

Annex IIIa to the Open Call for Expression of Interest to select Financial Intermediaries
under ESIF ERDF Greece Guarantee Fund



Co-financed by Greece and the European Union

**ESIF ERDF Greece Guarantee Fund – INDICATIVE TERMS AND CONDITIONS OF THE DIRECT
GUARANTEE**

This summary term sheet is for information purposes only. This document is an outline of the indicative principal terms and conditions for the product described herein, which are subject to change and non-exhaustive.

This document is intended to provide a basis for discussions and does not constitute a recommendation, a solicitation, an offer or a binding commitment – either implicit or explicit – on the part of the European Investment Fund (EIF) and/or any other person to enter into one or more transaction(s). Any finance commitment by EIF can only be made, inter alia, after appropriate approval, conclusion of legal due diligence and finalisation of the required legal documentation. EIF does not act as adviser to you or owe you any fiduciary duty. EIF does not make any representations or warranties (whether explicitly or implicitly) with respect to the information contained in this document.

1. OVERVIEW

The ESIF ERDF Greece Guarantee Fund objective is to provide better access to finance for Final Recipients through loss protection provided by EIF to selected Financial Intermediaries via a capped guarantee (the “Guarantee”) for portfolios of new loans and financial leases (“Final Recipient Transactions”), financing investments by Final Recipients in Greece.

EIF and each selected Financial Intermediary will enter into a Guarantee Agreement setting out the precise features (e.g. Guarantee Cap Rate, Eligibility Criteria for Final Recipient Transactions, Transfer of Benefit mechanisms).

The Maximum Portfolio Volume allocated to a selected Financial Intermediary will be made available in tranches of Agreed Portfolio Volume, via an Agreed Portfolio Volume increase notice to be sent by EIF at its sole discretion, following the Financial Intermediary’s achievement of pre-set levels of Actual Portfolio Volume, i.e. of cumulative loan principal disbursements under Final Recipient Transactions included in the Portfolio.

The Guarantee Rate will cover 80% of each Final Recipient Transaction included in the Portfolio, up to a Guarantee Cap Amount that is a function of a Guarantee Cap Rate. Defaults are covered in respect of Final Recipient Transactions included in the Portfolio, up to an amount equal to the Guarantee Cap Amount (i.e. Actual Portfolio Volume x Guarantee Rate x Guarantee Cap Rate). The Guarantee Cap Rate may be up to 25% and it will be determined based on the expected risk profile of the Portfolio, after the completion of each Financial Intermediary’s selection phase, and set out in the Guarantee Agreement.

The recoveries on the defaulted Final Recipient Transactions will be shared *pari passu* by the Financial Intermediary and the EIF pro rata to the Guarantee Rate (i.e. 80%) and the EIF share of the recoveries shall replenish the available Guarantee Cap Amount.

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The Guarantee Agreement is structured (inter alia) to achieve compatibility, subject to the relevant regulator's views and any national legal and regulatory requirements, with regulatory capital relief in accordance with Regulation (EU) No 575/2013.

The origination, servicing and recovery processes of the Portfolio are delegated by EIF to the selected Financial Intermediaries, which will manage and service the Portfolio in accordance with their standard credit and collection policy.

The Financial Intermediaries shall ensure that the benefit of the Guarantee which will be free of charge is passed on to the Final Recipients, and shall propose concrete measures to do so in the Expression of Interest, to be further analysed by EIF during the selection process. The proposals should seek to quantify the risk covered for free by the Guarantee and pass such benefit to the Final Recipients in the form of higher risk taking through, for example, lower interest rates, lower collateralisation levels, etc, in each case as compared to what would typically be required in accordance with the standard credit and collection policy of the Financial Intermediaries applicable to comparable borrowers/loans.

It is specifically noted that the terms outlined in this Annex are indicative. In particular, as part of the overall effort of Member States and EU Institutions to counter the negative impact of the COVID-19 outbreak on the EU economy, certain rules applicable to ESIF ERDF resources may be amended, changed or made more flexible as the case may be, and such changes may, directly or subject to a decision of the relevant authorities, become applicable to the operations contemplated herein, and thus prevail over the terms set out in this Call of Expression of Interest.

2. Indicative Terms and Conditions of the Guarantee	
A – General terms	
Guarantee Agreement	The agreement entered into between the Guarantor and a Financial Intermediary setting out the terms and conditions of the Guarantee.
Guarantor	The European Investment Fund (EIF).
Operational Programme	The Operational Programme of the Hellenic Republic “Competitiveness, Entrepreneurship and Innovation” for 2014–2020, approved by decision of the European Commission on 19 December 2014, as amended and/or supplemented from time to time, which provides the resources funding this initiative.
Financial Intermediary	The beneficiary of the Guarantee, following selection by EIF in accordance with the Call. Financial institutions eligible for the selection process include any entity (including financial or credit institutions, investment funds or other financial intermediaries, whether public or private), duly authorised to carry out lending or leasing activities in Greece according to the applicable legislation. Such 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 an Exclusion Situation ¹ .

¹ Means any of the situations set out in Appendix 2 of Annex I to the Call.

