

Project Piscis - Request for Information

Areas of Functionality under Assessment

This is a wide-ranging project encompassing front to middle office workflows for deals, investor relations and finance teams. Solutions of interest include:

- CRM
- Investor Onboarding
- LP Portal
- Portfolio Monitoring
- Valuation
- Document Management
- Data Room
- Value Creation
- Reporting

Client Overview

(Client identity not available during pre-qualification stage)

- **Location:** US / Europe
- **Type:** Mid-Market Private Equity
- **AUM:** \$1bn+
- **Funds:** Multiple active vehicles
- **LP Base:** Institutional
- **Track Record:** 5 years
- **Service Providers:** Third party administrator and placement agents are being used

Current Processes & Evolving Requirements

Fundraising & LP Relationship Management

- Client is currently using a platform to track interactions from the investment business development perspective but does not have an efficient method of tracking investor relations. Our intention is to find a system to migrate all fundraising and investor interactions into a single platform.
- While the firm does employ placement agents, it is actively involved in fundraising efforts and is interested in using market intelligence products which can improve the ability to identify target LPs and tailor outreach effectively. Native integration between market data and CRM will be seen as valuable.
- Outreach campaigns are tracked internally with DropBox serving as a 'data room'. It will be desirable to gain better insight into campaigns to more effectively target prospects – built in marketing technology in the CRM is therefore desirable.
- The CRM must capture ongoing investor communications, track previous and upcoming events, as well as capture target metrics. Currently the firm uses Asana to manage investor related tasks, as well as take notes.
- The CRM must function as an accurate 'source of truth' for official LP account data and documentation.
- The firm does not currently use a designated LP portal solution. The ability to facilitate this and the capability to distribute capital calls in bulk is highly desirable. Additionally, the firm facilitates co-investment opportunities and would like the functionality to allow LPs to access co-investment related documents in the portal.



- Vendors with solutions that can solve for multiple use cases outlined here, or with proven ability to seamlessly integrate with other providers will be preferred.

LP Servicing & Onboarding

- Investor onboarding is conducted manually. Solutions incorporating a digitized solution for this will be viewed positively. The firm will consider standalone solutions that integrate with other platforms.
- Ideally the system should be able to support the setup of onboarding checklists within the system and monitor where investors are at in the process.
- E-signature functionality is desirable to the firm. Either this could be natively integrated or can integrate with systems such as DocuSign, Adobe, and DropBox.
- The firm does not have a digitized solution for managing DDQ requests and sees potential value in adopting a platform which can facilitate and streamline this process.
- Ability for the team to manage the KYC/AML tasks within the system. Currently the 3rd party admin handles onboarding functions, but the process should be tracked in the system.
- The firm has expressed desire for branding options within the Data Room used to share marketing materials for fundraising. Our client would like the ability to customize the data room with investor and firm logos.
- The Data Room must be able to support the storage of different file types such as Excel sheets, PDFs, and other relevant files. The ability to attach documents and quickly search for them on the system is highly desirable.

Portfolio Monitoring, Reporting, Valuation, and Value Creation

- Currently company financial and metrics are being collected manually. The system must be able to configure an automated data collection workflow to facilitate the timely collection of financial information and non-financial KPIs from members within the business and from portfolio companies – including assigning internal data approvers as part of the workflow settings. Additionally, the firm has specific KPIs designated to specific Portcos. The ability to add KPIs on a company-by-company basis is therefore necessary.
- Ability to have flexibility in terms of how data is pushed/pulled into the system. Is there an Excel plug-in? Can you ingest data through template mapping? The firm finds multiple methods of data ingestion as highly desirable.
- To ensure timely delivery of requested material, the ability to send reminders of deadlines to all portcos simultaneously is desired. Additionally, the ability to send reminders internally to complete tasks that are assigned is considered a valuable feature as well. Is it possible to track recurring, as well as ad hoc tasks within the system for the team to complete?
- When a new portco is onboarded with the firm, the firm takes an approach of ingesting and evaluating financial data via trial balance mapping all the way down to the plant level. Some of the issues that they run into are difficulties in changing the mapping (i.e., remapping expenses and line items), as well as having an outlined workflow/checklist of all the tasks that need to be completed in order to finish the mapping. Where possible, how does your platform support this? Can you set up a workflow specific to this function?
- Monitoring data activity is a core activity for our client. Please explain the functionality around viewing internal and external audit trails, as well as the ability to request and add commentary to specific documents and data points.
- The ability to track/differentiate acquisition and organic growth data is desirable. The system should allow for the splitting of the types of growth in reporting and any outputs into Excel. The importance of tracking the main driver of growth differs as some portfolio companies complete 1-2 important acquisitions a year whereas other companies complete 20+ per year.
- The ability to collect and store data under defined scenarios (e.g., 'Actual', 'Budget', 'At Acquisition case', and 'Follow-on acquisition case'). Reporting should allow the ability to filter and compare these scenarios.



