



Published on 15 March 2019

Selection of one or more Financial Intermediaries to be funded within the scope of the Croatian Growth Investment Programme (CROGIP), managed by European Investment Fund (EIF) and co-financed by Croatian Bank for Reconstruction and Development (HBOR), to launch an investment fund targeting SMEs, small-midcaps and/or midcaps in Croatia.

Deadline for applications: 20 June 2019¹

The objective of this selection process, launched by EIF in cooperation with HBOR, is to select one or more eligible Financial Intermediaries in conjunction with the Croatian Growth Investment Programme (CROGIP), in order to increase funding options for Croatian companies and to support the emergence and professionalization of private equity investment fund manager(s) in Croatia.

All applications by Financial Intermediaries² for funding from EIF within the scope of CROGIP under this selection process should be submitted to EIF and comply with the terms of this notice (the "Notice").

Please be informed that alongside funding financed by HBOR, EIF anticipates using other funding sources under EIF's management (for example, funding available under EFSI Equity Instrument, Expansion and Growth Window) in respect of which the requirements applicable to such funding will apply in addition to those reflected in the Notice. After pre-selection of the applicants (please see section 6 below for the description on the process), EIF will inform selected applicants of such additional funding source and of the relevant requirements. In case EFSI Equity Instrument is used as potential additional funding source, the applicants are expected to familiarise themselves with the requirements of the EFSI Equity Instrument (available from http://www.eif.org/what_we_do/equity/efsi/index.htm).

¹ The date has been extended by 5 days from the originally published deadline of 15 June 2019.

² Unless specifically indicated in this call for expression of interest or its annexes, the reference to a Financial Intermediary is to be understood to refer to a fund, its manager/advisor or both, as relevant.

In this Notice, capitalised terms and expressions shall have the meaning attributed to them in this document and as defined in relevant Investment Guidelines annexed thereto, as appropriate.

1. Croatian Growth Investment Programme (CROGIP)

In January 2019, EIF and HBOR launched the Croatian Growth Investment Programme (CROGIP). The EUR 70m million equity investment programme aims to support Croatian SMEs, small-midcaps and/or midcaps access to growth and expansion equity capital. Within the scope of the CROGIP, investments are anticipated to be made in - or alongside - Financial Intermediaries, which provide equity, quasi-equity or hybrid debt-equity instruments³ to underlying portfolio companies.

The objective of CROGIP is to support Croatian SMEs, small-midcaps and/or midcaps to attract private equity investment to Croatia and to build local capacity by supporting fund managers which focus a significant part (at least 70% of amounts drawn down from all investors in the Fund for the purpose of investments) of their investments into Croatian companies.

As part of the activities under the CROGIP, the current selection process is launched with the objective to select Financial Intermediaries that meet the conditions of the funding available within the scope of the CROGIP. The total amount potentially available for the current selection process is indicatively up to EUR 25 million from HBOR, such amount to be complemented with equal funding to be made available from other funding sources under EIF's management (bringing the total resources under the Programme up to EUR 50m), subject to satisfying the eligibility and compliance with the terms of such funding. Applicants may express their interest for an investment of up to the referred amount. The indicative capital allocated to this selection process, as well as the amounts available for contribution to the selected Financial Intermediary, may be changed as necessary, at EIF's sole discretion.

2. Description of the activities expected from the selected Financial Intermediary

In accordance with the procedure described below, the EIF may select one or several Financial Intermediaries for funding. The selection of Financial Intermediaries shall be made based on the funding available, as may be changed from time to time, and shall be based on the Selection Criteria reported in Appendix 3.

Financial Intermediaries must comply with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud/evasion/avoidance to which they may be subject. Financial Intermediaries must acknowledge the EIF Anti-Fraud Policy (http://www.eif.org/attachments/publications/about/Anti_Fraud_Policy.pdf) which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing and shall take appropriate measures (as may be further specified in the contractual documents to be entered into with each Financial Intermediary) to facilitate implementation of such policy.

3. Expression of Interest

³ Hybrid debt/equity investments mean investments in any debt instruments (alone or in conjunction with an equity component or link), which, in light of their subordination or of other special circumstances of the target companies, are expected to yield a return in excess of traditional senior bank financing.

The Expression of Interest shall include the identification of the person applying for the funding (the “Applicant”) and the Project Description, as described in the templates attached to this Notice respectively under Appendix 1 and Appendix 2, including any supporting documents deemed necessary for the assessment of the proposal.

