



ESIF EAFRD PORTUGAL FOF: CAPPED GUARANTEE INSTRUMENT
OPEN CALL FOR EXPRESSION OF INTEREST TO SELECT FINANCIAL INSTITUTIONS
(Published on 16 July 2019)

The objective of this Call for Expression of Interest (the “Call”), launched by the European Investment Fund (“EIF”), is to select eligible financial institutions (“Financial Institutions” or “FI”) to become Financial Institutions under the ESIF EAFRD Portugal FoF (the “Fund of Funds” or “FoF”), as further described below.

All applications (each an “Expression of Interest”) under the FoF to be submitted to the EIF should conform to the Call.

In addition to this explanatory document, the Call contains the following documents:

- Annex I: Expression of Interest to be completed by applicants, including its Appendices;
- Annex II: Criteria for the selection of Financial Institutions;
- Annex III: Indicative term-sheet of the capped portfolio guarantee available under the FoF;
- Annex IV: Terms of confidentiality.

1. Background and resources available

The Fund of Funds is supported by the Managing Authority of Portugal Mainland Rural Development Programme (the “MA”) and potentially EIF through the EFSI Combination Product (“EFSI CP”), in their capacity as investors in the FoF. Its objective is to provide better access to finance for Final Recipients through loss protection provided by EIF to Financial Institutions via capped guarantees for portfolios of newly originated loans or finance leases financing investments by Final Recipients in the agricultural and agro-industrial sectors in the continental area of Portugal (“Portugal Mainland”).

The Managing Authority of the Portugal Mainland Rural Development Programme has dedicated part of their budgetary resources co-financed by the European Agricultural Fund for Rural Development (“EAFRD”) to setting up the FoF. Under the Rural Development Programme, the FoF shall target the following two policy objectives: “4.1 Support for investments in agricultural holdings” and “4.2 Support for investments in processing and marketing of agricultural products”. Support under these two sub-measures will be provided through three Operations defined in the Rural Development Programme (“RDP”) of the MS, to be implemented through a financial instrument:

Operations 3.1.3 - Investment of Young Farmers in agricultural holdings supported by a financial instrument included in the sub-measure 4.1;

Operations 3.2.3 - Investment in agricultural business supported by a financial instrument included in the sub-measure 4.1;

Operations 3.3.3 - Investment in transformation and marketing of agriculture products supported by a financial instrument included in sub-measure 4.2.

These policy objectives and related terms and conditions drive the Eligibility Criteria that Final Recipient Transactions have to meet in order to benefit from the Guarantee’s coverage.

The FoF is open to additional contribution from EIF through the EFSI CP not later than 31/12/2022. Therefore this Call also addresses indicative Maximum Facility Volume, based on the overall potential contribution of the Rural Development Programme plus the EFSI CP. Applicants are invited to apply for Maximum Portfolio Volumes in the Expression of Interest, taking account of the indicative Maximum Facility Volume. However, for the avoidance of doubt, applicants may be granted a lower volume, as specified in Annex II.

2. ESIF EAFRD PORTUGAL FoF- Capped Guarantee Instrument

The FoF is to be implemented with the capped portfolio guarantee instrument (the “**Guarantee**”).

The FoF entails the issuance of Guarantees for the benefit of lenders to partially cover the portfolio credit risk of newly originated loans and finance leases granted to Final Recipients operating in the agricultural and agro-industrial sectors and included in the guaranteed Portfolios during a pre-defined Inclusion Period.

The FoF is only available in the area of Portugal covered by the Portugal Mainland Rural Development Programme. Applicants are thus invited to express interest in this area. EIF will set a Maximum Portfolio Volume in each Guarantee Agreement

