



PRIVATE LIMITED LIABILITY COMPANY INVESTICIJŲ IR VERSLO GARANTIJOS

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APPROVED by
the Director General of
UAB INVESTICIJŲ IR VERSLO
GARANTIJOS, Order No. B-52 of 5 April
2018

CALL FOR EXPRESSION OF INTEREST SELECTION OF THE FUNDS MANAGERS

CONTENTS

- I. INTRODUCTION
- II. DEFINITIONS
- III. ACTIONS EXPECTED OF THE SELECTED APPLICANT (FUND MANAGER)
- IV. EXPRESSION OF INTEREST
- V. SELECTION PROCESS

ANNEXES:

- 1. Terms and Conditions for the Financial Instrument
- 2. Application Form
- 3. Business Plan Requirements
- 4. Declarations

I. INTRODUCTION

UAB INVESTICIJŲ IR VERSLO GARANTIJOS (**INVEGA**) is launching a call for expressions of interest in order to identify financial intermediaries (a **Fund Manager** or **Financial Intermediary**) **to establish and manage the implementation of a risk capital fund (or funds)** focused on investing in Micro and small-sized enterprises (as defined) **and implement Accelerator Programmes** (as defined) for the Final Recipients in accordance with the terms and conditions set out herein.

The Financial instrument implemented by the Business Financing Fund (as defined), a fund-of-funds established as part of the Operational Programme for the EU Funds' Investments in 2014-2020. The Business Financing Fund's conditions have been described in the ex-ante market assessment as defined by Article 37 of the Common Provisions Regulation (as defined) carried out by the Ministry of Finance for the purpose of identifying market failures or suboptimal investment situations and the estimated level and scope of public investment needs dated 27 March 2015 (the **Ex-ante Assessment**). INVEGA has been appointed as the manager of the Business Financing Fund in accordance with Article 38 (4)(b)(ii) of the Common Provisions Regulation pursuant to the provisions of a funding agreement dated 15 April 2016 between INVEGA, the Ministry of Economy and the Ministry of Finance of the Republic of Lithuania.

The principal purpose of the Fund shall be to promote the risk capital market and facilitate access for MSEs in Lithuania to long term equity and quasi-equity financing and provide Accelerator Programmes (as defined) consistent with the Ex-ante Assessment. The implementation of the Fund shall aim to increase the level of competitiveness of Lithuania by supporting the establishment of new enterprises and improving overall business productivity.

This Call for Expression of Interest has been prepared for financial intermediaries wishing to apply to be selected as the Fund Manager (the **Applicant**) for the Fund and outlines the terms and conditions applicable to the selection of the Fund Manager. Applicants should express their interest by completing and submitting an Expression of Interest (as defined) in the manner provided for in this Call for Expression of Interest.

The process by which the Fund Manager is selected (the **Selection**) and the ongoing implementation shall be conducted in compliance with applicable regulations including the ERDF Regulation (as defined), the Common Provisions Regulation, the Commission Delegated Regulation (as defined), the Commission Implementing Regulation (as defined), the General Block Exemption Regulation (as defined), the Financial Regulation (as defined); the Civil Code of the Republic of Lithuania and the Rules on Financial Instruments (as defined). Furthermore, following the Law of the Republic of Lithuania on Public Procurement the exemption foreseen in items 5 and 7 of Article 6 of the indicated law is applied for the Selection process.

II. DEFINITIONS

In this Call for Expression of Interest, capitalized terms and expressions shall have the meaning attributed to them below unless the context otherwise requires:

Accelerator Programme	an accelerator programme is an aggregate of planned measures and providing training (at least company building, team forming, legal, fundraising, pitch, sales and product etc. trainings, consulting or lectures) lasting at least 6 (six) weeks to 10 (ten) Pre-seed Fund Final Recipients on average selected as a result of an earlier call and established procedure. The Accelerator Programmes' content has to be similar. The organizer of the Accelerator Programme co-operates with mentors and branch and technology experts to support the Pre-seed Fund Final Recipients on such issues as development, improvement and testing of the business idea, products or services, team and business model in order to prepare these Pre-seed Fund Final Recipients for attracting of external financing.
Applicant	an economic entity or a group of economic entities applying to this Call for Expression of Interest organized by INVEGA. For the avoidance of doubt, there is no requirement to have already established a legal entity to act as Fund Manager.
Application Deadline	17 May 2018.
Business Fund or BFF	the fund-of-funds as defined by Article 2 (27) of the Common Provisions Regulation managed by INVEGA and funded by the European Regional Development Fund with the objective of contributing support from the Operational Programme for the EU Funds' Investments in 2014-2020 to several financial instruments.
Business Plan	two business plans for each Pre-seed Fund and Seed Fund submitted by Applicants as part of an Expression of Interest containing all aspects of information outlined in Annex 3 .
Call for Expression of Interest	this document (including Annexes thereto) outlining the terms and conditions by which a Fund Manager will be selected for each Fund.
Commission Delegated Regulation	Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 supplementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council (OJ 2014 L 138, p. 5).
Commission Implementing Regulation	Commission Implementing Regulation (EU) No 821/2014 of 28 July 2014 laying down rules for the application of Regulation (EU) No 1303/2013 of the European Parliament and of the Council (OJ 2014 L 223, p. 7).
Common Provisions Regulation	Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 (OJ 2013 L 347, p. 320).
Economic entity	a legal entity or a natural person.
Eligibility Criteria	the eligibility criteria with which the Expression of Interest and the Applicants must comply and which are listed in Section IV of this Call for Expression of Interest.
ERDF Regulation	Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 (OJ 2013 L, p. 289).
Ex-ante Assessment	has the meaning set out above in Section I of this Call for Expression of Interest.
Expression of Interest	an application (including Annexes) by an Applicant with respect to the Fund, made in accordance with this Call for Expression of Interest.
Final Recipients	MSEs (as defined) which receive financing from the Fund.
Financial Instrument	"Accelerator Fund, supported by the European regional development fund" (the Accelerator Fund).

