*PART III.7*

Supplementary Information Sheet on risk finance aid

*Please complete this supplementary information sheet, in addition to the “General information” form, for the notification of any aid scheme covered by the Authority´s Guidelines on State aid to promote risk finance investments (“RFG”)*[[1]](#footnote-1).

*Please consult paragraph 52 RFG for definitions.*

1.Scope

 1.1. Reasons for notifying the scheme:

 (a) [ ]  The scheme does not comply with the General Block Exemption Regulation (“GBER”)[[2]](#footnote-2). Please identify the provisions in the legal basis of the scheme that go beyond the GBER and indicate which GBER provisions they go beyond:

 Click here to enter text.

 (b) [ ]  The scheme does not comply with the *de minimis* Regulation[[3]](#footnote-3). Please indicate the reasons why:

 Click here to enter text.

 (c) [ ]  The scheme does not comply with the market economy operator test at one or more levels (at the level of the investors, the financial intermediary and its manager, and the undertakings in which the investment is made) (See section 2.1 RFG; for loans, reference is made to the Authority´s Guidelines on the Reference Rate[[4]](#footnote-4), and for guarantees to the Authority´s Guarantee Guidelines[[5]](#footnote-5)). Please specify the reasons why:

 Click here to enter text.

 (d) [ ]  The scheme does not contain aid and it is notified for legal certainty reasons.

 1.2. Scope of the notified scheme: Please tick as appropriate to confirm:

 (a) [ ]  The notified scheme is deployed through financial intermediaries or alternative trading platforms, except for fiscal incentives for direct investments in eligible undertakings (paragraph 20 RFG).

 Please provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (b) [ ]  The notified scheme excludes large companies, except for small or innovative mid-caps (paragraph 21 RFG).

 Please provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (c) [ ]  The notified scheme excludes risk finance aid to companies listed on the official list of a stock exchange or a regulated market (paragraph 22 RFG).

 Please provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (d) [ ]  The risk finance scheme involves private investors (paragraph 23 RFG).

 Please provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (e) [ ]  The risk finance scheme provides that as regards asymmetric risk-reward sharing between the State and private investors there is a substantial risk incurred by private investors or the State receives a reward on its investment (paragraph 24 RFG).

 Please provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (f) [ ]  The risk finance scheme cannot be used to support buyouts (paragraph 25 RFG).

 Please provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (g) [ ]  The risk finance scheme provides that no risk finance aid will be granted to undertakings in difficulty, as defined in the RFG (Please note that under the RFG, SMEs within seven years from their first commercial sale that qualify for risk finance investments following due diligence by the selected financial intermediary will not be considered as undertakings in difficulty, unless they are subject to insolvency proceedings or fulfil the criteria under their domestic law for being placed in collective insolvency proceedings at the request of their creditors).

 Please provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (h) [ ]  The risk finance scheme excludes aid to undertakings that have received illegal aid that has not yet been fully recovered (paragraph 26 RFG).

 (i) [ ]  The risk finance scheme does not concern aid to export-related activities towards third countries or EFTA States, namely aid directly linked to the quantities exported, the establishment and operation of a distribution network or to other current costs linked to the export activity, as well as aid contingent upon the use of domestic over imported goods (paragraph 27 RFG).

 (j) [ ]  The risk finance scheme does not make aid subject to the obligation to use nationally produced goods or national services, and does not violate the freedom of establishment, where the aid is subject to the obligation for financial intermediaries, their managers or final beneficiaries to have or move their headquarters in the territory of the EFTA State concerned.

2. Description of the scheme

 2.1. Budget of the scheme:

1. What is the total risk finance investment amount (including both the public and private part) per target undertaking over the whole investment cycle for each undertaking benefiting from the scheme (that is to say not per annum)? Please specify:

 Click here to enter text.

1. What is the size of the annual budget of the scheme?Click here to enter text.
2. What is the overall size of budget of the measure for its entire duration? Please specify:

 Click here to enter text.

1. What is the size of the investment fund(s) set up under the scheme?Click here to enter text.

 2.2. Duration of the scheme:

 (a) What is the duration of the scheme? (Please specify the dates of its entry into force and its end date)Click here to enter text.

 (b) What is the envisaged duration of the investment period?Click here to enter text.

 (c) What is the envisaged duration of the holding period?Click here to enter text.

 2.3. Target undertakings which are the final beneficiaries of the scheme:

 The *ex-ante* assessment[[6]](#footnote-6) demonstrates the need for the following undertakings to be targeted by the scheme as final beneficiaries (paragraphs 63 – 79 RFG) (please provide details):

 Click here to enter text.

 (a) [ ]  Small midcaps (an undertaking (i) whose number of employees does not exceed 499, and (ii) whose annual turnover does not exceed EUR 100 million or whose annual balance sheet does not exceed EUR 86 million). With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 (b)[ ]  Innovative mid-caps (mid-caps whose number of employees does not exceed 1500 and whose R & D and innovation costs, as defined by the GBER, represent (a) at least 15 % of its total operating costs in at least one of the three years preceding the first investment under the risk finance measure, or (b) at least 10 % per year of its total operating costs in the three years preceding the first investment under the risk finance measure). With reference to the *ex-ante* assessment, please provide a summary of its the economic evidence and appropriate justification:

 Click here to enter text.

 (c) [ ]  Undertakings receiving the initial risk finance investment more than seven years after their first commercial sale: With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 (d) [ ]  Undertakings requiring an overall risk finance investment (including public and private) of an amount exceeding the EUR 15 million cap fixed in the GBER: With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 (e) [ ]  Alternative trading platforms not fulfilling the conditions of Article 23 of the GBER: With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 (f) [ ]  Other:

 With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 2.4. Financial instruments: the *ex-ante* assessment demonstrates a need for the following design parameters not complying with the GBER (paragraph 80 to 86 RFG):

 (a) [ ]  Independent private investors' participation below the ratios required in Article 21(10) of the GBER (paragraphs 80 to 81 RFG).