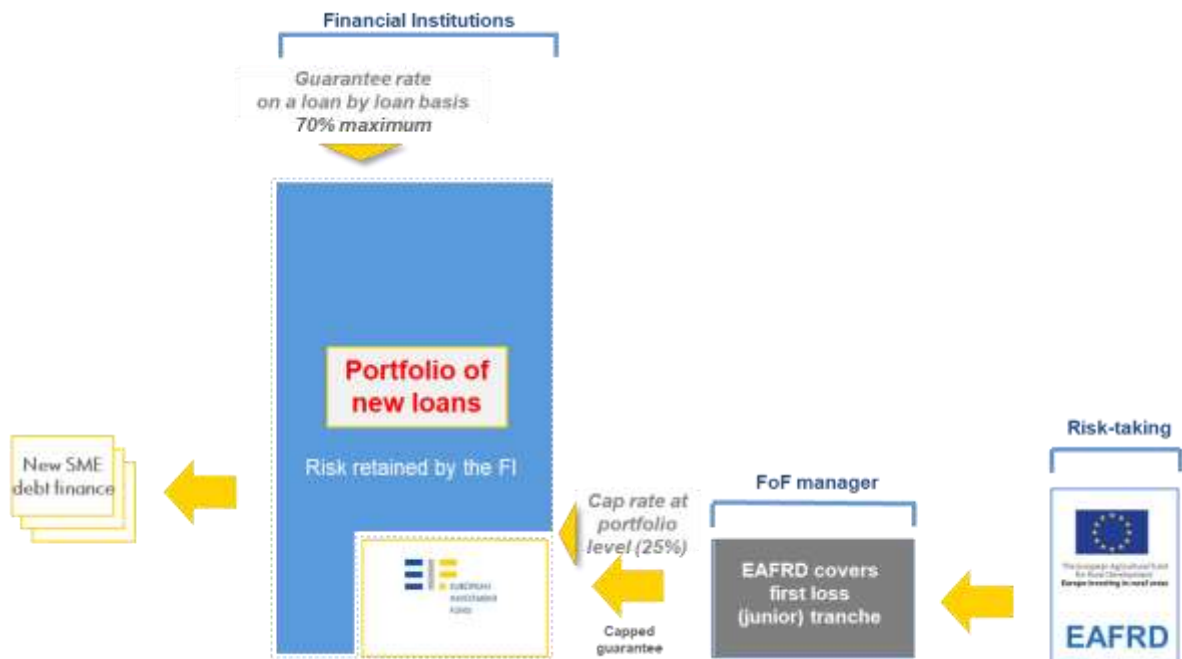
The relevant Maximum Portfolio Volumes are determined by EIF for each Financial Institution on a case by case basis. The Maximum Portfolio Volume available to a selected Financial Institution will be made available in tranches, subject to delivery of an increase notice by EIF based on achievement of pre-set levels of Actual Portfolio Volume, i.e., cumulative loan disbursements to Final Recipients within a given timeframe.

In accordance with the terms of the Guarantee, the Financial Institutions will benefit from a 70% risk cover (the “**Guarantee Rate**”) on each Final Recipient Transaction, up to a guarantee cap amount (“**Guarantee Cap Amount**”) that will be a function of a guarantee cap rate (“**Guarantee Cap Rate**”), which may be up to 25% (the Guarantee Cap Amount shall thus correspond to: Actual Portfolio Volume x Guarantee Rate x Guarantee Cap Rate). The Guarantee is free of charge.

