

German Corona Matching Facility (CMF)

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The aim of the CMF is to provide German startups with needed liquidity as quickly and efficiently as possible in order to bridge liquidity problems caused by the coronavirus crisis. Financing rounds by companies of accredited private VC fund managers (GPs) are matched by public CMF capital. GPs can choose to match financing rounds of either i) existing portfolio companies or ii) both existing portfolio companies and new initial investments.

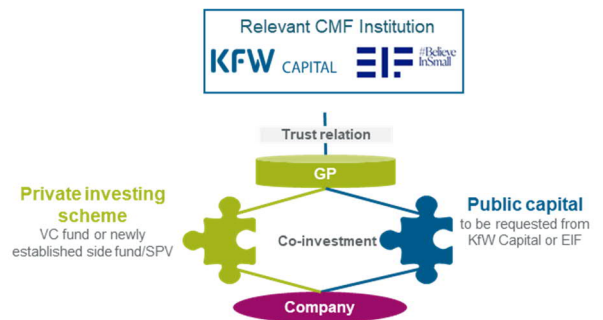
Co-investment and trust framework agreement (CTFA)

The accredited GP acts as fiduciary of federal funds under a co-investment and trust framework agreement (CTFA) between the GP and KfW Capital / EIF ("CMF institutions").

Criteria for CMF eligibility

Investing schemes are either current VC funds or newly established SPVs. To qualify for CMF, an eligible GP must meet the following criteria:

- i. European VC fund manager
- ii. Independent VC fund manager (no CVC)
- iii. Successful check by KfW Capital / EIF



Eligible investing schemes/funds

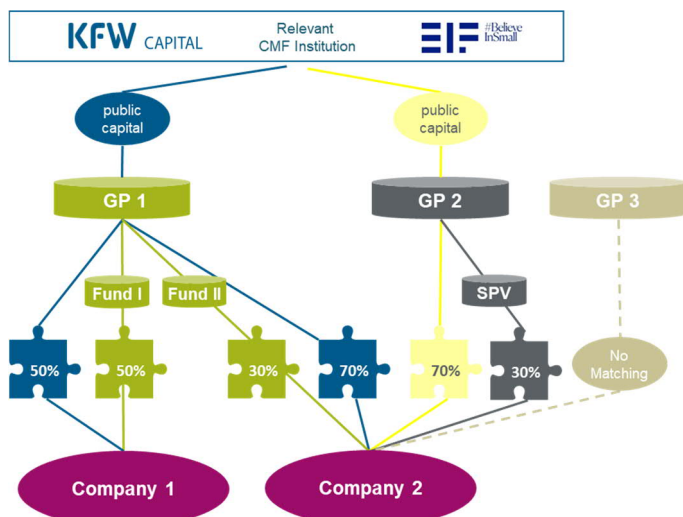
- Successful fund KYC & governance check & standard market terms
- Closed-end funds and fund currency according to KfW Capital / EIF portfolio guidelines
- Private investors > 50% of fund volume and no single majority shareholder
- State aid conformity for newly established SPVs

Eligible portfolio companies

- Portfolio companies / new investments closely related to Germany
- Financing round documentation incl. shareholder resolution
- No financial or strategic majority investor
- Duty to offer all relevant companies of accredited investing schemes to CMF (current and new investments)

VC Matching Process

The max. CMF share per financing round may not exceed 50%. Accredited GPs have to decide for each fund on a fixed share of CMF-funds over own funds for all eligible financing rounds – the matching ratio. The maximum selectable matching ratio is 70%. The contractually agreed matching ratio applies to all eligible financing rounds, as far as the max. CMF share of 50% and the max. 70% public money share per financing round are not exceeded. The contractually agreed matching ratio per fund for new investments may not be higher than that for (legacy) portfolio companies. Accredited GPs are obliged to utilize the CMF according to these rules in all eligible financing rounds until 30 June 2021.



Instruments

- Flexible financing instrument**
... equity or quasi equity (e.g. convertible loan)
- GP as fiduciary**
... acts in its own name on behalf of KfW Capital / EIF
- Exit / Repayment**
... GP determines type and time of the exit (exit, conversion, repayment)

Terms

- Standardised CTAs, No fee, no carry**
Application processing **until 31 March 2021** and signing of financing documents **until 30 June 2021**
Retroactive inclusion of CMF funds from 02 April 2020 (if meeting pari-passu requirements)

Responsibilities of CMF institutions

- GPs in the
- KfW portfolio: VC-matching@kfw.de
 - EIF portfolio: German-CMF@eif.org
 - KfW Capital & EIF portfolio: KfW Capital or EIF
 - Neither portfolio: KfW Capital or EIF

Please apply to one institution only.

KfW Capital and EIF reserve the right to transfer applications within institutions.

Application Process

1. GPs contacts the relevant CMF institution (see above)
2. CMF institution issues application form, FAQs and CTFA to GP
3. GP returns completed documents to the CMF institution
4. CMF institution conducts first eligibility screening
5. CMF institution requests further documents to conduct GP accreditation
6. GP and CMF Institution sign the standardised CTFA
7. GP concludes financing round agreements and submits capital calls to CMF institution

Disclaimer: This information on the Corona Matching Facility (CMF) was provided by KfW Capital GmbH & Co. KG and the EIF for information purposes only. The information is subject to possible changes, especially updates and additions, and does not constitute an offer or a request for accreditation for the CMF. Recipients of this information who intend to become accredited for the CMF and sign a CTFA should make their decision exclusively on the basis of the final CTFA to be created. The information in the CTFA may differ from the information contained herein. Therefore, neither the accuracy nor the completeness of the information contained herein should be relied upon. Please note in particular that interested parties must make their own legal and tax assessment.