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Structure of the Guarantee	The Guarantee issued by EIF provides credit risk coverage on a transaction-by-transaction basis for the creation of a portfolio of loans or leases ("Final Recipient Transactions") granted to Final Recipients. The guarantee shall cover losses incurred by the Financial Intermediary in respect of each Final Recipient Transaction for which a Credit Event has occurred. The Defaulted Amount is based on the outstanding exposure of the Final Recipient Transaction at the time of the Credit Event, multiplied by the Guarantee Rate, subject to the Guarantee Cap Amount.
FI Risk Retention	The Financial Intermediary undertakes, at all times until the expiration of the Guarantee, that it shall comply with the FI Risk Retention, i.e. it shall maintain an economic exposure of 20% of the outstanding principal amount of each Final Recipient Transaction (the "Relevant Portion") included in the Portfolio, and it shall not enter into any credit support, guarantee or other risk transfer arrangements with respect to the Relevant Portion.
Origination and Servicing	<p>The Financial Intermediary shall inter alia (i) originate and monitor the eligible Final Recipient Transactions and (ii) perform the servicing of the Portfolio, including monitoring and recovery actions (including the enforcement of any security), in each case in accordance with its standard procedures and policies.</p> <p>The Financial Intermediary shall not make any amendments to its credit and collection policy that may adversely affect the operation, performance or monitoring of the Guarantee Agreement, without prior written consent of the Guarantor.</p>
Guarantee Fee	The Guarantee is free of charge.
Guarantee Rate	80% on each Final Recipient Transaction.
Guarantee Cap Rate	A percentage up to 25% of the portion (i.e. 80%) of the Actual Portfolio Volume covered by the Guarantee. It shall be determined by EIF after having performed its due diligence/analysis of the Expression of Interest and shall reflect EIF's estimation at that time of the expected losses and part of the unexpected losses of the Portfolio to be covered under the Guarantee. It shall be set out upfront in the Guarantee Agreement.
Guarantee Cap Amount	An amount at which the obligation to pay under the Guarantee is capped, which is the maximum liability under the Guarantee and is calculated at Financial Intermediary portfolio level as the product of i) the Actual Portfolio Volume, ii) the Guarantee Rate, and iii) the Guarantee Cap Rate.

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Defaulted Amounts	<p>Means:</p> <ol style="list-style-type: none"> 1. Principal and/or interest (excluding late payment or default interest, capitalised interest, fees and other costs and expenses and excluding any interest amounts which accrued after a period of 90 days from the occurrence of a Credit Event) due, payable and outstanding at such time following occurrence of either a Final Recipient Transaction Default or a Final Recipient Transaction Acceleration, or 2. Any reduction in principal and/or interest amounts due (excluding late payment, default interest, capitalised interest, fees and other costs and expenses) as a result of a Final Recipient Transaction Restructuring. <p>Defaulted Amounts are covered at the Guarantee Rate, and subject to the Guarantee Cap Amount.</p>
Guarantee Coverage Period	<p>The Guarantee will cover Defaulted Amounts that have occurred during a period of up to 10 (ten) years, as further specified in each Guarantee Agreement, provided that it shall in no case extend beyond 31 December 2033.</p>
Credit Event: Final Recipient Transaction Default	<ol style="list-style-type: none"> 1. The Financial Intermediary considers at any time (acting reasonably in accordance with its internal procedures) that a Final Recipient is unlikely to meet its payment obligations under a Final Recipient Transaction (without recourse by the Financial Intermediary to actions such as realisation of security); or 2. a Final Recipient has failed to meet a payment obligation for at least 90 consecutive calendar days under a Final Recipient Transaction.
Credit Event: Final Recipient Transaction Acceleration	<p>Unless otherwise specified in the specific terms of the Guarantee Agreement, the occurrence of an event of default (howsoever defined) under a Final Recipient Transaction which has entitled the Financial Intermediary to accelerate payment of any amounts owed to it and the Financial Intermediary has exercised such right of acceleration (or is prevented from exercising such rights of acceleration solely by application of mandatory laws and regulations preventing or staying the exercise of such right).</p>
Credit Event: Final Recipient Transaction Restructuring	<p>Unless otherwise specified in the specific terms of the Guarantee Agreement, the Financial Intermediary, acting in a commercially reasonable manner and in accordance with its standard internal procedures, agrees to the restructuring of a Final Recipient Transaction such that the amount of principal scheduled to be paid, and/or any interest amount due, by the relevant Final Recipient is reduced, in order to improve the collectability of the claims arising from the relevant Final Recipient Transaction.</p>

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Payment Demands	<p>The Guarantor shall pay any amounts claimed by the Financial Intermediary within 60 calendar days of the relevant Payment Demand date. Payment Demands may be sent before, during or after the workout/recovery procedures in respect of a Final Recipient Transaction.</p> <p>Payment Demands shall be in respect of Defaulted Amounts relating to Final Recipient Transactions included in the Portfolio; the Defaulted Amounts (not necessarily the Payment Demands) have to be reported to the Guarantor by not later than the second Report Date following the calendar quarter in which such Defaulted Amounts have occurred.</p> <p>One Payment Demand may be sent for each calendar quarter, provided it is sent during the period from the last day of each calendar quarter to the following Report Date (a "Payment Demand Period").</p>
Recoveries	<p>Each and every amount, net of recovery and foreclosure costs (if any), recovered or received by the Financial Intermediary in respect of Defaulted Amounts, including by way of set-off².</p> <p>All Recoveries shall be shared <i>pari passu</i> between the Guarantor and the Financial Intermediary, <i>pro rata</i> to the Guarantee Rate (i.e. 80%).</p> <p>The Financial Intermediary shall send to the Guarantor at any relevant time, but not later than 30 days of the end of each calendar quarter a recovery notice with accompanying recoveries schedule and shall pay to the Guarantor any relevant amount, within three months of the end of each calendar quarter in which Recoveries are recovered or received by the Financial Intermediary.</p>
Trigger Event	<p>EIF may include Trigger Events in the Guarantee Agreement, the occurrence of which entitles EIF, but does not oblige it, to terminate the new inclusions of Final Recipient Transactions in the Portfolio, without affecting the cover of the included Final Recipient Transactions.</p>
Guarantee Termination Events	<p>The Guarantee Agreement will set out standard events of default, including, <i>inter alia</i>, non-payment of amounts due under the Guarantee Agreement, material breach of obligation, insolvency, unlawfulness and misrepresentation.</p> <p>The occurrence of an event of default, if not remedied within the relevant grace period (if any) may result in the termination of the Guarantee Agreement.</p>
B. The Portfolio	

