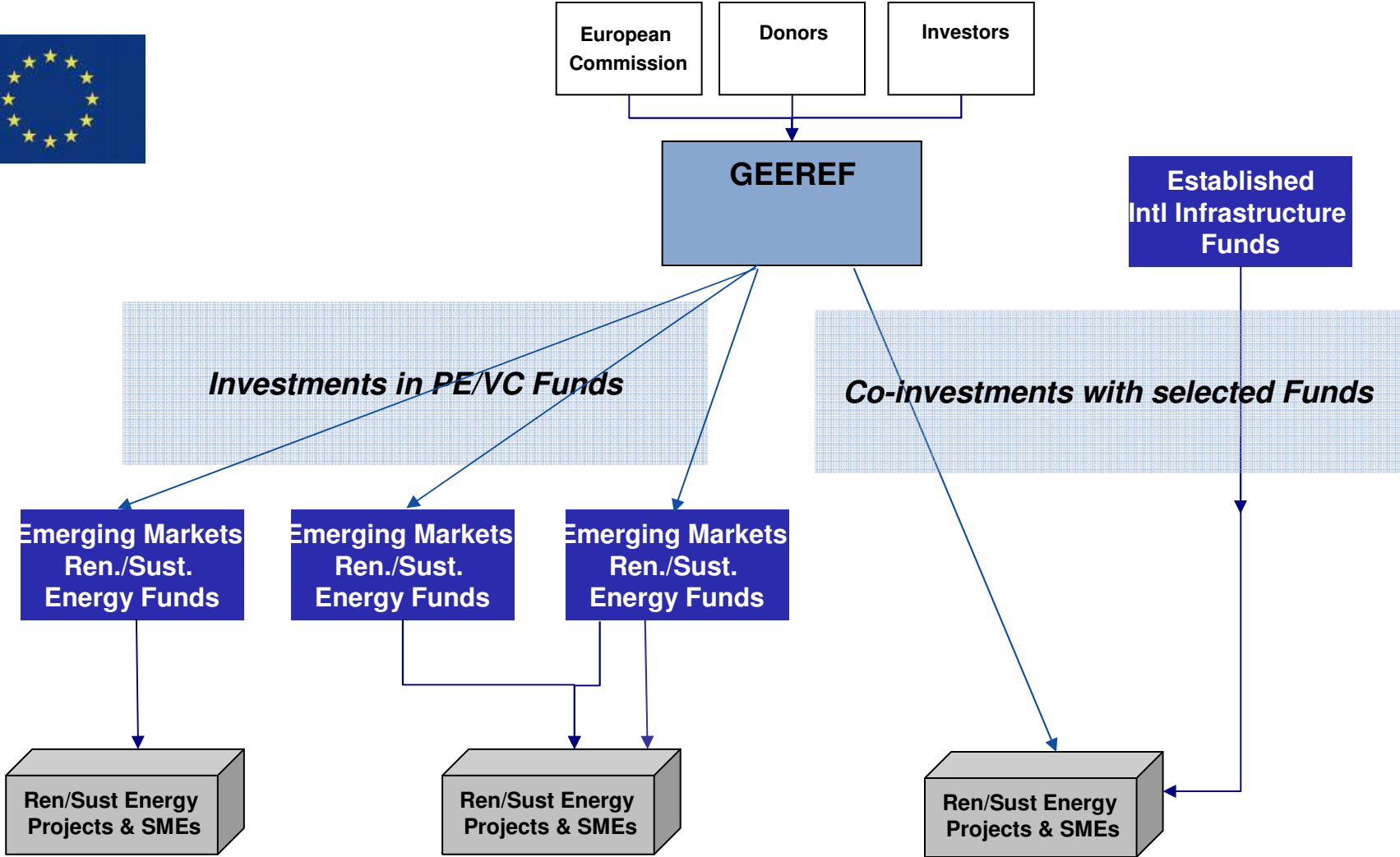
