

ANNEX 1¹ to the Call for Expression of Interest No. JER-004/5

To:

European Investment Fund

Attention: Regional Business Development Unit

96 Boulevard Konrad Adenauer

L-2968 Luxembourg

EXPRESSION OF INTEREST

Call for Expression of Interest No.:

JER-004/5

Deadline for the submission of the Expression of Interest:

16 March 2011

Expression of Interest for Financial Instrument(s):

Applicant submitting the Expression of Interest:

_____, _____

(company name,
registration number)

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. JER-004/5 in the framework of JEREMIE initiative implemented through EIF acting as JEREMIE Holding Fund ("JHF") in Lithuania. 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/certify and declare(s) that the information contained in this Expression of Interest and its Appendices is complete and correct in all its elements.

The undersigned certifies/certify that the (Applicant) is not in one of the situations which would exclude it from taking part in this Call for Expression of Interest listed out in Appendices 5 and 6 to this Expression of Interest. The undersigned shall, upon request, provide all evidence to that extent.

Yours sincerely,

Signature(s):

Stamp of the Applicant (if applicable):

Name and position in capitals:

Applicant's name

Place:

Date (day/month/year):

¹ In case of consortiums or joint ventures to be completed by coordinating entity.

Appendixes

Appendix 1 Applicant Identification

Appendix 2 Project Description

Appendix 3 List of Documents Attached

Appendix 4 Declaration of Absence of Conflict of Interest

Appendix 5 Statement Regarding Situations of Exclusion - 1

Appendix 6 Statement Regarding Situations of Exclusion – 2: Declaration of Compliance with
Community and National Rules and Policies

Appendix 1 to Expression of Interest

APPLICANT IDENTIFICATION²

1.1. Applicant identification

INFORMATION REQUIRED	
APPLICANT'S NAME	
CONTACT DETAILS	Address: Telephone: Fax: Email:
LEGAL FORM	
COMMERCIAL REGISTER, ETC. – REGISTRATION DETAILS	Denomination of register: Date of registration: Country of registration: Registration number:
VAT	Registration number or Statement of exemption issued by the national VAT authority dated.....enclosed under reference..... Issued by.....

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/Mrs/other (delete or complete as appropriate)
NAME	Surname: Forename(s):
FUNCTION	
CONTACT DETAILS	Address: Telephone: Fax: Email:

1.3. Contact person (if different from 1.2)

TITLE	Mr/Mrs/other (delete or complete as appropriate)
NAME	Surname: Forename(s):
FUNCTION	
CONTACT DETAILS	Address: Telephone: Fax: Email:

² In case of consortiums or joint ventures to be completed by all participating entities.

**Appendix 2 to Expression of Interest
PROJECT DESCRIPTION**

Applicants are asked to provide an outline investment proposal (“Business Plan”) in relation to the Financial Instrument(s). The Business Plan should provide concise information on the following items:

Market

- Detailed description of the targeted market segment;
- Co-operation and/or competition with the relevant partners in the market.

Investment strategy

- Fund focus, including stage and sector (investment criteria);
- Fund size and justification;
- Expected number of investee companies and planned investment rate including follow-on policy;
- Strategy for generation of deal flow, adding-value to investee companies post-investment and exit strategy. Strategy inter alia has to include indicative estimate of the expected timing for initiation of operations following the signature of the Operational Agreement and also estimate of the timing of full commitment of the Financial Instrument to Eligible SMEs. Applicants are requested to submit a time table (on the basis of Table 1) indicating the expected amount of capital committed to SMEs on a yearly basis.

Table 1 – Time table

Period (after signature)	Y1	Y2	Y3
Investments into SMEs, EUR m				

- Financial instruments (equity and quasi-equity) used and expected returns.

Management

- Funds Manager team profile, detailing who would be full-time dedicated to the fund and who would be part-time (with % dedication);
- Relevant team members’ CVs (outlining main academic, professional and other relevant experience);
- Relevant team members’ track record in risk capital transactions (incl. names of investee companies, dates of investment/divestment, investment size, exit multiples, role of team member in each transaction, provide references);
- Description of the joint experience of the team members;
- Describe whether team members will be located in Lithuania, their ability to communicate in English and Lithuanian;
- Describe governance and legal structure foreseen;
- Information on members of the advisory or investment committees;
- Detail the shareholder base/ownership of the Applicant and the envisaged shareholder base for the fund management company, if it’s planned to set up a new entity as a fund manager;

**Seed&Venture Capital Funds Financial Instruments,
Call for EoI No. JER-004/5**

- Detail 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;
- Independence of management team;
- Measures proposed to deal with conflicts of interest.