² In relation to Final Recipient Transactions which are financial leases, "Recoveries" means each and every amount (including, in case assets leased to a Final Recipient are repossessed by the Financial Intermediary (i) any amount received by the Financial Intermediary as a result of the sale of such assets, and/or (ii) in case such assets are released, the purchase price of such assets agreed with the new lessee), net of recovery and foreclosure costs (if any), recovered or received by the Financial Intermediary in respect of Defaulted Amounts, where the EIF has paid amounts under the Guarantee in respect of such Defaulted Amounts.

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<p>Inclusion Period</p>	<p>The Inclusion Period is the period during which Final Recipient Transactions to be included in the Portfolio may be approved by the Financial Intermediary and entered into with Final Recipients.</p> <p>Such period shall typically last between 24 and 36 months (unless terminated earlier because of a Trigger Event or a Guarantee Termination Event) and may be extended in justified circumstances.</p> <p>Only Final Recipient Transaction amounts relating to principal amounts that have been disbursed by the Disbursement End Date (at the latest, 31/12/2023) shall ultimately be included in the Portfolio Volume.</p> <p>Inclusions occur automatically upon receipt by EIF of an inclusion notice and a Report submitted by the Financial Intermediary on a quarterly basis, typically one month after the end of each calendar quarter, and the Final Recipient Transactions are deemed to be covered from their respective signature date. Each quarterly Report shall concern new Final Recipient Transactions that have been entered into with Final Recipients during the two preceding calendar quarters, as well as provide ongoing information on the already included Final Recipient Transactions.</p>
<p>Maximum Portfolio Volume</p>	<p>The maximum amount that the Agreed Portfolio Volume can reach, as set out in the Guarantee Agreement.</p> <p>The Maximum Portfolio Volume is determined by the budget available for each Guarantee Agreement, the Guarantee Rate of 80% and the Guarantee Cap Rate of each Guarantee Agreement. Indicatively, a total portfolio volume EUR 465m of Final Recipient Transactions or more could be originated under the initiative.</p>
<p>Agreed Portfolio Volume</p>	<p>The maximum aggregate amount of principal³ of newly originated eligible Final Recipient Transactions that can be included in the Portfolio, expressed as a percentage of the Maximum Portfolio Volume in the Guarantee Agreement.</p> <p>The Agreed Portfolio Volume may be (i) decreased by agreement between the EIF and the Financial Intermediary or (ii) increased by the EIF pursuant to an Agreed Portfolio Volume increase notice following achievement of pre-set levels of Actual Portfolio Volume.</p>
<p>Increase of Agreed Portfolio Volumes</p>	<p>The commitment by EIF to the Financial Intermediary of available Maximum Portfolio Volume will be made in successive instalments of Agreed Portfolio Volume, subject to delivery of an Agreed Portfolio Volume increase notice by EIF following achievement of pre-set levels of Actual Portfolio Volume.</p>
<p>Actual Portfolio Volume</p>	<p>The aggregate amount of the principal committed to be made available under newly originated Final Recipient Transactions included in the Portfolio from time to time, provided that, for the avoidance of doubt:</p> <p>(i) if amounts under Final Recipient Transactions are prepaid and/or repaid, then this shall not reduce the Actual Portfolio Volume;</p>

³ In case of financial leases, the references to the 'principal amount' shall be deemed to be references to the 'capital amount', which means at any time the amount financed by the Financial Intermediary under a Final Recipient Transaction, i.e. the net purchase price of the leased asset reduced by the amount of a down payment thereunder, the result being multiplied by the guarantee rate of the Final Recipient Transaction.

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(ii) if a Final Recipient Transaction is excluded from the Portfolio as a result of the exclusion process described below, then such Final Recipient Transaction will not be taken into account for the calculation of the Actual Portfolio Volume; and

(iii) the Actual Portfolio Volume may in no circumstances exceed the applicable Agreed Portfolio Volume.

As of the earlier of:

(i) the end of a disbursement period when amounts are available for utilisation under a Final Recipient Transaction, and

(ii) the Disbursement End Date,

the Actual Portfolio Volume will be adjusted in order to reflect the aggregate initial principal amount of Final Recipient Transactions actually drawn.