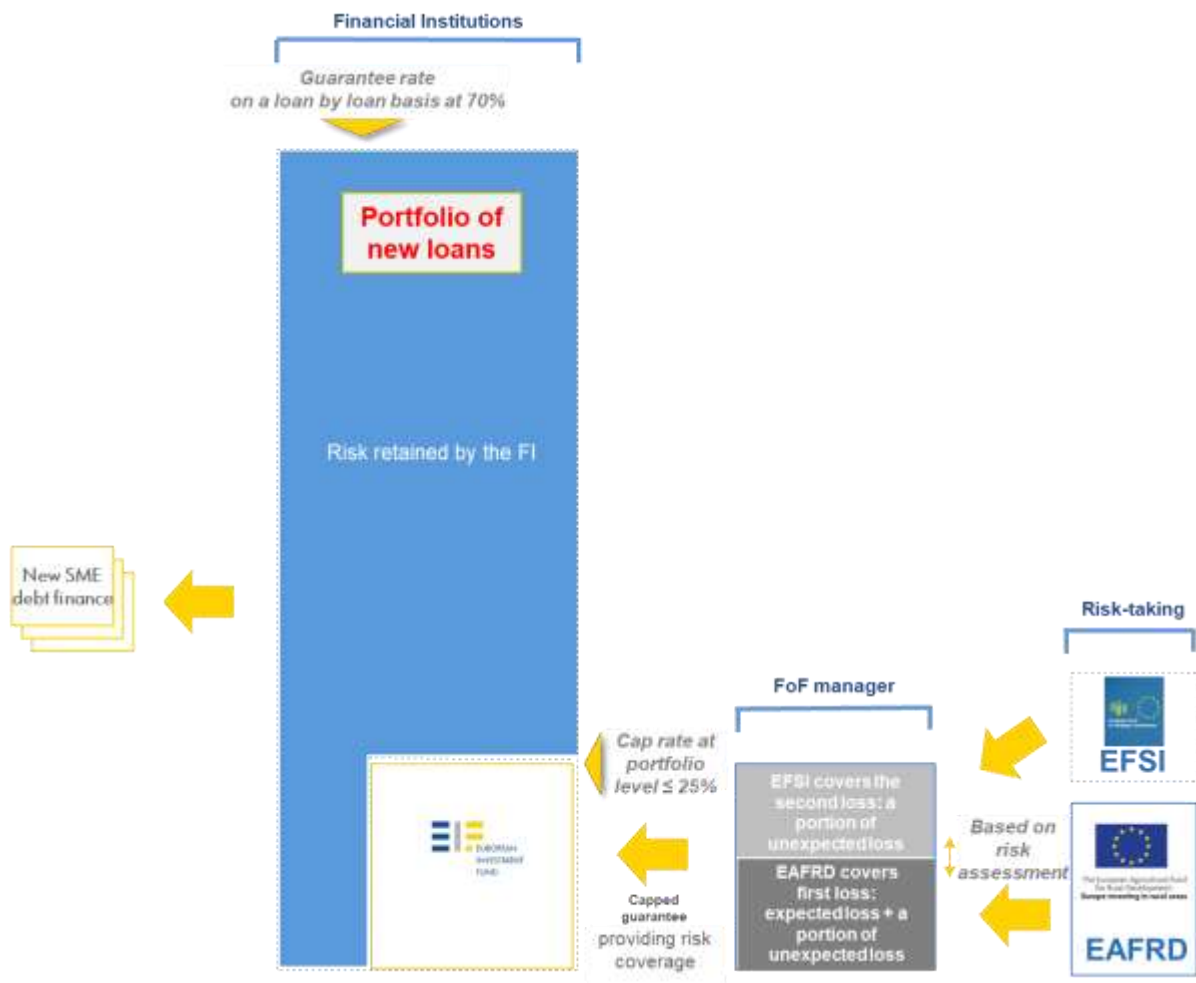
In order to ensure the necessary alignment of interest, the Financial Institutions shall retain a material interest in the guaranteed Portfolios.

A schematic representation of the Guarantee is depicted below:

Without EFSI contribution:



With EFSI contribution:



Compliance with applicable regulations (in particular the Common Provisions Regulation and the EAFRD Regulation and their implementing and delegated acts, as amended from time to time) shall be observed, as relevant, by the various parties according to their roles and responsibilities set out in the relevant agreements. Relevant references will be included in the Guarantee Agreements with Financial Institutions.

EIF may enter into Guarantee Agreements until 31 December 2021.

The Guarantee Agreements shall be in English and governed by the laws of Luxembourg.

3. Eligible Financial Institutions

The EIF shall select one or more Financial Institutions to implement the FoF in accordance with the procedure described in section 6 below. The selection of Financial Institutions shall take into account the resources available from time to time, and shall be based on a specific set of criteria.

This Call is addressed and restricted to public or private credit or financial institutions, investment funds or other financial intermediaries, in each case, duly authorised to carry out lending or leasing activities in the Republic of Portugal according to the applicable legislation, which shall be in all cases established and operating in the Republic of Portugal.

Financial Institutions shall comply with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud to which they may be subject, shall not be in any Exclusion Situation and shall not be established in a Non-Compliant Jurisdiction.

Financial Institutions shall acknowledge the EIF Anti-Fraud Policy which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing (please refer to EIF website)¹ and shall take appropriate measures (as may be further specified in the Guarantee Agreements) 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 in connection with actual or suspected prohibited conduct.

