



ANNEX I – Expression of Interest and relevant Appendixes templates

To: European Investment Fund

Re: Croatian Venture Capital Initiative 2

Call for EoI No. CVCi2-2023/01

Attention: Mandate Management – Equity

37B avenue J.F. Kennedy

L-2968 Luxembourg

cvc2@eif.org

Call for Expression of Interest No.:

Call for EoI – CVCi2-2023/01

Deadline for the submission of the Expression of Interest:

12 January 2024

Expression of Interest for Financial Instrument:

VC & Acceleration Fund / VC Fund / Acceleration Fund

Applicant submitting the Expression of Interest:

_____, _____
(company name, registration number / standard identification code, if applicable)

Dear Sir or Madam,

Herewith we are submitting our Expression of Interest on behalf of (Applicant) in response to the Call for Expression of Interest No. CVCi2-2023/01 in the framework of the Facility implemented through the EIF acting as agent of the Ministry of Regional Development and EU Funds of the Republic of Croatia. Capitalised expressions utilised herein shall have the meaning attributed to them in the above-mentioned Call for Expression of Interest.

The undersigned, duly authorised to represent the (Applicant), by signing this form certifies and declares that the information contained in this Expression of Interest and its Appendices is complete and correct in all its elements.

The undersigned, duly authorised to represent the (Applicant), by signing this form certifies and declares to have read the EIF Anti-Fraud Policy¹ and declares not to have made nor to make any offer of any type whatsoever from which an advantage can be derived under the CVCi 2 and not to have granted nor to grant, not to have sought nor to seek, not to have attempted nor to attempt to obtain, and not to have accepted nor to accept, any advantage, financial or in kind, to or from any party whatsoever, constituting an illegal practice or involving corruption, either directly or indirectly, as an incentive or reward relating to signing of an Operational Agreement. The (Applicant) acknowledges and agrees, if selected, to be audited by Member State audit bodies and, potentially, other audit bodies.

The undersigned, duly authorised to represent the (Applicant), by signing this form certifies and declares that the (Applicant) does not perform illegal activities according to the applicable legislation in the countries of establishment.

Yours sincerely,

Signature(s):

Stamp of the Applicant (if applicable):

Name and position in capitals:

Applicant's name:

Place:

Date (day/month/year):

Appendices to be submitted with the Expression of Interest:

- Applicant Identification (Appendix 1)
- Business Plan (based on elements listed in Appendix 2)
- Applicant Documents (listed in Appendix 3)
- Declaration of Honour (based on template in Appendix 4)

¹ <https://www.eib.org/en/publications/anti-fraud-policy>

Appendix 1 to EXPRESSION OF INTEREST

APPLICANT IDENTIFICATION

1.1. Applicant identification

INFORMATION REQUIRED	
APPLICANT NAME	
CONTACT DETAILS	Address: Telephone: E-mail:
LEGAL FORM	
COMMERCIAL REGISTER, ETC. – REGISTRATION DETAILS	Denomination of register: Date of registration: Country of registration: Standard identification code / registration number, if applicable:

1.2. Person authorised to submit the Expression of Interest on behalf of the Applicant and appropriate evidence of such authorisation

INFORMATION REQUIRED	
TITLE	Mr/Ms/Dr/other (delete or complete as appropriate)
NAME	Surname: Forename(s):
FUNCTION	
CONTACT DETAILS	Address: Telephone: Fax: E-mail:

1.3. Contact person (if different from 1.2)

TITLE	Mr/Ms/Dr/other (delete or complete as appropriate)
NAME	Surname: Forename(s):
FUNCTION	
CONTACT DETAILS	Address: Telephone: Fax: E-mail:

Appendix 2 to EXPRESSION OF INTEREST

BUSINESS PLAN

Applicants are asked to provide an outline investment proposal (“Business Plan”) in relation to the Financial Instrument. The Business Plan shall provide concise information on the following items, including, where and if applicable, individually (or providing a split) for the Acceleration Compartment and the VC Compartment:

Market

Detailed description of the targeted market segment, including:

- Analysis of the targeted market opportunity;
- Description of competitors;
- Marketing strategy of the Fund that explains how it will encourage applications for funding, contribute to the sourcing of potential investments in Final Recipients and engage potential co-investors.

