile:

5.2.2.1 Rating/Scoring of the Final Recipient Transactions in the Portfolio (Please note the split should be provided for the expected guaranteed Portfolio, taking into account that the FI may choose to include higher risk transactions in the guaranteed Portfolio compared to its typical originated portfolio.)

Expected percentage breakdown of the Portfolio by risk category at origination, e.g. internal scoring / rating / probability of default split by internal risk segment (if different rating models apply to different internal segments).

5.2.2.2 Collateralisation of the Final Recipient Transactions in each Portfolio

Expected composition by types of collateral (real estate, equipment, other assets, unsecured (i.e. only personal guarantees)). Please also include the respective collateralisation levels (as per the Applicant’s valuation policies) or, if available, the expected LGD levels for each type of collateral.

If the rating and/or LGD models are not used, please provide a professional estimation of the expected default rate and recovery rate of the Portfolio.

5.3 Performance Track Record

5.3.1. If rating models are used for the AGRI activity, please provide (for each model in use):
Annex I to the Open Call for Expression of Interest to select Financial Intermediaries under the ESIF EAFRD Greece FoF

a) the rating master scale with the respective minimum, maximum and median probability of default (PD) per rating class;
b) the latest back-testing information on the PD model evidencing the actual default frequencies per rating class versus modelled PD and the evolution of the explanatory power of such model (e.g. Gini score) over the last 3 years;
c) Annual rating migration per rating class for at least the last 3 years;6
d) Observed default frequencies of the different product types and segments and sub segments by scoring/rating category for the last economic cycle (where relevant);
e) The latest back-testing information on the LGD model evidencing the actual versus modelled LGD.

5.3.2. If no rating model is used, please provide the default vintage analysis7 for each year of origination of transactions and each relevant segment when applicable (for at least the last 5 years, but please provide more years if possible):
a) Aggregate initial principal amount of transactions granted in each year;
b) Aggregate defaulted amount for each year following origination, i.e. aggregate outstanding principal amount at the time of default for the transactions belonging to the same vintage (i.e. the same year of origination), with the relevant defaulted principal amounts shown in the respective year of default relative to the year of origination, as presented in the table below:

Please specify the definition of “default” that is reflected in the data provided.

5.3.3. Recovery rate, by year of Final Recipient Transaction default: the total amount recovered (open and closed cases) to date on the defaulted transactions for at least 5 years (please provide more years if possible), on aggregate basis and split by collateral type, internal segmentation, product, and any other relevant breakdown.

5.3.4. Average time lags between the granting of the transaction, the payment default by the borrower and the end of recovery period (including when resulting in a write-off), on aggregate basis and split by product, risk categories, and any other relevant breakdown.

5.3.5. Proxy portfolio loan-by-loan tape: please provide an anonymised loan-by loan data tape of the most recent origination (1-2 years history of loans that would be comparable with the expected portfolio and that should have been used to calculate the aggregate figures provided as per sections 5.1 and 5.2 above), including information such as: (i) origination and maturity date, (ii) internal business and/or risk segment, (iii) internal rating/scoring and associated PD, (iv) rating model (if applicable); (v) collateral type and value, (v) LGD level, (vi) industry, (vii) region where the borrower

6 Rating migration matrices should show the actual migration to each one of the other ratings including default. For the avoidance of doubt, Final Recipient Transactions that had a rating at the beginning of the period but that did not have a rating at the end of the period for reasons not related to credit quality (example, full repayment of facilities) should be reported in a separate column as non-rated.
7 Vintages are to be presented by reference to all relevant transactions originated during the same year.

Default definition: the default definition used must be in line with the Applicant’s internal procedures (e.g. a loan is regarded as defaulted if either it becomes more than X days past due or it has been written-off (other default criteria can also be used)). The default definition used must be specified.

Defaulted amounts: The aggregate of the outstanding principal amount of all transactions that defaulted in each year following their origination date is tracked separately for each vintage. The vintage analysis table is thus produced by recording in each cell - for each vintage line - the total outstanding amount at the time of default for transactions that have defaulted in the year of the relevant column (1, 2, 3, …). For instance, if the time to default [Time to default = default date - origination date, expressed in number of months] is comprised between 0-12 months, i.e. transactions defaulted within the first year of their life, the respective defaulted amount is to be shown in the column corresponding to year 1; if the time to default is comprised between 13-24 months, the respective defaulted amount is to be shown in the column corresponding to year 2, etc.
Annex I to the Open Call for Expression of Interest to select Financial Intermediaries under the ESIF EAFRD Greece FoF

is located; (viii) amortisation type (French, linear, etc.); (ix) interest rate type (floating, fixed, other) and interest index for floating; (x) margin/coupon (as applicable); (xi) turnover⁸.

Notwithstanding the above, Applicants are encouraged to provide the most detailed level of information (including all data referred to in sections 5.1, 5.2 and 5.3 here above) in order to facilitate EIF’s risk assessment of the Portfolio and the overall FoF.

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⁸ Where turnover information is not available a proxy can be provided by internal segment if applicable.