 With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification for having ratios below the ratios required in the GBER:

 Click here to enter text.

 (b) [ ]  Financial instruments with design parameters above the ceilings provided for in the GBER, that is to say where the public investor takes more risk than allowed under the GBER (paragraphs 82 – 83 RFG).

 With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification for having design parameters above the ceilings provided for in the GBER:

 Click here to enter text.

 (c) [ ]  Financial instruments other than guarantees where investors, financial intermediaries and their managers are selected by giving preference to downside protection over asymmetric profit-sharing.

 With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 (d)[ ]  Other:Click here to enter text.

 With reference to the *ex-ante* assessment, please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 2.5. Fiscal instruments: the *ex-ante* assessment demonstrates that the following design parameters which do not comply with the GBER are required:

 (a) [ ]  Fiscal incentives to corporate investors (including financial intermediaries or their managers acting as co-investors).

 Please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 (b) [ ]  Fiscal incentives to corporate investors for investment in SMEs via an alternative trading platform.

 Please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 (c) [ ]  Other:Click here to enter text.

 Please provide a summary of its economic evidence and appropriate justification:

 Click here to enter text.

 2.6. Private investors participating in the measure with equity, loans or guarantees:

 (a) Please provide the characteristics of the private investors participating in the measure (e.g. corporate investors, natural persons, etc.):

 Click here to enter text.

 (b) Do the private investors provide equity, loans or guarantees at the level of the financial intermediary (e.g. fund of funds) or at the level of the final beneficiaries? Please specify:

 Click here to enter text.

 (c) Do the financial intermediaries implementing the scheme co-invest (and are hence to be considered as private investors)?

 [ ]  Yes. If so, please specify:Click here to enter text.

 [ ]  No

 2.7. Financial intermediaries implementing the scheme:

 (See broad definition in paragraph 52 RFG; it also includes funds with and without legal personality)

 (a) Please specify the nature of the financial intermediaries implementing the scheme:

 Click here to enter text.

 (b) Does the implementation of the measure involve an “entrusted entity” (as defined in paragraph 52(v) RFG)?

 [ ]  Yes. If so, please give details:Click here to enter text.

 [ ]  No

 (c) Does the entrusted entity co-invest with the EFTA State out of its own resources?

 [ ]  Yes. If so, please provide the reference to the legal basis authorising the entrusted entity to make such co-investment:

 Click here to enter text.

 [ ]  No. If so, please explain the method for the calculation of its compensation for implementing the measure, to ensure it is not overcompensated:

 Click here to enter text.

 (d) Is the entrusted entity selected through an open, transparent, non-discriminatory and objective selection procedure or is it directly appointed? Please specify:

 Click here to enter text.

 (e) Does the entrusted entity manage the fund(s) through which the funding is provided under the risk finance scheme?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

 (f) Characteristics of the management company in charge of implementing the measure at the level of the financial intermediary:

 Click here to enter text.

 (g) In the case of several levels of financial intermediaries involved in the scheme (including funds of funds), please provide all relevant information for each level of financial intermediary:

 Click here to enter text.

 2.8. Is any party involved in the scheme other than the public authority granting the aid, the target undertakings, the financial intermediaries implementing the scheme mentioned above, and the private investors involved therein?

 [ ]  Yes. If so, please specify:Click here to enter text.

 [ ]  No

 2.9. Detailed description of the instrument(s):

 Note: In order to understand better, please attach a drawing to visualise the structure of the scheme and its instrument(s), indicating all parties involved, the size of their involvement, as well as, if appropriate, an annex summarising the overall design of the notified scheme.

 Please outline the design parameters that you have retained for the purposes of soliciting potential financial intermediaries to manifest their interest in participating in the risk finance scheme, by replying to the detailed questions in this section.

2.9.1. Financial instruments

 Risk finance aid measures in the form of financial instruments have to be deployed through financial intermediaries (paragraph 20 RFG). Hence, those measures are composed of, at least, a State intervention for financial intermediaries, and risk finance investments by financial intermediaries into final beneficiary undertakings.

2.9.1.1. Intervention at the level of financial intermediaries

A)*State intervention at the level of financial intermediaries*

 The State provides the following to financial intermediaries (Please tick and complete as applicable):

[ ]  EQUITY (INCLUDING QUASI-EQUITY) INJECTION BY THE STATE AT THE LEVEL OF THE FINANCIAL INTERMEDIARIES

 1. Please provide the following information:

1. Terms of the equity injection (please include also a comparison with the market terms for such equity injection):

 Click here to enter text.

1. Type of financial intermediary:Click here to enter text.
2. Type of funding structure of the financial intermediary (e.g. investment fund with a percentage of private and public participation; fund of funds multi-stage structure with specialised sub-funds, public fund co-investing with private investors on a deal-by-deal basis) Please explain in detail:

 Click here to enter text.

 2. In case of quasi-equity, please describe in detail the nature of the envisaged instrument:

 Click here to enter text.

 3. If there is private participation (e.g. private investors provide equity to the financial intermediary alongside the State):

1. Please indicate the participation ratios of the public and private investors:

 Click here to enter text.

1. Please indicate the type of preferential treatment envisaged for the benefit of participating private investors, as described in the call for expression of interest (please give details):

 Click here to enter text.

 [ ]  Upside incentives:Click here to enter text.

 [ ]  Downside protection:Click here to enter text.

1. If non-*pari passu* loss-sharing features go beyond the limits set out in the GBER, please provide economic evidence and justification, with reference to the *ex-ante* assessment (paragraph 110 RFG):

 Click here to enter text.

1. If relevant, please indicate whether the first loss piece borne by the public investor is capped (RFG paragraph 110):

 [ ]  Yes; Please specify how that cap has been fixed:

 Click here to enter text.