No later than 25 April 2019, the Applicants may request clarifications regarding the selection process or the nature of funding available within the scope of the CROGIP. Such requests shall be submitted in English via e-mail to:

Equity Mandate Management

European Investment Fund

CROGIP@eif.org

Requests for clarifications from Applicants shall not receive individual replies. Instead, answers to all requests for clarifications received within the relevant deadline will be published together in a Clarification Document to be posted on the website www.eif.org, at the latest on 15 May 2019⁴.

EIF will in principle not contact any Applicant prior to the deadline, unless it considers it necessary to clarify issues of a technical nature. However, should EIF discover any errors, inaccuracies, omissions or any other type of clerical defect in the text of this Notice before the deadline, EIF will correct the text and inform accordingly.

4. Language

The Expressions of Interest, including the submitted documents, shall be in English only.

5. Submission of the Expression of Interest

The Expressions of Interest shall be submitted on or before the deadline set forth in the next paragraph **both** by (i) e-mail **and** (ii) registered mail or professional courier service. The Expressions of Interest sent by registered mail or professional courier service shall consist of a closed single package, and shall contain the Expression of Interest, together with its attachments, in paper form.

The deadline for the submission of Expressions of Interest is 20 June 2019 (the “Deadline”).

The Deadline applies (i) in case of e-mails, to the reception by EIF and (ii) in case of registered mail or professional courier service, to the date of dispatch proven by the post office stamp or a dispatch receipt.

The Expressions of Interest shall indicate the reference “CROGIP Selection Process” and the name of the Applicant and shall be sent to the following address:

⁴ The date has been extended by 5 days from the originally published date of 10 May 2019.

Postal Address:

European Investment Fund
Equity Mandate Management,
Attention: Ms Maria Rodriguez Redaelli
37 B, J.F.Kennedy,
L-2968 Luxembourg
LUXEMBOURG

The outer envelope (package) shall indicate the following:

“Expression of Interest – CROGIP Selection Process – Not to be opened by the reception –
To be passed without opening to Equity Mandate Management”.

E-mail Address:

Attention: Equity Mandate Management
CROGIP@eif.org

Prior to the Deadline and in the same manner as specified above, the Applicants may change or amend their Expressions of Interest by clearly indicating the parts to be changed or amended.

Prior to or after the Deadline and in the same manner as specified above, the Applicants may withdraw their Expressions of Interest by sending (i) an email and (ii) a letter to the above mentioned addresses.

After the Deadline, an acknowledgement of receipt will be sent by EIF to the relevant Applicants via e-mail, which shall confirm that the Expression of Interest was received before the Deadline.

The acknowledgement of receipt shall not be construed as a declaration of completeness of the Expression of Interest and the documents submitted therewith, nor any kind of assessment of the same.

6. Selection process

Financial Intermediaries shall be selected on the basis of EIF’s policies, rules, procedures and statutes and in conformity with best practices with an open, transparent, proportionate, non-discriminatory and objective selection procedure.

In addition, the Expressions of Interests will be examined by the EIF on a comparative basis, using EIF professional analysis and judgment, and will be based on the Project Description and the Selection Criteria reported respectively in Appendix 2 and Appendix 3.

Following the receipt of the Expression of Interest, EIF shall assess the application(s) pursuant to the selection process outlined herewith. This process comprises:

1. Pre-selection;

Expressions of Interest will be assessed by the EIF for pre-selection on a comparative basis. When assessing the Expressions of Interest, EIF will use its professional analysis and judgment. The pre-selection comprises:

1. Pre-selection stage 1: eligibility assessment of the Expressions of Interest;

EIF will assess whether the Expressions of Interest have been prepared in accordance with the eligibility provisions of this Call.

2. Pre-selection stage 2: quality assessment of the Expressions of Interest.

After completing the assessment of the eligibility criteria, and after having obtained any additional information or clarifications from the Applicants, if and as needed, the EIF will perform the quality assessment of the Expressions of Interest.

2. Due diligence;

Top-ranked pre-selected Expressions of Interest will be followed up with the due diligence process, carried out in accordance with EIF's internal rules and procedures, where financial and operational matters relating to the financial instrument implementation shall be analysed in more detail.

3. Selection.

Based on the pre-selection outcome and the outcome obtained following the due diligence, the EIF will decide either:

- 1) To select the Applicant;
- 2) To put the Applicant on a reserve List;
- 3) To reject the proposal from the Applicant.