4. The Expression of Interest procedure

Financial Institutions interested in applying under this Call have to submit an Expression of Interest to the EIF by the Deadline (as defined below, 6 weeks from publishing date) to be considered as a potential Financial Institution under the FoF.

In accordance with Annex I to this Call, the Expression of Interest has to include the Applicant's identification and has to provide the information requested in Appendix 3 to the Annex I to this Call, together with supporting documents.

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 Financial Intermediaries' personal data, as published on the EIF's website) and the 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.

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

The information provided as requested in Appendix 3 to the Annex I to this Call should place particular emphasis on:

- a) Envisaged actions for the successful implementation of the Guarantee in the RDP area, particularly with regard to its launch (timing, target customers, promotional activities, type of products, changes to the underlying legal documentation, etc.);
- b) Estimated absorption capacity in the relevant territory, i.e. expected volumes of Final Recipient Transactions to be included in the Portfolio, taking into account any existing programme of similar nature implemented or available in parallel to the FoF;
- c) Proposed improvements to the terms (e.g. reduction in pricing and collateral requirements, focus on Final Recipient Transaction with maturities of 12 years or more) offered as compared to standard conditions;
- d) Origination and credit risk management capacity;
- e) Composition and characteristics of the proposed Portfolio (details to be provided in accordance with Section 5.2 of Annex I to this Call), taking explicitly into account the Eligibility Criteria set out in Annex II to this Call;
- f) Historical data on performance and track record in lending in the agricultural and agri-business sectors (details to be provided in accordance with Section 5.3 of Annex I to this Call).

Applicants may send questions regarding the Call or the nature and features of the FoF to the email agriportugal@eif.org.

The Expression of Interest shall be prepared in English.

Note on joint Expressions of Interest

Financial Institutions may group together as Participating Entities and submit a joint Expression of Interest. In this case, the joint Expression of Interest has to specify which of the Participating Entities

¹ http://www.eif.org/attachments/publications/about/Anti_Fraud_Policy.pdf

will act as the Applicant. The Applicant shall apply in the name and on behalf of the Participating Entities and shall indicate to the EIF the basis for the joint Expression of Interest. Following the selection of such a joint Expression of Interest and an agreement on all terms and conditions, one set of contractual documentation may be signed with the selected Applicant also on behalf of the other Participating Entities; alternatively, separate contracts may be signed with the selected Applicant and each of the Participating Entities. The ultimate decision on the form of the agreement(s) shall be made by EIF.

All information required under Appendix 3 to the Annex I to this Call must be provided for the Applicant and each and every Participating Entity covered by the joint Expression of Interest.

5. Submission of Expressions of Interest

Expressions of Interest must be submitted by the Deadline by email. The Deadline refers to the date of reception of the email by EIF.

The Deadline is 6 weeks after publication, unless EIF announces that the Deadline will be set on a later date depending, inter alia, on the availability of budgetary resources for the FoF (including in the case of reallocation of resources between Financial Institutions) or any agreement reached between the EIF and the governance body of the FoF and, if relevant, any amendment of the agreements governing the relationships of the risk takers of the FoF. Any change in the Deadline will be announced officially in the section of EIF's website relating to the FoF.

Submission by e-mail

The electronic version of the Expression of Interest must be sent to: agriportugal@eif.org, stating in the subject of the email: "ESIF EAFRD Portugal FoF – Expression of Interest: [name of the Applicant]". The requested annual reports may be provided via a link to the Applicant's website or, if preferable, as an attachment to the email.

Receipt of Expressions of Interest by EIF

Following submission of an Expression of Interest, an acknowledgement of receipt will be sent to the relevant Applicants by EIF via e-mail, which shall state the following:

- unique application identifier (Expression of Interest number), to be used in all subsequent communications relating to the Expression of Interest;
- confirmation that the Expression of Interest was received/submitted (as applicable) by the Deadline.

The acknowledgement of receipt does not constitute a declaration of completeness of the Expression of Interest and the documents submitted therewith, nor any other kind of assessment or acceptance of the same.

The Applicants may withdraw their Expression of Interest at any stage of the Selection process, by sending (i) an email and/or (ii) a letter to the above-mentioned addresses.