Financial Regulation	Regulation No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union.
Fund	Any of two Funds, financed from the Accelerator Fund. One Fund shall consist of Pre-seed Fund and Seed Fund (separate legal entities).
Fund Manager or Financial Intermediary	an entity to be selected by INVEGA undertaking risk capital investments by providing long-term equity and/or quasi-equity and Accelerator Programmes in accordance with this Call for Expression of Interest.
Funding Agreement	an operational and funding agreement entered into between the selected Fund Manager and INVEGA relating to the Financial Instrument on the basis of this Call for Expression of Interest and the Selection. INVEGA, acting as the Business Financing Fund manager, will be an investor into the Fund.
General Exemption or GBER	Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty of 17 June 2014 (OJ 2014, L p. 1).
INVEGA	UAB INVESTICIJŲ IR VERSLO GARANTIJOS.
Pre-seed Fund	One of the two funds financed from the Fund that additionally to equity or quasi-equity financing provides Accelerator Programmes.
Pre-seed Fund Final Recipient	MSE (as defined) which receives financing from the Pre-seed Fund.
Rules on Financial Instruments	the Rules for the Implementation of Financial Instruments approved by Order No 1K-326 of the Minister of Finance of 16 October 2014.
Seed Fund	One of the two funds financed from the Fund that provides equity or quasi-equity financing.
Seed Fund Final Recipient	MSE (as defined) which receives financing from the Seed Fund.
Selection	the process set out in this Call for Expression of Interest by which the Fund Manager is selected.
Selection Documents	the Call for Expression of Interest (including all Annexes thereto) and any other information provided to the Applicants by INVEGA in writing and published on the website of INVEGA at: http://invega.lt/lt/rizikos-kapitalo-investicijos/kvietimas/ .
Shortlist Criteria	the criteria applied by INVEGA at their sole discretion to assess the suitability of an Applicant(s) as a prospective Fund(s) Manager(s) with respect to the Financial Instrument, as set out in Section V of this Call for Expression of Interest.
Micro and small-sized enterprise or MSE	undertaking fulfilling the criteria established for micro or small-sized enterprises in the Law of the Republic of Lithuania on Small and Medium-sized Business Development No VIII-935.

III. ACTIONS EXPECTED OF THE SELECTED APPLICANT (FUND MANAGER)

The Fund Manager shall be required to market, establish and implement the Fund, as provided for in applicable provisions of the Common Provisions Regulation including Articles 37 and 38 thereof, and in full accordance with all applicable laws / regulations and best practice professional standards including with respect environmental, social and governance issues.

Specifically, the Fund Manager will be responsible for, among other things:

- (i) formulating an appropriate Fund structure (composed of Pre-seed Fund and Seed Fund) to facilitate external investment into Final Recipients, establishing the required legal

- entities, and negotiating legal terms and conditions as well as full legal documentation for the Fund;
- (ii) approaching potential investors and attracting independent private investors to the Fund;
- (iii) sourcing, executing, managing and realizing investments in Final Recipients;
- (iv) provide Accelerator Programmes to the Pre-seed Fund Final Recipients;
- (v) ensuring that effective and efficient internal control systems are in place; and
- (vi) reporting to the Fund investors on the financial and operational progress of the Fund.

The obligations and responsibilities of the Fund Manager will be further detailed in the Funding Agreement(s) which will govern the Fund. A non-exhaustive summary of key terms and conditions for the Fund which is provided in **Annex 1** and should be taken into account by Applicants together with all Selection Documents.

The indicative funding allocation for the Fund and corresponding identifying reference number to be referred to in the Expression of Interest is set out as follows:

Financial Instrument	Indicative Funding Allocation	Call Reference
Accelerator Fund	EUR 13.47 million (2 Funds x 6.735)	2018/BFF/AF

Applicants may express their interest for a funding contribution of up to, but not more than, the full amount indicatively allocated to the Fund set out above. The indicative funding allocated to the Fund may, with appropriate approvals, be amended at INVEGA's discretion having regard to, among other things, the amount of funding made available to the Business Financing Fund. During implementation of the Fund INVEGA may, with appropriate approvals, further determine to increase or decrease the funding allocated to the Fund and/or re-allocate any available amounts so as to maximize absorption of funding available for Final Recipients.

IV. EXPRESSION OF INTEREST

An application form for submission of an Expression of Interest is attached hereto as **Annex 2**. **Annex 3** provides a template of the minimum required information to be included in the Business Plan. Applicants should note that the Expression of Interest (including Annexes) should be prepared in writing and provide all relevant information in sufficient detail for INVEGA to make a complete and informed assessment, including any supporting documents that the Applicant deems necessary or relevant for this purpose. Applicants should have regard to all Selection Documents when preparing an Expression of Interest.

A submitted Expression of Interest shall be considered eligible if it satisfies all of the following eligibility criteria (the **Eligibility Criteria**):

1. It is received by the Application Deadline by both (i) e-mail and (ii) registered mail or courier in accordance with the requirements hereof.
2. It includes a duly signed and completed application form together with attachments, substantially in the form provided in **Annex 2**.
3. It includes a business plan containing all relevant aspects of information outlined in **Annex 3** (the **Business Plan**).
4. It includes duly signed declarations in the form provided in **Annex 4**.
5. All information and documents submitted (including those documents specified under points (2), (3) and (4) above) are provided in the English or Lithuanian language.
6. Management fee is in line with the requirements set out in **Annex 1**.

Applicants may request clarifications from INVEGA regarding this Call for Expression of Interest and the Financial instrument, no later than **3 May 2018**. Such requests must indicate the Call Reference for the Fund above and the name of the Applicant and shall be submitted in writing via e-mail with the body of the e-mail in the Lithuanian or English language to:

E-mail Address:
akceleravimas@invega.lt

INVEGA will endeavour to respond to requests for clarification. Any answers to relevant requests for clarification received within the deadline will be published in one or more tranche on the website of INVEGA at <http://invega.lt/lt/rizikos-kapitalo-investicijos/kvietimas/> on or before **10 May 2018**. Applicants will not be separately notified of a specific date that any such clarifications will be published.

An Applicant must submit its Expression of Interest to INVEGA both by (i) e-mail (in PDF format) and (ii) registered mail or courier no later than the Application Deadline of **17 May 2018** to the following addresses:

E-mail Address:
akceleravimas@invega.lt

Postal Address:
UAB INVESTICIJŲ IR VERSLO GARANTIJOS
Konstitucijos ave. 7, 16 floor
Vilnius 09308
Lithuania

The e-mail version of the Expression of Interest should state in the subject of the e-mail the following completed details: **“Expression of Interest | 2018/BFF/AF | [Name of the Applicant]”**.

For the purpose of determining whether an Expression of Interest has been received by the Application Deadline, an Expression of Interest will be deemed to have been received: (i) in the case of e-mail, on the date of receipt by INVEGA of the e-mail and (ii) in the case of registered mail or courier, upon the date of dispatch by the Applicant to the correct mail address above, evidenced by the registered mail stamp or dispatch receipt. All parts of an Expression of Interest in both e-mail form and by registered mail or courier must have been received by the Application Deadline in order to be considered eligible. Applicants should note that the Expression of Interest (including Annexes) should be submitted in the Lithuanian or English language.

A confirmation email will be sent by INVEGA to each Applicant upon receipt of its Expression of Interest. Such confirmation will not constitute a declaration of completeness or eligibility of the Expression of Interest.

No later than the Application Deadline, an Applicant may amend, restate or supplement its Expression of Interest following the same procedure set out above. An Applicant may withdraw its Expression of Interest at any stage of the Selection by sending (i) an e-mail and (ii) a letter, to INVEGA at the above-mentioned addresses stating that the Applicant wishes to withdraw from the Selection.

Expressions of Interest (including Annexes) and materials submitted by Applicants in connection therewith will not be returned to Applicants, including in the event of a withdrawal by an Applicant from the Selection.

V. SELECTION PROCESS

Following the receipt of an Expression of Interest, INVEGA shall assess the application pursuant to the process outlined herein.