Terms and conditions

- Main economic terms, including management costs (operational budget of the Financial Instrument) and management team's incentive structure proposed;
- Indicative private investor commitment (information including any already existing firm commitments, serious negotiations and fundraising plan);
- Indicative investment from fund management company and the management team into the Fund;
- Indicative investment requested from JHF;
- Winding-up provisions of the Financial Instrument, including the return of resources from the Financial Instrument to the JHF.

The business plan should be consistent also with the Part II Selection Criteria from the Annex 2. 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 DOCUMENTS ATTACHED

- 1) Copy of Applicant's registration Certificate* ;
- 2) Copy of identity card, passport or any other document which can be used for identification purposes, for the Applicant's Representative;
- 3) Appropriate evidence of the representative's authorisation to act for and on behalf of the Applicant (signatory powers);
- 4) Declaration on absence of conflict of interest as per template provided in Appendix 4, duly signed;
- 5) Statement regarding situations of exclusion as per template provided in Appendix 5, duly signed.
- 6) Statement regarding situations of exclusion - 2 as per template provided in Appendix 6: Declaration of compliance with Community and National rules and policies, duly signed.

* Copies of original documents (as long as those are in English or Lithuanian) would be sufficient

Appendix 4 to Expression of Interest

DECLARATION OF ABSENCE OF CONFLICT OF INTERESTS

The undersigned declares that neither (i) the Applicant nor (ii) he/she/they personally as authorised representative(s) of the Applicant have a direct or indirect interest of such a nature and scale that may affect the performance of the tasks assigned to the Applicant under any Operational Agreement referred to in the Call for Expression of Interest No. JER-004/5.

The undersigned is/are aware that a conflict of interest could arise in particular as a result of economic interests, political or national affinities, family or emotional ties, or any other relevant connection or shared interest.

The Applicant will inform EIF, without delay, of any situation constituting a conflict of interest or which could give rise to a conflict of interest.

Furthermore, the Applicant and the undersigned in his/her/their capacity as duly authorised representative(s) of the Applicant confirm to have read the EIF Anti-Fraud Policy and declare not to have made nor to make any offer of any type whatsoever from which an advantage can be derived under the Operational Agreement 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 the Operational Agreement.

Yours sincerely,

Signature:

Name and position in capitals:

Applicant's name:

Place:

Stamp of the Applicant's (if applicable):

Date (day/month/year):

Appendix 5 to Expression of Interest

STATEMENT REGARDING SITUATIONS OF EXCLUSION - 1

The undersigned certifies/certify that the (Applicant) is not in any of the situations which would exclude it from taking part in this Call for Expression of Interest and accordingly declare(s) that the (Applicant):

- i) has never been the subject of a conviction by final judgment for one or more reasons listed below:
 - participation in a criminal organisation, as defined in Article 2 (1) of the Council Joint Action 98/733/JHA³;
 - corruption, as defined in the Council Act of 26 May 1997 and in Article 3 (1) of the Council Joint Action 98/733/JHA;
 - fraud within the meaning of Article 1 of the Convention drawn up on the basis of Article K.3 of the Treaty on European Union, on the protection of the European Communities' financial interests⁴;
 - money laundering as defined in the Directives 2005/60/EC⁵ of 26 October 2005 and 2006/70/EC⁶ of 1 August 2006, and Directive 2001/97/EC of 4 December 2001⁷;
- ii) has not performed any act which may be qualified as illegal activity in the meaning of the terms of the EIF Anti-Fraud Policy;
- iii) is not bankrupt or is being wound up, where its affairs are not being administered by the court, where it has not entered into an arrangement with creditors, where it has not suspended business activities or is not in any analogous situation arising from a similar procedure under national laws and regulations;
- iv) is not the subject of proceedings for a declaration for bankruptcy, for an order for compulsory winding up or administration by the court or of an arrangement with creditors or of any other similar proceedings under national laws and regulations;
- v) is not "a firm in difficulty" within the meaning of Article 2.1 of the Community guidelines on State aid for rescuing and restructuring firms in difficulty⁸;

³ Joint Action of 21 December 1998 adopted by the Council on the basis of Article K.3 of the Treaty on European Union, on making it a criminal offence to participate in a criminal organisation in the Member States of the European Union (Official Journal of the European Union L351 of 29.12.1998), as amended from time to time.