 [ ]  No; Please explain:

 Click here to enter text.

 4. What is the strategy of the public investor?

 Click here to enter text.

 Please explain how the chosen instrument supports the public policy objectives pursued by the public investor:

 Click here to enter text.

 5. Please describe how the instrument is designed to ensure alignment of interests between the financial intermediary's investment strategy and the public policy objectives:

 Click here to enter text.

 6. Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in equity, and how the exit is strategically planned by the public investor:

 Click here to enter text.

 7. Other relevant information:

 Click here to enter text.

[ ]  FUNDED DEBT INSTRUMENTS: LOAN INSTRUMENTS (HEREAFTER “LOANS”) AT THE LEVEL OF FINANCIAL INTERMEDIARIES

 1. Please provide the following information:

1. Type of loans (e.g. subordinated, portfolio risk-sharing) please provide details:Click here to enter text.
2. Terms of the loans under the measure (please include also a comparison with the market terms for such loans):

 Click here to enter text.

1. Maximum size of the loan: Click here to enter text.
2. Maximum duration of the loan: Click here to enter text.
3. Collateral or other requirements: Click here to enter text.
4. Other relevant information: Click here to enter text.

 2. Please provide reference to the relevant provisions of the legal basis that prohibit the use of the aid to refinance existing loans (paragraph 115 RFG):

 Click here to enter text.

 3. If private participation takes place at this level (e.g. private investors provide loans to the financial intermediary alongside the State):

1. Please indicate the participation ratios of the public and private investors/lenders:

 Click here to enter text.

 In particular, in case of portfolio risk-sharing loans, what is the co-investment rate by the selected financial intermediary? Please note that it should not be lower than 30 % of the value of the underlying loan portfolio (paragraph 114 RFG) … %

1. Please describe the risk and reward sharing between the public and private investors or lenders:

 Click here to enter text.

 In particular, if the public investor assumes the first loss, at what level is it capped? Please note that it is recommendable that such cap does not exceed 35 % (RFG paragraph 113): Capped at … %

 Where the public investor/lender assumes a first loss position exceeding the cap set out in the GBER (25 %), it needs to be justified by reference to a severe market failure identified in the *ex-ante* assessment (RFG paragraph 113). Please provide a summary of such justification:

 Click here to enter text.

1. If there are other risk-mitigation mechanisms for the benefit of the private investors/lenders, please explain:

 Click here to enter text.

 4. What is the pass-on mechanism (as required by paragraph 104 RFG) ensuring that the financial intermediary passes on the advantage it receives from the State to the final beneficiary undertakings? What requirements does the financial intermediary have to apply (e.g. in terms of interest rate, collateral, risk class) to the final beneficiaries (please provide very precise details)? Please also provide details as to what extent the portfolio to be built under the measure goes beyond the financial intermediary's standard credit risk policy.

 Click here to enter text.

 5. What is the strategy of the public investor?

 Click here to enter text.

 Please explain how the chosen instrument supports the public policy objectives pursued by the public investor:

 Click here to enter text.

 6. Please describe how the instrument is designed to ensure alignment of interests between the financial intermediary's investment strategy and the public policy objectives:

 Click here to enter text.

 7. Please explain in detail the duration of the instrument or of the exit strategy underpinning the investment in debt instruments, and how the exit is strategically planned by the public investor:

 Click here to enter text.

 8. Other relevant information:

 Click here to enter text.

[ ]  UNFUNDED DEBT INSTRUMENTS: GUARANTEES BY THE STATE AT THE LEVEL OF FINANCIAL INTERMEDIARIES ON UNDERLYING TRANSACTIONS WITH FINAL BENEFICIARIES

 1. Please provide reference to the relevant provision of the legal basis that requires that eligible transactions covered by the guarantee must be newly originated eligible risk finance loan transactions, including lease instruments, as well as quasi-equity investment instruments, to the exclusion of equity instruments (paragraph 116 RFG): Click here to enter text.

 2. Do the guarantees to financial intermediaries cover a portfolio of underlying transactions and not a single underlying transaction?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

 3. Type of guarantee:

 [ ]  Capped: guarantee cap is Click here to enter text. %

 (Please note that this cap applies to portfolios held by financial intermediaries and it is recommended that the cap rate does not exceed 35 % (paragraph 118 RFG); Please provide reasons for that rate:

 Click here to enter text.

 Moreover, tick to specify whether:

 a) [ ]  The cap rate only covers expected losses; or

 b) [ ]  The cap rate covers also unexpected losses; In this case, please show how the pricing of the guarantee reflects this additional risk coverage:…

 [ ]  Uncapped; in that case, please justify the need and how the pricing of the guarantee reflects this additional risk coverage by the guarantee:

 Click here to enter text.

 [ ]  Counterguarantee (guarantee to guarantee institutions)

 [ ]  Other: please specify: Click here to enter text.

 4. Guarantee rate (percentage of loss coverage by the public investor of every underlying transaction (See definition in paragraph 52(xvi) RFG and please note that the guarantee rate must not exceed 90 % (paragraph 117 RFG)): … %;

 Please give the reason for this level of coverage:

 Click here to enter text.

 5. Underlying transactions covered by the guarantee:

1. Nature of the underlying transactions: Click here to enter text.
2. Total nominal size of the underlying transactions (in EUR): Click here to enter text.
3. Maximum nominal amount of the underlying transaction per final beneficiary: Click here to enter text.
4. Duration of the underlying transactions: Click here to enter text.
5. Other relevant characteristics of the underlying transactions (risk rating, other): Click here to enter text.