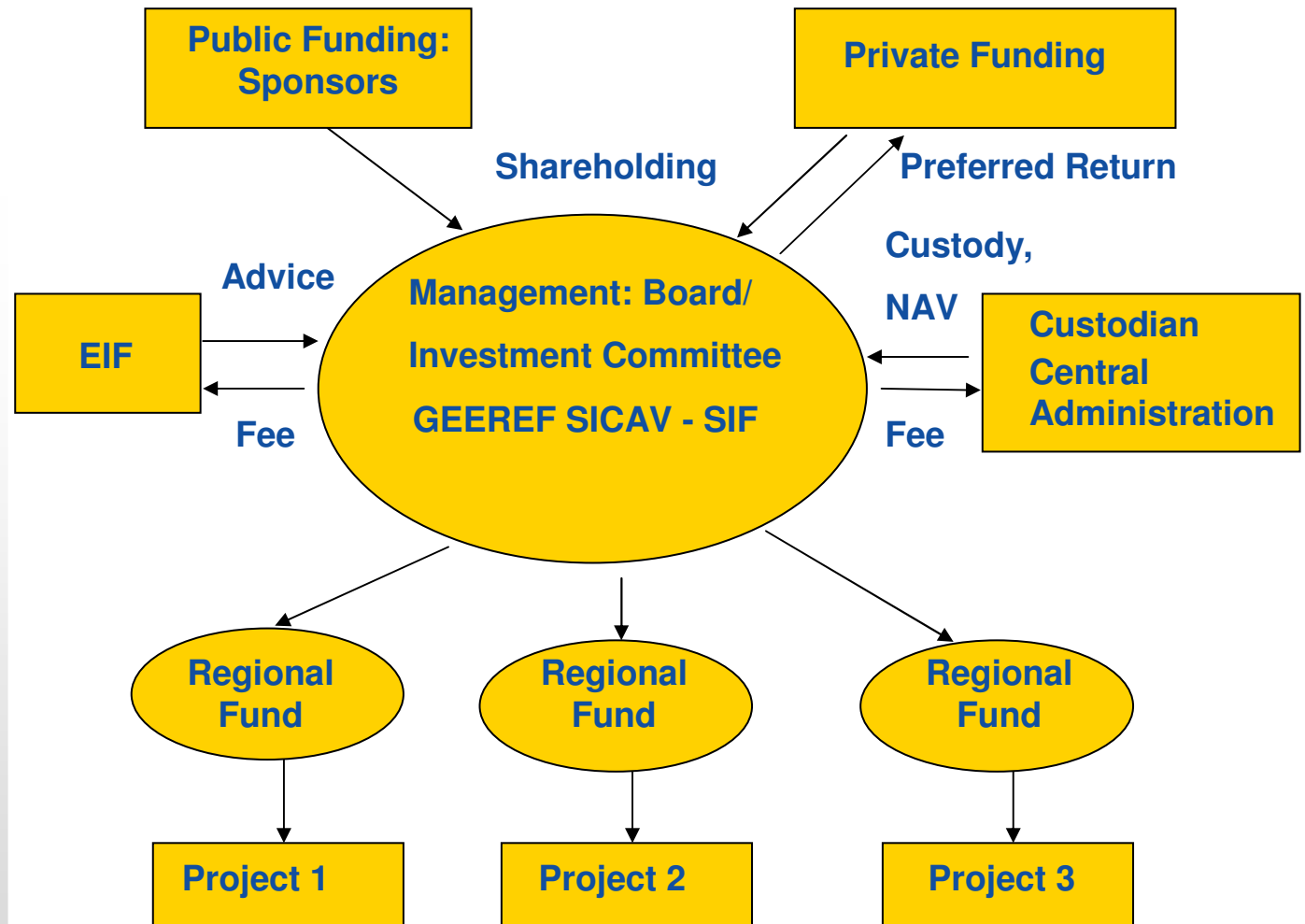