Applicants will be selected subject to (i) a successful commercial and legal negotiations, and (ii) a successful EIF internal approval of the transaction according to EIF own rules and procedures.

The contractual negotiation process shall not be considered concluded prior to the signature of the subscription agreement with the Financial Intermediary, in accordance with EIF's internal rules and procedures, and is in any case not concluded until EIF and the Applicants have agreed on all relevant terms and conditions, at EIF's full discretion.

Applicants who are not initially considered for contractual negotiations may, subject to the EIF's discretion, be included on a reserve list, which unless cancelled or extended in writing by EIF, shall be valid up to 30 June 2020 (the "Reserve List"). Applicants shall be notified by EIF of inclusion in the Reserve List.

Those Applicants, whose Expression of Interest is rejected, shall have the right to submit a written complaint about the selection process by e-mail, registered mail or professional courier service, to the same address used for the submission of the Expressions of Interest above, within the timeline provisioned within the relevant EIB Group complaints policy. Any complaints will be dealt within the framework and in accordance with the EIB Group complaints policy (for further information visit <http://www.eib.org/about/publications/complaints-mechanism-policy.htm>).

Any personal data provided by the Applicants shall be processed by EIF in compliance with its Data Protection Statement (EIF statement on the processing operations of Applicants and Financial Intermediaries' personal data, as published on the EIF's website) and the [Regulation \(EU\) 2018/1725](#) on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies offices and agencies and on the free movement of such data, as amended from time to time. For further information visit:

http://www.eif.org/attachments/eif_data_protection_statement_financial_intermediaries_due_diligence_en.pdf

In any phase of the selection process, EIF reserves full discretion and no Applicant or participating entity may have any claim or other right or may expect to be ultimately selected as Financial Intermediary. The start of a due diligence process or the negotiation of terms and conditions does not entail any obligation for EIF to enter into the agreement with the relevant Applicants.

Appendix 1

APPLICANT IDENTIFICATION

1.1. Applicant identification

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

	Fax: E-mail:
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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

PROJECT DESCRIPTION

Applicants are asked to provide an outline investment proposal (the “Project Description”) in relation to the Financial Intermediary. The Project Description should provide concise information on the following items:

Market

- Detailed description of the targeted market segment;
- Detailed description of the competitors in targeted market segment(s), including other sources of financing;
- Differentiation vis-à-vis competitors.

Investment strategy

- Fund focus, including stage and sector (indicating the focus on potential portfolio companies established or operating in Croatia and established or operating in other European states respectively);
- Fund size, indicative breakdown of funds allocation to potential portfolio companies established or operating in Croatia and established or operating in other European states respectively (including follow-on investment rounds);
- Expected portfolio models (including number and amount of investments, timing of follow-on investments) at minimum, target and maximum fund size;
- Financial instruments into which the Financial Intermediary expects to invest in (equity, quasi-equity, hybrid debt-equity) to be used and expected returns. Strategy for generation of deal flow, adding-value to investee companies, post-investment and exit strategy;
- Detailed description of existing pipeline of investment opportunities.

Fundraising

- Expected timing for first and final closings;
- Potential investors in the Financial Intermediary and their source of funding, classified by geography and investor type e.g. pension fund, insurance company etc.;
- Description (detailed list of names, amounts if available and stage of discussion) of the types of private investors envisaged and strategy of attracting co-investors;
- Details of any sponsor or potential investor receiving any special right (economic or related to governance), if any.

Management

- Fund manager team profile, detailing who would be full-time dedicated to the fund and who would be part-time, including location of each team member;
- Relevant team members’ CVs (outlining main academic, professional and other relevant experience);
- Relevant team members’ track record in venture capital and/or private equity transactions (incl. names of investee companies, type of investment/transaction, role played (e.g. lead, co-investment, advisor etc.) country of operation, dates of investment/divestment, investment size, proceeds to date, current valuation, exit multiples, gross IRR, role of team member in each transaction, provide references);
- Description of the joint experience of the team members;