- Given the firm's complex ownership structures whereby a single LP may have exposure to an asset via multiple funds and a coinvest, the ability for a platform to pivot by asset, fund and LP will be a requirement in order to facilitate ad-hoc requests for analysis both internally and externally.
- We are interested in viewing platforms that offer a digitized solution for valuation, or at least a robust Excel plug-in capability to support a more streamlined process. For reference the firm receives financials from PortCo CFOs at the end of each month, then puts them in a 3-statement model and layers on proforma adjustments. The firm rely on their deal teams to provide addition information such as recent M&A comps and updated public info, and then finally put together the valuation file and send to their valuation committee. Valuations are then sent to their 3rd party admin, and in tandem the firm will put together a one pager with an overview of the portco, equity valuation charts, and high-level performance metrics. The firm is open minded to evolving this process.
- The firm utilizes specific levers they will underwrite to and report on. The Value Creation Plan file as it stands, is driven from financial trial balance metrics, with the exception of sourcing and KPI buckets. Given the similarity in investments across the various funds, the value creation levers are similar throughout, but the underlying initiatives to drive the VCP can be very unique. Please explain how your platform can support multiple value creation levers for different plans. Ideally the system can support the configuration of a dashboard that tracks the value creation plan statuses across portfolio companies.
- The ability to perform advanced analysis on the underlying database is essential. For example - For a given asset, see all exposure via multiple vehicles; see how any given LP is exposed to an asset via all investments they are committed to (funds, coinvests). Show returns at asset level, fund level, LP level. Create report showing assets held by a fund, uncalled capital, cash flow, reserves etc to facilitate (for example) follow-on investment strategy; or do we need to make a capital call? To the extent that this type of reporting requires data to flow from external systems, please describe process of importing and maintaining data. Can this analysis be user defined, or does this require professional services? If platform cannot support this kind of analysis, please describe how clients are pushing data from platform into external systems to achieve this.

Additional Considerations

- The client is interested in seeing full-suite solutions that can cover the requirements, as well as point solutions that can solve the requirements for a specific module.
- We would be interesting in viewing options for standalone enterprise data management where such a solution.
- We will be considering the adoption of an enterprise data management approach to centralize and normalize data between applications and provide additional analytic capability to the client. Demonstrable ability to push and pull data via robust API functionality will be seen as desirable.

Questions for Vendor (Pre-Qualification)

1. Please list products/modules provided and workflows solved for by your solution (or, if easier, any areas not covered).
 - LP-focused CRM and marketing technology
 - LP onboarding, KYC/AML
 - LP portal
 - Portfolio monitoring and valuation
 - Value creation planning and tracking
2. Where modules are not provided, please outline the approach toward integration with other relevant modules highlighted in this RFP.
3. Please outline the availability of market data integration where applicable/relevant.



HOLLAND
MOUNTAIN

PE
STACK

4. Please provide pricing indication range and structure if possible. We appreciate that pricing involves many variables which are not provided in this brief overview and will not hold you to any indications given here. We seek this feedback for initial planning and guidance only.
5. Please provide any details for typical implementation timeline and costs.
6. Please provide details for experience serving similar clients, please provide confirmation of your ability to service a venture capital firm with portfolio companies ranging significantly in terms of size and complexity.
7. Please provide details for ongoing support and confirm your ability to service clients globally in a timely fashion. Include guidance on responsiveness and availability of support team by time of day/week.
8. Please describe the process of migrating data out of a legacy system and applying it to your platform.
9. Please attach or provide links to any relevant materials, brochures, case studies etc. Please provide examples of relevant client experience/logos.

Timeline and Next Steps

- o We request a response by **March 8th, 2023 by 5 pm PT.**
- o Please note that demonstrations for vendors that can provide functionality to cover the areas highlighted in the Fundraising & Relationship Management, and LP Servicing & Onboarding sections will occur before the demonstrations for the Portfolio Monitoring, Reporting, Valuation, and Value Creation section providers. If your organization can provide the full suite of services, you will be considered during the first phase of demonstrations.
- o Should you wish to provide feedback over the phone, please email Calvin Smith to organize: calvin.smith@hollandmountain.com
- o We will provide updates and notification should client wish to proceed, at which point we will reveal client identity and provide additional detail and preparation support as we engage in a more thorough RFP and assessment process.
- o Please reference Project Piscis.