Investment strategy

- Minimum/Target/Maximum fund size, including rationale for it, indicative breakdown between the Acceleration Compartment and the VC Compartment including for follow-on investments (if applicable);
- Fund focus, including product (minority/majority equity, mezzanine, hybrid, etc.), stage and sector, geographical focus, number of deals/ticket sizes at various fund sizes and targeted returns, differentiated investment criteria in the Acceleration Compartment and in the VC Compartment (if applicable);
- Expected portfolio models (including number and amount of investments, timing and expected size (volume and reserve) of follow-on investments) at minimum, target and maximum fund size (including assessment of equity stakes to be held and the assumptions identified for exit valuations of companies);
- Strategy for generation of deal flow, post-investment adding-value to investee companies strategy and exit strategy;
- In case of implementing an Acceleration Compartment, description of the envisaged structure of the acceleration programme, including details on deal-sourcing, frequency of application windows, application requirements, selection process (including, inter alia, any specific sub-stages, timeline of each stage, scoring systems to be applied, rejection rate), strategy for mentoring and adding value to acceleration-stage investee companies, proposal and justification of the range of the investment amount within which prospective SMEs could apply for financing in the Acceleration Compartment;

- Estimation of how the acceleration programme will be deployed:

	Y1	Y2	Y3	...
Number of acceleration application windows / calls for proposals				
Number of acceleration applications received				
Number and total investments (EURm) into SMEs at acceleration stage				
Number and total investments (EURm) by the VC Compartment into acceleration stage graduates (if applicable)				
Number and total investments (EURm) into SMEs by the VC Compartment other than acceleration stage graduates (if applicable)				

- Detailed description of existing pipeline of investment opportunities in Croatia and beyond;
- Co-operation with main participants in the relevant market segments (including, if relevant, universities, science hubs, business incubators and entrepreneurship initiatives);
- Details on how the investment strategy is linked to Croatia and how it contributes to the development of the Croatian economy;
- Risk management methodology.

Fund raising

- Expected timing for first and final closings;
- Description (detailed list of names, amounts if available and stage of discussion) of other investors envisaged and strategy of attracting co-investors, including potential letters of intent (even if unbinding) from such investors, if any;
- Details of any sponsor or potential investor receiving any special right with regard to the Fund or the Financial Intermediary (economic or related to governance), if any.

Management team

- Financial Intermediary team profile (current composition and expansion plans at various fund sizes), detailing who would be full-time dedicated to the fund and who would be part-time (describing side activities for the part-time team members), with % dedication to the Acceleration Compartment and to the VC Compartment (if applicable);
- Details of current and former team members, including their date of arrival/departure, position at arrival and current title;

- Relevant team members' CVs (outlining for example main academic, professional and other relevant experience, and in particular experience in investing in early stage companies, if any);
- List all board seats (if any) of the team members and how current activities will impact the operation of the Fund;
- Planned location of team members, and their ability to communicate in English and Croatian;
- In case of future establishment of office in Croatia, please provide a timeline for finalization of team and establishment in Croatia;
- Description of governance and legal structure for all fund related entities foreseen (incl. governing laws);
- Information on members of the investment and advisory committees to be established (including, inter alia, involvement and decision-making procedure for both the Acceleration Compartment and the VC Compartment, as applicable). It is expected that the core investment team members are the ones responsible for decisions at every stage of investment through to exit; at no time should individuals or entities outside the management team have a veto power on investment decisions, unless fully justified;
- Details of the shareholder base/ownership of the Applicant and the envisaged shareholder base for the fund management company, if it is planned to set up a new entity as a fund manager;
- Details of the carried interest allocation;
- Details on how the Fund's financial and reporting operations, including financial accounting, will be managed (e.g. through a recognized fund service provider or internally; in the latter case detailed explanation on how financial accounting and fund reports, including inter alia, commitment and drawdown balances, hurdle rate and carried interest calculations etc. shall be provided);
- Details of the history of the Applicant and its previous/existing business activities, particularly describing any activity having potential of conflicts of interest with the planned fund;
- Description of any linkages, sponsorship or ownership restricting full independence of the management team and fund manager;
- Description of measures proposed to deal with potential conflicts of interest;
- Provide at least three to four references (including telephone numbers) for each team member (including where possible related to a transaction relevant to the proposed strategy: CEOs of investees, co-investors, other).

