



Application for a COVID-19 start-up loan guarantee from the Canton of Basel-Stadt

1. Details of the applicant

1.1. Details of the company

Company name

Company identification number (UID)

(www.uid.admin.ch)

Address

Street

Number

Postcode

Town/city

Legal form

Foundation date

Industry

1.2. Legally Authorized Representatives/Agents

Representative/Agent 1

Last name

First name

Function in the company

Telephone no

E-mail

Representative/Agent 2

Last name

First name

Function in the company

Telephone no

E-mail



2. Guarantee and subordinated loan

Requested guarantee amount

(in Swiss francs)

The following points should be noted:

- There is no legal entitlement to a guarantee.
- The Canton guarantees 90% of subordinated bank loans; individual guarantees can amount to a maximum of CHF 5 million. Interest and ancillary costs are excluded from the guarantee. The maximum term of the guarantee is 10 years.
- For the security for the remaining 10% of the bank loan the company submitting the application has to propose an own guarantor. Basler Kantonalbank (BKB) grants the subordinated loan. The rate of interest is 0%. It can be adjusted for the first time on 1 January 2023.
- The loan shall not be used for
 - the distribution of dividends or royalties or for the repayment of capital contributions
 - the granting of loans
 - the refinancing of personal or shareholder loans (whereby bank loans are not considered private loans)
 - the repayment of group loans
 - bonus payments to members of the Board of Directors, employees, consultants, or the like.
- In addition, the loan must not be transferred to a non-Swiss-domiciled group company directly or indirectly affiliated with the applicant.
- A condition for granting guarantees is the participation of the Canton and the guarantor in any subsequent success of the start-up. To this end, the company must contractually undertake to grant warrants (stock options) in proportion to the guarantee amount and the resulting risk assumed. The warrants will be exercised by the Canton in defined success events («exits»). Successful events include in particular:
 - the sale of more than 50% of the company's shares
 - the sale of all of the company's significant assets
 - an IPO (initial public offering).



3. Guarantors and lenders

The company submitting the application has to propose its own guarantor for the remaining 10% portion of the loan. In any event, the same guarantee and loan agreements prescribed by the Canton will apply, as will the condition of granting a share of any successful outcome. BKB grants the subordinated loan.

Any guarantor proposed by the applicant must be approved by the Department of Economic, Social and Environmental Affairs of the Canton of Basel-Stadt.

Please tick if applicable

I apply for the guarantee provided by the Canton and propose my own guarantor to underwrite the subordinated loan (10% portion) I accept Basler Kantonalbank (BKB) as lending bank.

Name of the guarantor

Address

Street

Number

Postcode

Town/city

Contact person

Last name

First name

Telephone

E-mail



4. Reviewing of applications

The guarantee applications will be reviewed by the Canton in cooperation with Innosuisse experts and venture capital experts.

The following will be acting as venture capital experts:

- BioMed Partners AG, Basel
- Alexander Mayweg, Venture and Biotech Professional, Basel.

The applicant may reject one of the named venture capital experts if it has valid reasons for doing so. If this option is to be invoked, please indicate accordingly below.

Review by the following is *not* desired (please tick max. 1 selection)

BioMed Partners AG, Basel

Alexander Mayweg, Venture and Biotech Professional



5. Declarations/assurances

By signing this application for a guarantee,

- the applicant assures the Canton of Basel-Stadt that:
 - a) the company and any subsidiaries, parent companies or affiliates have fully disclosed to the Canton all guarantees applied for and/or received to date in connection with the COVID-19 pandemic;
 - b) at the time of submitting the application for a guarantee the company is not in bankruptcy or composition proceedings or in liquidation;
 - c) the company has to expect significant economic impairments in the short to medium term due to the consequences of the COVID-19 pandemic;
 - d) the company's business performance is likely to be positive in the longer term;
 - e) the applicant is aware that providing incorrect or incomplete information will render him or her liable to criminal prosecution for fraud (Art. 146 Criminal Code), forgery of documents (Art. 251 Criminal Code), etc., potentially resulting in a prison term of up to five years or a fine;
- the applicant agrees to enter into a contract with the Canton of Basel-Stadt for the granting of warrants (stock options) that will enable the Canton and the proposed guarantor to participate in any future success of the company.
- until full repayment has been made or until the warrants have been exercised, the applicant authorizes the Department of Economic, Social and Environmental Affairs (WSU) to exchange all data contained in or transmitted with the application with other authorities or commissioned third parties and releases the WSU and the other authorities from their duty to maintain official, banking and tax secrecy in connection with the processing of this data; he or she consents to the exchange of data between the Canton, the lending bank, the guarantor, the Swiss National Bank, the Swiss Confederation and commissioned third parties.
- in the event of a positive decision by the Government of the Canton of Basel-Stadt, the applicant instructs the WSU to transmit all data contained in the application or transmitted with the application to the above-mentioned bank by e-mail and/or post.



