



Welcome to the EIF Impact Event #1 !!!

Luxembourg, 10 October 2016

ITI-SEI Team, European Investment Fund

EIF: Supporting smart, sustainable and inclusive growth for SMEs



“ Europe’s Leading Developer of Risk Financing for Entrepreneurship & Innovation ”



Public private partnership

European Investment Bank, European Commission and 30 financial institutions

Value-add

is in **mobilising private sector action**, aiming to create a self-sustainable ecosystem, independent from public sector support

EUR 19.4 bln

in **signed commitments** since inception, leveraging **EUR 111.5 bln** total capital

Policy and financial return

objectives driven
AAA rated

...and Europe's leading social impact fund investor.



Since 2014:
9 social impact fund investments
EUR 95m committed
33 portfolio companies

Impact Ventures UK

Bridges
Ventures



social impact
ventures NL

ANANDA
SOCIAL VENTURE FUND

BONVENTURE

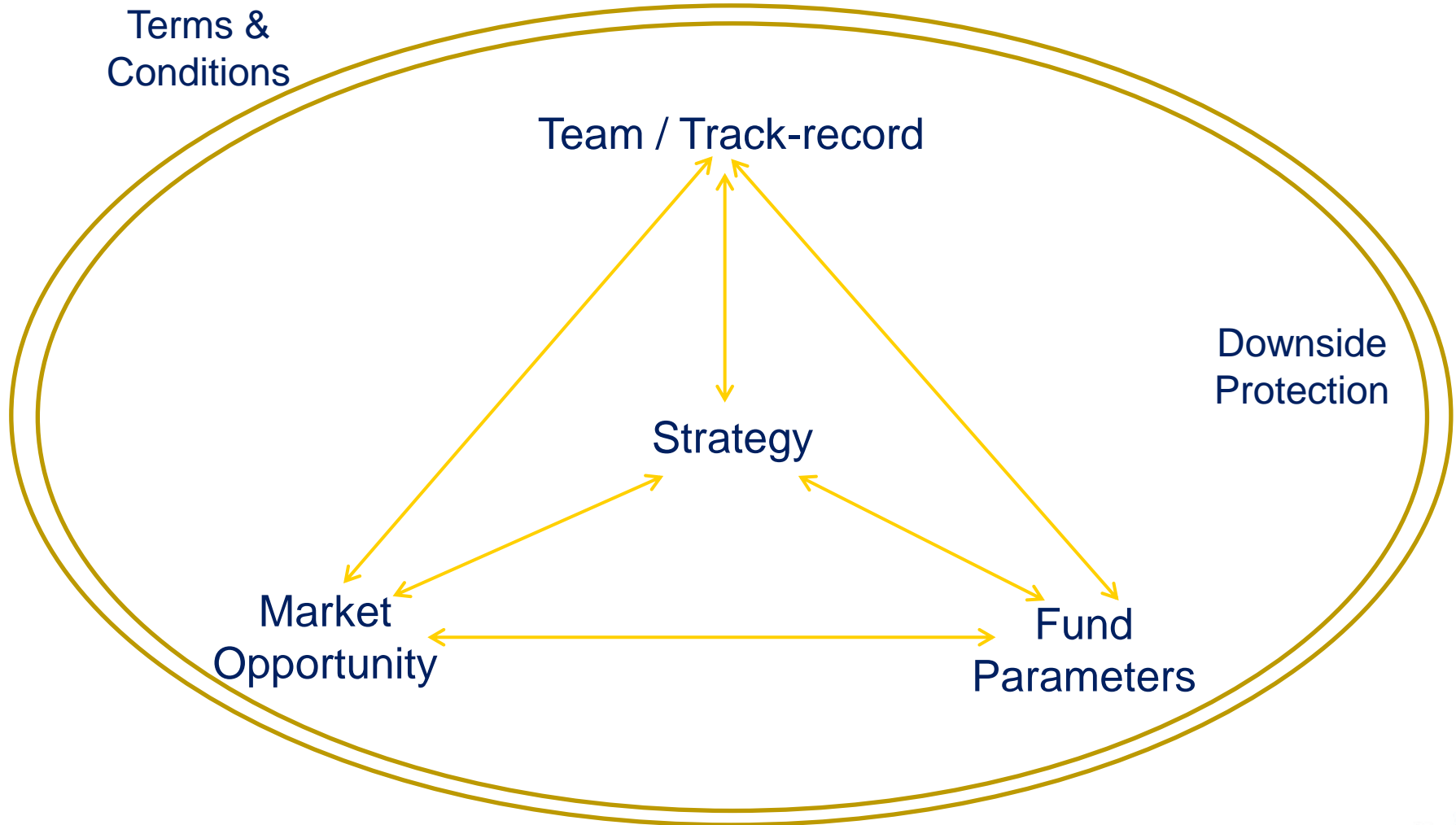
IMPACT
PARTENAIRES

CITIZEN
CAPITAL

PhiTrust Partenaires

Oltre
VENTURE

What we are looking for?



Investment strategy

What: value creation proposal

How: PPM, *.ppt, discussions with fund manager

**The Strategy = Investment Thesis
(not only the focus...)**

Team

What: PPM, organigram, CVs, ref. calls, split of incentive scheme, t/r tool

How:

1. Background completeness and complementarity
2. Stability / Turnover
3. Succession Issues
4. Incentive scheme analysis
5. Reputation
6. Independency; Investment decision process
7. Alignment of Interest

Track Record

What: Info provided by fund manager, T/R tool, reference calls, previous Q-reports

How:

1. Relevance
2. Current performance assessment
3. Benchmarking
4. Final expected performance assessment
5. Reference calls (previous employers, portf. comps)

Market / Competition

What: PPM, discussion with fund manager

How:

1. Market Opportunity
2. Competition

Fund Parameters

What: target fund size, portfolio model, management fee, budget

How:

Coherence with all previous elements:

- portfolio model with strategy & market opportunity
- team with budget and management fee

Alignment of Interest

- **GP Commitment vs. Management Fee**
- **Carry to the Team**

Conflict of Interest Management

- **Exclusivity Clause**
- **Fee Off-set**
- **No Cross-Over Investments**
- **Interest of GP must be channeled through the fund**
- **Clear segregation of GP and LP roles**
- **Transparency Obligations**

Protective Clauses

- Removal clauses
- Key-man clauses
- Defaulting LP clauses
- Distribution Cascade

Thank you!

Contact

Cyril Gouiffes

Jaime Vera Calonje

Melisa Kozak

Patric Gresko

Philippe Bernard-Treille

Uli Grabenwarter

Yvette Go

European Investment Fund

37B, Avenue J.F. Kennedy

L-2968 Luxembourg

www.eif.org