The Selection shall be carried out following the principles of equality, non-discrimination, transparency, mutual recognition and proportionality, as well as observing the requirements of confidentiality and impartiality. Decisions related to the Selection shall be based on the principle of rationality. All Expressions of Interest shall be examined by INVEGA on a comparative basis using professional analysis and judgement taking into account the requirements of this Call for Expression of Interest and the Shortlist Criteria as well as the criteria and principles set out in the Common Provisions Regulation, Commission Delegated Regulation, Financial Regulation and applicable Rules on Financial Instruments. In particular, when selecting a Fund Manager to implement the Fund, INVEGA shall have to be satisfied that the Fund Manager fulfils the minimum requirements set out in Article 7(1) of the Commission Delegated Regulation and the Rules on Financial Instruments. For the purpose of the Selection INVEGA will have the right to request and/or receive information on the Applicants from third parties.

Initially, INVEGA shall assess whether the submitted Expression of Interest for the Fund satisfies the Eligibility Criteria in accordance with the requirements of this Call for Expression of Interest. Any Expression of Interest that does not comply with the Eligibility Criteria shall be rejected and the Applicant notified accordingly.

INVEGA may request clarifications from an Applicant on issues of a technical, formal or clarifying nature, provided that such clarifications shall neither provide an opportunity to the respective Applicant to unduly improve its application nor otherwise distort the competition between the Applicants.

All Expressions of Interest that satisfy the Eligibility Criteria will then be assessed by INVEGA under competitive terms using the following Shortlist Criteria:

Shortlist Criteria		Weighting
1	Management 1.1 Relevant investment experience of the proposed Fund Manager in the implementation of similar financial instruments to that being implemented 1.2 Relevant experience of organizing Accelerator Programmes 1.3 Expertise and experience of the proposed Fund Manager's team members 1.4 Team profile including any prior joint working experience, team cohesion, turnover and stability of the team, any need to hire or fill gaps and any succession issues 1.5 Operational, technical and financial capacity of the proposed Fund Manager, including local presence 1.6 Ability to demonstrate additional activity in comparison to present activity (if any) 1.7 Prior investment track record of the proposed Fund Manager's team members 1.8 Motivation, commitment and entrepreneurialism of the proposed Fund Manager's team members	40%

2	Investment Strategy (including Pre-seed and Seed Investment Strategies) 2.1 Validity and viability of the Fund strategy including competitive position of the Fund strategy and expected Fund returns 2.2 Ability to execute the Fund strategy 2.3 Terms and conditions applied in relation to the financing provided to Final Recipients, including pricing 2.4 Terms and conditions for Pre-seed Fund Final Recipients participating in the Accelerator Programmes 2.5 Ability to add value to Final Recipients, create access to corporates or international accelerators or markets for scouting and attract additional mentors into the Fund activities and attract additional mentors into Accelerator Programmes 2.6 Robustness and credibility of the methodology for identifying and appraising Final Recipients 2.7 Pipeline that validates the Fund strategy	35%
3	Structure and Terms (including Pre-seed and Seed Structure and Terms) 3.1 Fund terms and conditions, including management costs and fees (including Accelerator Programme budget lines), and profit share structure and the proposed methodology for their calculation 3.2 Proposed measures to align interests between the Fund Manager and the Business Financing Fund, and measures to mitigate possible conflicts of interest 3.3 Legal and organizational structure including corporate governance and independence of proposed Fund Manager 3.4 Ability to raise additional private financing for investment into Final Recipients, including commitments by prior fund investors (if any) 3.5 Financial commitment to the Fund by the Fund Manager	25%

It is envisaged that on the basis of the assessment of eligible Expressions of Interest, one or more Applicants will then be shortlisted with a view to the appointment of only one Fund Manager for each Fund (and in total two Fund Managers for the Financial Instrument). Applicants who are not shortlisted will be informed accordingly at this stage.

The shortlisted Applicant(s) may, at the sole discretion of INVEGA, be invited to present, and answer questions on their Business Plans to INVEGA in Vilnius by **5 July 2018**. INVEGA may, at its sole discretion, choose to ask additional questions or seek additional information from shortlisted Applicant(s) in advance of such presentation. In addition, INVEGA may at its sole discretion shortlist additional Applicant(s) or remove initially shortlisted Applicant(s).

Following such presentations, INVEGA will re-assess the shortlisted Applicant(s) and seek to select up to two Applicants with which to proceed to perform one or more further due diligence processes. Such due diligence will be conducted with a view to confirming the selection of the Fund Manager and moving towards implementation and signing of a Funding Agreement. The due diligence will normally include an on-site visit. The due diligence process does not comprise legal negotiations.

For clarification purposes, due diligence processes may be executed with multiple Applicant(s) at any stage in the process at the sole discretion of INVEGA.

It should be noted that INVEGA has full discretion to select two Fund Managers according to the process outlined herein. No Applicant has or shall have any claim or other right against INVEGA or may expect to be ultimately selected as Fund Manager. Similarly, INVEGA reserves the right to cancel the Selection at any time. Furthermore, INVEGA may also amend and/or supplement the Selection process and its rules including, without limitation, the terms thereof provided that the above indicated principles of equality, non-discrimination, transparency, mutual recognition and proportionality are observed. Applicants that are not selected will be informed by INVEGA. The contractual negotiation process may not be considered completed prior to INVEGA and the Applicant(s) having agreed on all relevant terms and conditions and upon the signature of the Funding Agreement by INVEGA in accordance with INVEGA's internal rules and procedures.

TERMS AND CONDITIONS FOR THE ACCELERATOR FUND

All capitalized terms used in this Annex shall have the same meanings as set out in the Call for Expression of Interest unless the context otherwise requires.

Applicants should also refer to relevant definitions set out in Article 2 of the General Block Exemption Regulation, in particular Article 2 (66)-(82) thereof.

Financial Instrument	Accelerator Fund.
Fund	Under the Financial instrument, two Funds shall be established.
Composition of the Fund	<p>Under the Fund, two separate funds shall be established - the Pre-seed Fund for pre-seed investments and implementation of Accelerator Programme, and the Seed Fund for the seed stage investments.</p> <p>The specific names of the Pre-seed Fund and Seed Fund shall be specified in the Funding Agreement(s).</p>
Fund Objectives	<p>To invest in a diversified portfolio composed of high-growth companies which are in their pre-seed and seed stages. Under Pre-seed Fund, business Acceleration Programmes for the Pre-Seed Fund Final Recipients shall be implemented.</p> <p>Fund (if indicative funding is EUR 6.735 million from the BFF) should target investments and acceleration in ~45 Final Recipients.</p> <p>Seed Fund (if indicative funding is EUR 6.735 million from the BFF) should target investments in ~10 Final Recipients. Seed Fund shall invest at least 70% of its fund size into Pre-seed Fund Final Recipients.</p>
Indicative funding allocation for the Financial Instrument	<p>Subject(s) to the qualifications and terms set out in the Call for Expression of Interest, total financing of EUR 13.47 million is expected to be available for the implementation of the Financial Instrument and divided between two Funds.</p> <p>The sizes and proportions of the Pre-seed Fund and Seed Fund shall be presented in the Business Plan.</p> <p>Each selected Fund's Manager shall be enabled to receive total investment of indicative EUR 6.735 million from the BFF that for each Fund Manager shall be segregated in two separate funds (Pre-seed Fund and Seed Fund) by approximately proportion: 70 (Pre-seed Fund (covering also the Accelerator Programme's free of charge services for the Pre-seed Fund Final Recipients))/30 (Seed Fund).</p>