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Regional Targets	<p>In line with the Operational Programme – Thematic Objective 3, which includes geographical restrictions on the allocation of resources, each selected Financial Intermediary will be requested to commit to originate certain volumes of Final Recipient Transactions in one or more categories of Regions, so that the corresponding Cap Amount is allocated, ex ante and at Guarantee Fund level, according to the following proportions:</p>		
	Region	NUTS	Category
	East Macedonia-Thrace	EL51	Less Developed
	Central Macedonia	EL52	Less Developed
	Thessaly	EL61	Less Developed
	Epirus	EL54	Less Developed
	West Greece (Dytiki Ellada)	EL63	Less Developed
	Attica	EL30	More Developed
	South Aegean	EL42	More Developed
	West Macedonia	EL53	Transition
	Peloponnese	EL65	Transition
	Crete	EL43	Transition
	Ionian Islands	EL62	Transition
	North Aegean	EL41	Transition
	Continental Greece (Sterea Ellada)	EL64	Transition
<p>Each Final Recipient Transaction is to be allocated to one Region only.</p> <p>Attribution of Final Recipient Transactions to Regions (and then to the corresponding category) will be made under the following rules (as may be further specified in the Guarantee Agreement):</p> <p>(i) Final Recipient Transactions financing tangible investments shall be allocated to the Region where the investment is located;</p> <p>(ii) Final Recipient Transactions financing intangible investments shall be allocated to the Region where the relevant Final Recipient has its registered office, unless the investment can be clearly allocated to another Region (which determination shall be documented by the Financial Intermediary, including via a declaration of the relevant Final Recipient); and</p> <p>(iii) Final Recipient Transactions financing working capital shall be allocated to the Region where the relevant Final Recipient has its registered office unless the transaction can be clearly allocated to another Region (which determination shall be documented by the Financial Intermediary, including via a declaration of the relevant Final Recipient).</p> <p>Each Guarantee Agreement shall establish one Maximum Portfolio Volume (and associated Agreed Portfolio Volume) covering all the categories of Regions concerned by the Guarantee Agreement. However, the Guarantee Agreement will contain Portfolio Criteria that shall establish fixed maximum amounts in each relevant category of Regions. Such maximum amounts may not be exceeded, unless otherwise agreed with EIF; for the avoidance</p>			

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	<p>of doubt, no reallocation between categories of Regions at Guarantee Fund level may occur without the consent of the governing bodies of the initiative.</p> <p>The total portfolio of Final Recipient Transactions under each Guarantee Agreement will be regarded as a single portfolio for all purposes of calculation of the Cap Amount and the coverage of losses throughout the national territory. In other words, losses occurred in any of the above categories of Regions will be covered by the Cap Amount irrespective of the regional allocation of the relevant Final Recipient Transactions.</p>
Disbursement End Date	31 December 2023.
Final Recipient	A natural or legal person which has entered into a Final Recipient Transaction.
Final Recipient Transaction	A loan or a financial lease entered into between a Financial Intermediary and a Final Recipient.
Eligibility Criteria	<p>The Financial Intermediaries shall ensure that the Final Recipient Transactions and the investments they finance, the Final Recipients and the Portfolio, as relevant, comply with a set of Eligibility Criteria, mostly deriving from the Operational Programme and related legislation, as set out in this Call.</p> <p>Portfolio Eligibility Criteria shall establish a maximum volume that may be included in each category of Regions covered by each Guarantee Agreement.</p> <p>Additional criteria may be set by EIF on a case-by-case basis in each Guarantee Agreement, such as thresholds concerning eligible rating classes, minimum levels of portfolio granularity, portfolio percentage limits on bullet or balloon features of the Final Recipient Transactions included in the Portfolio.</p> <p>A breach of any of the Eligibility Criteria shall result in an exclusion of the relevant Final Recipient Transaction from the Portfolio, save as specified in the "Exclusion Process".</p> <p>A list of Eligibility criteria is set out in Appendix I.</p>
Restricted Sectors and Ineligible Expenditure	<p>Final Recipients which are active (as further specified in Appendix I) in one or more of the Restricted Sectors listed in Appendix II are not eligible to enter into Final Recipient Transactions.</p> <p>Final Recipient Transactions may not finance any Ineligible Expenditure, as listed in Appendix II. The list may be further specified in the Guarantee Agreement.</p>
Excluded Final Recipient Transaction	Means a Final Recipient Transaction which, at the time of inclusion or at any Report Date, as applicable, does not comply with the Eligibility Criteria.

