

Final Recipient and Final Recipient Transaction Eligibility Criteria

I. Final Recipient Transaction Eligibility Criteria

No.	Criteria
	<i>A transaction shall be eligible if:</i>
1	Its amount does not exceed EUR 2,200,000 / BGN 4,302,750
2	Is in Base Currency EUR or an Additional Currency BGN
3	The Final Recipient Transaction shall not be in the form of a refinancing
4	FRT is not included in any other portfolio supported under the InvestEU Fund
5	The scheduled maturity of a Final Recipient Transaction shall not be earlier than 12 months
6	shall comply with the provisions on Enhanced Access to Finance
7	Is with the purpose of the FRT to finance the following: 1. An investment in tangible or intangible assets and/or 2. Working capital and/or 3. Business transfers;
8	Does not finance Illegal Activities or artificial arrangements aimed at tax avoidance
9	The documents governing the transaction are legal, valid, binding and enforceable against the applicable law
10	Does not finance transactions: - with a sanctioned person*** or - in breach of any Restrictive measures ****
11	Does not support any InvestEU Excluded Activities
12	Is not used to pre-finance grants from a EU programme (bridge financing)
13	A grant received under European programmes may not be used to repay debts under a loan included in that programme
14	Investment support + support from other European programs < investment costs of the project
15	The purpose of financing the Transaction is not in the EIF Excluded Sectors and/or Activities .
16	Transactions in specific sectors
	<u>Acquisition/purchase of a vehicle</u>
	Heating and/or Cooling
	Power and/or heat
	All documents confirming compliance of the Final Recipient Transaction with all of the applicable Eligibility Criteria shall be available to the Guarantor, if so reasonably requested by the Guarantor, at the latest on the 30th Business Day following such request

II. Final Recipient Eligibility Criteria:

A Final Recipient shall be considered eligible if:

No.	Criteria
	The final recipient should:
1	Be a micro, small or medium-sized enterprise for the SME Product in accordance with the Commission Recommendation of 6 May 2003 reflected in the SME Act, and/or Small Mid-cap for Innovation and Digitalisation Product and Sustainability Product (up to 500 employees)
2	Be established and operating in one of the: (1) Eligible countries (EU Member States) or (2) Other participating countries (Norway and Iceland)
3	If he is a natural person, to reside in one of the (1) Eligible countries (EU Member States) or (2) Other participating countries (Norway and Iceland)
4	Not incorporated in a Non-Cooperative Jurisdiction* , unless in the case of NCJ Implementation
5	Not to engage in any Illegal activities**
6	Not a Sanctioned person***
7	Not be in breach of the Restrictive measures ****
8	Not in Exclusion situation*****
9	If incorporated and operated in a country on the HPTR***** list (countries with non-compliant tax jurisdictions), provide a written declaration that it does not benefit from any HPTR
10	If the FR is a small mid-cap, submit a completed and signed an Obligor Limit Self-Declaration
11	FR not active in one or more of the EIF Excluded Sectors and/or Activities
12	The FR is not active in one or more of the sectors under paragraphs 11 (Tobacco) and 12 (Gambling) of the EIF Excluded Sectors and/or Activities.
13	The Final Recipient shall not have its Main Activity in one or more of the sectors and/or activities listed under EIF Restricted Sectors and/or Activities

„Non-Compliant Jurisdiction" means a jurisdiction:

- (a) listed in Annex I of the Council of the European Union conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes;
- (b) included in the OECD/G20 list of jurisdictions that have not satisfactorily implemented the tax transparency standards;
- (c) 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;
- (d) rated as "partially compliant" or "non-compliant", including corresponding provisional ratings, by the Organisation for Economic Cooperation and Development and its Global Forum on Transparency and Exchange of Information for Tax Purposes against the international standard on exchange of information on request;
- (e) included in the Financial Action Task Force statement "High risk Jurisdictions subject to a Call for Action"; or
- (f) included in the Financial Action Task Force statement "Jurisdictions under Increased Monitoring", in each case as such statement, list, directive or annex may be amended and/or supplemented from time to time.

**** Illegal activities**

Illegal Activity means any of the following illegal activities or activities carried out for illegal purposes according to applicable laws in any of the following areas: (i) fraud, corruption, coercion, collusion or obstruction, (ii) money laundering, financing of terrorism or tax crimes (including tax fraud and tax evasion) each as defined in the AML Directives, and (iii) fraud and other illegal activity against the financial interests of the EIB, EIF and European Union as defined in the PIF Directive.

***** Sanctioned Person**

Sanctioned person means any person, entity, individual or group of individuals who is a designated target of or otherwise a subject of Restrictive Measures.

****** Restrictive measures**

1. EU Restrictive Measures; and/or
2. any economic or financial sanctions adopted from time to time by the United Nations and any agency or person which is duly appointed, empowered or authorised by the United Nations to enact, administer, implement and/or enforce such measures; and/or
3. any economic or financial sanctions adopted from time to time by the United States Government and any department, division, agency, or office thereof, including the United States Department of the Treasury Office of Foreign Asset Control (OFAC), the United States Department of State and/or the United States Department of Commerce; and/or
4. any economic or financial sanctions adopted from time to time by the United Kingdom, and any UK government department or authority, including, inter alia, The Office of Financial Sanctions Implementation of His Majesty's Treasury and the Department for International Trade.

******* Exclusion situation**

(i) it is bankrupt, is subject to insolvency or is being wound up, is having its affairs administered by a liquidator or by the courts, in this context, is in an arrangement with creditors, is having its business activities suspended or a standstill (or equivalent) agreement has been signed with creditors and validated by the competent court when required by the applicable law, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

(ii) in the past five (5) years, it has been the subject of a final judgment or final administrative decision for being in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law and where such obligations remain unpaid unless a binding arrangement has been established for payment thereof;

(iii) in the past five (5) years, it or any of the persons having powers of representation, decision-making or control over it has been convicted by a final judgment or a final administrative decision for grave professional misconduct, where such conduct denotes wrongful intent or gross negligence, which would affect its ability to implement the Guarantee or the Final Recipient Transaction, as applicable and which is for one of the following reasons:

- (a) negligently providing misleading information that may have a material influence or fraudulently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract or an agreement;

- (b) entering into agreements with other persons aimed at distorting competition;
- (c) attempting to unduly influence the decision-making process of the contracting authority during the relevant "award procedure" as such term is defined in Article 2 of the Financial Regulation;
- (d) attempting to obtain confidential information that may confer upon it undue advantages in the relevant "award procedure" as such term is defined in Article 2 of the Financial Regulation;
- (iv) in the past five (5) years, it or persons having powers of representation, decision-making or control over it has been the subject of a final judgment for:
 - (a) fraud;
 - (b) corruption;
 - (c) participation in a criminal organisation;
 - (d) money laundering or terrorist financing;
 - (e) terrorist offences or offences linked to terrorist activities, or inciting, aiding, abetting or attempting to commit such offences;
 - (f) child labour and other forms of trafficking in human beings.

******* HPTR**

HPTR means any preferential tax measure regarded as harmful under the European Union list of non-cooperative jurisdictions for tax purposes, as set forth in Annex I and Annex II of the European Council conclusions on the revised European Union list of non-cooperative jurisdictions for tax purposes, initially adopted by the European Council on 5 December 2017 (under criterion 2.1), and as further detailed in the overview of the preferential tax regimes examined by the Code of Conduct Group (Business Taxation), as may be amended from time to time.