State aid regime	The Fund Manager shall be contractually bound to ensure that investments by the Fund comply with the General Block Exemption Regulation and the State Aid Scheme shall be approved the Minister of Economy of the Republic of Lithuania until the Application Deadline ¹ (the State Aid Scheme) and as set out in these Terms and Conditions.
Type of investments	Investments shall be made in the form of either equity or quasi-equity, as defined in Article 2 (66) and (74) of the General Block Exemption Regulation.
Eligible investments	The Fund shall invest in undertakings which at the time of the initial risk finance investment are unlisted MSEs and fulfil at least one of the conditions stipulated in Article 22(2) of the General Block Exemption Regulation.
Investment stage and use of financing	<ol style="list-style-type: none"> 1. Financing support from the Fund shall, without prejudice to the applicable state aid rules, be used to target: <ol style="list-style-type: none"> (a) the establishment of new enterprises; (b) early stage capital (i.e. pre-seed capital, seed capital and start-up capital); (c) realization of new projects; or (d) new developments by existing enterprises. 2. Financing support from the Fund may include investment in (a) both tangible and intangible assets, (b) working capital within the limits of applicable state aid rules and with a view to stimulating the private sector as a supplier of funding to enterprises, and (c) the costs of transfer of proprietary rights in enterprises provided that such transfers take place between independent investors. 3. Investments that are supported through the Fund shall not be physically completed or fully implemented at the date of the investment decision (the date the investment agreement is signed).
Replacement capital	The Fund may provide replacement capital only if combined with new capital representing at least 50% of each investment round into the eligible Final Recipient.
Territory for investment	Final Recipients shall be located (i.e. have an establishment or branch) in the Republic of Lithuania at the moment of each initial risk finance investment from the Pre-seed or Seed Fund. Following such investment, Final Recipients shall be located within the European Union and the benefits of such investment shall accrue to Lithuania.

¹ The restrictions laid down in the State Aid Scheme shall not deviate from the restrictions set out in the Selection Documents and the General Block Exemption Regulation

	Notwithstanding the foregoing, the Fund may invest up to an amount equal to 100% of additional finance attracted from independent private investors in Final Recipients that are located outside the Republic of Lithuania but within the European Union provided that such investments do not exceed 50% of the total amount invested by the Fund in Final Recipients.
Independent private investors	<p>The Fund should target a minimum of 10% additional finance from independent private investors.</p> <p>There is no strict requirement to attract additional finance from independent private investors in Pre-seed Fund.</p> <p>The Seed Fund shall attract additional finance from independent private investors.</p> <p>The expected aggregate amount of finance to be attracted from independent private investors at the level of the Pre-seed Fund and Seed Fund shall be indicated in the Expression of Interest. For the avoidance of doubt, neither the INVEGA, the Fund Manager nor entities directly or indirectly associated with the Fund Manager shall be considered an independent private investor in this specific requirement.</p>
Financial commitment of the Fund Manager	Subject to an assessment of the financial position and viability of the Fund Manager and team members, the Fund Manager shall make a financial commitment to the Fund in order to enhance alignment of interest between the Fund Manager and investors in the Fund (separately in the Pre-seed Fund and Seed Fund). Applicants have to include proposals in their Business Plan in relation to the level of financial commitment to the Fund.
Currency	All commitments to the Fund shall be denominated in EUR.
Investment Period of the Fund	<p>Up to 3 years from the first closing of the Pre-seed Fund (with the possibility of 2 years extension), provided in any event that no initial investment may be made in eligible undertakings after 31 December 2023.</p> <p>Up to 5 years from the first closing of the Seed Fund (with the possibility of 2 years extension), provided in any event that no initial investment may be made in eligible undertakings after 31 December 2023.</p>
Follow-on investments	Follow-on investments from Seed Fund can be made until 31 December 2027. Follow-on investments from Pre-seed Fund can be made until 31 December 2023.

Maximum investment	The total amount, including follow-on investments, invested by the Pre-seed Fund and Seed Fund in a single eligible Final Recipient shall not exceed 10% of the total commitments to the Fund, provided in any event that such amounts shall not exceed the amount set out in Article 22(3) of the General Block Exemption Regulation.
Duration of the Fund	Up to 8 years with the possibility of 2 years extension for the Pre-seed Fund and up to 10 years with the possibility of 2 years extension for the Seed Fund. Applicants are invited to propose the specific duration of the Fund together with any extensions in the Business Plan.
Requirements of the Fund Manager	<p>The Fund Manager shall have a dedicated investment team composed of experienced professionals with an appropriate skillset and knowledge of the Lithuanian market. The Fund Manager shall operate in accordance with best industry practices including complying with professional standards issued by Invest Europe, Institutional Limited Partners Association and other recognized industry bodies. The Fund Manager shall operate independently.</p> <p>The Fund Manager shall have a dedicated investment team composed of experienced professionals with an appropriate skillset and knowledge of accelerator programmes or accelerator funds (equity based).</p> <p>The Fund Manager shall fulfil the responsibilities provided in Article 6 of the Commission Delegated Regulation and satisfy the minimum requirements stipulated in Article 7(1) of the Commission Delegated Regulation and the Rules on Financial Instruments.</p> <p>The Fund Manager shall be managed on a commercial basis and meet all of the criteria stipulated in Article 21(15) of the General Block Exemption Regulation.</p> <p>Financing to Final Recipients shall be based on a viable business plan, containing details of product, sales and profitability development in order to establish ex ante financial viability and where a clear and realistic exit strategy shall exist for each investment.</p>
Requirements for the Accelerator Programmes	<p>The Fund Managers shall:</p> <ol style="list-style-type: none"> 1. provide to the MSEs the free of charge services of the Accelerator Programmes from the Pre-seed Fund that include such measures and activities that correspond with the aims of the Fund to be established, inter alia assistance to the Pre-seed Fund Final Recipients in attraction of mentors, branch and technology experts, buyers, suppliers, partners and investors in order to develop, explore, assess, approve and expand the model of the products and business activities of the Final Recipients and promote entering into the market;