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<p>Exclusion Process</p>	<p>If a Final Recipient Transaction which has been included in a Portfolio does not comply with relevant Eligibility Criteria, it shall be excluded from the Portfolio (and shall not be covered by the Guarantee) and reduce the Actual Portfolio Volume.</p> <p>However, if a Final Recipient Transaction is or becomes non-eligible 1) as a result of any event or circumstance beyond the control of the Financial Intermediary and 2) the Financial Intermediary became aware thereof after a Payment Demand relating to such Final Recipient Transaction was served by the Financial Intermediary to the Guarantor such Final Recipient Transaction shall remain covered by the Guarantee and shall not be considered an Excluded Obligation.</p> <p>Similarly, if a Final Recipient Transaction is or becomes non-eligible 1) as a result of any event or circumstance beyond the control of the Financial Intermediary but 2) the Financial Intermediary became aware thereof before a Payment Demand relating to such Final Recipient Transaction was served by the Financial Intermediary to the Guarantor, then such Final Recipient Transaction shall remain covered by the Guarantee if the Financial Intermediary accelerated payment of all amounts owed to it under such Final Recipient Transaction, no later than on the Report Date immediately following the date on which it became aware of the same. However, if the Financial Intermediary does not accelerate such Final Recipient Transaction within the timeframe specified above then the relevant Final Recipient Transaction shall be excluded from the relevant Portfolio and shall be deemed never to have been covered by the Guarantee.</p> <p>The Actual Portfolio Volume shall be adjusted following an exclusion from the Portfolio by deducting from the Actual Portfolio Volume the aggregate principal amount of the Final Recipient Transactions excluded.</p> <p>If the Actual Portfolio Volume is adjusted pursuant to this section, the Financial Intermediary may include one or more further Final Recipient Transactions in the Portfolio to the extent that the Actual Portfolio Volume does not exceed the Agreed Portfolio Volume and provided that (i) such inclusions are made by the Disbursement End Date and (ii) any other conditions set out in the Guarantee Agreement.</p>
<p>Transfer of Benefit</p>	<p>In the Guarantee Agreement, the Financial Intermediary shall acknowledge that the Guarantee is provided with the ultimate purpose to enhance access to finance and will be required to transfer the benefit of the Guarantee to the full extent possible to the Final Recipients, in the form of, inter alia, diminished collateral requirements, decreased interest rates, or other specific mechanisms that shall form part of the Guarantee Agreement.</p> <p>Financial Intermediaries shall maintain records evidencing improved financing conditions compared to standard credit policies and procedures applicable to comparable borrowers.</p>

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<p>State aid</p>	<p>The Financial Intermediary shall ensure, in respect of the Final Recipient Transactions included in the Portfolio, compliance with applicable State aid rules. The State Aid regime for the Final Recipient Transactions which the Guarantee shall comply with is the “De Minimis” regime, governed mainly by the De Minimis Regulation (Commission Regulation (EU) No 1407/2013 of 18 December 2013, as from time to time amended, restated or replaced).</p> <p>For such purpose and before the Final Recipient Transaction is granted, the Financial Intermediary will have to (i) calculate the Final Recipient Transaction’s Gross Grant Equivalent (GGE), (ii) check that the total GGE received by the Final Recipient over the relevant timeframe (including the GGE of the Final Recipient Transaction) is not higher than the relevant threshold set out in the De Minimis Regulation, via a self-declaration; and (iii) report the GGE of individual Transactions to the EIF.</p> <p>The GGE shall be calculated by the Financial Intermediary according to the following formula prescribed in article X of the De Minimis Regulation:</p> <p><i>Loan amount x Guarantee Rate x Min(loan maturity in years;10) x 200/1500/5</i></p> <p>Furthermore, the Financial Intermediary shall undertake to implement any agreed upon actions, in order for the State Aid Cumulative Information System (PSSKE - Σώρευσης) and the PSKE to be updated with the amounts of GGE of individual Final Recipient Transactions.</p>
<p>Monitoring and Audits</p>	<p>Financial Intermediaries and Final Recipients whose Final Recipient Transactions are covered by the Guarantee shall agree to allow and to provide access to documents and premises related to the Guarantee to the authorities responsible of the audits and controls on the Operational Programme (e.g. Managing and Audit Authorities), representatives of the European Commission (including the European Anti-Fraud Office (OLAF)), the European Investment Bank, the European Court of Auditors, EIF, agents of EIF and/or any other European Union institution or European Union body which is entitled to verify the use of the Guarantee and any other duly authorized bodies under applicable law to carry out audit or control activities. To that effect, the Financial Intermediary shall also include appropriate provisions in the relevant Final Recipient Transaction documentation.</p> <p>The Financial Intermediaries shall provide any information from time to time requested by EIF with the objective of assessing the eligibility and/or risk profile of the included Final Recipient Transactions.</p>
<p><u>3. Miscellaneous</u></p>	

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Reporting - Report Date	<p>The Financial Intermediary shall provide the Guarantor, within 30 calendar days⁴ after the end of each calendar quarter (the “Report Date”), with quarterly information in a standardised form (see Appendix IV), including among others, information on the Final Recipients covered by the Guarantee, Final Recipient Transactions, and relevant amounts outstanding.</p>
Compliance with Laws	<p>The Financial Intermediary shall comply in all respects with all applicable laws and regulations (whether national laws and regulations or laws and regulations of the European Union) to which it may be subject, including applicable State aid rules. In particular, the Financial Intermediary shall comply with the requirements of Common Provisions Regulation 1303/2013 (CPR), as amended from time to time including by Regulation 2018/1046 (Omnibus Regulation).</p> <p>The Financial Intermediary shall include in the documentation evidencing the Final Recipient Transaction:</p> <p>(x) undertakings from the Final Recipients equivalent to that described above; and</p> <p>(y) any representations, warranties and undertakings from the Final Recipients necessary for the purpose of ensuring that each Final Recipient Transaction included in the Portfolio shall comply at any relevant time with the Eligibility Criteria.</p> <p>As currently provided for under the relevant EIB Group policies:</p> <p>(i) The Financial Intermediary shall not be established in a Non-Compliant Jurisdiction unless the operation is physically implemented in the relevant Non-Compliant Jurisdiction and does not present any indication that it supports actions that contribute to targeted activities. The EIF will provide relevant arrangements in order for the Financial Intermediary to transpose this requirement at the level of the Sub-Intermediaries or the Final Recipients, as applicable;</p> <p>(ii) The Financial Intermediary shall undertake to comply with applicable European Union law and agreed international and European Union standards and, therefore, not support actions that contribute to tax evasion or finance artificial arrangements aimed at tax avoidance. The EIF will provide relevant arrangements in order for the Financial Intermediaries to transpose this requirement at the level of the Sub-Intermediaries or the Final Recipients, as applicable;</p> <p>(iii) Final Recipients should not be incorporated in Non-Compliant Jurisdictions, unless the operation is physically implemented in the relevant Non-Compliant Jurisdiction and does not present any indication that it supports actions that contribute to targeted activities.</p>
Publicity and Visibility	<p>The Financial Intermediary shall carry out information, marketing and publicity campaigns, including through their website or alternative ways of communication, aimed at making the Guarantee known to potential Final Recipients, as required by and as further specified in Annex XII of the CPR.</p>