 6. Please describe the other features of the guarantee (please include also a comparison with the market terms for such guarantee):

1. Maximum duration of the guarantee: …(Please note that this should normally not exceed 10 years (paragraph 119 RFG))
2. Please provide reference to the relevant provision in the legal basis that stipulates that the guarantee must be reduced if the financial intermediary does not include a minimum amount of investment in the portfolio during a specific period, and that commitment fees are required for unused amounts:…
3. Is a guarantee fee envisaged?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

 Please specify which party will have to pay the guarantee fee:

 Click here to enter text.

 Please describe in detail the pricing:

 Click here to enter text.

 Other: Click here to enter text.

 7. What is the pass-on mechanism (as required by paragraph 104 RFG) ensuring that the financial intermediary passes on the advantage it receives from the State to the final beneficiary undertakings? What requirements does the financial intermediary have to apply (e.g. in terms of interest rate, collateral, risk class) to the final beneficiaries? Please provide very precise details. Please also detail to what extent the portfolio to be built under the measure goes beyond the financial intermediary's standard credit risk policy.

 Click here to enter text.

 8. What is the strategy of the public investor?

 Click here to enter text.

 Please explain how the chosen instrument supports the public policy objectives pursued by the public investor:

 Click here to enter text.

 9. Please describe how the instrument is designed to ensure alignment of interests between the financial intermediary's investment strategy and the public policy objectives:

 Click here to enter text.

 10. Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in debt instruments, and how the exit is strategically planned by the public investor:

 Click here to enter text.

 11. Other relevant information:

 Click here to enter text.

[ ]  OTHER FINANCIAL INSTRUMENTS

 Please describe the financial instrument to be implemented with the measure and provide a detailed description of all elements contained in section 2.9.1.1 above in so far as they are applicable to the chosen financial instrument:

 Click here to enter text.

B)*Intervention by financial intermediaries in further levels of financial intermediaries*

 There may be situations (including fund of funds structures), whereby, for instance, the State provides equity, loans or guarantees to a financial intermediary, which, in turn, provides equity, loans or guarantees to a further financial intermediary, which eventually provides risk finance investments to final beneficiaries. In such cases where there is a second, or further levels of financial intermediaries involved in the scheme, please provide all relevant information required in section 2.9.1.1.A on Equity/Loans/Guarantees/Other financial instruments, as applicable, for each additional level of financial intermediary:

 Click here to enter text.

2.9.1.2. Risk finance investment by financial intermediaries in final beneficiaries

 The risk finance investment in the final beneficiaries takes the following form (Please tick and complete as applicable):

[ ]  EQUITY (INCL. QUASI-EQUITY) INVESTMENT BY THE FINANCIAL INTERMEDIARIES IN FINAL BENEFICIARIES

 (a) In case of quasi-equity, please describe in detail the nature of the envisaged instrument:

 Click here to enter text.

 (b) Please provide the terms of the equity investment in detail (please include also a comparison with the market terms for that equity investment):

 Click here to enter text.

 (c) Please describe all features of the investments to be made by the financial intermediary in detail, including the requirements that the investment strategy of the eligible financial intermediaries should comply with:

 Click here to enter text.

 (d) Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in equity:

 Click here to enter text.

 (e) If private participation takes place (e.g. private investors also provide equity to the final beneficiaries):

1. Please indicate the private participation ratio:…
2. Please indicate the type of preferential treatment envisaged for the benefit of participating private investors, as described in the call for manifestation of interest (please give details):

 Click here to enter text.

 [ ]  Upside incentives: Click here to enter text.

 [ ]  Downside protection: Click here to enter text.

1. If non-pari passu loss-sharing features go beyond the limits set out in the GBER, please provide economic evidence and justification, with reference to the *ex-ante* assessment (paragraph 110 RFG):…

 Click here to enter text.

1. If relevant, please indicate whether the first loss piece borne by the public investor is capped (paragraph 110 RFG):

 [ ]  Yes; Please specify how the cap has been fixed:

 Click here to enter text.

 [ ]  No; Please explain:

 Click here to enter text.

[ ]  FUNDED DEBT INSTRUMENTS: LOANS BY FINANCIAL INTERMEDIARIES TO FINAL BENEFICIARIES

1. Type of loans: please provide details:

 Click here to enter text.

1. Terms of the loans under the measure (please include also a comparison with the market terms for such loans):

 Click here to enter text.

1. Maximum size of the loan per beneficiary: Click here to enter text.

 Click here to enter text.

1. Maximum duration of the loans: Click here to enter text.

 Click here to enter text.

1. Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in debt instruments:

 Click here to enter text.

1. Risk rating of the final beneficiaries: Click here to enter text.

 Click here to enter text.

1. Collateral or other requirements: Click here to enter text.

 Click here to enter text.

1. Other relevant information: Click here to enter text.

 Click here to enter text.

1. If private participation takes place at this level (e.g. private investors also provide loans to the final beneficiaries):

 Please indicate the private participation ratio: Click here to enter text.

 Please describe the risk and reward sharing between the public and the private investors:

 Click here to enter text.

 In particular, if the public investor assumes the first loss, at what level is it capped? Capped at … %. (Please note that it is recommendable that such cap does not exceed 35 % (paragraph 113 RFG))

 Where the public investor or lender assumes a first loss position exceeding the cap set out in the GBER (25 %), please justify this by reference to a severe market failure identified in the *ex-ante* assessment (paragraph 113 RFG) and please provide a summary for such justification: Click here to enter text.

 If there are other risk-mitigation mechanisms for the benefit of the private investors/lenders, please explain: Click here to enter text.

[ ]  UNFUNDED DEBT INSTRUMENTS: GUARANTEES BY FINANCIAL INTERMEDIARIES TO FINAL BENEFICIARIES:

 1. Please provide the nature and terms of the guarantees in detail (please include also a comparison with the market terms for such guarantees):

 Click here to enter text.

 2. Please provide reference to the relevant provision of the legal basis that requires that eligible transactions covered by the guarantee must be newly originated eligible risk finance loan transactions, including lease instruments, as well as quasi-equity investment instruments, to the exclusion of equity instruments (paragraph 116 RFG):

 Click here to enter text.

