

HOW TO EXECUTE CVC INVESTMENT AND ONBOARD A VENTURE INTO THE PORTFOLIO

Investment Execution, Portfolio Onboarding & Board Reporting

WHERE THIS IS USED

- CVC programs
- Corporate Venture Capital pre-investment transitions
- Venture Studio programs with a CVC track
- Foundry-as-a-Service engagements with equity instruments

AUDIENCE

- CVC Partner / Managing Director
- Principal / Director (Deal Lead)
- CVC Associate and Analyst
- General Counsel
- CFO (Fund)
- Team Sponsor
- Portfolio Company Founder / EIR

PHASE

Phase Three: Build and Launch → CVC Investment Execution & Portfolio Onboarding (IC approval through Day 90 post-close)

EXECUTIVE SUMMARY

An IC approval is not an investment. It is an authorization to execute one. The gap between IC vote and capital in the portfolio company's account is where deals stall, relationships sour, and the momentum from Phase Two validation is lost. This guide covers the execution sequence that closes that gap.

There are four distinct stages: the IC-to-term-sheet transition (confirming what was approved and communicating it clearly before any negotiation begins), legal close sequencing (a named owner, a defined checklist, a 30-day target, and weekly accountability), first tranche release mechanics (who assembles the evidence package, who authorizes the release, and how capital moves), and portfolio onboarding (the structured 90-day program that aligns both sides on what the investment means for the relationship going forward).

Two things make CVC investment execution different from traditional VC: the strategic mandate and the corporate organizational context. A financial-only CVC can close a deal and be done. A CVC with a strategic mandate — using distribution, data, brand, or regulatory positioning as part of the investment thesis — must also activate the BU relationship during the close period. And in a corporate organizational context, every step of the close involves internal stakeholders (Legal, Finance, Compliance, the Team Sponsor) who have other priorities. Managing that internal dimension is as important as managing the portfolio company relationship.



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THE CORE PROBLEM

CVC programs that execute IC approvals poorly do not fail because the deals were bad. They fail because no one owned the close. The IC vote happens. Everyone assumes someone else is driving legal close. Three weeks later, the portfolio company founder calls to ask what is happening. The deal lead does not have a clear answer.

The consistent failure patterns:

- IC approval with no named close owner. The deal lead is responsible for the investment case but not explicitly for the execution sequence. Legal close falls to General Counsel who is waiting for instructions.
- Term sheet negotiation starting before the portfolio company has been briefed on what the IC actually approved. The founder negotiates points that were already settled. The CVC team pushes back. Trust erodes before the deal is closed.
- First tranche release conditions defined at IC but never translated into an evidence package format the venture team can actually assemble. The milestone is hit. No one knows how to trigger the release.
- Portfolio onboarding treated as a document handover rather than a relationship alignment. The portfolio company receives a folder of templates and a reporting schedule. The CVC team believes onboarding is complete. The portfolio company founder has never felt more alone.
- Strategic mandate activation deferred until after close. The BU that is supposed to provide distribution access or data access was never briefed before the deal. They find out about the investment the same week the capital arrives and have no context, no instruction, and no incentive to engage.
- Expectations misalignment between the CVC and the portfolio company on what the investment relationship means. The CVC expects quarterly board packs and monthly KPI reports. The portfolio company expects introductions, resource access, and commercial acceleration. Neither side stated these expectations explicitly at close. Both sides are frustrated six months later.

The fundamental issue:

IC approval ends the investment decision process. It does not begin the investment relationship. The investment relationship begins at first contact after the vote – and how that contact is managed in the first 90 days determines whether the portfolio company experiences the CVC as a strategic partner or as an administrative burden.

One additional reality that shapes this guide: the funnel that produces an IC approval is brutal. Roughly 100 deals are sourced for every 25 screened, every 5 that reach due diligence, every 2 that reach negotiation, and every 1 that closes. That ratio means every IC-approved deal carries the weight of all the deals that did not make it. Losing a deal after IC approval – to poor execution, communication failure, or a stalled close – is not just a commercial loss. It is a signal to the market about the CVC's reliability as a partner. Execute well, and the next founder comes to you. Execute poorly, and they go elsewhere.

3 PREREQUISITES

Must Be Complete Before Starting:

- IC approval formally documented – the Phase Gate Decision Record from D1 is on file
- D3 Investment-Ready Venture Package reviewed and filed – the Investment Memo from D3 is the foundation of the term sheet
- E2 Section 9 reviewed – IC governance, Director vs Observer election framework, deal lifecycle reference, and fund back-office setup are understood and in place
- General Counsel engaged – legal provider confirmed and available for term sheet review and entity setup
- Fund CFO engaged – IFRS 13 fair value methodology agreed, and quarterly NAV schedule confirmed

Named roles confirmed before Step 1 begins:

- Close Owner: the Principal or Director who is accountable for the execution sequence from IC to close – not General Counsel, not the Associate
- Portfolio Company Point of Contact: the founder or EIR who owns the relationship on the portfolio company side
- Team Sponsor: the internal corporate leader who will activate the BU relationship during and after close