6. Comments of the applicant

If you have any comments or notes relating to your application, please inform us below.



7. Signature of applicant

Please sign the form, scan it and send it to the e-mail address below.

With your signature, you confirm that all the information provided in this application and its annexes is complete and true and that you have taken note of all the instructions and conditions that apply to the granting of the guarantee by the Canton of Basel-Stadt (including the legal provisions according to the ordinance of the Government of the Canton of Basel-Stadt on COVID-19 loan guarantees for start-up companies from December, 1st 2020).

Town/city

Date

Signature of legal representative(s)

Attachments according to annex

Note

Guarantee applications can be submitted until 31 December 2021 at the latest.

Please send this form and the necessary documents (in PDF format) to the following e-mail address:

covid-19_buergschaften@bs.ch



Necessary annexes to the application (always to be submitted in PDF format)

All documents from the following list must be attached to the application. By ticking the boxes in question, you confirm that the relevant documents have been attached to the application. Only applications that have been submitted in full can be processed.

Business plan

Concise presentation in text form (length five to ten pages)

«Pitch Deck» as PDF based on PowerPoint (length 15 to 25 pages)

in each case with the following contents:

	Executive summary (summary of the application incl. validation of the requested guarantee amount)
<i>Content</i>	Sphere of activity
	Development plan
	Business model
	Description of the company's key technology and expertise
	Mission (What does the company want to achieve?)
	Technological, science-based approach to which fundamental challenges?
	Scalability of the business model
	Next steps / key experiments / studies / milestones
	Milestone planning for the next 2–3 years including milestones in terms of increasing enterprise value
	Market potential
	Competitive situation / approach to differentiation
	Evidence of the position in terms of patents / protection of intellectual property / intellectual property rights(enclose proof /documents)
	Team / key persons
<i>Financial Information</i>	Budget (financial years 2020/2021)
	Financing plan, next financing rounds
	Current investor list
	Budgeted balance sheets and budgeted income statements
<i>Annexes</i>	Further information/literature etc.



Further financial statements

Documentation detailing how the company has been affected by the COVID-19 pandemic, including a description of the economic damage and financial and liquidity plan (with and without COVID-19 consequences)

Documentation of ownership and holdings, as well as of previous and/or expected support from shareholders / third parties (loans/share capital)

Documentation confirming that the company has demonstrably achieved capitalization successes with contributions from independent equity investors amounting to at least CHF 500 000 since 1 January 2019.

Documents relating to any previous support received from the Canton of Basel-Stadt (guarantees, rent relief, tax relief, etc.)

Annual financial statements / financial reports for the years 2020 (provisional), 2019 and 2018 (incl. auditors' report / confirmation if the applicant is subject to mandatory auditing). If financial statements are available for years prior to 2018, these should also be attached.

Formal aspects

Up-to-date extract from the Commercial Register

Extract from the debt collection register (issued up to 30 days before the application is submitted)

AHV payroll report as of 1 March 2020

Confirmation from the old-age and survivors insurance (AHV) and pension fund that there are no outstanding claims for the 2020 financial year or earlier years



Confidentiality

All information and documents relating to the company submitting the application are subject to the official secrecy rules of the Canton of Basel-Stadt.

The externally commissioned auditors have issued a declaration confirming that they will treat the information obtained in the course of the audit as strictly confidential, that they will only use it in that context and that they will disclose any possible conflicts of interest and will turn down any audit assignment in the event of such conflicts of interest. The obligation to maintain confidentiality applies for five years after completion of the audit. The auditors have also confirmed to destroy all data and documents received after completion of the audit.

Department of Economic, Social and Environmental Affairs
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General Secretariat
Finance and Controlling
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CH-4001 Basel