- Description of presence in Croatia (i.e. description of team members (investment professionals) located or to be located in Croatia, and of their ability to communicate in English and Croatian; presence of registered office in Croatia, if any, or timeline to establish such office);
- Description of existing/established networks and relationships with companies established or operating in Croatia;
- Detailed description of the legal structure/s foreseen, including an adequate justification of all cross-border elements of the structure;
- Description of the governance structure that allows for decisions concerning investments, divestments and risk diversification to be made in accordance with the applicable legal documentation and in line with the relevant market practice;
- Information on members of the advisory and investment committees to be established (including, inter alia, involvement and decision making process, with focus on independence of the management team as regards to the investment decisions);
- Applicant's risk management methodology, procedures and systems;
- 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;
- Details of the planned carried interest split;
- Detail the history of the Applicant and its previous/existing business activities, particularly describing any activity having potential of conflicts of interest in relation to the fund;
- Description of the appropriate measures to avoid conflicts of interests and align the interests of the Financial Intermediary, its managers and its investors, such measures to be in line with market practices;

Terms and conditions

- Main economic terms, including management fee calculation, establishment costs, preferred return, carried interest, policy on any monitoring, transaction and similar fees and respective offset with the management fee;
- Operational budget of the Financial Intermediary;
- Indicative investment from fund management company and the management team into the fund;
- Indicative capital commitment requested from EIF within the scope of the CROGIP;
- Indicative capital commitments from private investors at the level of the Financial Intermediary.

Appendix 3

Investment Guidelines and Selection Criteria

This section describes some non-exhaustive guiding principles in the activities of the Financial Intermediary, and indicative terms applicable to in conjunction of the CROGIP.

As stated above, alongside funding financed by HBOR, EIF anticipates using other funding sources under EIF's management (for example, funding available under EFSI Equity Instrument, Expansion and Growth Window) in respect of which the requirements applicable to such funding will apply in addition to those reflected in the Notice. After pre-selection of the applicants, EIF will inform you of such additional funding source and of the relevant requirements. In case EFSI Equity Instrument is used as potential additional funding source, the applicant is expected to familiarise themselves with the requirements of the EFSI Equity Instrument (available from http://www.eif.org/what_we_do/equity/efsi/index.htm).

Category	Requirement
CROGIP Investees	<p>The Investment Fund's investment strategy must include in its investment documents an obligation to invest in CROGIP Investees at least 70% of amounts drawn down from all investors in the Fund for the purpose of investments. In addition, the investment strategy of the Investment Fund may permit investments only through enterprises based in Europe (which for the avoidance of doubt does not restrict investment in any enterprise based in Europe having activities also outside of Europe).</p> <p>For the above purpose, in order to qualify as a CROGIP Investee, an enterprise must satisfy all of the following requirements, at the time of first investment by the Investment Fund in the CROGIP Investee:</p> <ol style="list-style-type: none"> 1. With respect to location of the enterprise, it must be established in Croatia and: <ol style="list-style-type: none"> (i) have Croatia as country of its main operations; and/or (ii) receive an investment aimed at establishing or developing a long-term presence in Croatia (i.e. indicated by significant workforce in Croatia or otherwise, in any case excluding the operation of retail facilities (e.g. shopping mall)). 2. With respect to the size and stage of the enterprise, it must: <ol style="list-style-type: none"> (i) be an SME (Commission recommendation 2003/361/EC of 6th May 2003, as amended), a small midcap (an entity with fewer than 500 FTE employees that is not an SME) or a midcap (an entity with up to 3000 FTE employees that is not an SME); and (ii) not be in the Early Stage (i.e. Seed and Start-up investment stages as defined by Invest Europe, such definition as updated from time to time). 3. With respect to the activities of the enterprise: <ol style="list-style-type: none"> (i) It does not operate in economic sectors referred to as the "EIF Restricted Sectors" in the Guidelines on the EIF Restricted Sectors⁵, and (ii) It does not operate primarily in any of the bellow listed sectors/areas: <ol style="list-style-type: none"> a) Financial services as per Sector code 57 EVCA "Financial services" (excluding financial technology companies); or b) Real estate as per Sector code 58 of EVCA "Real Estate". <p>The Financial Intermediary must agree that the EIF may not be required to participate, fully or partially, in an investment, if that investment would result in an irremediable breach of the minimum allocation in the first paragraph of this section. For the avoidance of doubt, provided the above minimum allocation is complied with, the Financial Intermediaries may invest in entities that are not CROGIP Investees, subject to such entities not operating in economic sectors referred to as the "EIF Restricted Sectors" in the Guidelines on the EIF Restricted Sectors (the "Excluded Final Recipient").</p>
Financial Intermediary size and duration	<ol style="list-style-type: none"> 1. The Investment Fund should have a minimum fund size of at least EUR 30 million in the closing where EIF makes the commitment to the Investment Fund (or, as assessed by EIF, be likely to reach the minimum fund size in a subsequent closing) and a target fund size of at least EUR 50 million. 2. Investment Fund must be established in the EU. 3. Any Investment Fund whose initial term is longer than 10 years from the date of the first closing (excluding any permitted extensions) will not be eligible for being considered. 4. At least 30% of the total commitments to the Investment Fund (excluding EIF contribution made through any other EIF mandates that does not qualify as independent private resources) must come from independent private resources. 5. Croatian public money invested in the Investment Fund must at all times be under or at 50% at the level of the CROGIP Investee. Croatian public money means all funds coming from the Croatian public sources and/or under the control of the Croatian