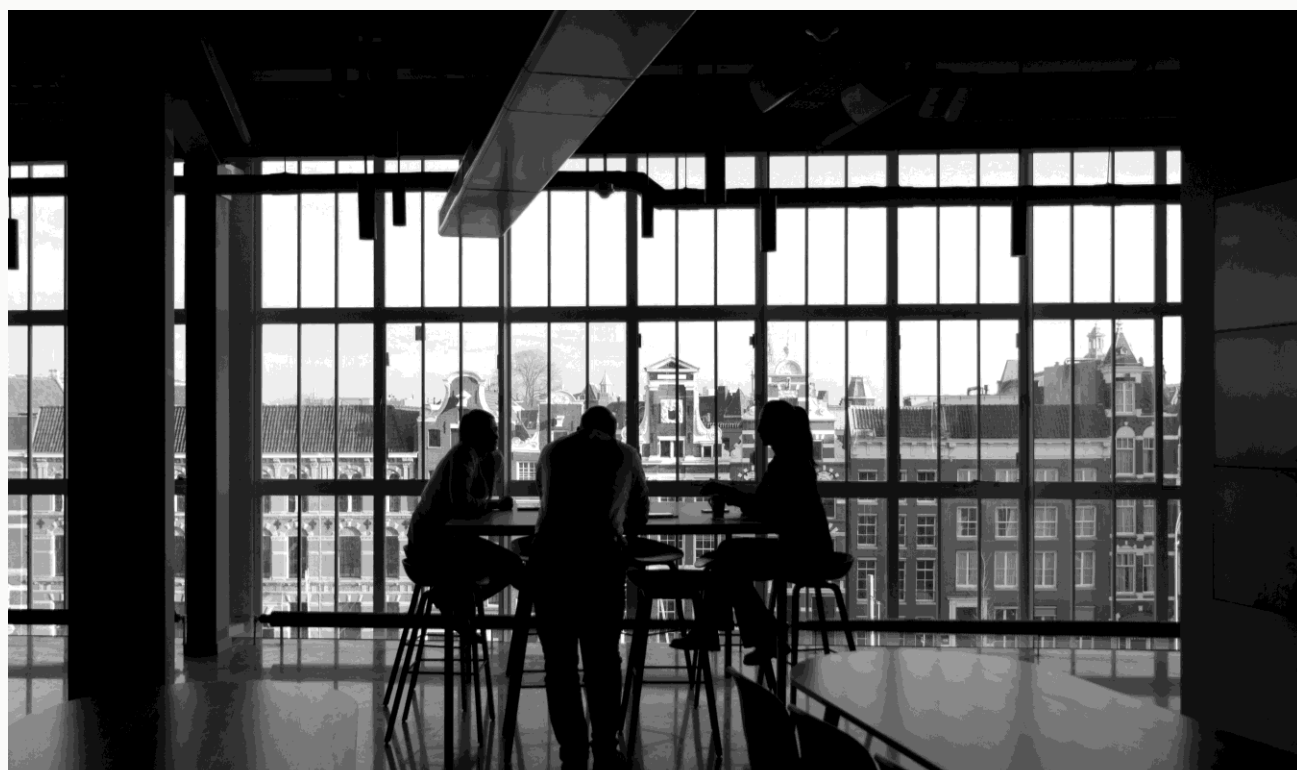


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EXPECTED OUTPUT/ SUCCESS CRITERIA

You have completed this guide when the following are true:

- ✓ Signed investment documents on file — term sheet, shareholders agreement, and any ancillary agreements
- ✓ First capital tranche released — capital in the portfolio company's account against confirmed milestone conditions
- ✓ IFRS 13 fair value methodology documented, and first NAV entry scheduled
- ✓ Portfolio company onboarded into CVC systems: CRM, KPI tracking, board governance calendar, and H3 reporting templates
- ✓ 90-day onboarding plan co-created with the portfolio company and active
- ✓ Strategic mandate activation confirmed: BU engagement initiated and first milestone defined
- ✓ Both sides have signed the Expectations Alignment Record — what the CVC commits to provide, what the portfolio company commits to report, and what the relationship is not



STEP-BY-STEP INSTRUCTIONS

STEP 1 EXECUTE THE IC-TO-TERM SHEET TRANSITION

The 48 hours after IC approval are the highest-leverage window in the investment process. The portfolio company is waiting. The momentum from the Phase Gate Decision is at its peak. What happens in these 48 hours determines whether close takes three weeks or three months.

Before the IC vote: confirm the meeting format and governance standard

The IC meeting itself is a governance event, not a pitch session. The standard format for a strategic CVC Investment Committee: 3–5 senior executives from strategy, investment, and key business units. Members hold decision-making authority, not advisory roles. Majority approval threshold is 3 of 5 members. The meeting can be convened within 72 hours for priority opportunities. Turn8 or the fund manager prepares and presents investment materials; the corporate parent validates clinical, operational, or strategic fit through its business unit representatives.

Standard IC meeting agenda (2 hours):

- **Investment pitch and strategic fit overview:** Presented by the fund manager. Covers team, problem/solution, market, traction, financials, strategic fit, risks, deal terms — the five-page Deal Brief from D2. 10 minutes for final review deals.
- **Business unit review:** Presented by the relevant BU representatives. Covers operational feasibility, pilot potential, and strategic value creation within the corporate's existing capabilities. 30 minutes for pipeline overview.
- **Q&A and decision voting:** IC members ask questions and vote. All investment decisions and follow-ups are logged for transparency and institutional learning.
- **Next steps:** Pilot planning or follow-on preparation. Named Close Owner confirmed in the meeting.

