

Financing on EIB Enveloppe (European Investment Bank)

to develop investments in the European Union

The EIB intervenes in the financing of projects on the European Union territory to promote innovation, environment, regional development and support to small and medium sized businesses

IN A NUTSHELL

What is the advantage?

Rate reduction of 25 bps in comparison to the standard conditions.

Who can benefit?

Every company employing up to 3000 employees

For what projects?

Any investment that is beneficial to the development of small and medium sized businesses

How much funding is available?

The total cost of the project up to 25m€, the maximum advantage granted only cover 12.5m€

Eligible beneficiaries

SMEs with less than 250 employees or mid-size businesses with less than 3000 employees can benefit from the Fixed Rate Loan on EIB envelope.

Eligible activities

All activities are eligible, excluding those of the following sectors:

- ✓ production of arms, weapons and ammunition, military or police equipment or infrastructure and the kind of infrastructure to limit or infringe on individual rights and personal freedom (prisons and detention centers of all kinds) or even to undermine human rights.
- ✓ gambling and equipments thereon,
- ✓ the production, processing or distribution of tobacco,
- ✓ activities involving live animals for experimental or scientific purposes, to the extent that compliance with the European Convention for the Protection of Vertebrate Animals used for

experimental purposes or for other scientific purposes of the Council of Europe cannot be guaranteed,

- ✓ activities likely to cause environmental damage that are not largely mitigated or offset,
- ✓ activities considered controversial from an ethical or moral standpoint or prohibited by national legislation (for example, research into the cloning of human beings)
- ✓ purchase of goodwill, intangible assets by which the eligible beneficiary could occupy a market position of strength or strengthen this situation (share above 20% in the relevant market, for example), the purchase of licenses or of mineral resources exploitation rights;
- ✓ activities whose sole purpose is real estate development,
- ✓ activities for purely financial purposes (eg trading of financial products).

Eligible projects

Eligible projects are:

Projects located on the territory of the European Union,

Investment projects of less than € 25 million knowing that the amount financed on the EIB envelope can represent 100% of the investment (Other investments and grants included) with a maximum amount of 12.5 million euros,

Investments and expenditures belonging to one of the following categories.

Eligible investments and expenditure

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| Acquisition, expansion or renovation of tangible assets | Other than land : financing the purchase of land is ruled out unless it is for technical reasons , absolutely essential to investment, financing the purchase of agricultural land is totally excluded. the costs of developing , planning and financing during the construction phase of a tangible asset, |
| Intangible assets including | developing research expenses (commissions, development expenses, gross salaries directly associated with development of research and innovation components of the activity) the distribution networks deployed on domestic and foreign markets inside the EU (asset or brand acquisition, operating costs |

and personnel expenses).

Intergenerational succession (in case of the retirement of the previous owner) or the transfer of businesses

to staff members, such as to guarantee the continuation of the economic activities of the company in question. The purpose of the financing will be confined to transactions involving a total financing of less than EUR 5 million

acquisition of businesses as such is not eligible for funding from the EIB.

Needs in the medium and long term working capital to the following conditions :

EIB loans can be used to provide a stable working capital enabling the beneficiary to finance the debts related to their cycle of operations, as part of their normal activity (purchase of raw materials, other production inputs, labor costs work , inventory, overhead, funds for trade receivables and receivables from non-customers sales).

(1) Subject to acceptance of your application by BNP Paribas Leasing Solutions.

Undertakings

The Final Beneficiary, undertakes to:

- (a) complete the Sub-Project as contemplated;
- (b) use the Sub-Financing solely for the implementation of the Sub-Project concerned;
- (c) **Assets:** keep the ownership of all or of a substantial part of the assets forming the SubProject unless it has obtained the prior consent of the Borrower or Intermediary;
- (d) **Insurances:** properly insure the works and the assets forming the Sub-Project in accordance with good market practice in the relevant sector;
- (e) **Authorisations and licences:** obtain and maintain in full force all relevant Authorisations (for construction and operation);
- (f) **Environment:** comply with Environmental Laws;
- (g) **Audit:**
 - as permitted by applicable laws inform the Borrower of:
 - (i) any investigation or legal proceeding involving the Final Beneficiary (or any member of its management or controlling bodies) relating to a Criminal Offence perpetrated in

- relation to a Sub-Project or in relation to any funds made available by the Borrower or the Intermediary under the relevant Sub-Financing Agreement; and
- (ii) any final and irrevocable court ruling relating to a Criminal Offence perpetrated by a Final Beneficiary (or any member of its management or controlling bodies) in relation to a Sub-Project or in relation to any funds made available by the Borrower or the Intermediary under the relevant Sub-Financing Agreement;
- record all financial transactions and expenditures in connection with the SubProject;
- (h) keep accounting books, reflecting in accordance with applicable GAAP all assets, commercial and financial transactions relating to Sub-Projects including all costs, expenses, operational and capital expenditures relating to the relevant Sub-Project;
- (i) represent to the Borrower that it complies with all laws and regulations applicable to it or to the relevant Sub-Project, as well as to promptly inform the Borrower if any failure to comply with these laws or regulations are reasonably likely to (i) materially impact its reputation or (ii) to trigger a violation of Environmental Law;
- (j) represent to the Borrower that to the best of its knowledge, no funds invested in the Sub-Project by such Final Beneficiary are of illicit origin, including products of money laundering or linked to the financing of terrorism, as well as to promptly inform the Borrower if at any time it becomes aware of the illicit origin of any such funds;
- (k) request any disbursements from, and make any payments to, the Borrower under a Sub-Financing Agreement to a bank account in the name of such Final Beneficiary held with a duly authorised financial institution in the jurisdiction where such Final Beneficiary is incorporated or has its place of residence or where the Sub-Project is undertaken by such Final Beneficiary;
- (l) Visits: allow persons designated by the Bank, as well as persons designated by other institutions or bodies of the European Union when so required by the relevant mandatory provisions of European Union law:
- to visit the sites, installations and works comprising the Sub-Project and to conduct such checks as they may wish;
- to interview representatives of the Final Beneficiary, and unless it can demonstrate that it is not legally or materially possible, implement all necessary measures to facilitate the missions of the persons referred to above including in not obstructing contacts with any other person involved in or affected by the Sub-Project; and
- (iii) to review the Final Beneficiary's books and records in relation to the execution of the Sub-Project and to be able to take copies of related documents to the extent permitted by the law;
- (m) Information : acknowledge that the Bank may be obliged to communicate information relating to the Final Beneficiary, the Sub-Financing and/or any Sub-Project to any competent institution or body of the European Union (including the European Commission, the European Court of Auditors, the European Anti-Fraud Office and the European Court of Justice) in accordance with the relevant mandatory provisions of European Union law;

(n) In addition to what is already provided for in applicable laws and regulations, allow the Borrower or Intermediary to communicate to the Bank any information relating to the Final Beneficiary, the Sub-Project or the Sub-Financing;

(o) Integrity: to take, within a reasonable delay, all the necessary measures against it and/or of any members of its board of directors or any members of its executive committees having been declared guilty, under the terms of a final court decision, of a Criminal Offence made in the course of its duties, and so that, the Final Beneficiary (and/or the members of its board of directors or any members of its executive committees concerned) do not take part in any business activities having a connection with the funds which EIB placed at the disposal of the Final Beneficiary for the transaction concerned; it will inform us without delay of any measure taken by you in this framework; it will inform without delay the EIB in the framework of any measure taken by it this paragraph;

(p) prepay the Sub-Financing at the request of the Borrower or Intermediary following any breach of the undertakings referred to above.