Request for Expressions of Interest
General Partner and Manager of a Life Sciences Venture Capital Fund

Section 1 - Issuer

OCGC, the venture capital agency of the Province of Ontario, was created to promote and develop the venture capital sector in Ontario, so that more high-potential technology companies have access to the capital needed to grow and prosper. OCGC investment activities have resulted in over $300 million invested in high potential technology companies. OCGC’s venture capital investments have supported globally recognized, market leading companies such as Shopify and ecobee.

For more information on the OCGC and its investments, please visit the OCGC’s website at: http://www.ontario.ca/ocgc

Section 2 - Background

OCGC is focused on assisting and promoting the development of a long term, sustainable venture capital industry in Ontario, to, in turn, help strengthen Ontario’s economy and create job opportunities in key economic sectors of the Province.

With a prospective investment commitment of up to $50 million, OCGC is issuing a call for expressions of interest (“EOI”) from qualified managers from any jurisdiction within or outside of Canada to establish a new life sciences venture capital fund (as a limited partnership) or from qualified managers from any jurisdiction within or outside of Canada who have an existing life sciences venture capital fund that has commenced fundraising but has not yet achieved a “final closing” (in either case, the “Fund”).

The Fund will primarily focus on investing capital to high potential, innovative Ontario-based life sciences companies. It is anticipated that OCGC’s prospective investment commitment in the Fund will leverage significant additional capital commitments from other investors. Accordingly, the fundraising strategy should be clearly articulated in Section 4.1 of the response to this EOI.

OCGC reserves the right (to be exercised in its sole and absolute discretion) to allocate its prospective $50 million commitment to one or more Funds, and to work with one or more Interested Managers. Reflecting the issuer’s current intent, the term “Fund” is used in the singular throughout the remainder of this request for Expressions of Interest (“EOI Request”).

For the purpose of this EOI Request, the term “life sciences” is defined broadly to encompass all science and technology based products and services applied substantially to human health. Sub-sectors where life sciences products and services are prominent would include: pharmaceuticals, medical devices and laboratory instruments, health information technology, health products, and healthcare services.

OCGC’s investment commitment of up to $50 million is expected to strengthen an existing ecosystem of discovery and commercialization within Ontario’s life sciences sector. There are specialized academic and research centers across the Province conducting
investigations into virtually every area of life sciences. Six of Ontario’s universities have associated medical schools, including the University of Toronto, one of North America’s largest medical faculties. Ontario’s 24 academic research hospitals have invested as much as $1.4 billion in R&D and employ 18,000 researchers and research staff across the Province. Institutes providing a pipeline of opportunities for venture investing include: Ontario Institute for Cancer Research, Ontario Brain Institute, Ontario Institute for Regenerative Medicine, Canadian Institute for Advanced Research, Ontario Genomics, and the Fields Institute. For additional information, see: https://www.investinontario.com/life-sciences

Section 3 – Purpose of this EOI Request

The purpose of this EOI Request is to receive proposals from established venture capital managers (“Interested Managers”) with respect to their ability and suitability to create, fundraise and manage the Fund to achieve superior, risk-adjusted returns for all investors.

Section 4 - EOI Timelines & Instructions

The proposed timelines in this EOI Request may be modified by OCGC in its sole discretion at any time prior to the Closing Time and Date (as defined below).

March 28, 2018 - Deadline for questions & requests for clarifications

Enquiries from any Interested Manager that are of general interest and not specific to the Interested Manager, and subsequent responses, will be documented. The answers to questions and requests for clarifications will be made available to all Interested Managers in one or more documents posted on or before April 6, 2018 at: www.ontario.ca/ocgc

April 6, 2018 - Final issuance of any addendums, answers or clarification and modification of timelines

It is the Interested Manager’s responsibility to check the website www.ontario.ca/ocgc and to incorporate answers and clarifications as appropriate into their EOIs. The website will also be used to communicate any modification by OCGC of the timelines in this EOI Request.

April 20, 2018 - Deadline for submission of EOIs

A written EOI, meeting the requirements outlined in Section 6 - Format and Content Expectations, is to be submitted prior to 4:00 P.M. North American Eastern Time Zone on April 20, 2018 (the “Closing Time and Date”). EOIs submitted after the Closing Time and Date will be deemed late, disqualified from the EOI selection process and returned to the Interested Manager without review.
An Interested Manager must submit one electronic copy and three unbound paper copies (each prior to the Closing Time and Date) of the completed EOI to (on behalf of OCGC):

Jeffrey Elliott  
Stikeman Elliott LLP  
5300 Commerce Court West,  
199 Bay Street,  
Toronto, ON, Canada  
MJ2B9  
JElliot@stikeman.com

All enquiries related to this EOI Request are to be directed in writing or e-mail to the above contact.

All submissions must be provided in English.

Section 5 - EOI Selection Process

- **Stage 1**: Receive an EOI from each Interested Manager.