1.1 Send an IC approval summary to the portfolio company within 48 hours of the IC vote — This is not the term sheet. It is a one-page written summary: what was approved, what conditions attach to the approval, what the CVC team commits to in the next 30 days, and what the portfolio company needs to provide. Written, not verbal. The portfolio company should know the approved terms before they receive the term sheet — not discover them during negotiation

1.2 Name the Close Owner publicly — in the IC approval summary — The portfolio company must know who owns the close on the CVC side. This is the Principal or Director. Not the Partner (who is managing other deals), not General Counsel (who follows instructions), not the Associate (who supports but does not decide). One person, named explicitly, accountable from this moment

1.3 Produce the Legal Close Checklist within 5 business days of IC approval

Legal Close Checklist – Required Items:

CLOSE ITEM	OWNER	TARGET DATE	NOTES
Term sheet drafted and sent to portfolio company	Close Owner	Day 5 post-IC	Based on the D3 Investment-Ready Venture Package terms. Must reflect exactly what IC approved – no additions.
Term sheet negotiation period	Close Owner + Founder	Days 5–12	Maximum 7 business days for term sheet negotiation. Items not listed in the IC approval summary are not negotiable in this round.
Term sheet signed by both parties	Close Owner + Founder	Day 12	Signed term sheet triggers legal due diligence and entity setup.
Legal due diligence package requested from portfolio company	General Counsel	Day 12	Standard legal DD checklist: incorporation documents, IP ownership, contracts, regulatory filings, cap table.
Legal due diligence review completed	General Counsel	Day 20	Flag any material issues to Close Owner. Non-material issues logged for post-close resolution.
Entity setup (if new vehicle required)	General Counsel + CFO	Days 12–20	Confirm whether investment goes through existing fund vehicle or requires a new SPV or subsidiary.
Shareholders agreement and investment documents drafted	General Counsel	Day 22	Based on signed term sheet. No substantive changes from term sheet unless flagged issues require them.
Investment documents reviewed and signed by all parties	Close Owner + Founder + MD	Day 28	All signatories confirmed before documents are circulated. Signature coordination is the Close Owner's responsibility.
Board resolution or corporate authorization for investment	General Counsel + CFO	Day 28	Required before capital can be released. Confirm the authorization chain with General Counsel at Step 1.3.
First tranche release authorised	Partner / MD	Day 30	Against milestone conditions confirmed at IC. See Step 3.

1.4 Set a 30-day close target from IC approval as a hard constraint – If close is taking longer than 30 business days, escalate to the Partner / MD. A delayed close is almost always a process problem, not a negotiation problem. Identify the specific blocked item and unblock it – do not extend the timeline as a default

AI PROMPT – IC Approval Summary and Term Sheet Briefing

I am preparing the IC approval summary to send to a portfolio company within 48 hours of IC vote. The investment is: [describe – company name masked, sector, stage, investment amount]. IC approval conditions: [list]. What was not negotiated at IC and is therefore fixed in the term sheet: [list key terms – valuation, ownership %, board seat, pro-rata rights, information rights, anti-dilution provisions]. CVC commitments for the next 30 days: [list]. What the portfolio company must provide for legal close: [list]. Write the IC approval summary as a one-page document for the portfolio company founder. Direct, specific, no jargon. This document replaces any verbal communication about the IC outcome.

STEP 2 EXECUTE LEGAL CLOSE

Legal close is a process management exercise, not a legal expertise exercise. General Counsel provides the legal expertise. The Close Owner manages the process: tracking every item on the checklist, maintaining weekly accountability, unblocking stalls, and keeping both sides moving toward the signature date.

- 2.1 Hold a weekly legal close call – same day, same time, 30 minutes maximum** – Attendees: Close Owner, General Counsel, portfolio company founder, and any specialist advisors with open items. One question per agenda item: is this done, in progress, or blocked? Blocks are assigned a resolution owner and a 48-hour deadline before the call ends
- 2.2 Apply realistic phase timing to the legal close checklist** Each phase of the close has a market-based duration benchmark. The 30-day close target is only achievable if phases are run in parallel rather than sequentially. Screening completes before IC. Due diligence and entity setup run in parallel with term sheet negotiation. Investment document drafting begins before DD is fully complete on non-material items.



CLOSE PHASE	BENCHMARK DURATION	WHAT MAKES IT FASTER	WHAT STALLS IT
Term sheet negotiation	5-7 business days	IC approval summary sent before term sheet – no surprises. Negotiable vs non-negotiable items pre-communicated.	Portfolio company discovers IC-approved terms for the first time in the term sheet and pushes back. Every unexpected clause adds 2-3 days.
Legal due diligence	10-15 business days	DD package requested the same day term sheet is signed. Known legal issues flagged before IC – not discovered during DD.	DD package not prepared before IC approval. Material issues emerging mid-close that require IC re-review.
Negotiation (deal structuring)	5-10 business days (overlaps DD)	Clear mandate on what structuring is available. Close Owner makes decisions without escalating to Partner / MD for every item.	No pre-agreed structuring mandate. Each negotiation point requires internal sign-off that takes 2-3 days per item.
Investment document drafting and signing	5-8 business days	General Counsel begins drafting against the signed term sheet immediately. Signature coordination owned by Close Owner.	Legal drafting starts after DD completes. Signatories not confirmed until documents are circulated.