⁴ FIs shall provide the Guarantor with such information within 20 calendar days with respect to information related to the last calendar quarter of each year.

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	The Financial Intermediary shall ensure that the Final Recipient Transaction contractual documentation, promotional material, press releases and any publication on their website or alternative ways of communication contains pre-defined logos and a pre-set statement concerning the support obtained.
Governing Law and Language	The terms of the Guarantee Agreement shall be in the English language and the Guarantee Agreement will be governed by the laws of Luxembourg.

APPENDIX I
ELIGIBILITY CRITERIA

The Eligibility Criteria are composed of the (i) Eligibility Criteria for Final Recipients (indicatively set out in Section A), (ii) Eligibility Criteria for the Final Recipient Transactions (indicatively set out in Section B), (iii) Eligibility Criteria for the Portfolio (described in Section C), as set out below and as may be further supplemented or otherwise modified in the Guarantee Agreement.

The main Eligibility Criteria are based on the Operational Programme and related legislation, as well as the relevant State aid rules.

The Financial Intermediary shall ensure that each Final Recipient Transaction included in a Portfolio complies with the Eligibility Criteria for Final Recipients, Eligibility Criteria for Final Recipient Transactions, and the Eligibility Criteria for the Portfolio.

Certain Eligibility Criteria shall be met at all times, while certain Eligibility Criteria shall only be met on the signing date or approval date of the relevant Final Recipient Transaction (or another date specifically indicated in the Guarantee Agreement).

A breach of any of the Eligibility Criteria shall result in an exclusion of the relevant Final Recipient Transaction(s) from the Portfolio, save as specified in the term “Exclusion Process”.

A. Indicative Eligibility Criteria for Final Recipients

	Eligibility Criteria for Final Recipients	Application
1	The Final Recipient qualifies as an SME under the 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 or substituted from time to time.	Signing date
2	The Final Recipient is not subject to collective insolvency proceedings nor fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors, as set out in art. 4.3 (a) of the De Minimis Regulation 1407/2013.	Signing date
3	The Final Recipient is potentially economically viable (as assessed by the Financial Institution in accordance with its internal procedures).	Signing date
4	The Final Recipient is established and/or operating in the Hellenic Republic;	Signing date
5	The Final Recipient shall not have a substantial focus on one or more Restricted Sectors as set out in the relevant EIF policy on restricted sectors (which determination shall be made by the Financial Intermediary in its discretion based, without limitation, on the proportionate importance of such sector on revenues, turnover or client base of the relevant Final Recipient).	Signing date
6	The Final Recipient shall not be in an Exclusion Situation as defined in Appendix 2 to Annex I to the Call (“Declaration of Honour of Applicant”).	Signing date

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7	The Final Recipient is eligible under the scope of De Minimis Regulation ⁵ .	Signing date
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Section B – Indicative Eligibility Criteria for Final Recipient Transactions

	<u>Eligibility Criteria for Final Recipient Transactions</u>	Application
1	Final Recipient Transactions shall be newly originated and disbursed during the Inclusion Period, however in any case no later than 31 December 2023.	Signing date
2	The purpose of the Final Recipient Transaction shall be: (1) investment in tangible or intangible assets, and/or (2) working capital (in accordance article 37.4 of CPR, as interpreted by ESIF Guidelines; (3) the transfer of proprietary rights in enterprises provided that such transfer takes place between independent investors; in each case, VAT related to the financed investments/acquisitions shall also be eligible expenditure.	Continuing
3	The Final Recipient Transaction shall not refinance or restructure existing loans and/or leases.	Continuing
4	The investments to be supported by the Final Recipient Transaction shall be expected to be financially viable (as assessed by the Financial Institution in accordance with its internal procedures) and shall not have been physically completed or fully implemented as at the date of the Final Recipient Transaction approval by the Financial Institution.	Signing date
5	The amount of the Final Recipient Transaction that is dedicated to the purchase of land cannot exceed 10% of the initial principal amount of the Final Recipient Transaction.	Continuing
6	The Final Recipient Transaction shall not finance pure financial activities or real estate development when undertaken as a financial investment activity and shall not finance the provision of consumer finance.	Continuing
7	The Final Recipient Transaction initial principal amount shall not be greater than EUR 5,000,000 (subject to the GGE not exceeding de minimis limits, in accordance with the De Minimis Regulation).	Signing date
8	The Final Recipient Transaction shall have a fixed repayment schedule, i.e. amortising loans (including bullet/balloon loans), be a revolving Final Recipient Transaction, or a financial lease.	Continuing

⁵ When an undertaking is active both in sectors excluded from the De Minimis Regulation and in one/more of the sectors falling within its scope, such undertaking may be considered eligible in respect of the latter sectors or activities in accordance with art. 1.2 of the De Minimis Regulation, as long as the Financial Intermediaries are able to reflect a separation of activities or distinction of costs, in order for the activities in the excluded sectors not to benefit from the de minimis aid, through the acquisition in the business plan as provided by the Final Recipients when applying for a loan, as well as the pro-forma invoices or any equivalent justifying document.