	<p>2. organize at least 4 (four) Accelerator Programmes within a period of 2 (two) years (with the possibility of 1 year extension) that take place in the Republic of Lithuania, run for at least 6 (six) weeks and provide Accelerator Programme's measures on average to 10 (ten) MSEs each represented by at least 2 (two) persons during the Accelerator Programme;</p> <p>3. attract at least 20 mentors who provide the MSEs free of charge services of the Accelerator Programmes and who have adequate experience and knowledge of starting a business and investing in early-stage MSEs;</p> <p>4. provide to the Pre-seed Fund Final Recipients on-site services for no less than 80% of Accelerator Programme duration;</p> <p>5. provide Accelerator Programmes which content has to be similar (in English or in Lithuanian) that includes at least company building, team forming, legal, fundraising, pitch, sales and product etc. trainings, consulting or lectures;</p> <p>6. ensure for the Pre-seed Fund Final Recipients suitable working premises in the Republic of Lithuania while the services of the Accelerator Programmes are provided.</p> <p>The Fund Managers (including their affiliates) cannot charge Pre-seed Fund Final Recipients for the services of the Accelerator Programmes.</p> <p>All MSEs which participated in the Accelerator Programme shall become the Pre-seed Fund Final Recipients and receive equity or quasi-equity investments before or during the Accelerator Programme period.</p>
Management costs and fee	<p>The Fund Manager shall be entitled to a management fee which shall be agreed in the Funding Agreement.</p> <p>The proposed management fee (including all applicable taxes) and costs (which has to cover all operating expenses of the Fund, including all applicable taxes) (separate for the Pre-seed Fund (including all Accelerator Programme activities with detailed budget lines) and the Seed Fund) and the calculation methodology shall be specified in the Business Plan and shall comply with Article 12 of the Commission Delegated Regulation.</p> <p>All investors in the Fund are required to allocate part of their financial commitment (pro rata to their financial commitment to the Funds) for the payment of management fee.</p> <p>The Selection of the Fund Manager of this Financial Instrument constitutes a competitive tender for the purposes of Article 13(6) of the Commission Delegated Regulation.</p> <p>Management costs and fees cannot be paid after the expiry of six years following 31 December 2023 (i.e. 31 December 2029). Management costs</p>

	and fees to be paid after 31 December 2023 shall not exceed 1.5% per annum of the amounts paid to Final Recipients in the form of equity which have yet to be paid back to the Fund, calculated <i>pro-rata temporis</i> from the end of 31 December 2023 until the earlier of (i) repayment of the investment, (ii) the end of the recovery procedure in the case of defaults, and (iii) 31 December 2029.
Distribution of the Fund's income	<p>The Financial Instrument will benefit from the State Aid Scheme whereby the net return of the Business Financing Fund will be capped at the level of the Hurdle Rate (as defined below) with distributions in excess of such amount being available as an incentive for the benefit of independent private investors and the Fund Manager.</p> <p>Proceeds received by each Pre-seed Fund investment shall be distributed on case-by-case basis so that each Pre-seed Fund investor shall receive a net investment return equivalent to 4% per annum from the individual investment.</p> <p>Proceeds received by the Seed Fund shall be distributed so that each Seed Fund investor shall receive a net investment return equivalent to 4% per annum (the Hurdle Rate) before the Fund Manager becomes entitled to a share of the profits (the Carried Interest).</p> <p>Applicants are invited to include proposals in their Business Plan in relation to the Carried Interest percentage and the catch up mechanism (if any) for the Fund Manager in relation to the Hurdle Rate.</p> <p>It is expected that Carried Interest escrow or security arrangements may be required in the Funding Agreement to secure any Carried Interest clawback obligations with respect to the Fund Manager.</p>
Investment Committee	The Fund Manager shall form an investment committee of the Fund (the Investment Committee), which shall be responsible, among other things, for the consideration and approval of all investment and divestment decisions of the Fund. The Investment Committee shall be independent from the influence of investors or other third parties and should primarily be comprised of representatives of the Fund Manager.
Advisory Committee of the Fund	Pre-seed Fund and Seed Fund shall have separate advisory committees (the Advisory Committee), comprised of representatives of the most significant investors in the fund. The Advisory Committee shall convene at frequencies to be established in the Funding Agreement and shall have functions that include: (i) providing overall guidance to the Fund Manager, (ii) reviewing the activities and governance of the fund, (iii) reviewing any conflicts of interest and approving the Fund Manager's proposals on how to resolve such conflicts of interest, (iv) reviewing the activities of the

	Accelerator Programme and (v) such other duties as are specified in the Funding Agreement.
Ineligible investments	<p>The Fund shall not invest in or support the following:</p> <ul style="list-style-type: none"> (a) those activities specified in Article 1(2-5) of the General Block Exemption Regulation; (b) those activities specified in Article 3(3) of the ERDF Regulation; (c) the financing of expenditures that have already been financed by another European Structural and Investment Funds or European Union instrument or by the same European Structural and Investment Fund instrument under another operational programme; (d) the refinancing or restructuring of existing loans or leases; (e) the pre-financing of a grant; (f) any investment affected by an irregularity or fraud; (g) pure financial activities or real estate development when undertaken as a financial investment activity; (h) the provision of consumer finance; (i) investments that include the purchase of land not built on or land built on for an amount exceeding 10% of the Fund contribution paid to the Final Recipient (as provided for in Article 4 of the Commission Delegated Regulation).
Restricted Sectors	<p>The Fund shall not invest in restricted sectors which shall be set out in the Funding Agreement and shall include inter alia those activities on the harmonized exclusion list of the European Development Finance Institutions (EDFI).</p> <p>In addition to the above, the financing of projects shall be excluded, when the following activities form a substantial part of a project sponsor's primary operations or those of the project:</p> <ul style="list-style-type: none"> – Production or trade in (a) weapons and munitions (b) tobacco (c) hard liquor; – Gambling, casinos and equivalent enterprises.
Conflicts of interest	<p>The Fund shall enter into all transactions on an arm's length basis.</p> <p>The Fund Manager shall immediately refer and fully disclose to the Advisory Committee any activities which could create an opportunity for actual or potential conflicts of interest to arise and shall seek the determination of the Advisory Committee as to the course of action to be taken.</p>

Domiciliation of the Fund and Fund Manager	<p>The Fund shall be established under the laws of the Republic of Lithuania. The Fund Manager and all related entities (e. g. investment advisor, carried interest vehicle) shall be established in the European Union.</p>
Reporting	<p>The Fund Manager shall provide periodical information in a standardized form and scope, in compliance with the reporting guidelines of Invest Europe, and provide all additional information which may be required by applicable regulations or law in effect from time to time including but not limiting the General Block Exemption Regulation, Common Provisions Regulation, Commission Implementing Regulation and ERDF Regulation, or which shall otherwise be stipulated in the Funding Agreement.</p> <p>The Fund Manager shall submit electronic copies of documents requested relating to investments and the performance of the Fund.</p>
Compliance	<p>The Fund Manager shall ensure compliance with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud.</p> <p>To that end, the Fund Manager shall institute and maintain internal control procedures designed to (i) prevent the Fund or any Final Recipient from being involved in any money laundering or tax evasion scheme, any fraudulent, coercive, collusive or corrupt practice or any other criminal or terrorist activity, and (ii) confirm the integrity of the independent private investors, each prospective Final Recipient and each individual associated with them.</p> <p>The Fund, Fund Manager and any other entities involved in the implementation of the Financial Instrument shall not be established, and shall not maintain business relations with, or invest in or through, entities incorporated in territories whose jurisdictions do not co-operate with the European Union in relation to the application of the internationally agreed tax standard and shall transpose such requirements in their contracts with Final Recipients.</p>
Audit requirements	<p>The Fund Manager undertakes to allow authorized representatives of INVEGA, the European Commission (including the European Anti-Fraud Office), the European Court of Auditors, the Ministry of Finance of the Republic of Lithuania, the Ministry of Economy of the Republic of Lithuania, the National Audit Office of the Republic of Lithuania, the Financial Crime Investigation Service under the Ministry of the Interior, Special Investigation Service of the Republic of Lithuania, the Competition Council, other EU institutions and EU bodies as well as representatives of duly authorized national authorities entitled to assess how funds from the EU Structural Funds are used to audit the Financial Instrument and/or carry out the review to the level of the Final Recipient.</p>