2.3 For the term sheet negotiation: distinguish between negotiable and non-negotiable items from Day 1

TERM CATEGORY	TYPICALLY NON-NEGOTIABLE POST-IC	TYPICALLY NEGOTIABLE WITHIN RANGE	REQUIRES IC RE-APPROVAL IF CHANGED
Valuation and ownership	Pre-money valuation and ownership percentage approved by IC	Payment terms, tranche structure within the approved total amount	Any change to the approved investment amount or ownership percentage
Board governance	Director or Observer seat election (confirmed with General Counsel in E1)	Specific board meeting frequency and information rights detail	Change from Observer to Director or vice versa – fiduciary implications require IC awareness
Protective provisions	Standard anti-dilution, pro-rata rights, and information rights	Specific trigger thresholds for anti-dilution provisions	Removal of any protective provision approved by IC
Milestone conditions	First tranche milestone conditions as defined at IC	Measurement methodology for milestones if ambiguous	Any change to the substance of the milestone – what constitutes achievement
Strategic mandate terms	Any synergy commitments that were part of the investment thesis	Timeline and implementation detail of synergy delivery	Removal of any strategic mandate commitment from the investment terms

Strategic mandate terms – pursue these in every CVC term sheet:

A financial-only CVC pursues standard protective provisions. A CVC with a strategic mandate – which includes most Venture Studio CVC tracks – pursues additional terms that give the corporate parent access to strategic value, not just financial upside. These terms should be in the IC approval and pre-communicated to the portfolio company before term sheet negotiation begins.

STRATEGIC TERM	WHAT IT GIVES THE CVC	WHEN TO PURSUE IT	NEGOTIATION POSITION
Information rights	Right to receive regular financial statements, KPI reports, and material business updates. Standard for any equity investment.	Always – non-negotiable	Include as standard. Specify format: monthly operational update and quarterly financial report minimum.
Pro-rata rights	Right to participate in future funding rounds to maintain ownership percentage.	Always for direct equity investments	Standard term. Waive only in exceptional circumstances with Partner / MD sign-off.
Board observer or director seat	Access to board discussions and materials. Observer carries lower fiduciary risk than Director.	Always. Director vs Observer election per E1 Step 10	Default to Observer unless strategic value of Director seat justifies the fiduciary obligation.
First-look commercialization rights	Right of first refusal on piloting or deploying the portfolio company's technology within the corporate parent's operations before it is offered to competitors.	For any investment where the strategic thesis includes operational deployment	Frame as a mutual benefit: portfolio company gets a credible enterprise pilot customer; CVC gets first access to the technology.
Pilot option clauses	Contractual option to run a defined clinical trial, deployment pilot, or proof-of-concept within the corporate parent's facilities on pre-agreed terms.	Where the strategic mandate includes piloting within the corporate's business units	Include the pilot scope, timeline, and success criteria in the investment terms – not as a separate future negotiation.
Follow-on triggers	Pre-agreed conditions under which the CVC has the right (not obligation) to deploy additional capital at a pre-negotiated price or formula.	Series A to C direct investments where follow-on is anticipated	Define the trigger conditions clearly: revenue milestone, customer milestone, or round lead by a named tier of investor.

2.4

For CVC with a strategic mandate: activate the BU during the legal close period

– **not after close** – The BU engagement cannot wait for capital to land. If the investment thesis includes distribution access, data sharing, or brand alignment, the BU head must be briefed by the Team Sponsor before legal close completes. This has two practical effects: the BU is ready to engage on Day 1 post-close rather than receiving an introduction six weeks later, and any BU resistance to the strategic mandate surfaces during the legal close period when it can still influence the final terms

2.5

Resolve all legal due diligence findings before document signing

– Non-material issues are logged for post-close resolution with a named owner and target date. Material issues – significant IP ownership gaps, undisclosed liabilities, regulatory non-compliance – must be resolved or specifically accepted by IC before signing. The Close Owner makes this call, not General Counsel

AI PROMPT – Legal Close Status Update

I am preparing the weekly legal close status update for a CVC investment. Investment: [describe – masked]. Close date target: [date]. For each item on the legal close checklist: (1) is it Done, In Progress, or Blocked? (2) For In Progress: what is the completion date? (3) For Blocked: what specifically is blocking it, who owns the resolution, and what is the 48-hour resolution deadline? Produce the status update in the format used for the weekly legal close call – one line per item, no narrative. Flag any item that is more than 3 business days behind the target date as a risk item requiring Close Owner attention.

STEP 3 RELEASE THE FIRST CAPITAL TRANCHE

The first tranche is released against specific milestone conditions that were defined at IC and documented in the investment terms. The release is not triggered by the passage of time or by the close date – it is triggered by the confirmed achievement of the milestone conditions. The evidence package that confirms achievement must be assembled, reviewed, and authorized before capital moves.

3.1 Confirm the first tranche milestone conditions from the IC approval documentation – The conditions defined in C2 (capital requirements by tranche) and confirmed at IC are the release criteria. They are not renegotiated at close. The most common Tranche 1 conditions: MVP build complete, first pilot customers signed, initial product-market fit signal. Confirm the exact wording with General Counsel – "first pilot customers signed" and "first pilot agreements in negotiation" are not the same condition

3.2 Assign first tranche evidence package preparation to the CVC Analyst – The Analyst owns: the evidence package format (what documents confirm each condition), the collection process (who provides each document and by when), and the submission timeline (when the package reaches the Close Owner for review). This is not a shared responsibility – it is a named assignment from Day 1 of portfolio onboarding

First Tranche Evidence Package – Standard Format:

MILESTONE CONDITION	EVIDENCE REQUIRED	WHO PROVIDES IT	ACCEPTABLE FORMATS
MVP build complete	Sprint Completion Report from Guide F1, signed by the EIR and AI Studio Agent Lead (if AI track)	Venture team	PDF of the F1 Sprint Completion Report with signatures
First pilot customers signed	Signed pilot agreements or LOIs from at least the minimum number specified at IC	Venture team / GTM Lead	Executed agreements – not draft, not verbal confirmation
Initial product-market fit signal	Demand Signal Score from pilot sessions (Guide F2), showing minimum threshold from IC	Venture team / Product Lead	F2 Pilot Evidence Report, Section 5: Demand Signal Score with component breakdown
First customer revenue (if required)	Signed paid contract with first commercial pricing	Venture team / GTM Lead	Executed contract with clearly stated pricing and payment terms
AI agent go-live (if AI track condition)	G1 Go-Live Report confirming stable production deployment	AI Studio Agent Lead	PDF of the G1 Go-Live Report

3.3 The Close Owner reviews the evidence package and confirms milestone achievement – The review is documented – not a verbal sign-off. The Close Owner produces a one-paragraph tranche release recommendation: which conditions were met, which evidence confirmed each condition, and the recommendation to the Partner / MD to authorize release

3.4

The Partner / MD authorizes capital release against the documented recommendation — Two signatures required: Close Owner recommendation and Partner / MD authorization. Both are on file before any wire instruction is issued. This is the IFRS 13 governance requirement confirmed in E2 — every capital deployment is documented and traceable

3.5

Confirm IFRS 13 fair value at first tranche release — The Fund CFO records the first capital deployment at fair value using the agreed methodology from E2 Section 9F. The methodology is: most recent funding round valuation for early-stage ventures; DCF for more mature ventures; third-party valuation for complex instruments. The first NAV entry is scheduled no later than the end of the quarter in which first capital was deployed

AI PROMPT — First Tranche Release Recommendation

I am preparing the first tranche release recommendation for a CVC investment. Company: [masked]. First tranche amount: [amount]. Milestone conditions from IC approval: [list each condition exactly as documented]. Evidence package: [describe each document provided — report name, date, what it confirms]. For each milestone condition: (1) is it confirmed as achieved by the evidence, not achieved, or partially achieved? (2) For confirmed: cite the specific document and the specific data point that confirms achievement. (3) For not achieved or partial: what specifically is missing and what is the resolution timeline? Write the Close Owner recommendation in one paragraph suitable for the Partner / MD authorization record. If any condition is not confirmed: state the conditions that must be met before authorization and the target date.

STEP 4

ONBOARD THE PORTFOLIO COMPANY

Portfolio onboarding is the transition from deal close to investment relationship. It has two components: the operational setup (systems, reporting cadence, governance calendar) and the relationship alignment (what each side commits to, expects from, and will not do to the other). The operational setup can be done by the Analyst in a day. The relationship alignment requires a dedicated session with the founder or EIR and must not be skipped.



4.1 Complete the operational setup within 5 business days of close

SETUP ITEM	OWNER	WHAT IS SET UP	CONNECTED GUIDE
CRM entry	Analyst	Portfolio company profile: company name, sector, stage, investment date, round amount, ownership %, Close Owner, Board seat holder, strategic mandate summary. Also log: strategic KPIs (pilot potential, BU engagement, health/operational outcomes impact) alongside financial KPIs (IRR target, AUM contribution, stage)	E2 Section 9: Deal Lifecycle Operating Reference
KPI dashboard template	Analyst	The H2 dashboard template configured for this venture across three KPI categories: Financial (burn rate, runway, IRR tracking, AUM, ownership), Strategic (clinical or operational pilots active, BU partnership depth, strategic pipeline alignment), and Operational (pipeline efficiency, decision velocity, co-investor quality, portfolio stage balance). AI agent metrics added if applicable.	H2 – Build and Operate a Live Venture Performance Dashboard
Board governance calendar	Associate	All required governance events for the next 12 months: quarterly board meetings, monthly KPI updates, bi-weekly founder check-ins – all in the CVC calendar and the portfolio company calendar	E2 Section 9C: Portfolio Management cadence
H3 reporting templates	Analyst	Quarterly board pack template, monthly KPI update format, and financial reporting template – pre-populated with the venture's metrics and sent to the portfolio company before their first reporting deadline	H3 – Prepare and Deliver Quarterly Board Reporting Materials
IFRS 13 NAV entry	Fund CFO	First fair value entry recorded; next quarterly NAV determination date confirmed. Tax treatment confirmed: capital gains from offshore fund structures are typically not subject to domestic corporate income tax, but KSA-based asset investments may be subject to 20% corporate income tax – confirm with General Counsel before first deployment.	E2 Section 9F: Fund Back-Office and Accounting

4.2 Hold the post-close alignment session within 10 business days of close – This is a 2-hour session between the Close Owner, the Team Sponsor, and the portfolio company founder or EIR. Its purpose is to produce the Expectations Alignment Record – the document that prevents the most common cause of CVC portfolio relationship failure: both sides having fundamentally different assumptions about what the investment means

Post-Close Alignment Session Agenda:

- **Part 1 (30 min) – What the CVC commits to provide:** Named resources: which team member provides what access. Named introductions: specific target organizations the CVC will open. Named assets: which BU relationship, data source, or distribution channel is accessible and on what terms. Named timeline: when each commitment is expected to be delivered. The CVC does not make open-ended commitments in this session – every commitment is specific and time-bounded
- **Part 2 (30 min) – What the portfolio company commits to report:** Reporting format: H3 quarterly board pack and H2 monthly KPI update. Reporting cadence: submission deadlines, not meeting dates. Data access: which metrics the CVC will have direct access to versus which are reported by the team. Escalation: what the portfolio company will escalate immediately versus address in the regular cadence
- **Part 3 (30 min) – What the relationship is not:** The three things the CVC will not do: override the venture team's operating decisions, insert corporate antibodies into the build process, or use the portfolio company's data or relationships without explicit permission. The three things the portfolio company will not do: treat the CVC as a passive investor, use the corporate parent's brand or assets without prior agreement, or go to market with claims about the CVC relationship that have not been approved
- **Part 4 (30 min) – The strategic mandate activation plan:** Which BU is the primary strategic partner? Who is the named contact at the BU? What is the first concrete synergy milestone – the specific thing that will happen in the first 90 days that demonstrates the strategic mandate is real, not theoretical? Who owns it, and what is the date?

4.3

Produce and sign the Expectations Alignment Record within 3 business days of the session – One page. Both the Close Owner and the portfolio company founder sign it. It is filed in the CRM alongside the investment documents. When a relationship dispute arises – and it will – this document is the reference point, not memory or email threads

AI PROMPT – Expectations Alignment Record

I am producing the Expectations Alignment Record for a newly onboarded portfolio company. Investment: [describe – masked]. CVC commitments: [list each specific commitment – what, by when, named owner]. Portfolio company reporting commitments: [list format, cadence, data access granted]. What the CVC will not do: [list 3 specific boundaries]. What the portfolio company will not do: [list 3 specific boundaries]. Strategic mandate activation plan: [BU name masked, named contact, first concrete synergy milestone, date, owner]. Write the Expectations Alignment Record as a one-page document suitable for signature by the Close Owner and the portfolio company founder. Plain language. Specific and enforceable. No boilerplate.



STEP 5 BUILD AND EXECUTE THE 90-DAY ONBOARDING PLAN

The first 90 days of the investment relationship are the highest-leverage window for establishing norms, demonstrating the value of the CVC relationship, and catching misalignments before they become entrenched. A portfolio company that experiences a well-managed first 90 days is a portfolio company that sends referrals, provides reference calls, and co-creates value. A portfolio company that experiences a poorly managed first 90 days is a portfolio company that protects its data, limits access and counts down to the point it can exit the CVC relationship.

The Operate-for → Operate-with → Build-to-own transition model:

The 90-day onboarding plan sits within a longer operating model that both sides must understand at close. The CVC relationship — and where relevant, the TURN8 operating relationship — moves through three phases over the life of the fund. Understanding which phase applies determines what each side should be building during the 90-day window.

PHASE	WHAT TURN8 / CVC DOES	WHAT THE CORPORATE PARENT BUILDS	WHAT THE PORTFOLIO COMPANY SHOULD EXPERIENCE	TRANSITION SIGNAL
Operate-for	Full fund and portfolio operations run by TURN8. Investment decisions with IC. Deal sourcing, screening, due diligence, and close managed by TURN8.	Observes operations. Nominates IC members. Develops understanding of deal flow and portfolio management. BU champions engage with portfolio companies.	Active operational support. TURN8 team is primary contact. CVC parent provides strategic context and asset access.	When the corporate parent's internal team can perform the primary operational tasks with TURN8 oversight.
Operate-with	Joint operations. TURN8 leads with named corporate parent counterparts co-managing deal flow and portfolio companies.	Internal venture team actively co-managing portfolio. Conducting independent deal assessments. Running BU integration directly.	Both TURN8 and the corporate parent team are actively present. Handover of specific portfolio relationships from TURN8 to internal team beginning.	When the internal team independently closes a deal and manages a portfolio company without TURN8 involvement.
Build-to-own	TURN8 in advisory role only. Internal team runs fund operations. TURN8 available for complex situations.	Full fund operations owned internally. Internal team has completed the capability roadmap milestones from the Operate-to-Transfer plan.	Internal team is the primary CVC relationship owner. TURN8 serves as external advisor and network resource.	When the internal team has completed the full capability roadmap and the corporate parent is ready for autonomous CVC operations.

During the first 90 days, the portfolio company is in the Operate-for phase. The TURN8 or CVC team is running operations. The internal corporate team is observing and beginning to engage. The portfolio company should experience active, responsive operational support – not a relationship that requires them to chase status updates.

5.1 Build the 90-day onboarding plan jointly with the portfolio company in the post-close alignment session – The CVC provides the framework – the structure of what happens in each 30-day period. The portfolio company populates the specific commitments within that framework. A plan the portfolio company wrote is a plan they will execute.

