



## Oregon Growth Board

### Pre-Institutional Investment Application

Thank you for your interest in the Oregon Growth Board. Please take time to review, complete and submit responses about your organization via this Investment Application. You and your organization might be asked to provide additional documentation and/or evidence of your responses.

#### Oregon Growth Board Background

The Oregon Growth Board (OGB) was established by HB 4040 during the 2012 Regular Session. HB 2323, during the 2013 Regular Session, formally established the Oregon Growth Fund (OGF) and granted authority to the Oregon Growth Board to manage the Oregon Growth Account (OGA) and the Oregon Growth Fund. Further, HB 2323 set the date of January 1, 2014, for the transfer of all duties, functions and powers of the legacy Oregon Growth Account Board to the Oregon Growth Board, while simultaneously abolishing the Oregon Growth Account Board. The Oregon Growth Account Board had provided investment oversight for the Oregon Growth Account since 1999. Additionally, the ongoing administration of the Oregon Growth Account, which had been provided by Oregon State Treasury, was transferred to Business Oregon.

#### Oregon Growth Account Background

The Oregon Growth Account was created within the Education Stability Fund (ESF) (formerly known as the Education Endowment Fund) by Oregon Laws 1995, chapter 811 during the 1995 Legislative Session in conjunction with the establishment of the Education Stability Fund. In accordance with the provisions of the Oregon Constitution, the Education Stability Fund receives eighteen percent of Lottery proceeds. Of the Lottery proceeds placed in the Education Stability Fund, ten percent is apportioned to the Oregon Growth Account. The Oregon Growth Account began investing in 1999, as lottery revenues were not immediately available for investment, upon passage of the law in 1995.

#### Oregon Growth Account Objective

The objective of the Oregon Growth Account is to earn returns for the Education Stability Fund by making investments in professionally managed funds that in turn invest in private, emerging growth businesses, some of which will be domiciled in Oregon.

#### Pre-Institutional Investment

The creation of the Pre-Institutional category was meant to enable the Oregon Growth Board to seed promising local managers that often lack scale and/or track record, among other qualities, resulting in higher risks than the OGB might usually consider. The OGB limits its funding capability to mitigate unintended consequences to the OGA's overall performance should some of the risks result in significant loss of capital. However, if the local manager is successful, the OGA will have assisted in identifying the talent at its origin and can grow with the manager as it scales. In all cases, the specific criteria below are tempered by the overall judgment of the OGB members, and so there are no "absolutes" for selection or de-selection. OGB looks at Pre-institutional investment opportunities by considering its matrix of requirements and through a lens that values the following elements.

- An individual or group that has prior investment experience relevant to the offering it is bringing to OGB, even if the specific vehicle OGB is considering is too new and/or too small for institutional ranking.
- A group that shows the attributes of one where, if the current vehicle is successful, it will likely "graduate" to full institutional status, based on strong performance, larger scale and full-time dedication of the principal(s).
- A group that has demonstrated its attractiveness by having come to the OGB with a meaningful amount of dollars committed to the proposed vehicle (preferably more than 50% of the total goal), either from other institutions or from individuals with a sophisticated perspective on investing.
- A group that has significant power in attracting differentiated deal flow that the OGB considers likely to provide attractive returns.
- A group that will provide capital availability within the five industry clusters defined by Business Oregon, and with direct physical presence of investing professionals in the state.

**Firm**

**Completion Date:**

Firm Name (or business unit that is fundraising)

Phone Number

Street Address

City

State

Postal Code

Country

Regulatory body(ies) that supervises firm

Regulatory body(ies) Registration Number

**Firm Contact (for requesting additional information)**

Name

Title

Email Address

Phone Number

**Fund**

General Partner (GP) Legal Name

Fund Legal Name

Regulatory body(ies) that supervises fund

Regulatory body(ies) Registration Number

**Fund Size** (reporting currency)

Targeted

Minimum

Maximum/Cap

First Close Amt

Total Closings to Date

**Fund Term** (years)

Investment Period

Follow-on Period

Extension Period

**Management Fees** (% of basis)

Investment Period                      % of

Follow-on Period                        % of

Extension Period                        % of

**Misc. Terms** (funds only)

Reporting Currency

Hurdle

Carried Interest

Carry Catch-up

GP Commit

Date First Close

**Investment Focus** (fund Only)

Strategic Focus

Geographic Focus

Industry Focus

**Basic Questions**

If a question needs additional written explanation, please use the Reference\* field to document the name of a file containing the explanation. Acceptable file formats are .doc, .xls and .pdf. All referenced files should be attached to a single email to [apply@oregongrowthboard.com](mailto:apply@oregongrowthboard.com) and must be less than 10MB in total size. The subject line needs to contain your firm name and the word "reference" (e.g., Firm ABC Reference).