6. Selection procedure

Financial Institutions shall be selected on the basis of EIF's policies, rules, procedures and statutes and in conformity with best practices with an open, transparent, proportionate, non discriminatory and objective selection procedure, avoiding conflicts of interest, taking into account the criteria and principles underpinning the program and the experience and financial capacity of the Applicants, with a view to maximising the efficient use of the resources made available to the FoF.

Following the receipt of the Expression of Interest(s), EIF shall assess the application(s) pursuant to the selection process outlined herewith. This process comprises:

1. Pre-selection
2. Due diligence
3. Selection

Following the pre-selection based on the Expression of Interest, EIF shall perform a due diligence of the pre-selected Applicant, as a result of which EIF will decide whether or not to propose to its governing bodies a request for the approval of a Guarantee transaction with the pre-selected Applicant. The contractual negotiation process may not be considered concluded prior to the approval of the EIF's governing bodies, and is in any case not concluded until EIF and the Applicants have agreed on all relevant terms and conditions. Each of these three steps is described in more detail below in section 6.1.

In any phase of the selection process before entering into a legally binding agreement with an Applicant, EIF reserves full discretion to consider Applicants (and Participating Entities, in case of joint Expressions of Interest) in accordance with the criteria for the selection, and no Applicant or Participating Entity has any claim or other right or may expect to be ultimately selected as Financial Institution. Any negotiation of the terms and conditions of Guarantee Agreements by no means entails any obligation for EIF to enter into such Guarantee Agreements with the relevant Financial Institutions. EIF shall also have sole discretion to decide on the allocation of available amounts to Financial Institutions, including to propose a reduction of the volumes requested by the Financial Institution.

EIF will send a rejection notice to Applicants whose Expression of Interest was rejected during any stage of the selection process. EIF may, but shall not be obliged to provide reasons for such rejection.

Those Applicants, whose Expression of Interest is rejected, shall have the right to submit a written complaint about the selection process by e-mail, registered mail or professional courier service, to the same address used for the submission of the Expressions of Interest above, within the timeline provisioned within the relevant EIB Group complaints policy. Any complaints will be dealt within the framework and in accordance with the EIB Group complaints policy (for further information visit <https://www.eib.org/en/infocentre/publications/all/complaints-mechanism-procedures.htm>)

6.1. Pre-selection

Expressions of Interest received by the Deadline will be assessed by the EIF for pre-selection on a comparative basis. Expressions of Interest received by the Deadline shall be processed by the EIF in accordance with the provisions of this section 6.1 and sections 6.2 and 6.3 below.

When assessing the Expression of Interest, EIF will use its professional analysis and judgment.

The pre-selection comprises (please see Annex II):

1. **Pre-selection stage 1 – Formal Assessment:** formal assessment of the Expression of Interest (as set out in section 6.1.1 below);
2. **Pre-selection stage 2 – Minimum Criteria Assessment:** assessment of the Expression of Interest's compliance with minimum criteria (as set out in section 6.1.2 below);
3. **Pre-selection stage 3 – Quality Assessment** (as set out in subsections (Y) (Risk profile score) and (Z) (FoF score) of section 6.1.3 below)

Only Expressions of Interest that pass pre-selection stages 1 and 2 will go through to pre-selection stage 3.

During stage 3 of the pre-selection, EIF will evaluate the overall quality of the Expression of Interest, and in particular, the proposed conditions to improve access to finance for Final Recipients (e.g. in

terms of reduction of collateral requirements and/or reduction in pricing, and focus on longer term loans).

Based on the outcome of stage 3, EIF shall assign an overall score to the Expression of Interest, being a combined score between:

- i. A, B or C with respect to the criteria set out in subsection (Y) (*Risk profile criteria*); and
- ii. 1, 2 or 3 with respect to the criteria set out in subsection (Z) (*FoF profile criteria*).

Subject to the Maximum Portfolio Volumes indicated by the relevant Applicants, it is expected that up to three best Expressions of Interest to which EIF has assigned a combined Risk profile and FoF score equal to A1, A2 or B1 are pre-selected and carried forward to the Due Diligence stage.

The other Expressions of Interest with scores equal to A1, A2 or B1 as well as Expressions of Interest with combined scores A3, B2 or B3 are included in a reserve list which remains valid until the end of the Commitment Period.