 3. Please provide the nature and terms of the underlying transactions:

 Click here to enter text.

[ ]  OTHER FINANCIAL INSTRUMENTS

 Please describe the financial instrument which the measure seeks to implement and provide a detailed description of all elements contained in section 2.9.1.2 above in so far as they are applicable to the chosen financial instrument:

 Click here to enter text.

 2.9.2. Fiscal instruments:

*Please complete this entire section for each tax incentive:*

1. Tax incentive granted for:

 (a) [ ]  Direct investments into undertakings

 (b) [ ]  Indirect investments into undertakings (that is to say via financial intermediaries)

 (c) [ ]  Indirect investments into undertakings made through an alternative trading platform

1. Tax incentive granted to:

 (a) [ ]  corporate investors

 (b) [ ]  investors who are natural persons, for investments falling outside the scope of the GBER:

 Click here to enter text.

1. Form of tax incentive:

 (a) [ ]  income tax relief applicable on the taxable base

 (b) [ ]  income tax break applicable on the tax liability payable

 (c) [ ]  capital gains tax relief

 (d) [ ]  dividend tax relief

 (e) [ ]  other:

 Click here to enter text.

1. Please describe in detail the conditions that the investment must fulfil in order to be able to benefit from the fiscal incentive:

 Click here to enter text.

1. Please describe in detail the calculation of the tax incentive (including maximum percentage of the invested amount that the investor can claim for the purposes of the tax relief, maximum tax break amount which can be deducted from the investor's tax liabilities, etc.):

 Click here to enter text.

1. With reference to the *ex-ante* assessment, please provide economic evidence and justification for the category of eligible undertakings (paragraph 121 RFG):

 Click here to enter text.

1. Please provide evidence that the selection of the eligible undertakings is based on a well-structured set of investment requirements, made public through appropriate publicity, and setting out the characteristics of the eligible undertakings which are subject to a demonstrated market failure (paragraph 123 RFG):

 Click here to enter text.

1. Maximum duration of the tax incentive foreseen: …(Please note that fiscal schemes should have a maximum duration of 10 years (paragraph 124 RFG)).
2. Please explain the specific characteristics of the national fiscal system that are relevant for a full understanding of the tax incentive:

 Click here to enter text.

1. Please describe any related/similar/relevant fiscal incentives that already exist in the EFTA State as well as the interplay between them and the notified tax incentive:

 Click here to enter text.

1. Is the tax incentive open to all investors fulfilling the required criteria, without discrimination as to their place of establishment (paragraph 126 RFG)?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

1. Please provide proof of the adequate publicity regarding the scope and the technical parameters (incl. ceilings and caps, maximum investment amount) of the tax incentive (paragraph 126 RFG): Click here to enter text.
2. Does the total investment for each beneficiary undertaking exceed the maximum amount fixed by the risk finance provision in the GBER (paragraph 149 RFG)?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

1. Are eligible shares full-risk ordinary shares which are newly-issued by an eligible undertaking as defined in the *ex-ante* assessment, and must they be held for at least three years (paragraph 150 RFG)?

 [ ]  Yes

 [ ]  No. If so, please provide details:

 Click here to enter text.

1. Is the relief available to investors who are not independent from the company invested in (paragraph 150 RFG)?

 [ ]  No

 [ ]  Yes. If so, please provide details:

 Click here to enter text.

1. In the case of income tax relief, what is the maximum percentage of the amount invested in eligible undertakings to which the relief can amount (paragraph 151 RFG)? Please note that capping the tax relief at 30 % of the invested amount is considered reasonable: Click here to enter text.%

 Can the relief exceed the maximum income tax liability of the investor, as established prior to the fiscal measure?

 [ ]  No

 [ ]  Yes. If so, please provide details: Click here to enter text.

 If the measure provides for multiple forms of tax incentive, please fill in the set of questions in section 2.9.2 above for each form of aid.

2.9.3. Measures supporting alternative trading platforms:

1. Existing platform:

 [ ]  Yes

 [ ]  No, to be newly established

1. Is or will the platform be a sub-platform or subsidiary of an existing stock exchange?

 [ ]  Yes. If so, please identify:

 Click here to enter text.

 [ ]  No

1. Are there already existing alternative trading platforms in the EFTA State (paragraph 129 RFG)?

 [ ]  Yes. If so, please identify:

 Click here to enter text.

 [ ]  No

1. Is the platform set up by and operating across several EEA States (paragraph 128 RFG)?

 [ ]  Yes. If so, please specify

 Click here to enter text.

 [ ]  No

1. Type of undertakings traded on the platform:

 Click here to enter text.

*Please provide, together with this notification:*

1. Evidence that the majority of the financial instruments admitted to trading on the alternative trading platforms are or will be issued by SMEs.
2. A copy of the business plan of the platform operator demonstrating that the platform can become self-sustainable in less than 10 years (paragraph 127 RFG).
3. Plausible counterfactual scenarios comparing the situations with which the tradable undertakings would be confronted in the absence of the platform in terms of access to the necessary finance (paragraph 127 RFG).
4. For existing platforms, a copy of the business strategy of the platform that shows that, due to a persistent shortage of listings, and therefore a shortage of liquidity, the platform needs to be supported in the short-term, despite its long-term viability (paragraph 129 RFG).

*Form of the measure:*

 [ ]  Fiscal incentives to corporate investors in respect of their risk finance investments made through an alternative trading platform in eligible undertakings: Please complete section 2.9.2 on Fiscal instruments above.

 [ ]  Support to platform operators:

1. Platform operator is: a small enterprise or larger than a small enterprise
2. Maximum amount of the measure: Click here to enter text. EUR.