- **Stage 2**: Initial review by OCGC and its agents to ensure that each Interested Managers have met the mandatory requirements comprised of parts (a) and (b) (collectively, the “Stage 2 Requirements”) as follows:
  (a) signed and submitted Appendix 1 – Acceptance of Fund Requirements; and
  (b) all additional threshold requirements outlined in this EOI request.

- **Stage 3**: Due diligence will be conducted by an external due diligence firm on behalf of OCGC, which may include, but not limited to detailed written due diligence questionnaires, reference checks, requests for supplemental information and meetings with OCGC and its agents and the external due diligence firm.

- **Stage 4**: OCGC will select a preferred Interested Manager and make an investment commitment in the Fund, subject to the conclusion of successful negotiations and obtaining the necessary government approvals.

At each stage one or more EOIs will be selected to proceed to the next stage following the combination of an objective comparative evaluation and OCGC’s discretionary determination of a Fund’s “fit” within its overall portfolio and the impact on the life sciences venture capital fund ecosystem in the Province. Except as required by law, OCGC will not disclose to an Interested Manager the results of OCGC’s evaluation of its EOI or the results of OCGC’s evaluation of any other EOI.

At any stage of the EOI selection process, OCGC reserves the right at any time at its sole and absolute discretion to:

- Request written clarification or the submission of additional or supplementary written information in respect of an Interested Manager’s EOI;
- Meet with any Interested Manager;
• Verify any information set out in an EOI with a third party (without informing the Interested Manager in advance);
• Check references (without informing the Interested Manager) in addition to those proposed by an Interested Manager;
• Conduct background checks on the Interested Manager’s identified team (without informing the Interested Manager);
• Accept EOIs that substantially comply with the requirements of the selection process;
• Cancel, amend or re-issue the EOI Request; or
• Reject any or all EOIs with or without notification to Interested Managers.

Each Interested Manager will be solely responsible for all fees, costs, and expenses that are incurred by it in connection with its EOI and its participation in the selection process including, without limitation: all fees, costs and expenses relating to the preparation and issuance of its EOI; and, costs and expenses related to the preparation for and attendance at any meetings with any due diligence firm utilized by OCGC, OCGC or its agents. The Interested Manager will not seek reimbursement, by way of organizational expense claims or otherwise, of any fees, costs and expenses incurred by it in connection with this paragraph from any limited partner (including OCGC) of any Fund in which OCGC makes an investment commitment.

If selected by OCGC for an investment commitment, the Interested Manager will be solely responsible for (i) all fees, costs, and expenses related to material preparation, travel and other expenses incurred in preparation for and during the fundraising phase, and the drafting, preparation, negotiation and settlement of any documentation related to the Fund, including, without limitation, any offering materials, the limited partnership agreement and related agreements, and (ii) the reasonable fees, costs, and expenses of OCGC’s agents, including its counsel and due diligence provider, incurred in establishing the EOI Request and the EOI selection process. The Interested Manager will not seek reimbursement, by way of organizational expense claims or otherwise, of any fees, costs and expenses incurred by it in connection with (ii) of this paragraph from any limited partner (including OCGC) of any Fund in which OCGC makes an investment commitment.

Except as may be required by law, all written information provided by an Interested Manager in its EOI will be treated as confidential by OCGC and the Province and shared with its employees, agents and advisors on a need-to-know basis only.

Final approval of the terms and conditions of OCGC’s prospective investment commitment to the Fund will be required from and contingent on the approval of: (a) the OCGC Board of Directors, (b) the Province’s Treasury Board/Management Board of Cabinet, and (c) the Province’s Minister of Finance in respect of contingent liabilities imposed on the Province in any of the Fund agreements.

OCGC shall not be liable for any expenses, costs, losses, or any direct or indirect damages incurred or suffered by any Interested Manager or any third party resulting from OCGC exercising any of its express or implied rights under this EOI.
Section 6 - EOI Format and Content Expectations

Interested Managers will submit their responses to the questions and will complete the requested EOI Excel Supplement in their EOIs. The EOI format and content expectations are set out below. This section provides the expected division of information.

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<tr>
<td>2. Summary Firm and Fund Information <em>(Written)</em></td>
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<td>3. Details on the Interested Manager <em>(Written and EOI Excel Supplement response required)</em></td>
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<td>3.1 Legal and Organizational Structure of Interested Manager</td>
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<td>3.2 Details on Interested Manager Team</td>
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<td>3.3 Investment Track Record</td>
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<td>4. Proposed Fund details <em>(Written and EOI Excel Supplement response required)</em></td>
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<td>4.1 Fundraising</td>
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<td>4.2 Investment Thesis and Strategy</td>
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<td>4.3 Investment Process</td>
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<td>4.4 Interested Manager Commitment, Compensation and Fund Terms</td>
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<td>4.5 Firm Operations and Legal</td>
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<td>5. Document Requests <em>(Written)</em></td>
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<td>5.1 Specific Documents to Provide</td>
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<td>5.2 Additional Relevant Support Material (please label clearly)</td>
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