Investment track record

- Please provide the most recent track record per team member involved, with a split in two sections – realised and unrealised: name of investee company, country, date of entry/exit, invested amount, ownership, proceeds received to date, entry/exit multiple, current valuation, multiple of cost, gross IRR, role of team member in transaction (e.g. lead, co-investment, advisor etc.);
- Where the track record involves formal funds, in addition to individual transaction information, net fund level returns should be included;
- Describe relevance with the fund strategy and provide references.

Terms and conditions

- Main economic terms, including management costs and fees (base remuneration – operational budget of the Fund; fee offset policy) and incentive structure (performance-based remuneration) proposed;
- Indicative investment from fund management company and/or the management team into the Fund;
- Indicative investment requested under this Call;
- Winding-up provisions of the Fund, including the return of resources from the Fund to the EIF;
- Legal and tax structure of the Fund and related entities (including the Applicant, if applicable).

The business plan should be consistent with the indicative term sheet of the relevant Fund (Annex III) and Selection Criteria (Annex II). There is no set expectation on the document's length, but the Applicants are encouraged to be concise.

Appendix 3 to EXPRESSION OF INTEREST

LIST OF APPLICANT DOCUMENTS TO ATTACH - Know Your Customer (“KYC”)

The EIB Group has in place a counterparty due diligence process² which takes into account, among others, factors including the type of counterparty (including sector), business relationship, product, service or transaction and country(ies) of operation. Through the EIB Group NCJ Policy³ and its implementing procedures, the EIB Group takes into consideration jurisdictions classified by one or more Lead Organisations for not having made sufficient progress towards satisfactory implementation of EU and/or internationally agreed standards in connection with AML-CFT and/or tax transparency/tax good governance standards. The EIB Group entities apply the counterparty due diligence measures to an extent determined on a risk-sensitive basis.

Please attach as part of the initial counterparty due diligence (or “KYC”) measures (to be completed later during the application process) the following documents with your application:

1. An excel and pdf-copy of the signed and dated Integrity Questionnaire (including ownership structure) in the form below



Ownership and
control structure char



EIF Integrity and
Tax Questionnaire -

2. Copy of extract of commercial register or equivalent, if applicable;
3. Copy of extract of beneficial ownership (“UBO”) register or equivalent, if applicable.

² <https://www.eib.org/en/publications/eib-group-anti-money-laundering-and-combatting-the-financing-of-terrorism-policy>

³ EIB Group Policy towards weakly regulated, non-transparent and non-cooperative jurisdictions and tax good governance

Appendix 4 to EXPRESSION OF INTEREST

Declaration of Honour

The undersigned [name of the signatory(ies) of this Declaration], representing the following legal person: [name of the Applicant] (the “Financial Intermediary”)

Full official name:

Official legal form:

Full official address:

VAT registration number:

HEREBY DECLARES that:

1. The Applicant is not in any of the situations below:
 - it is bankrupt, subject to insolvency or winding-up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any analogous situation arising from a similar procedure provided for under Union or national law;
 - it has been established by a final judgment or a final administrative decision that it is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;
 - it has been established by a final judgment or a final administrative decision that it is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which it belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:
 - i. fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of eligibility or selection criteria or in the implementation of the legal commitment;
 - ii. entering into agreement with other persons or entities with the aim of distorting competition;
 - iii. violating intellectual property rights;
 - iv. attempting to influence the decision-making of the authorising officer responsible during the award procedure;
 - v. attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
 - it has been established by a final judgment that it is guilty of any of the following:

- i. fraud, within the meaning of Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council (44) and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995 (45);
 - ii. corruption, as defined in Article 4(2) of Directive (EU) 2017/1371 or active corruption within the meaning of Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997 (46), or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA (47), or corruption as defined in other applicable laws;
 - iii. conduct related to a criminal organisation as referred to in Article 2 of Council Framework Decision 2008/841/JHA (48);
 - iv. money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council (49);
 - v. terrorist offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA (50), respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
 - vi. child labour or other offences concerning trafficking in human beings as referred to in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council (51);
 - it has shown significant deficiencies in complying with main obligations in the implementation of a legal commitment financed by the budget which has:
 - i. led to the early termination of a legal commitment;
 - ii. led to the application of liquidated damages or other contractual penalties;
 - or
 - iii. been discovered by an authorising officer, OLAF or the Court of Auditors following checks, audits or investigations;
 - it has been established by a final judgment or final administrative decision that it has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95 (52);
 - it has been established by a final judgment or final administrative decision that it has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations in the jurisdiction of its registered office, central administration or principal place of business; or it has been established by a final judgment or final administrative decision that it has been created with such intent.
2. The Applicant is duly authorised – if applicable - to carry out financing activities in accordance with applicable laws and regulations;

3. The Applicant does not perform activities, which are illegal according to the applicable legislation;
4. The Applicant complies with relevant international and EU standards and legislation, as applicable, on the prevention of money laundering, the fight against terrorism, tax fraud, tax evasion and artificial arrangements aiming at tax avoidance.
5. The Applicant is not subject to Restrictive Measures⁴.

For the purpose of the EIF Transparency Policy, as further specified in Appendix 5 below, and subject to the approval of the relevant operation by the EIF, the [Applicant], by signing this form:

[Please tick as appropriate]

- ☐ confirms that the Applicant agrees with the disclosure of summary information relevant to this transaction (the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources) in accordance with the EIF Transparency Policy, listed in Appendix 5;

OR

- ☐ declares that (i) the Applicant requests the non-disclosure of summary information relevant to this transaction (the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources) and (ii) such disclosure would undermine the protection of commercial interests relevant to the operation.

and,

- ☐ acknowledges and agrees (i) to the terms of the Terms of Confidentiality as provided in this Call, and (ii) that each of the Applicant and the EIF shall process Confidential Information (as defined under the Terms of Confidentiality) in accordance with the terms thereunder.

Full name

Date (day/month/year):

Signature(s)

⁴ As part of its due diligence process, EIF will analyse and exclude any applicant if it or any of its ultimate beneficial owners/key persons are subject to UN/EU/OFAC/UK restrictive measures (sanctions) in relation to Russia as well as the non-government controlled territories of Ukraine.

Appendix 5 EIF Transparency Policy

Within the framework of the EIF's Transparency Policy⁵ (the "EIF Transparency Policy"), the EIF is committed to the guiding principle of promoting transparency with respect to its operational and institutional activities.

Pursuant to this guiding principle, and in accordance with the EIB Group approach and undertakings to promote transparency and good administrative practice, the EIF has adopted the practice of publishing the minutes of the Board of Directors ("Board minutes") on its website, following their approval and signature.

The published Board minutes only indicate those operations presented for decision which have been approved and, as a general rule, contain a summary indicating the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources.

The EIF Transparency Policy also recognises the need for the EIF to balance transparency with confidentiality undertakings and the protection of commercially sensitive or personal data, with a view to EIF satisfying its legal obligations to, and maintaining the confidence and trust of, its business partners, investors and third parties.

Consequently, should an application receive the relevant EIF internal authorisation for submission to EIF's Board of Directors and be approved by the Board thereafter, and should an Applicant deem that the publication of such a summary would expose sensitive or confidential information, for which there would be a compelling reason not to disclose, the Applicant shall make a declaration to that effect in the submission of the Expression of Interest resulting in the information in question being edited out of the published Board minutes and, subject to any applicable confidentiality undertakings, only being made public in connection with the signature of the operation in question.

If the EIF has not received such declaration confirming that an Applicant does not agree to the publication of the aforementioned operational overview, the EIF will consider that publication is acceptable to the Applicant, if applicable, and will proceed with publication.

⁵ [EIF Transparency Policy](#)