	<p>The Fund Manager shall be required to store and maintain all documents related to investments and Final Recipients until at least the later of (1) the date which falls 3 years after the termination of the Fund, and (2) the date defined in the Rules on Financial Instruments.</p> <p>The Fund Manager shall cause the financial statements of the Fund to be audited at least annually.</p>
Irregularity management	<p>The Fund Manager shall ensure prevention of irregularities and take any other necessary actions in compliance with the procedure laid down in the Rules on Financial Instruments.</p>
Publicity of the Financial Instrument	<p>The Fund Manager will be required to perform periodic actions aimed at ensuring the publicity of the Financial Instrument in order to build awareness both in Lithuania and abroad.</p> <p>The Fund Manager's information measures and investment agreements concluded with Final Recipients shall indicate that funding is provided from the European regional development fund as is provided for in Article 6(1) of the Commission Delegated Regulation and in the Rules on Financial Instruments.</p>
Surveys conducted by INVEGA	<p>With a view to improve the quality of the services provided to Final Recipients, surveys shall be conducted among Final Recipients on the quality of the services provided by INVEGA and Fund Manager.</p> <p>Final Recipient surveys shall be conducted by the Fund Manager according to the questionnaires drafted by INVEGA at the time of the signing an investment agreement with a Final Recipient. The Fund Manager shall submit summarized survey results to INVEGA at periodic intervals as will be defined in the Funding Agreement.</p>

(Name of the Applicant)

(Legal form, registered office and contact details of the Applicant)

UAB INVESTICIJŲ IR VERSLO GARANTIJOS

APPLICATION
FOR THE SELECTION OF THE FUND MANAGER OF THE ACCELERATOR FUND, SUPPORTED BY THE
EUROPEAN REGIONAL DEVELOPMENT FUND
REFERENCE NUMBER: 2018/BFF/AF

(Date)

Name of the Applicant	
Details of the Applicant:	
Address	
Legal Form	
Commercial Register Details ²	Date of registration/incorporation: Country of registration: Standard identification code / registration number, if applicable:
First name and surname of the person submitting Expression of Interest (of a natural person) or authorized to submit the Expression of Interest on behalf of the Applicant (if a legal entity) ³	
Telephone number	
E-mail address	

The undersigned, duly authorized to represent the Applicant, by signing this application hereby certify and declare that the Applicant agrees with all and any terms and conditions of the Selection as set out in the Call for Expression of Interest and that the information contained in this Expression of Interest and its Annexes is complete and correct in all respects.

The Applicant declares not to have made nor to make any offer of any type whatsoever from which an advantage could be derived under the Funding Agreement and not to have granted nor to grant,

² Please also attach a copy of the Applicant's certificate of incorporation or registration (if a legal entity).

³ Please also attach a copy of an identifying document for the person submitting the Expression of Interest (if a natural person) or authorised to submit the Expression of Interest of behalf of the Applicant (if a legal entity), such as a passport, identity card or other official document evidencing the person's identity.

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 the Call for Expression of Interest and the signing of any Funding Agreement.

The following documents are hereby submitted together with this application (and attachments):

Item No.	Title of documents submitted	Number of pages in the document
1.	Business Plan (including CVs and applicable attachments)	
2.	Declarations (Parts A and B)	

By submitting this application the undersigned, duly authorized to represent the Applicant, hereby certify and declare the following:

- 1) We are aware that the Financial Instrument Accelerator Fund shall be implemented through the Business Financing Fund which is funded by the European Regional Development Fund and was established on 15 April 2016 by the Ministry of Economy of the Republic of Lithuania, the Ministry of Finance of the Republic of Lithuania and INVEGA.
- 2) We have read and taken into account the Call for Expression of Interest for the selection for the Financial Instrument Accelerator Fund as was published by INVEGA on **5 April 2018** and agree to its terms, including, without limitation, that following the Law of the Republic of Lithuania on Public Procurement, the exemption foreseen in items 5 and 7 of Article 6 of the indicated law is applied for the Selection process.
- 3) In implementing the Financial Instrument Accelerator Fund, we would not carry out any actions that could have an adverse effect on sustainable development, including with respect to:
 - environmental protection (environmental quality and natural resources, protection of landscape and biological diversity, climate change, environmental protection, etc.);
 - social area (employment, poverty and social exclusion, public health, education and science, protection of the originality of culture, sustainable consumption);
 - economics (sustainable development of major industries and regions);
 - territorial development (reduction of environmental, social and economic differences);
 - information and knowledge society.
- 4) In implementing the Financial Instrument Accelerator Fund, we would not carry out any actions that would have a negative impact on gender equality and non-discrimination on grounds of sex, race or ethnic origin, religion or belief, age, disability, sexual orientation principles.
- 5) We are aware that investments made by the Financial Instrument Accelerator Fund shall be state aid granted under Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the EU Treaty (OJ 2014, L p. 1) and under the scheme of the risk capital instrument Accelerator Fund approved by the Minister of Economy of the Republic of Lithuania. In implementing the Financial Instrument Accelerator Fund, we would ensure full compliance of investments with the legal acts regulating state aid.
- 6) We are aware that the Financial Instrument Accelerator Fund shall be implemented on the basis of the Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 supplementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council (OJ 2014 L 138, p. 5).
- 7) We are aware that the Financial Instrument Accelerator Fund shall be implemented on the basis of the Rules for the Implementation of Financial Instruments approved by Order No 1K-326 of

the Minister of Finance of 16 October 2014, and that when implementing the Financial Instrument we shall comply with all requirements set out in Annex 1 thereto.

(Official duties of the Applicant
or its authorized person, if
applicable)

(Signature)

(First name and
surname)

BUSINESS PLAN REQUIREMENTS

In preparing the Business Plan (separately for Pre-seed Fund and Seed Fund), Applicants should take into consideration the Selection Documents and the applicable Terms and Conditions for the Fund provided in **Annex 1**. The Business Plan should be concise but include (but not be limited to) all of the information highlighted below.