 Is the maximum amount more than the start-up aid allowed under the GBER?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

1. Investment costs incurred for the establishment of the platform: … EUR
2. Does the aid to the operator exceed 50 % of those investment costs (paragraph 153 RFG)?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

1. Aid is allowed up to how many years of start-up of the platform?

 Click here to enter text.

1. For platforms that are or will be a sub-platform or subsidiary of an existing stock exchange, please provide evidence for the lack of finance that such a sub-platform would face:

 Click here to enter text.

1. Other relevant information:

 Click here to enter text.

3. Further information for the compatibility assessment of the aid scheme

3.1. Contribution to a common objective and need for State intervention (3.2 & 3.3 RFG)

 A risk finance aid scheme can only be justified if it is targeted at addressing a specific market failure, in the form of the existence of a funding gap affecting specific undertakings in a specific development stage, geographic area and, if applicable, economic sector.

 Please submit the in-depth *ex-ante* assessment that proves the specific market failure, together with this notification.

 3.1.1. Information on the *ex-ante* assessment (paragraphs 65-66 RFG):

 Date of the *ex-ante* assessment: Click here to enter text.

 The assessment has been carried out by:

 [ ]  an independent entity

 [ ]  an entity linked to the following public authority:

 Click here to enter text.

 Data on which the assessment is based:

 Click here to enter text.

 Please tick to confirm that the *ex-ante* assessment is based on data covering 5 years preceding the notification: [ ]

 3.1.2. Identification in the *ex-ante* assessment of the specific policy objectives and performance indicators for the risk finance scheme (paragraphs 58–59 RFG):

 Please list the identified specific policy objectives and make reference to the relevant section in the *ex-ante* assessment:

 Click here to enter text.

 Please list the defined performance indicators (see examples in paragraph 58 RFG) and make reference to the relevant section in the *ex-ante* assessment:

 Click here to enter text.

 3.1.3. Economic evidence and justification in the *ex-ante* assessment for the need for State intervention (section 3.3 RFG): see sections 2.3, 2.4, and 2.5 of this form.

3.2. Appropriateness and incentive effect of the risk finance scheme (sections 3.4 & 3.5 RFG)

 3.2.1. General:

 A) By reference to the *ex-ante* assessment, please explain why the existing and envisaged national and EEA policy actions targeting the same identified market failures cannot adequately address the identified market failures (paragraphs 90–91 RFG):

 Click here to enter text.

 B) Please explain why the proposed State aid instrument has the most appropriate design to ensure an efficient funding structure (paragraphs 92–93 RFG):

 Click here to enter text.

 3.2.2. Appropriateness conditions for financial instruments (section 3.4.2 RFG):

 1. Minimum private investment ratios (paragraphs 95–97 RFG):

1. What is the minimum aggregate (that is to say total, including all levels) independent private participation rate in the risk finance investment in the final beneficiary?: Click here to enter text. % of the risk finance (public and private) provided to the final beneficiary.
2. In case of independent private investors' participation below the ratios required in GBER, please summarize the economic evidence and provide detailed justification for this ratio (as per paragraph 95 RFG), with reference to the *ex-ante* assessment:

 Click here to enter text.

1. Does the *ex-ante* assessment demonstrate that the scheme leverages additional private funding that would not have been provided otherwise, or in different forms or amounts or on different terms? Please explain:

 Click here to enter text.

1. Is private participation in the risk finance scheme of a non-independent nature acceptable (paragraph 96 RFG)?

 [ ]  Yes. If so, please provide economic evidence and justification:

 Click here to enter text.

 [ ]  No

1. In the case of undertakings receiving the initial risk finance investment more than seven years after their first commercial sale, what adequate restrictions does the scheme contain? …Does the private participation ratio amount to minimum 60 %?

 [ ]  Yes

 [ ]  No (paragraph 97 RFG)

 2. Balance of risks and rewards between public and private investors (paragraphs 98 to 100 RFG):

 Please explain why the allocation of risks and rewards between public and private investors as described above in the sections on the relevant financial instruments can be considered as balanced (paragraph 98 RFG):

 Click here to enter text.

 3. Nature of incentives to be determined via selection of financial intermediaries, as well as fund managers or investors (paragraphs 101-102 RFG)

 Please confirm by ticking as appropriate:

 A) Selection of financial intermediaries implementing the scheme:

 (a) [ ]  The financial intermediaries are selected via an open and non-discriminatory process, through which the exact nature of incentives is determined.

1. If not, please state the reason (explaining the selection of investors): Click here to enter text.
2. Please describe the competitive process and describe how the process of selection complies with the requirements:

 Click here to enter text.

1. Please provide the reference to the relevant provision of the legal basis containing the requirements in the RFG that the selection process must be open and non-discriminatory:

 Click here to enter text.

1. Please list the selection criteria for financial intermediaries, as listed in the call for interest:

 Click here to enter text.

1. Please provide, together with this notification, the evaluation grid used for the screening of the financial intermediaries during the selection process.

 Please describe the due diligence process on the selected financial intermediaries:

 Click here to enter text.

1. Please describe how compliance with the conditions of commercial management and profit-oriented decision-making set out in the GBER (Article 21(14) and (15)) is ensured (paragraph 160 RFG):

 Click here to enter text.

1. Please provide evidence, and reference to the legal basis:

 Click here to enter text.

 (b) [ ]  As part of this selection process, financial intermediaries must demonstrate how their proposed investment strategy contributes to the achievement of the policy objectives and targets (based on the performance indicators identified in the *ex-ante* assessment).

1. For each of the selected financial intermediaries, please submit, together with this notification, the documents from the financial intermediary detailing its investment strategy, including pricing policy, and how it contributes to each of the policy objectives and targets.
2. Please provide a detailed description of the mechanism foreseen in the risk finance scheme, by which the EFTA State will ensure that the investment strategy of the intermediaries remains at all times aligned with the agreed policy targets (e.g. via monitoring, reporting, participation in the representation bodies), and that material changes to the investment strategy require the prior consent of the EFTA State.
3. Please also provide the reference to the relevant provision of the legal basis:

 Click here to enter text.