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9	The Final Recipient Transaction shall not be in the form of a mezzanine loan, a subordinated debt, a quasi-equity transaction or convertible loan.	Continuing
10	The Final Recipient Transaction shall have a minimum maturity of 12 months.	Continuing
11	The Final Recipient Transaction currency shall be EUR.	Continuing
12	Transfer of the benefit of the Guarantee: the Final Recipient Transaction must comply with the terms of the Guarantee Agreement relating to the transfer of benefit to the full extent possible (e.g. reduction of interest rate and / or collateral requirements).	Continuing
13	The Final Recipient Transaction shall not finance activities excluded by the De Minimis Regulation.	Continuing
14	The Final Recipient Transaction shall not be affected by an Irregularity or fraud.	Continuing
15	<p>With respect to an expenditure item financed by the Final Recipient Transaction, in addition to the assistance received through the Final Recipient Transaction, Final Recipients may receive assistance from another ESI Funds priority or from another instrument supported by the budget of the EU, provided that:</p> <ul style="list-style-type: none"> (i) such combination is in line with applicable ESIF and EU state aid rules; (ii) separate records are maintained for each source of assistance, (iii) the eligible expenditure financed by the Final Recipient Transaction is distinct from expenditure financed by other sources of assistance; and (iv) if the other sources of assistance cover the same eligible expenditure item, the sum of all sources of support combined does not exceed the total amount of the expenditure item concerned. 	Continuing
16	The Final Recipient Transaction shall not be used to pre-finance grants.	Continuing

Section C – Portfolio Eligibility Criteria

In the Guarantee Agreement, EIF shall set Portfolio Eligibility Criteria relating to the maximum amount that can be originated in each category of Regions covered by the Guarantee Agreement. In addition and to be assessed on a case-by-case basis, EIF may set additional Portfolio Eligibility Criteria such as (but not limited to): thresholds concerning eligible rating classes, minimum levels of portfolio granularity, portfolio percentage limits on bullet or balloon features of Final Recipient Transactions, etc..

Breach of these criteria results in the exclusion from the Portfolio of those Final Recipient Transactions that generate the breach at Portfolio level.

APPENDIX II

RESTRICTED SECTORS

RESTRICTED SECTORS – Extract from the Guidelines on EIF Restricted Sectors⁶

1. **Illegal Economic Activities**

Any production, trade or other activity, which is illegal under the laws or regulations of the home jurisdiction for such production, trade or activity ("**Illegal Economic Activity**").

Human cloning for reproduction purposes is considered an Illegal Economic Activity in the context of these Guidelines.

2. **Tobacco and Distilled Alcoholic Beverages**

The production of and trade in tobacco and distilled alcoholic beverages and related products.

3. **Production of and Trade in Weapons and Ammunition**

The financing of the production of and trade in weapons and ammunition of any kind. This restriction does not apply to the extent such activities are part of or accessory to explicit European Union policies.

4. **Casinos**

Casinos and equivalent enterprises.

5. **IT Sector Restrictions**

Research, development or technical applications relating to electronic data programs or solutions, which:

(i) aim specifically at:

- (a) supporting any activity included in the EIF Restricted Sectors referred to under 1. to 4. (inclusive) above;
- (b) internet gambling and online casinos; or
- (c) pornography,

or which:

(ii) are intended to enable to illegally:

- (a) enter into electronic data networks; or
- (b) download electronic data.

6. **Life Science Sector Restrictions**

When providing support to the financing of the research, development or technical applications relating to

- (i) human cloning for research or therapeutic purposes; and
- (ii) Genetically Modified Organisms ("**GMOs**"),

the Guarantor will require from the Financial Intermediary appropriate specific assurance on the control of legal, regulatory and ethical issues linked to such human cloning for research or therapeutic purposes and/or GMOs.

⁶ "Guidelines on the EIF Restricted Sectors" available at:

http://www.eif.org/news_centre/publications/2010_Guidelines_for_Restricted_Sectors.htm

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APPENDIX III
INDICATIVE REPORTING TEMPLATE

Table A1 - Beneficiaries

A.1.1. Fiscal number <i>Mandatory</i>	A.1.2. Final Recipient name <i>Mandatory</i>	A.1.3. Address <i>Mandatory</i>	A.1.4. Postal Code <i>Mandatory</i>	A.1.5. Place <i>Mandatory</i>	A.1.6. Region (NUTS Code) <i>Mandatory</i>	A.1.7. Country <i>Mandatory</i>	A.1.8. Date of establishment <i>Mandatory</i>	A.1.9. Sector (NACE code) <i>Mandatory</i>	A.1.10. Number of employees <i>Mandatory</i>
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Table A1 - Beneficiaries

A.1.11 Total Turnover EUR <i>Mandatory</i>	A.1.12 Total Assets EUR <i>Mandatory</i>	A.1.13 Is the Final Recipient part of a group? <i>Mandatory</i>	Comments <i>Optional</i>
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Table A2 - New transactions