Expressions of Interest with combined scores C1, C2 or C3 are not pre-selected.

A summary of the pre-selection final scorings resulting from the combination of the scores (i.e. A, B or C and 1, 2 or 3) assigned by the EIF at the end of the pre-selection process is set out in the classification table 1 below:

Table (1)

A1	B1	C1	<div style="display: flex; flex-direction: column; gap: 10px;"> <div style="display: flex; align-items: center;"> Pre-selected</div> <div style="display: flex; align-items: center;"> On reserve list</div> <div style="display: flex; align-items: center;"> Not pre-selected</div> </div>
A2	B2	C2	
A3	B3	C3	

All Applicants will be sent a notification about the result of the pre-selection process which can be either:

1. Pre-selection for the Due Diligence phase;
2. Placement of the Expression of Interest on the reserve list; or
3. Rejection of the Expression of Interest for not fulfilling the pre-selection criteria.

Pre-selected Applicants are advanced to the Due Diligence phase (see section 6.2). Applicants on the reserve list may be further considered for pre-selection.

EIF may suspend or abandon the pre-selection process at any time and no Applicant may claim any right to be pre-selected.

6.1.1 Formal assessment

EIF shall assess whether the Expression of Interest for the FoF has been prepared in accordance with the provisions of this Call according to the formal criteria:

1. The Applicant (and any Participating Entity in case of joint Expressions of Interest):
 - a. is established and operating in the Republic of Portugal;
 - b. is authorised to carry out lending or leasing activities in the Republic of Portugal under the applicable regulatory framework;

- c. presents an adequate underwriting and servicing processes and a system of internal controls;
 - d. presents an adequate reporting/accounting system; and
2. The Expression of Interest has been prepared in accordance with the Call for the implementation of Guarantee to cover a portfolio of loans and leases, all required representations, information and supporting documentation are provided (in the form requested, where specified) and has been duly signed.

The Expressions of Interest that do not conform to the formal criteria are rejected. In case of joint Expressions of Interest, if the Applicant or any Participating Entity covered by the Expression of Interest does not comply with the formal criteria, the entire Expression of Interest is rejected.

6.1.2 Minimum Criteria Assessment

The following criteria shall be assessed:

1. Adequate capacity to implement the instrument, by reference, inter alia, to historical volumes of loans in the relevant territory and sectors, and any prior experience with public guarantee schemes or management of other relevant forms of public support; and
2. The envisaged methodology to identify and select eligible Final Recipients.

6.1.3 Quality Assessment

After successful assessment of the formal criteria, and after having obtained any additional information or clarifications from Applicants, if and as needed, the EIF will perform a quality assessment of the Expression of Interest (and any Participating Entities in case of joint Expressions of Interest) according to the process set out below.

(Y) Risk profile score

EIF's assessment will aim at evaluating the risk profile of the envisaged Portfolio and of the Guarantee through the following parameters:

1. Portfolios' granularity and diversification;
2. Applicant underwriting & servicing procedures and policies
3. Completeness of historical data and data quality;
4. Financial standing of the Applicant (and any Participating Entities as the case may be), based on the credit rating and capital ratio.

(Z) FoF criteria

EIF's assessment will aim at evaluating the quality and plausibility of the implementation proposal at aggregate FoF level, with particular focus on:

1. Implementation and rollout strategy (including marketing and publicity of the FoF), strategy of the distribution network (including incentives for the sales force);
2. Proposals to improve access to finance for Final Recipients, in the form e.g. of reduced interest rates and reduced collateral requirements; the envisaged portfolio allocation to long-term loan maturities equal and above 12 years and up to 15 years (please see Annex I, Appendix 3, 3.2. for more details).

The Benchmarking process

Expressions of Interest in Pre-Selection stage 3 shall be assessed under the Benchmarking process and shall be examined on a comparative and equal basis to assess the pre-selection criteria under (Y) and (Z) above, with a view of establishing a ranking of the benchmarked Expressions of Interest.

Notwithstanding the above, Applicants may be placed in the reserve list without being assessed for pre-selection in case there are no budgetary resources available at that moment. Should budgetary

resources become available before the end of the Commitment Period, EIF may consider such Applicants for further assessment.