 (c) [ ]  Each of the selected financial intermediaries has been selected in a competitive process taking into account its pricing policy on the instruments deployed in the risk finance scheme (including cost of funding, credit risk premiums, administrative and all other fees). Please provide evidence to that effect for each of the selected financial intermediaries.

 (d) [ ]  The manager of the financial intermediary or the management company (“the manager”) is chosen through an open, transparent, non-discriminatory and objective selection procedure or the manager's remuneration fully reflects market levels.

1. If not, please state the reason (including an explanation on the selection of investors):

 Click here to enter text.

 Please describe the competitive process and describe how the selection process complies with the requirements of this point: Click here to enter text.

1. Please provide the reference to the relevant provision of the legal basis containing those requirements:

 Click here to enter text.

 (e) [ ]  The managers of the fund of funds are required to legally commit as part of their investment mandate to determine via a competitive process the preferential conditions which could apply at the level of the sub-funds (paragraph 101 RFG).

 B) Selection of private investors

 [ ]  The private investors are selected via an open and non-discriminatory process through which the exact nature of incentives is determined (paragraph 101 RFG). Please describe the modalities for identification and selection of private investors:

 Click here to enter text.

 4. Co-investing financial intermediary or fund manager taking at least 10 % of first loss piece (paragraph 103 RFG)

1. Where the financial intermediary or fund manager co-invest alongside the EFTA State, any potential conflict of interest should be avoided and they must take at least 10 % of the first loss piece (paragraph 103 RFG). Please confirm that this is the case (if applicable):

 Click here to enter text.

 5. Pass-on mechanism in the case of debt instruments (loans or guarantees) (paragraph 104 RFG):

 (a) [ ]  The risk finance scheme provides for a pass-on mechanism (as described in section 2.9.1.1.A.) ensuring that the financial intermediary passes on the advantage it receives from the State to the final beneficiary undertakings. Please indicate the relevant provisions in the legal basis:

 Click here to enter text.

 (b) [ ]  The pass-on mechanism includes monitoring arrangements and a claw-back mechanism. Please describe and indicate the relevant provisions in the legal basis:

 Click here to enter text.

 3.2.3. Appropriateness conditions for fiscal instruments (section 3.4.3 RFG):

 For the purposes of these requirements, the information you have provided under section 2.9.2 will be considered.

 Please indicate any further information you consider relevant with regard to the appropriateness conditions:

 Click here to enter text.

 3.2.4. Appropriateness conditions for measures supporting alternative trading platforms (section 3.4.4 RFG):

 For the purposes of these requirements, the information you have provided under section 2.9.3 will be considered.

 Please indicate any further information you consider relevant with regard to the appropriateness conditions:

 Click here to enter text.

3.3. Proportionality of the aid (section 3.6 RFG)

 3.3.1. Proportionality in relation to the identified market failure:

1. Please describe and quantify the sources of financing available to the targeted undertakings, as analysed in the *ex-ante* assessment (cf. paragraph 65 RFG):

 Click here to enter text.

1. With reference to the *ex-ante* assessment, please provide a summary description of the nature and size of the funding gap faced by each category of targeted undertaking as demonstrated by the *ex-ante* assessment (that is to say the level of demand for finance from the targeted undertakings that is not met by the sources of financing described in point 3.3.1; please specify how the funding gap is calculated):

 Click here to enter text.

1. Please describe how the total amount of syndicated funding (public and private) provided under the risk finance measure is limited to the size of the funding gap (paragraph 134 RFG):

 Click here to enter text.

1. Please explain, by reference to the *ex-ante* assessment, how the preferential treatment of private investors is limited to the minimum necessary to achieve the minimum ratios of private capital participation required by the scheme (paragraph 134 RFG):

 Click here to enter text.

1. Duration of the funding gap faced by each category of targeted undertaking as estimated by the *ex-ante* assessment:

 Click here to enter text.

 Please provide a summary of the economic evidence:…

1. The *ex-ante* assessment provides evidence of the above market failure referred to in point 3.3.1 in the following sector(s): …and in the following geographic area:

 Click here to enter text.

 Please provide a summary of the economic evidence: Click here to enter text.

 3.3.2. Proportionality conditions for financial instruments (section 3.6.1 RFG):

 1. In relation to the financial intermediaries/fund managers:

 Is the exact value of incentives determined in the selection process of the financial intermediaries or fund managers (paragraph 136 RFG)?

|  |  |
| --- | --- |
| [ ]  Yes | [ ]  No |

 Please provide the following information on the remuneration of the financial intermediaries or fund managers (paragraph 143 RFG):

1. Does it include an annual management fee in accordance with the RFG (paragraph 143 RFG)?

|  |  |
| --- | --- |
| [ ]  Yes | [ ]  No; please provide details: |
| Click here to enter text. |
| Click here to enter text. |

1. Does it include performance-based incentives, including financial performance incentives and policy-related incentives, in accordance with the RFG (paragraph 144 RFG)?

|  |  |
| --- | --- |
| [ ]  Yes | [ ]  No; please provide details: |
| Click here to enter text. |
| Click here to enter text. |

1. Please specify what penalties are provided for in case the policy targets are not met:

 Click here to enter text.

1. Please specify the performance-based remuneration and provide a comparison with market practice (paragraph 145 RFG):

 Click here to enter text.

1. Please specify the total management fees and provide a comparison with market practice (paragraph 146 RFG):

 Click here to enter text.

1. Is the overall fee structure evaluated as part of the scoring of the selection process and the maximum remuneration established as a result of that selection (paragraph 147 RFG)?

|  |  |
| --- | --- |
| [ ]  Yes | [ ]  No; please explain why not: Click here to enter text. |

 If the financial intermediary and its manager are public entities and were not selected through an open, transparent, non-discriminatory and objective selection procedure, please tick to confirm and provide evidence of the following (paragraph 41 RFG):

 (a) [ ]  Their management fee is capped, their overall remuneration reflects normal market conditions and is linked to performance:

 Click here to enter text.