⁴ Council Act of 26 July 1995 drawing up the Convention on the protection of the financial interests of the European Communities (Official Journal of the European Union C316 of 27.11.1995), as amended from time to time.

⁵ Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (Official Journal of the European Union L309 of 25.11.2005), as amended from time to time.

⁶ Commission Directive 2006/70/EC of 1 August 2006 laying down implementing measures for Directive 2005/60/EC of the European Parliament and of the Council as regards the definition of 'politically exposed person' and the technical criteria for simplified customer due diligence procedures and for exemption on grounds of a financial activity conducted on an occasional or very limited basis (Official Journal of the European Union L214 of 4.8.2006), as amended from time to time.

⁷ Directive 2001/97/EC of the European Parliament and of the Council of 4 December 2001 amending Council Directive 91/308/EEC on prevention of the use of the financial system for the purpose of money laundering (Official Journal of the European Communities L 344 of 28.12.2001), as amended from time to time.

⁸ Communication from the Commission – Community Guidelines on State aid and restructuring firms in difficulty (Official Journal of the European Union C 244 of 1.10.2004), as amended or substituted by future Community guidelines from time to time.

**Seed&Venture Capital Funds Financial Instruments,
Call for Eol No. JER-004/5**

- vi) no member of its senior management has been convicted as a consequence of a judgment which has the force of *res iudicata*, in accordance with the legal provisions of the country of any offence concerning its professional conduct;
- vii) no member of its senior management has been guilty of grave professional misconduct;
- viii) has fulfilled obligations relating to the payment of social security contributions in accordance with the legal provisions of the country in which it is established;
- ix) has fulfilled obligations relating to the payment of taxes in accordance with the legal provisions of the country in which it is established and in the countries where it operates, as applicable;
- x) there is no court decision in force regarding the violation of the contract on the allocation of other assistance to the Applicant from the resources of the EU budget or the State budget of the Republic of Lithuania;
- xi) is not found to have provided serious misrepresentation in supplying the information required in accordance with the Call for Expression of Interest or has supplied such information.

The Applicant and the undersigned in his/her/their capacity as duly authorised representative of the Applicant commit to provide all evidence to the above, upon request by the JHF or EIF.

Signature:

Stamp of the Applicant (if applicable):

Name and position in capitals:

Applicant's name

Place:

Date (day/month/year):

Appendix 6 to Expression of Interest

STATEMENT REGARDING SITUATIONS OF EXCLUSION - 2

DECLARATION OF COMPLIANCE WITH COMMUNITY AND NATIONAL RULES AND
POLICIES

The undersigned certifies/certify that the (Applicant) is not in any of the situations which would exclude it from taking part in this Call for Expression of Interest and accordingly declare(s) that the (Applicant):

- i) Complies with all Community and National rules and policies in relation to Competition and confirms its willingness and readiness to undertake its responsibility for ensuring that investments originated under this Financial Instrument respect the applicable provisions of the *De Minimis Regulation*⁹ and of Reg. 800/2008¹⁰ (as specified in Annex 2);
- ii) Complies with all Community and National rules and policies in relation to the goal of protecting and improving the environment and promoting sustainable development;
- iii) Complies with all Community and National rules and policies in relation to gender equality and non-discrimination;
- iv) Confirms its willingness and readiness to respect the information and publicity provisions applicable to this Financial Instrument.

Yours sincerely,

Signature:

Name and position in capitals:

Applicant's name

Place:

Stamp of the Applicant's (if applicable):

Date (day/month/year):

⁹ Commission Regulation (EC) No 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to de minimis aid (Official Journal of the European Union L379 of 28.12.2006, p.5), as amended, (the "**De Minimis Regulation**").

¹⁰ Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General Block Exemption Regulation) (Official Journal of the European Union L214 of 09.08.2008, p. 3), as amended, ("**Reg. 800/2008**").