6.2. Due diligence

Applicants whose Expressions of Interest are pre-selected will be followed up with the due diligence process which will be carried out promptly after the pre-selection of an Applicant.

The due diligence is carried out in accordance with the EIF's internal rules and procedures, where financial and operational matters relating to the FoF's implementation shall be analysed in more detail. The aim of the due diligence is to assess, inter alia, the ability to build up the Portfolio, the Transfer of Benefit, the composition and risk profile of the envisaged Portfolio, the quality of origination, marketing and publicity of the FoF, strategy of the distribution network (including incentives for the sales force), risk management, collection recovery/workout processes, IT systems and ability to comply with the control and reporting requirements. The due diligence may comprise an on-site visit, which shall be at the discretion of the EIF. The due diligence process does not comprise contractual negotiations, however EIF may negotiate the Applicant's commercial terms of the proposal as regards the FoF's implementation.

6.3. Selection

Based on the results of the pre-selection and the outcome of the due diligence process the EIF will either:

1. select the Expression of Interest;
2. place the Expression of Interest on the reserve list; or
3. reject the Expression of Interest.

EIF may proceed with requesting the approval of its governing bodies for a Guarantee Agreement to be entered into with the selected Applicant under the FoF. EIF has no obligation to enter into a Guarantee Agreement with a selected Applicant.

6.4 Potential reallocations during implementation of the FoF

With a view to maximising the efficient use of the resources of the FoF, EIF shall have sole discretion to allocate any amounts available from time to time to Financial Institutions that out-perform initial expectations on the performance and build-up of the relevant Portfolio.

7. Publishing of information on the Financial Institutions, Participating Entities and Final Recipients

EIF may publish, from time to time, on its website a list of Financial Institutions and Participating Entities, which may include the name and the registered addresses of the Financial Institutions and Participating Entities, types of the contract entered into and the respective Guarantee amounts. EIF may also publish a list of Final Recipient Transactions benefiting from the FoF.

EIF Transparency Policy

Within the framework of the EIF's Transparency Policy² (the "EIF Transparency Policy"), EIF is committed to the guiding principle of promoting transparency with respect to its operational and institutional activities.

Pursuant to this guiding principle, and in accordance with the EIB Group approach and undertakings to promote transparency and good administrative practice, EIF has adopted the practice of

² http://www.eif.org/news_centre/publications/EIF_Transparency_policy.htm?lang=-en

publishing the minutes of the Board of Directors ("**Board minutes**") on its website, following their approval and signature.

The published Board minutes only indicate those operations presented for decision which have been approved and, as a general rule, contain a summary indicating the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources.

The EIF Transparency Policy also recognises the need for EIF to balance transparency with confidentiality undertakings and the protection of commercially sensitive or personal data, with a view to EIF satisfying its legal obligations to, and maintaining the confidence and trust of, its business partners, investors and third parties.

Consequently, should an Application receive the relevant EIF internal authorisation for submission to EIF's Board of Directors and be approved by the Board thereafter, and should an Applicant deem that the publication of such a summary would expose sensitive or confidential information, for which there would be a compelling reason not to disclose, the Applicant shall make a declaration to that effect in the submission of the Expression of Interest resulting in the information in question will be edited out of the published Board minutes and, subject to any applicable confidentiality undertakings, only being made public in connection with the signature of the operation in question.

If EIF has not received such declaration confirming that an Applicant does not agree to the publication of the aforementioned operational overview in the Board minutes, EIF will consider that it is acceptable to the Applicant and each Participating Entity, if applicable, and will proceed with publication on EIF's website as indicated above.

8. Definitions and Interpretation

In this Call, capitalised terms and expressions shall have the meaning attributed to them below or as elsewhere defined in this document and its Annexes, unless the context requires otherwise.