Market Opportunity

- Overview of target market segment and demonstration of why the targeted segment represents an attractive investment opportunity;
- Explanation of the macro and micro economic and other drivers that underpin the opportunity;
- Risks/barriers relevant to the market segment and its impact on the investment opportunity set;
- Envisaged competition and/or co-operation with other market players (including, if relevant, universities, science hubs, business incubators, business angels and entrepreneurship initiatives);

Investment Team (management) and Track Record

- Details of existing funds (if any) under management;
- Details of existing accelerator programme (if any) under management (if applicable);
- List of joiners and leavers of the team, their date of arrival/departure, position at arrival and current title;
- Full details of each member of the proposed management team, to include (i) time dedication to the funds, (ii) detailed CV, (iii) prior experience and connections within target market segments, (iv) investment track record (including investee name, transaction type, sector, geography, key areas of responsibilities, invested amount, date of investment and exit, realized or unrealized value including multiple of cost and gross / net IRR), (v) accelerator programme or accelerator fund experience (if applicable), (vi) current / previous salary, and (vii) three references;
- Relevant experience of organizing Accelerator Programmes (if applicable);
- Details of prior personal and professional relationships between team members;
- Respective responsibilities of each team member in the management of the funds;
- Competitive advantage of proposed management team;
- Details of any previous and/or existing activities not related to the Fund engaged in by any management team members that could generate conflicts of interests with the Fund or otherwise place time demands on the team members;
- Details of any hiring needs/plans;

Funds Structure & Terms

- Main economic terms, including (i) proposed management costs and fees during and post Investment Period (management fees paid to the Fund Manager and operating expenses of the each fund shall be calculated separately) and (ii) any profit share (carried interest) as well as any catch up mechanism for the Fund Manager and any proposed allocation of any state aid incentives (if any) between private investors and the Fund Manager, including the calculation methodology for each respectively;
- Indicative investment requested under this Call for Expression of Interest;
- Details on the proposed shareholders / ownership of the Fund Manager and investment advisor entities and the distribution of carried interest;

- Proposed domiciliation and legal form of the funds, Fund Manager and any advisory entity, including the rationale for choosing the proposed legal structure of the funds;
- Detailed operational budget for the Fund Manager, to include details of proposed remuneration of all investment professionals;
- Accelerator Programme terms and conditions, including budget (if applicable);
- Proposed Investment Committee membership and voting mechanics;
- Independence of the management team, notably as regards investment decisions;
- Details of any other proposed boards / advisors the funds will have, including how individuals will contribute to the funds (including time and financial commitment) and be compensated;

Investment Strategy

- Overview of proposed strategy including how it fits within the economic and social context of the country;
- Appropriate target and minimum viable funds size to execute the strategies including the rationale for that assessment;
- Overview of industry sectors which are expected to present particular opportunities for the funds;
- Development stage of investment opportunities;
- Envisaged financial instruments (equity, quasi-equity) to be utilized and stakes to be acquired, including expected control rights and protective measures;
- Competitive positioning of strategy vis a vis other finance providers;
- Target number of investments, capital deployment rate (including reserves and follow-on investments policy) and portfolio composition;
- Terms and conditions applied in relation to the financing provided to Final Recipients, including pricing;
- Ability to add value to Final Recipients, create access to corporates or international accelerators or markets for scouting and (if applicable) attract additional mentors into the Fund activities and Accelerator Programmes;
- Description of the Accelerator Programme (including all activities and criteria for Pre-seed Fund Final Recipients) (if applicable);
- Link between Accelerator Programme and Pre-seed Fund Final Recipients (if applicable);
- Expected holding period of investments;
- Expected exit route for investments;
- Target/expected returns and how they will be generated;
- Indicative investment pipeline including, for each opportunity: name, sector, transaction type, indicative commitment, indicative stake, source of opportunity, indicative value creation plan, and potential exit route;
- Risks related to implementing the investment strategy and planned risk management measures, including in relation to risk diversification for the funds' capital and any sector or exposure limits;
- Measures to avoid double funding from other public funding mechanisms in implementing investments;
- Minimum and maximum investments size for the Funds Final Recipients.

Investment Processes

- Expected source(s) of deal flow;
- Overview of investment process from origination to signing;
- Overall strategy and key focal points of due diligence;
- Expected use of third party advisors and their roles in the investment process;
- Post-investment management of portfolio companies, including approach to monitoring, value-creation, and involvement in governance bodies;

- Anticipated involvement in strategy, finance and/or operations of investee companies;
- Proposed procedures for application of planned money laundering prevention, anti-terrorism and anti-tax fraud standards and legislation in the implementation of the Instrument;
- Proposed approach to corporate governance and financial transparency in investee companies;

Fundraising

- Proposed financial commitment to the funds by the Fund Manager;
- Potential investors in the funds, fundraising strategy and the stage of approval of potential investors considering an investment in the funds (if applicable) and any conditionalities or special economic or governance rights attached to such commitments;
- Expected timing for achieving required additional investment and beginning operations;

Accelerator Programmes Requirements (if applicable)

- Proposed means of implementation of accelerator activities for the Pre-seed Fund Final Recipients and anticipated co-operation with other ecosystem participants. The Accelerator Programme shall last at least 6 (six) weeks and providing training on average to 10 (ten) Pre-seed Fund Final Recipients. The Applicant shall propose a number, content (which has to be similar in case of all Accelerator Programmes), etc. of the Accelerator Programmes (that includes at least company building, team forming, legal, fundraising, pitch, sales and product etc. trainings, consulting or lectures). The organizer of the Accelerator Programme shall co-operate with mentors and branch and technology experts to support the selected Pre-seed Fund Final Recipients on such issues as development, improvement and testing of the business idea, products or services, team and business model in order to prepare these Pre-seed Fund Final Recipients for attracting of external financing.

(Name of the Economic entity)

(Legal form, registered office and contact details of the Economic entity)

UAB INVESTICIJŲ IR VERSLO GARANTIJOS

DECLARATION

PART A

(to be completed by the person authorized to represent the Applicant (if a legal entity) or by the Applicant (if a natural person) as well as by all other team members)

(Date)

1. I, _____,⁴
do hereby certify that [I] / [_____] supervised or represented by
me],⁵ and participating in the Selection for the Fund Manager of the Financial Instrument
Accelerator Fund by UAB INVESTICIJŲ IR VERSLO GARANTIJOS:

- a) possess no criminal conviction (or the criminal conviction has expired or has been repealed), or in the course of the past five years, no court judgment has been passed or has come into effect for the participation in, organization or commanding of a criminal association, for a bribery, bribery through an intermediary, fraud, the use of a credit, loan or an earmarked support not according to its purpose or not in accordance with the set procedure, credit fraud, failure to pay taxes, submission of false data on the income, profit or property, failure to submit a return, report or any other document, the acquisition or disposal of a property that came into possession by virtue of criminal activities, or legalization of moneys or property acquired by way of criminal activities;
- b) have met all obligations related to the payment of taxes, including social insurance contributions, in compliance with the requirements applicable in the country in which the Applicant is registered (if a legal entity) or resides (natural person) and in the Republic of Lithuania. The Applicant (if a legal entity) / I (if a natural person) shall be considered to have met the obligations related to the payment of taxes, including social insurance contributions, if the amount of outstanding obligations is lower than EUR 50;
- c) possess no criminal conviction (or the criminal conviction has expired or has been repealed) for bankruptcy;

