

InclusiFI Important contractual requirements

AML and NCJ

- (a) In its financing and investment operations under each transaction, CDP shall:
- (i) comply with applicable EU legislation and agreed international and EU standards on the prevention of money laundering, the fight against terrorism, tax avoidance, tax fraud and tax evasion or ensure compliance with rules equivalent to applicable EU standards, and therefore shall:
 - (i.a) NOT support projects that contribute to money laundering, terrorism financing, tax avoidance, tax fraud or tax evasion;
 - (i.b) NOT enter new or renewed operations with entities incorporated or established in jurisdictions that:
 - 1. are listed in the EU list of non-cooperative jurisdictions for tax purposes set out in the notice from the Council of the EU in relation to "The EU list of non-cooperative jurisdictions for tax purposes" (2020/C 64/03), published in the Official Journal of the EU on 27 February 2020, as amended, novated, supplemented, extended, replaced or restated from time to time as that list is displayed from time to time on the website located at <https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions> or any successor website (the "**NCJ List**"); or
 - 2. are identified as high risk third countries pursuant to Article 9.2 of the Directive (EU) No 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L141, 5.6.2015, p.73), and listed in Delegated Regulation 1675/2016, as amended, novated, supplemented, extended, replaced or restated from time to time, as that regulation is available from time to time on the website located at <https://eur-lex.europa.eu/homepage.html> or any successor website (the "**AML List**").
- (b) CDP may derogate from the aforementioned requirements only if the transaction is physically implemented in one of the jurisdictions falling under paragraphs (a)(i.a)(1) or (2) above, and does not present any indication that the relevant operation falls under any of the categories listed in paragraphs (a)(i) and (i.a) above.
- (c) In case the status of a jurisdiction for a covered transaction changes, CDP shall ensure that this change in status is applied by CDP to new instrument.
- (d) When concluding any transaction, CDP shall transpose these requirements on the financial intermediary and guarantee fund and shall request the relevant beneficiary to report regularly on its observance.
- (e) When concluding any transaction with a financial intermediary and a guarantee fund, CDP shall, as part of its due diligence on beneficiaries procedures:
- (i) identify any third parties related to the relevant instrument object of the guarantee and verify the third party's identity on the basis of documents, data or information obtained from a reliable and independent source;

- (ii) identify the beneficial owner of the instrument in question and take reasonable measures to verify that person's identity so that CDP is satisfied of the identity of the beneficial owner, including, as regards legal persons, trusts, companies, foundations and similar legal arrangements, taking reasonable measures to understand the ownership and control structure of the third party;
 - (iii) assess and, as appropriate, obtain information on the purpose and intended nature of the business relationship;
 - (iv) conduct ongoing monitoring of the business relationship, including scrutiny of transactions undertaken throughout the course of that relationship, to ensure that the transactions being conducted are consistent with CDP's knowledge of the customer, the business and risk profile, including where necessary the source of funds and ensuring that the documents, data or information held are kept up-to-date.
- (f) CDP shall:
- (i) ensure that each beneficiary is obliged to provide CDP upon request the ultimate beneficial owner with all documents needed;
 - (ii) conduct ongoing monitoring of the business relationship, including scrutiny of transactions undertaken throughout the course of that relationship, to ensure that the transactions being conducted are consistent with CDP's knowledge of each beneficiary and each transaction, the business and risk profile, including where necessary the source of funds and ensuring that the documents, data or information held are kept up-to-date.
- (g) CDP shall apply enhanced customer due diligence requirements, in particular when dealing with high risk third countries as identified under clause (a)(iii)(1) and (2) above.
- (h) When concluding any transaction, with financial intermediaries and guarantee funds that are subject to Directive (EU) 2015/849, CDP shall make funding contingent upon the financial intermediaries and guarantee funds' disclosure of beneficial ownership information in accordance with Article 30 of Directive (EU) No 2015/849.
- (i) When concluding any transaction with financial intermediaries and guarantee funds that are subject to Directive (EU) 2013/36, CDP shall make funding contingent upon the financial intermediaries and guarantee funds' publication of country-by-country reporting in accordance with Article 89(1) of Directive (EU) 2013/36.

OLAF means EU's European Anti-Fraud Office, a body founded on 28 April 1999, under the European Commission Decision 1999/352.

CDP shall make sure that each financial intermediary and guarantee fund participating the program (and CDP shall use best efforts to ensure that each financial intermediary and guarantee fund requires that each MSME shall) keeps and makes available all relevant and accessible financial and technical information (originals or copies) related to this guarantee agreement for each transaction and any transaction document for a period of five years after the date on which any legal liability of the Commission under this guarantee agreement ends and, in any case, until any investigation by OLAF, if notified to the party of the transaction concerned, has been disposed of.

RESTRICTED RECIPIENT - EU restrictive measures

- (a) The guarantee agreement shall not be made available to, or for the benefit of, third persons – whether entities, individuals or groups of individuals – designated by the EU as subject to restrictive measures in the lists provided at www.sanctionsmap.eu (the "EU Restrictive Measures").



- (b) CDP shall cooperate with the Commission in assessing if any such third persons identified by CDP as recipients of funds in connection with the implementation of the guarantee agreement fall under the scope of EU Restrictive Measures. In the event that such recipients fall under the scope of EU Restrictive Measures (each such person, a "Restricted Recipient"), CDP shall promptly inform the Commission.
- (c) In that event, CDP and the recipients shall promptly consult each other with a view to determine remedial measures in accordance with their respective applicable legal frameworks. Those measures may include the cancellation or recovery by CDP of the financial accommodation provided to the Restricted Recipient.

TRANSFER OF REQUIREMENTS

CDP shall transpose all requirements requested by the agreement with the EC, including *inter alia*, all reporting matter tasks on the financial intermediaries and guarantee funds.