Final Recipient Transactions	Loans and/or finance leases entered into with Final Recipients which comply with all relevant Eligibility Criteria.
Applicant	An entity applying to this Call as a potential Financial Institution.
Inclusion Period	The period during which Final Recipient Transactions to be included in the Portfolio may be approved by the Financial Institution and entered into with Final Recipients.
Commission Recommendation	Commission Recommendation 2003/361/EC (OJ L124, 20.05.2003, "concerning the definition of micro, small and medium-sized enterprises" notified under document number C(2003) 1422), as amended, restated, supplemented and/or substituted from time to time.
Commitment Period	The period during which EIF and Financial Intermediaries can enter into Guarantees Agreement, the deadline of which being 31/12/2021 or such different date as announced officially in the FoF section of EIF's website.
Common Provisions Regulation (CPR)	Common Provisions Regulation (EU) No 1303/2013 of 17 December 2013 of the European Parliament and of the Council.

Data Protection Statement	Means the EIF statement on the processing operations of Applicants and Financial Intermediaries' personal data, as published on the EIF's website. (http://www.eif.org/attachments/eif_data_protection_statement_financial_Intermediaries_due_diligence_en.pdf)
Deadline	Means 6 weeks after publication or such different date as announced officially in the FoF section of EIF's website.
Disbursement End Date	31 December 2023 or such earlier date specified in the Guarantee Agreement.
EAFRD Regulation	Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013.
Eligibility Criteria	Means the eligibility criteria for Final Recipients, AGRI Transactions and the Portfolio set out in Appendix I of Annex II to this Call.
Exclusion Situation	Means any of the situations set out in Appendix 2 of Annex I to the Call.
Expression of Interest	Means an application to this Call submitted to EIF by the Deadline, conforming to the provisions of Annex I to this Call.
Final Recipient	Means a natural or legal person which enters into an Final Recipient Transaction with the Financial Institution.
Financial Institution	Means a financial or credit institution, investment fund or other financial intermediary, whether public or private, duly authorised to carry out lending or leasing activities in the Republic of Portugal according to the applicable legislation. Such institution shall comply with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud to which it may subject, shall not be in any Exclusion Situation and shall not be established in a Non-Compliant Jurisdiction.
Guarantee Agreement	Means a guarantee agreement, entered into between a Financial Institution and EIF in connection with the FoF.
Large Enterprise	An enterprise (within the meaning of the Commission Recommendation) that is not an SME (within the meaning of the Commission Recommendation) due to exceeding the relevant thresholds contained in the Commission Recommendation.
Non-Compliant Jurisdiction	means a jurisdiction (i) listed in the Annex I of the European Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes, adopted by the European Council at its meeting held on 12 March 2019, and/or (ii) 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, and/or (iii) rated as "partially compliant", "provisionally partially compliant" or "non-compliant" by the Organisation for Economic Cooperation and Development and its Global Forum on Transparency and Exchange of Information for Tax Purposes

	and/or (iv) included in the Financial Action Task Force “Public Statement” (i.e. countries or jurisdictions with such serious strategic deficiencies that the Financial Action Task Force calls on its members and non-members to apply counter-measures or for which the Financial Action Task Force calls on its members to apply enhanced due diligence measures), and/or (v) included in the Financial Action Task Force statement “Improving Global AML/CFT Compliance: On-Going process”(i.e. countries or jurisdictions with strategic weaknesses in their AML/CFT measures but that have provided a high-level commitment to an action plan developed with the Financial Action Task Force), in each case as such statement, list, directive or annex may be amended and/or supplemented from time to time.
Maximum Facility Volume	Means EUR [xxx]. Such amount is indicative and it will be determined only upon (i) definition of the cap rates under the Guarantee Agreements and (ii) the confirmation of the implementation of the EFSI CP.
Participating Entities	Means, in case a joint Expression of Interest to the Call is submitted covering the Applicant and at least one additional potential future Financial Institution, each and every additional potential future Financial Institution covered by such joint Expression of Interest.
SME	Enterprises (within the meaning of Article 1 of the Title I of the Annex of the Commission Recommendation) which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million; as further defined in the Commission Recommendation. For the avoidance of doubt, self-employed persons and individual entrepreneurs may be considered as SMEs pursuant to this definition.

9. Language, governing laws and signing process

The Expression of Interest shall be prepared in English.

The Guarantee Agreement shall be in English. The Guarantee Agreement shall be governed by the laws of Luxembourg.

Financial Intermediaries acknowledge that they may be requested to use a digital signature for the purpose of signing the Guarantee Agreement(s).