 (b) [ ]  The public financial intermediaries are managed commercially and their managers take investment decisions in a profit-oriented manner at arm's length from the State. Please explain in particular the mechanisms established to exclude any possible interference by the State in the day-to-day management of the public fund:

 Click here to enter text.

 (c) [ ]  The private investors are selected through an open, transparent, non-discriminatory and objective selection process, on a deal-by-deal basis.

 In the case of direct appointment of an entrusted entity, what is its annual management fee, excluding performance-based incentives?: Click here to enter text. % of the capital to be contributed to the entity. Please note that it should not exceed 3 % (paragraph 148 RFG).

 2. In relation to the private investors:

 In the case of co-investment by a public fund with private investors participating on a deal by deal basis, are the private investors selected through a separate competitive process in respect of each transaction, so as to establish the fair rate of return (paragraph 137 RFG)?

 [ ]  Yes. If so, please provide supporting evidence.

 [ ]  No

 Where private investors are not selected through such a process, is the fair rate of return established by an independent expert on the basis of an analysis of market benchmarks and market risk using the discounted cash flow valuation methodology, and detailing the calculation of a minimum level of fair rate of return and an appropriate margin to reflect the risks (paragraph 138 RFG), and are all conditions of paragraph 139 RFG fulfilled?

 [ ]  No

 [ ]  Yes. If so, please provide the report in which the evaluation is contained, identify the expert, describe the existing rules for its appointment, and provide the relevant evidence:

 Click here to enter text.

 Please tick to confirm that the same independent expert cannot be used twice within the same 3-year period [ ]

 Please explain how the risk adjusted returns for the private investors are limited to the fair rate of return (paragraph 140 RFG):

 Click here to enter text.

 Please explain, on the basis of the *ex-ante* assessment, the economic justification for the specific financial parameters underpinning the measure:

 Click here to enter text.

 3.3.3. Proportionality conditions for fiscal instruments (section 3.6.2 RFG):

 For the purposes of these requirements, the information provided under section 2.9.2 will be considered.

 Please indicate any further information you consider relevant with regard to the proportionality conditions: Click here to enter text.

 3.3.4. Proportionality conditions for alternative trading platforms (section 3.6.3 RFG):

 For the purposes of these requirements, the information provided under section 2.9.3 will be considered.

 Please indicate any further information you consider relevant with regard to the proportionality conditions: Click here to enter text.

3.4. Avoidance of undue negative effects on competition and trade (section 3.7 RFG)

1. Please provide, as part of the *ex-ante* assessment, information on the potential negative effects of the risk finance scheme. It should include the potential negative effects at all three levels, that is to say in the market for the provision of risk finance (e.g. the risk of crowding out of private investors), at the level of financial intermediaries and their managers, and at the level of final beneficiaries (including in the markets in which the beneficiaries are active).
2. Does the risk finance scheme ensure that the only undertakings targeted with risk finance State aid are those that are potentially viable?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

 If the answer to the above is yes, please describe how this is ensured and indicate the relevant provisions in the legal basis:

 Click here to enter text.

1. Is the risk finance scheme geographically or regionally limited?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

 If so, please specify: Click here to enter text.

1. Is the risk finance scheme limited in the legal basis (*de iure)* to specific sectors?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

 If so, please specify: Click here to enter text.

1. Is the risk finance scheme in practice targeted at certain sectors?

|  |  |
| --- | --- |
| [ ]  yes | [ ]  no |

 If so, please specify: Click here to enter text.

1. How are the negative effects minimised as much as possible?

 Click here to enter text.

4. Cumulation of the aid (section 3.9 RFG)

 Risk finance aid may be cumulated with other State aid measures without identifiable eligible costs, or with *de minimis* aid, up to the highest relevant total financing ceiling fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the Authority (paragraph 168 RFG).

1. Please tick to confirm compliance with this rule: [ ]
2. Please provide reference to the legal basis:

 Click here to enter text.

1. Please explain in what way is conformity with the cumulation rules achieved:

 Click here to enter text.

5. Other information

 Please indicate here any other information you consider relevant to the assessment of the measure(s) concerned under the RFG:

 Click here to enter text.

1. The Authority´s Guidelines on State aid to promote risk finance investments, as adopted by Decision No 117/14/COL, published in OJ L 354, 11.12.2014, p. 62 and EEA Supplement No 74 on the same date. [↑](#footnote-ref-1)
2. Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.6.2014, p. 1), referred to at point 1j of Annex XV to the EEA Agreement, see Joint Committee Decision No 152/2014, published in OJ L 342, 27.11.2014, p. 63 and EEA Supplement No 71 27.11.2014, p. 61. [↑](#footnote-ref-2)
3. Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid (OJ L 352, 24.12.2013, p. 1), referred to at point 1ea of Annex XV to the EEA Agreement, see Joint Committee Decision No 98/2014, published in OJ L 310, 30.10.2014, p. 65 and EEA Supplement No 63 30.10.2014, p. 56. [↑](#footnote-ref-3)
4. Authority Guidelines on Reference and Discount Rates, adopted by Decision No 788/08/COL, OJ L 105, 21.4.2011, p. 32 and EEA Supplement No 23 on the same date. [↑](#footnote-ref-4)
5. The Authority’s Guidelines on State guarantees, as adopted by Decision No 788/08/COL, published in OJ L 105, 21.4.2011, p. 32 and EEA Supplement No 23 on the same date. [↑](#footnote-ref-5)
6. The RFG (paragraphs 46 – 49) require that an *ex-ante* assessment be carried out and submitted for all notifiable risk finance measures. [↑](#footnote-ref-6)