⁵ http://www.eif.org/news_centre/publications/2010_Guidelines_for_Restricted_Sectors.htm

	public entities (bodies), including contribution the source of which is the budget of Croatian national, regional or local public authorities, or the budget of Croatian public law bodies, or the budget of associations of Croatian public authorities, or of Croatian public law bodies.
<i>Supporting of the market in Croatia</i>	<p>For the objective of supporting the emergence and professionalization of private equity investment activity and capacity building in Croatia and to ensure appropriate monitoring of the investments, the Financial Intermediary should have significant presence in Croatia by:</p> <ul style="list-style-type: none"> (i) being established with at least a branch office in Croatia and (ii) having sufficient staffing with personnel, including at least two investment professionals, to be based in Croatia throughout the entire duration of the respective investment vehicle that is able to operate in Croatian business environment (including appropriate language skills).
<i>Investment strategy</i>	<ul style="list-style-type: none"> • The Financial Intermediary must have, with respect to its asset class and size, an appropriate duration and risk diversification strategy, as per best market practice and as agreed with EIF. • The Investment Fund will make investment capital in the form of equity, quasi-equity or hybrid debt-equity instruments to the portfolio companies and of such investment capital, at least 70% must be provided in the form of equity and/or instruments having equity-like characteristics (including mezzanine). • The Investment Fund must not principally use leverage at the level of the Investment Fund. • The Investment Fund may not invest in derivatives. Notwithstanding the foregoing, the Investment Fund may utilize derivatives for protective hedging purposes exclusively. • The purpose of the Financial Intermediary's investment in target investees must be primarily to finance growth and expansion stage (i.e. the stage of development of a company that has already established a product or service, and has already generated revenue, but may or may not be making a profit and needs financing to grow and expand, including in order to finance increased production capacity, market or product development, provide additional working capital or is used for a transfer of business with a view to further grow the business). Replacement capital intended for asset stripping shall be a prohibited investment activity. • The Financial Intermediary shall not invest in any Excluded Final Recipients. • If the Financial Intermediary's contractual documents foresee the right of the Financial Intermediary to recall any distributions from Investors, such right must be limited in amount and in time, as deemed appropriate by EIF.
<i>Structure and governance and economic terms</i>	<ul style="list-style-type: none"> • The manager of the Financial Intermediary must be established in an EU member state and must be authorised or registered in an EU member state under the applicable national law. • The Financial Intermediary shall be managed by an independent management team⁶ combining the appropriate mix of skills and experience to demonstrate the necessary capability and credibility to manage a risk capital fund⁷ and which, during the due diligence process, demonstrated to the EIF that they (i) have a clear strategy to make a sufficient number of investments into CROGIP Investees, create adequate deal flow and establish appropriate exit strategies and (ii) will apply good market practice in areas such as legal structure, investment principles, reporting and evaluation.

⁶ Independent management teams include teams operating within a corporate structure provided that the operation of the fund management business has a high degree of independence in making investment decisions from the parent company / organization.

⁷ The individual members of the management teams are not required to have prior direct experience of fund management provided that they can otherwise demonstrate appropriate capabilities within the team to manage the Financial Intermediary, whereby the management team as a whole will be evaluated and this criteria does not have to be fulfilled by each individual member of the management team.