⁴ Insert official title, first name and surname of the person authorised to represent the Applicant (if a legal entity) or of the Applicant (if a natural person) or the relevant team member

⁵ Insert name of the Applicant (if a legal entity) or delete, as appropriate

- d) have not been declared bankrupt or is not being wound up (if a legal entity), have not concluded a peaceful settlement agreement with creditors (an agreement between the Applicant (if a legal entity) / me (if a natural person) and creditors whereby the Applicant assumes (if a legal entity) / I assume (if a natural person) certain obligations and creditors agree to postpone, reduce or withdraw their claims), have not suspended or restricted its operations (if a legal entity), or it is not in an equivalent or similar situation under the laws of the country wherein it is registered (if a legal entity) / I (if a natural person) reside. The Applicant has not (if a legal entity) / I have not (if a natural person) been subject to restructuring (if a legal entity), bankruptcy proceedings or extrajudicial bankruptcy proceedings, no forced liquidation procedure (if a legal entity) or arrangement with creditors has been sought, and the Applicant has not (if a legal entity) / I have not (if a natural person) been subject to any equivalent procedures under the laws of the country wherein the Applicant is registered (if a legal entity) / I reside (if a natural person);
- e) possess no record of criminal conviction (or the conviction has expired or has been repealed), in the course of the past five years (if a natural person), or no court judgment in respect of the Applicant (if a legal entity) / me (if a natural person) has been passed or has come into effect in relation to criminal acts regarding property, property rights and property interests, intellectual or industrial property, economics or business procedure, financial system, civil service or public interests;
- f) am not guilty of any grave professional misconduct proven by any legal means. The term “grave professional misconduct” used herein means a violation of professional ethics where less than one year has passed from the moment of recognising the Applicant (if a legal entity) / me (if a natural person) as being non-compliant with the norms of professional ethics, or a violation of competition, labour, occupational safety and health, environmental legislation, for which the Applicant (if a legal entity) has / I have (if a natural person) been imposed an administrative penalty or an economic sanction imposed by the laws of the Republic of Lithuania, where the decision to impose such a sanction became effective less than one year ago. In the event that the Applicant has (if a legal entity) / I have (if a natural person) violated Article 5 of the Law of the Republic of Lithuania on Competition, such violation under this paragraph shall be considered to be a grave professional misconduct if less than three years has elapsed from the effective date of the decision to impose the sanction provided for in the Law of the Republic of Lithuania on Competition. In the event that the Applicant (if a legal entity) or the shareholder of the Applicant holding the majority of votes in the meeting of the Applicant’s (if a legal entity) shareholders has been found guilty of a fraudulent bankruptcy within the meaning of the Law of the Republic of Lithuania on Enterprise Bankruptcy, such violation under this paragraph shall be considered to be a grave professional misconduct if less than three years has elapsed from the effective date of the court judgment;
- g) have not concluded a peaceful settlement agreement with creditors, have not suspended or restricted its operations, or it is not in an equivalent or similar situation under the laws of the country wherein it is registered, it does not seek forced liquidation procedure or arrangement with creditors, or it has not been subject to analogous procedures under the laws of the country wherein it is registered, and it is not guilty for any grave professional misconduct (competition, labour, occupational safety and health, environmental legislation), for which the Applicant (if a legal entity) has / I have (if a natural person) been imposed an administrative penalty or an economic imposed by the laws of the Republic of Lithuania, where the decision to impose such a sanction became effective less than one year ago, and the Applicant (if a legal entity) has / I have (if a natural person) been imposed

an economic sanction for the violation of Article 5 of the Law of the Republic of Lithuania on Competition, where less than three years has elapsed from the effective date of the decision imposing this sanction;

h) have not to its (if a legal entity) / my (if a natural person) knowledge, been listed in the central exclusion database, established under Commission Regulation (EC, Euratom) No 1302/2008 of 17 December 2008 on the central exclusion database;

i) have not been listed on any sanctions list or internationally recognized “black list”.

2. I am aware that if the declaration submitted by me is false, the Expression of Interest shall be rejected.

3. The Applicant (if a legal entity) / I (if a natural person) shall be held liable for the failure to provide correct information in the Declaration under the procedure laid down by law.

4. Should a group of Economic entities participate in the Selection, the Declaration shall be completed by each member of the group of Economic entities separately.

5. I (if a natural person) confirm that I have been duly informed about the processing of my personal data and my rights related thereto, and hereby agree that UAB INVESTICIJŲ IR VERSLO GARANTIJOS (code 110084026, with its registered address at Konstitucijos av. 7, Vilnius, Lithuania), as the data controller, shall process (including, without limitation, shall collect, record, accumulate, store, classify, group, combine, supplement and rectify, if necessary, disclose, if necessary, use, destroy or carry any other lawful action with) my personal data, including, without limitation my personal data, received by INVEGA from any third party. I agree that such processing of my personal data shall be implemented for the purpose of evaluation and/or accounting of the Expression of Interest and/or Selection and its ongoing implementation, and that my personal data may be transferred to the authorities implementing control functions in Lithuania and other countries in EEA under the respective inquiries.

6. Capitalized expressions utilized in this Declaration that are not otherwise defined shall have the meaning attributed to them in the Call for Expression of Interest, unless the context requires otherwise.

(Official duties of the person
signing the Declaration, if
applicable)

(Signature)

(First name and
surname)

First name and surname, personal identification code and residential address

UAB INVESTICIJŲ IR VERSLO GARANTIJOS

DECLARATION

PART B

(to be completed by all directors, officers and executives of the Applicant (if a legal entity), or by the Applicant (if a natural person) as well as by all other team members)

(Date)

I, _____ ,
(First name and surname)

hereby declare that I am of sufficiently good repute, as defined in Article 3(21) of the Law of the Republic of Lithuania on Markets in Financial Instruments.

I hereby also confirm that I have been duly informed about the processing of my personal data and my rights related thereto, and hereby agree that UAB INVESTICIJŲ IR VERSLO GARANTIJOS (code 110084026, with its registered address at Konstitucijos av. 7, Vilnius, Lithuania), as the data controller, shall process (including, without limitation, shall collect, record, accumulate, store, classify, group, combine, supplement and rectify, if necessary, disclose, if necessary, use, destroy or carry any other lawful action with) my personal data, including, without limitation my personal data, received by INVEGA from any third party. I agree that such processing of my personal data shall be implemented for the purpose of evaluation and/or accounting of the Expression of Interest and/or Selection and its ongoing implementation, and that my personal data may be transferred to the authorities implementing control functions in Lithuania and other countries in EEA under the respective inquiries.

(Signature)

(First name and
surname)