**Global Energy,
Energy Efficiency
and Renewable
Energy Fund
GEEREF**

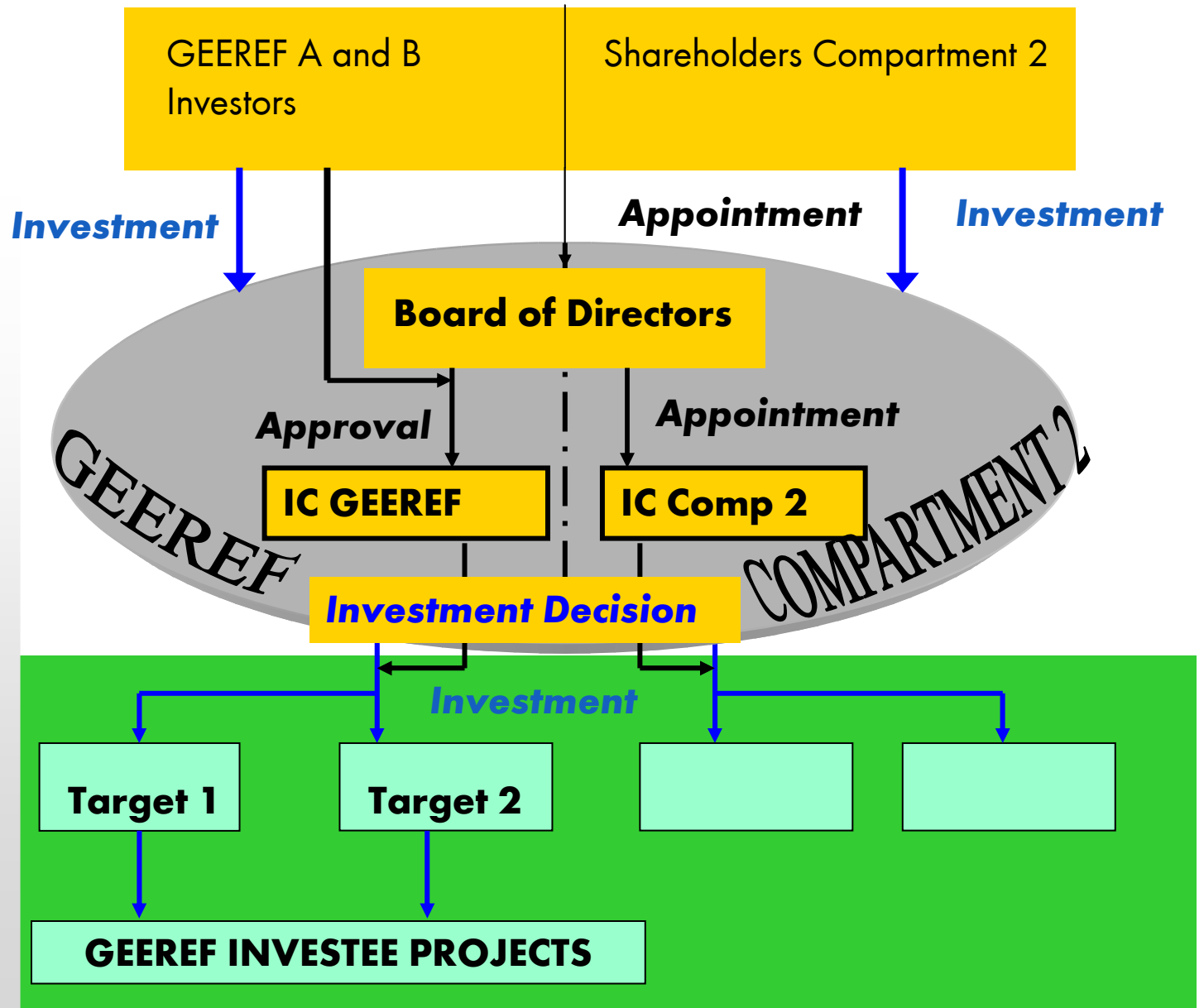
Structure: Commercial Elements



Structure: Legal Elements



Structure: Governance



Public-Private Funding Structure



- A Shares: subordinated shares held by public sponsors:
 - Profit subordination
 - Governance control
- B Units: participation units offered to private institutional investors:
 - Preferential Profit: Minimum Target Return (4% p.a.) with Upside Preference (up to 10% p.a.)
 - "Cash-in-Cash-out"
- C Units: 5% carried interest on participation units for advisor after payment of upside preference

Governance



- Board of Directors SICAV: sponsors
- Investment Committee: sponsors and industry experts
- Advisor: European Investment Fund
- Custodian Bank: CACEIS Investor Services S.A.
- Central Administration: CACEIS Investor Services S.A.
- Auditor: Ernst & Young
- Legal Advisor: Arendt & Medernach

Due Diligence Parameters



- Regional focus
- Independent management team
- Adequate track record
- Solid, knowledgeable and commercially driven investment strategy
- Alignment of interest/incentivation
- Sound governance and CSR principles
- Recognised accounting structure
- Adequate internal control and valuation processes
- Adequate reporting structure

Allocation Parameters



- Choice of 10 - 15 high quality proposals
- GEEREF as cornerstone or lead Investor with expected participation between 10% and 15%
- Discretionary management with “emergency” controls (leaver scenarios) for cornerstone investors on target fund management
- Adequate protection against money laundering, terrorist financing, fraud and corruption
- EIB expertise to assess country, sector and project risk

Monitoring Parameters



- Benchmarking Selection and Performance against (Expected) Performance Target Levels
- Performance Target Levels:
 - Energy Efficiency
 - Development
 - Environment
 - Financial Return
- Development of a Scaling Tool for Fund Selection and Performance Monitoring:
 - Benchmarking the Correlation between Performance Target Levels

Support Facility



- EUR 5m support facility of the budget of the European Community
- Managed by EIF for the European Commission
- Technical support for target funds
- Utilisation examples:
 - Research
 - Strengthening of the fund management team
 - Promotion of good governance