	<ul style="list-style-type: none"> • The Financial Intermediary shall be managed by entities which are controlled by individuals or privately held entities. Control in this regard shall mean the power to direct the management of the entity which is controlled whether through the ownership of voting capital, by contract or otherwise, or the ability to exercise (whether directly or indirectly) more than 50% of the voting capital or similar rights of ownership in respect of such controlled entity or the contractual right to appoint or remove the management of such entity or a majority of the members of such entity's executive bodies. • The EIF shall be represented in advisory board or similar investor representation bodies of the Financial Intermediary. • The management fee, preferred return and carried interest are in line with the market practice.
<i>Monitoring and audit</i>	<ul style="list-style-type: none"> • The Financial Intermediary must agree (and must agree to cause the portfolio companies to agree) to allow the EIF, any person designated by EIF, the European Court of Auditors and OLAF to have access to adequate information to enable them to discharge their duties with respect to monitoring, control and auditing of the correct use of the invested amounts, including the promotion, visibility and transparency requirements specified in this section. These controls may include on-the-spot controls of the Financial Intermediary, and the portfolio companies. • In order to allow for HBOR to carry out its monitoring activities, the Financial Intermediary will be requested to: <ul style="list-style-type: none"> (i) invite HBOR as an observer to events open to all investors, such as the annual general meeting (if any) of the Financial Intermediary; (ii) invite HBOR as an observer at the advisory board (if any) or other similar governance body of the Financial Intermediary. For the avoidance of doubt, such body does not refer to the investment committee or similar body making investment or management decisions.
<i>Non-Compliant Jurisdiction</i>	<ul style="list-style-type: none"> • Financial Intermediaries shall not be established in a Non-Compliant Jurisdiction and must abide by the EIB Group Policy Towards Weakly Regulated, Non-transparent and Non-Cooperative Jurisdictions and Tax Good Governance ("EIB Groups NCJ Policy"), which may be reviewed, supplemented or amended from time to time and which is intended to address the issues of money laundering, terrorism financing, tax avoidance, tax fraud or tax evasion which are mentioned in amended Article 22 of the EFSI Regulation (EU) 2017/2396. A Non-Compliant Jurisdiction means a jurisdiction 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-CFT⁸ and/or tax transparency/tax good governance standards⁹.
<i>Reporting</i>	<ul style="list-style-type: none"> • The Financial Intermediary shall provide the EIF with quarterly and annual reporting in English prepared in accordance with the reporting guidelines published or endorsed by Invest Europe (formerly known as European Private Equity and Venture Capital Association) from time to time. Financial Intermediaries shall also provide annual audited financial statements in accordance with applicable laws. The valuation of risk capital investments in target investees shall be made in accordance with the valuation principles published or endorsed by Invest Europe.
<i>Visibility</i>	<ul style="list-style-type: none"> • Financial Intermediaries shall explicitly inform portfolio companies, that the financial instrument is being co-financed by Croatian Bank for Reconstruction and Development

⁸ Such jurisdictions feature in Reference Lists published from time to time by Lead Organisations such as FATF (available here: <http://www.fatf-gafi.org/publications/high-riskandnon-cooperativejurisdictions/documents/fatf-compliance-june-2018.html>) and EC under Art 9(2) of Directive (EU) 2015/849.

⁹ Such jurisdictions feature in Reference Lists published from time to time by Lead Organisations such as the EU (available here: https://ec.europa.eu/taxation_customs/tax-common-eu-list_en) and the Global Forum (available here: <http://www.oecd.org/tax/transparency/exchange-of-information-on-request/ratings/#d.en.342263>).

	<p>(HBOR), and supported by other EIF and resources under EIF management as the case may be.</p> <ul style="list-style-type: none"> • The first publication of the Financial Intermediary on the EIF's investment is to be coordinated with EIF, and should feature the role of the EIF and HBOR as co-funding the financial instrument. The first publication of the CROGIP Investee on the investment from the Financial Intermediary should feature the role of the EIF and HBOR in funding the investment.
<i>Record keeping</i>	<ul style="list-style-type: none"> • The Financial Intermediary shall maintain or be able to produce all the documentation related to the implementation of the financial instrument for a period of seven (7) years following the termination of the fund agreement. The Financial Intermediary shall require each target investee to maintain and be able to produce all documentation related to the investment for a period of seven (7) years following the termination of the investment in such target investee or the Financial Intermediary (as applicable).
<i>Transfer rights</i>	<ul style="list-style-type: none"> • EIF must have the right to transfer part of its investment to HBOR or a person designated by HBOR in case of termination of the relevant funding agreement with HBOR.
<i>Additional representations</i>	<ul style="list-style-type: none"> • The Financial Intermediary may be required by the EIF to provide additional representations related to CROGIP and other funding resources, as the case may be, that are being contemplated for co-financing the financial instrument (for example, for the EFSI Equity Instrument).