PERIOD	CVC FOCUS	PORTFOLIO COMPANY FOCUS	SHARED MILESTONE
Days 1-30	Operational setup complete (Step 4.1). First bi-weekly check-in held. Strategic mandate activation initiated: BU contact introduced to portfolio company founder. First KPI dashboard data submitted by portfolio company.	First monthly KPI update submitted in H2 format. Any post-close integration tasks (banking, system access, data agreements) completed. First product or commercial milestone from the Phase Three sprint plan progressing.	Expectations Alignment Record signed. CVC and portfolio company in regular cadence. First BU introduction made and acknowledged.
Days 31-60	First tranche milestone review: confirm all first tranche conditions were met (if not already done at close). Any second tranche conditions defined and active. First board check-in (if not yet held at quarterly timing).	First substantive commercial milestone: minimum one pilot commitment or paid contract, per the commercial milestone framework from F3. AI agent track: G1 deployment completed or in active canary rollout.	First pilot commitment or paid contract confirmed. First H2 monthly KPI update reviewed by Close Owner. Any flags from the review addressed.
Days 61-90	90-day relationship review: Close Owner and founder review the Expectations Alignment Record. What commitments were delivered? What was not and why? What needs to change for the next 90 days?	Second monthly KPI update submitted. Demand Signal Score updated from live pilot or customer data (F2 / F3). Quarterly board pack preparation for the first H3 quarterly report begins.	90-day relationship review completed. Any Expectations Alignment Record updates agreed and filed. First H3 quarterly board pack in preparation or submitted.

5.2 The Close Owner holds bi-weekly founder check-ins for the full first 90 days – These are 30-minute calls. Not reporting sessions – relationship calibration sessions. Three questions: what is going well that the CVC can amplify? What is blocked that the CVC can unblock? What is the single most valuable thing the CVC could do this week? The answers tell the Close Owner whether the strategic mandate is activating or stalling

5.3 At Day 90: hold the 90-day relationship review and update the Expectations Alignment Record – Review each commitment from the original record: delivered, partially delivered, or not delivered. For anything not delivered: what changed and what is the revised commitment? For anything that needs to be added: agree it in writing. The updated record is filed in the CRM. This is the first evidence that the CVC-portfolio company relationship is being actively managed – not just monitored

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TROUBLESHOOTING

SYMPTOM	LIKELY CAUSE	FIX
Legal close is stalling three weeks after IC approval with no clear reason	No named close owner on the CVC side. General Counsel is waiting for instructions that have not been given.	Apply Step 2.1 immediately: name the close owner, produce the legal close checklist, set a 30-day close target, and schedule a weekly legal close call. IC approval with no close owner is a deal in danger, not a deal in progress.
The portfolio company is negotiating term sheet points that the IC already approved	The portfolio company founder did not receive a summary of the IC approval conditions before term sheet discussion began. They are negotiating against assumptions, not against the actual approved terms.	Before any term sheet discussion, the CVC deal lead provides a written IC approval summary to the portfolio company: what was approved, what conditions attach, and what is not negotiable. This removes negotiation friction that should never have existed.
First tranche release is delayed because the evidence package is not assembled	The milestone conditions were defined at IC but no one was assigned to prepare the evidence package. The venture team assumed the CVC team would collect it. The CVC team assumed the venture team would submit it.	Assign tranche release evidence preparation to the Analyst from the first day of portfolio onboarding. The Analyst owns the evidence package format, the collection process, and the submission timeline. This is not a shared responsibility — it is a named assignment.
The 90-day onboarding plan exists but the portfolio company does not follow it	The plan was produced by the CVC team and delivered to the portfolio company as a document. The portfolio company did not co-create it and does not feel ownership of it.	Rebuild the 90-day plan jointly in the first post-close alignment session. The CVC team provides the framework. The portfolio company populates the specific commitments. A plan the portfolio company wrote is a plan they will execute.
Strategic mandate activation is stalled — the BU has not engaged	The BU was identified as a synergy partner at IC but was not briefed on the investment or their expected role before the deal closed. The CVC team assumed the corporate parent would activate the BU. The BU received no instructions.	The Team Sponsor activates the BU immediately after IC approval — before legal close, not after. The BU head receives a direct briefing from the Team Sponsor: what was invested in, what the strategic synergy is, what the BU is expected to contribute, and the timeline. BU activation cannot wait for deal close.
The portfolio company feels the CVC is extracting value rather than adding it	Interactions are primarily information requests — financial reports, KPI updates, board pack preparation. The portfolio company is spending time on CVC administration rather than on building.	Apply the Startup Engagement principles from E2 Section 9E: Clarity, Consistency, Cadence, Add Value, Speed. Review the current engagement pattern. Remove reporting requests that produce no decision. Replace information requests with value-add introductions and resource activations. The CVC relationship should feel like an accelerator, not an auditor.
The D3 investment package was strong but the IC presentation produced unexpected questions that were not in the package	The IC members who were not in the pre-IC briefing received the package at the same time as the meeting. They came with fresh concerns the team had not prepared for.	For every IC meeting: distribute the Investment Memo at least one week before. Follow up with a pre-IC briefing call for any IC member who has questions before the formal session. Questions asked in the pre-brief are answered before they become meeting blockers. Questions asked for the first time in the IC meeting are the most dangerous.