<b>1.0 Firm—General Information</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
1.1 Does the firm have any existing business lines that are unrelated to the Fund's investment strategy?			
1.2 Has the firm or any affiliated entity ever failed make payments under any secured or unsecured indebtedness?			
1.3 Has the firm or any affiliated entity ever filed for bankruptcy?			
1.4 Has any of the firm's current or former team members ever filed for bankruptcy?			
1.5 Will the firm or any of its principals conduct outside business or investment management activities during the investment period of the Fund?			
1.6 Will the firm or any of its principals conduct outside activities (non-profit, academic, etc.) that are expected to take-up a significant (approx. ≥ 20%) amount of time during the investment period of the Fund?			
<b>2.0 Fund—General Information</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
2.1 Will the Fund offer co-investments?			
2.2 Outside of the general partner, will non-limited partners affiliated with the firm be prohibited from investing or holding an ownership interest in the Fund's investments?			
2.3 Will placement agents be used during the fundraising process?			
2.4 Will unregistered placement agents be used in the fundraising process?			
2.5 Will there be an annual investor meeting throughout the life of the Fund?			
2.6 Will the firm facilitate LP Advisory Board meetings?			
2.7 Will the Fund hold leverage on its balance sheet?			
<b>3.0 Investment Strategy</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
3.1 Is the Fund's strategy materially different from the previous fund?			
3.2 Does the Fund address a specific capital gap within Oregon, as noted in the most recent Oregon Capital Scan?			
3.3 Does the Fund strategy involve non-dilutive sources of capital to fund portfolio companies?			
<b>4.0 Investment Process</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
4.1 Does the firm have a dedicated investment team?			
4.2 Does the firm have a dedicated operations team?			
4.3 Does the firm rely on outside advisors with regard to its portfolio companies and if so, are they compensated?			

<b>5.0 Team</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
5.1 Are there any known conditions (health, financial, litigation, personal, etc.) of any of the firm’s principals that might influence their ability to execute their duties to the Fund or firm?			
5.2 Has a “key person” event occurred in the Firm’s history?			
5.3 In addition to any “key person” event, were there any significant staff departures (partner in the management company or director-level employee (or higher) with more than five years of history with the firm) over the life of the firm?			
5.4 Is the firm aware of any significant staff departures (as defined above) that are expected to occur between now and the end of the Fund’s investment period?			
5.5 Does the firm have at least one investment professional who lives in Oregon?			
<b>6.0 Alignment of Interests</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
6.1 Will any of the firm’s principals and/or affiliates elect to <b>not</b> invest in the Fund?			
6.2 Will any commitments from the general partner and/or any of its principals be leveraged or loaned?			
6.3 Will any commitments from the general partner and/or any of its principals be financed with deferred management fees?			
6.4 Will any commitments from the general partner and/or any of its principals be financed with assets from another investment managed by the firm?			
6.5 Were there any carry clawback situations in any of the firm’s prior funds, if applicable?			
<b>7.0 Market Environment</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
7.1 Is the market environment in Oregon improving for which the Fund strategy applies?			
<b>8.0 Fund Terms</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
8.1 Is the firm familiar with ILPA Private Equity Principles?			
8.2 Has the firm established an operating budget that support the fee terms?			
8.3 Have any prospective investors in the Fund received any side agreements or rights (side letters), whether in writing or verbally?			
8.4 If yes to 8.3, will the terms in such side letters be offered to all limited partners who request them?			
8.5 Will the Fund prohibit in specie distributions?			
<b>9.0 Risk/Compliance</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
9.1 Is the firm a registered investment advisor or broker-dealer?			
<b>10.0 Track Record</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
10.1 Have any of the portfolio companies or properties held by the firm filed for bankruptcy?			
10.2 Have any of the firm’s portfolio companies or properties failed to make payments under any secured or unsecured indebtedness during the firm’s period of ownership?			
10.3 Have any of the firm’s portfolio investments ever received a qualified audit opinion during the firm’s period of ownership?			
10.4 Are any investments in the firm’s track record excluded from the provided appendices?			

<b>11.0 Accounting/Valuation/Reporting</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
11.1 Does the firm have a valuation policy and if so, has it remained significantly unchanged over the past five years?			
11.2 Will the Fund be valued by an independent, third-party valuation firm?			
11.3 Will the Fund's LP Advisory Board approve or review valuations?			
11.4 Is the Fund's audit firm unaffiliated with the Firm or any of its current or former team members?			
11.5 Does the Fund's audit firm <b>only</b> provide the Fund and firm (plus the firm's principals and affiliates) with audit services?			
11.6 Have <b>none</b> of the funds managed by the firm ever received a qualified audit opinion?			
11.7 Have carry payments and allocation in prior funds been audited (as part of an annual audit of the firm and its funds) to ensure they reflect the terms and conditions in the Limited Partners Agreement?			
11.8 Will carry payments and allocation associated with the Fund be audited (as part of an annual audit of the general partner and its funds)?			
11.9 Does the firm have standard capital call and distribution templates that identify the uses and sources of capital as applicable?			
11.10 Does the firm have a reporting template that is issued to limited partners on a quarterly basis containing financials and commentary related to the Fund?			
<b>12.0 Legal/Administration</b>	<b>Yes</b>	<b>No</b>	<b>Reference*</b>
12.1 Have there been <b>no</b> criminal or administrative proceedings or investigations against the firm, its affiliated entities and/or any of its current or former team members?			
12.2 Have there been <b>no</b> investigations by an industry regulatory body of the firm, its affiliated entities and/or any of its current or former team members?			
12.3 Does the firm have IT controls to protect confidential information held by the firm?			

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### Application Submission

By signing this application I certify that all statements and information contained herein are true and correct to the best of my knowledge. I understand that this application will be reviewed by Business Oregon and CTC Consulting and that submission of a complete application does not guarantee an award.

Applicant Name

\_\_\_\_\_  
Applicant Signature

Date

Title

Email Address

Yes, I am sending Reference files, under separate email, as part of this application.