A.1.1. Fiscal number <i>Mandatory</i>	A.2.1. Transaction reference <i>Mandatory</i>	A.2.1.1. Transaction type <i>Mandatory</i>	A.2.2. Transaction currency <i>Mandatory</i>	A.2.3. Permitted Purpose Activities <i>Mandatory</i>	A.2.4. Transaction principal amount <i>Mandatory</i>	A.2.5. Transaction Maturity (months) <i>Mandatory</i>	A.2.5.1. Grace period (months) <i>Mandatory</i>	A.2.6. Transaction signature date <i>Mandatory</i>	A.2.7. First disbursement date <i>Mandatory</i>	A.2.8. Amortisation Profile <i>Mandatory</i>
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Table A2 - New transactions

A.2.9. Repayment frequency <i>Mandatory</i>	A.2.10. Reference Rate <i>Mandatory</i>	A.2.11. Interest rate / margin over Reference Rate <i>Mandatory</i>	A.2.12. Loss Given Default <i>Mandatory</i>	A.2.13 Activity sector of investment (NACE code) <i>Mandatory</i>	A.2.14 Gross Grant Equivalent amount <i>Mandatory</i>	A.2.15 Investment location (NUTS) <i>Mandatory</i>	A.2.16 Total Eligible Project Cost <i>Mandatory</i>	A.2.17 Value of Collateral <i>Mandatory</i>	A.2.18 Main type of collateral <i>Mandatory</i>	Comments <i>Optional</i>
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Table A3 - Intermediary transactions

A.2.1 Final Recipient Transaction ID <i>Mandatory</i>	A.3.1 Intermediary Transaction guarantee amount <i>Mandatory</i>	A.3.2 Intermediary Transaction guarantee rate <i>Mandatory</i>	A.3.3 Intermediary Transaction signature date <i>Mandatory</i>	A.3.4 Intermediary Transaction maturity date <i>Mandatory</i>	A.3.5 Intermediary name <i>Mandatory</i>	A.3.6 Intermediary address <i>Mandatory</i>	A.3.7 Intermediary Postal Code <i>Mandatory</i>	A.3.8 Intermediary Place <i>Mandatory</i>	Comments <i>Optional</i>
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Table B - Included transactions

A.1.1. Fiscal number <i>Mandatory</i>	A.2.1. Transaction reference <i>Mandatory</i>	A.1.13 Final Recipient scoring <i>Mandatory</i>	A.1.13.1 Final Recipient rating model used <i>Optional</i>	B.1. Cumulated disbursed principal amount <i>Mandatory</i>	B.2. Transaction outstanding principal amount <i>Mandatory</i>	B.3. End of disbursement period <i>Mandatory</i>	B.4 Total outstanding principal amount (performing) <i>Mandatory</i>	B.7. Defaulted Final Recipient Transaction (Y/N) <i>Mandatory</i>	B.8 Event date / Date of Defaulted Final Recipient Transaction <i>Mandatory</i>
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Table D - Expired/repaid transactions

A.1.1. Fiscal number <i>Mandatory</i>	A.2.1. Transaction reference <i>Mandatory</i>	D.1. Repayment date <i>Mandatory</i>
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Table E - Excluded SME Transactions

A.1.1. Fiscal number <i>Mandatory</i>	A.2.1. Transaction reference <i>Mandatory</i>	E.1. Exclusion date <i>Mandatory</i>	E.2. Event type <i>Mandatory</i>
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Table H - Converted Transactions

H.1. Converted Transaction reference <i>Mandatory</i>	A.1.1. Fiscal number <i>Mandatory</i>	A.2.1. Transaction reference <i>Mandatory</i>	A.2.2. Transaction currency <i>Mandatory</i>	A.2.5. Transaction principal amount <i>Mandatory</i>	A.2.6. transaction maturity (months) <i>Mandatory</i>	A.2.6.1. Grace period (months) <i>Mandatory</i>	H.2. Transaction conversion date <i>Mandatory</i>	A.2.10. Repayment frequency <i>Mandatory</i>	Comments <i>Optional</i>
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Table F - Modifications

A.1.1. Fiscal number <i>Mandatory</i>	A.2.1. Transaction reference <i>Mandatory</i>	A.1.7. Country <i>Mandatory</i>	A.2.5. New transaction principal amount <i>Optional</i>	A.2.6. New traction Maturity <i>Optional</i>	F.2. Modification signature date <i>Mandatory</i>	F.3. Additional Gross Grant Equivalent amount <i>Optional</i>	xxx Reference field name with NEW value <i>Optional</i>
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Table C - Payment demand

A.1.1. Fiscal Number <i>Mandatory</i>	A.2.1. Transaction reference <i>Mandatory</i>	A.2.2. Transaction Currency <i>Mandatory</i>	C.1. Event date <i>Mandatory</i>	C.2. Event type <i>Mandatory</i>	C.3. Loss amount in principal <i>Mandatory</i>	C.4. Unpaid interest <i>Mandatory</i>	C.7. Recovery amount <i>Optional</i>
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Table R - Loss recoveries

A.1.1. Fiscal number <i>Mandatory</i>	A.2.1 Transaction reference <i>Mandatory</i>	C.5. Recovery payment currency <i>Mandatory</i>	C.6. Recovery Date <i>Mandatory</i>	C.7.1. Recovery Amount Principal <i>Mandatory</i>	C.7.2. Recovery Amount Interest <i>Mandatory</i>
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