VALIDATION STEPS

Confirm each of the following before declaring close and onboarding complete:

IC approval summary sent to portfolio company within 48 hours of IC vote — confirmed in writing



Close Owner named and communicated to portfolio company before term sheet is sent



Legal close checklist produced within 5 business days of IC approval



Term sheet signed within 12 business days of IC approval



Investment documents signed within 30 business days of IC approval



First tranche evidence package assembled with all milestone conditions confirmed — not partially confirmed



Close Owner recommendation and Partner / MD authorization both on file before wire instruction issued



IFRS 13 first NAV entry scheduled within the quarter of first capital deployment



Operational setup complete within 5 business days of close: CRM, KPI dashboard, governance calendar, H3 templates



Post-close alignment session held within 10 business days of close



Expectations Alignment Record signed by both parties and filed in CRM



BU strategic mandate activation initiated — first BU introduction made and acknowledged



90-day onboarding plan co-created with the portfolio company and active



NEXT STEPS

Upon completing this guide with first capital released and portfolio onboarding active:

- **GUIDE H2** – How to Build and Operate a Live Venture Performance Dashboard (the H2 dashboard is referenced in the operational setup at Step 4.1 – build it immediately)
- **GUIDE H3** – How to Prepare and Deliver Quarterly Board Reporting Materials (the first quarterly board pack is due within 90 days of close for most CVC programs – begin preparation by Day 60)
- **GUIDE E2** – Venture Operating Rhythm (Section 9: CVC track) (the portfolio engagement cadence from E2 Section 9C runs continuously from close)
- **GUIDE G3** – Monitor, Optimize, and Report on AI Agent Performance (AI tracks: the G3 quarterly reporting section feeds into the H3 board pack)

The quality of the portfolio company relationship at Day 90 predicts the quality of the investment outcome at Year 2. The 90-day onboarding plan is not a formality – it is the most important operational investment the CVC team makes after the capital wire clears. A portfolio company that experiences a CVC as a genuine partner in the first 90 days gives the CVC everything: introductions, reference calls, access, and the co-investment interest that makes the next fund possible.



9 MASTER CHECKLIST

A. IC MEETING AND TRANSITION

- IC meeting format confirmed: 3–5 members, 3/5 majority threshold, 72-hour convening capability
- IC meeting agenda followed: investment pitch, BU review, Q&A and voting, next steps
- Close Owner named in the IC meeting – confirmed before the meeting closes
- IC approval formally documented – Phase Gate Decision Record on file
- IC approval summary sent to portfolio company within 48 hours of IC vote
- IC approval summary includes: what was approved, conditions, CVC commitments for 30 days, portfolio company obligations
- Legal Close Checklist produced within 5 business days of IC approval
- 30-day close target set as a hard constraint – escalation trigger defined
- Non-negotiable term sheet items pre-communicated to portfolio company before term sheet is sent

B. LEGAL CLOSE

- Phase timing confirmed: term sheet negotiation 5–7 days, DD 10–15 days (parallel), negotiation 5–10 days, signing 5–8 days
- Term sheet drafted and sent within 5 business days of IC approval
- Term sheet negotiation period bounded at 7 business days
- Term sheet signed within 12 business days of IC approval
- Strategic mandate terms pursued in term sheet: information rights, pro-rata rights, board seat, first-look commercialization rights, pilot option clauses, follow-on triggers (where applicable)
- Legal due diligence package requested from portfolio company on day of term sheet signing
- DD and entity setup running in parallel – not sequential
- Legal due diligence review completed – material issues resolved before document signing
- Entity setup confirmed: existing fund vehicle or new SPV / ADGM / Cayman structure
- Investment documents signed within 30 business days of IC approval
- Board resolution or corporate authorization for investment confirmed
- Weekly legal close calls held with all parties – all blocked items assigned resolution owners
- BU activated during close period by Team Sponsor (strategic mandate tracks)

C. FIRST TRANCHE RELEASE

- First tranche milestone conditions confirmed from IC approval documentation – exact wording verified with General Counsel
- First tranche evidence package format defined by Analyst before close
- All milestone conditions confirmed as achieved with specific evidence citations
- Close Owner recommendation produced – one paragraph, each condition addressed
- Partner / MD authorization documented before wire instruction issued
- IFRS 13 fair value methodology applied – Fund CFO records first NAV entry
- Tax treatment confirmed with General Counsel – offshore fund structure capital gains treatment documented
- Quarterly NAV determination schedule confirmed

D. PORTFOLIO ONBOARDING – OPERATIONAL SETUP

- CRM entry complete: all required fields populated within 5 business days of close – including strategic KPIs and financial KPIs
- H2 KPI dashboard template configured across three categories: Financial, Strategic, and Operational KPIs
- Board governance calendar set: quarterly board meetings, monthly KPI updates, bi-weekly check-ins
- H3 reporting templates sent to portfolio company before first reporting deadline
- First bi-weekly founder check-in held within 10 business days of close
- Operating phase confirmed with portfolio company: currently in Operate-for phase – portfolio company briefed on the Operate-for → Operate-with → Build-to-own model

E. EXPECTATIONS ALIGNMENT

- Post-close alignment session held within 10 business days of close
- All four parts of the alignment agenda completed: CVC commitments, portfolio company reporting commitments, relationship boundaries, strategic mandate activation plan
- Every CVC commitment is specific: named resource, named deliverable, named date
- Strategic mandate activation plan has a first concrete milestone with an owner and a date
- Expectations Alignment Record signed by Close Owner and portfolio company founder
- Record filed in CRM alongside investment documents

F. 90-DAY ONBOARDING PLAN

- 90-day plan co-created with portfolio company – not produced by CVC and delivered
- Operate-for → Operate-with → Build-to-own model explained to portfolio company – current phase and transition signals clear
- Days 1–30 shared milestone confirmed: Expectations Alignment Record signed, first BU introduction made
- Days 31–60 shared milestone confirmed: first pilot commitment or paid contract
- Days 61–90 shared milestone confirmed: 90-day relationship review completed
- Bi-weekly founder check-ins held for the full first 90 days
- 90-day relationship review completed – updated Expectations Alignment Record filed
- H3 first quarterly board pack in preparation by Day 60

