IMPULSION AU DÉVELOPPEMENT

2013 Annual Report
Letter from the Chair
THE FIRST SIX MONTHS of the Tunisian American Enterprise Fund’s (TAEF) operation have made it abundantly clear to me that in Tunisia we will find strong partners who share our desire to invest in Tunisia’s future. At this time of seismic political transition for Tunisia, I am both optimistic about the future and sobered by the challenges—for the country and for us at TAEF.

Since signing our funding agreement with USAID in July 2013, the board and I have been preparing the foundation for TAEF’s active operations and investments. Our key accomplishments follow.

**2013 accomplishments (July–December)**

- Establish Tunisian subsidiary, TAEF Advisory Company, and set up fully functioning office.
- Recruit key team members both in Tunisia and in the U.S. to set up our operations. We have brought on Hela Fourati as Chief Operating Officer and Managing Director of the TAEF with principal focus on our activities in Tunisia and Louise Stoner Crawford as a long term consultant and Managing Director for our activities in the U.S.
- Deepen knowledge of the Tunisian economy.
- Outreach to potential partners, investors and advisors both in Tunisia and in the U.S. and to both U.S. and Tunisian governmental authorities.
- Draft our investment strategy to focus on
  - early stage, high growth potential businesses
  - small and medium enterprises
  - microfinance institutions.

In the coming year, TAEF looks forward to expanding our strong Tunisian team, completing our board of directors, refining and implementing our strategy and investing in a range of companies. I am driven by the opportunity to create sustainable financial institutions that will create stable employment and economic possibility for Tunisians throughout the country.

W. Bowman Cutter, Chair
Funding / Source

The U.S. Agency for International Development funds the TAEF and provides oversight.

Funding / Amount

$40 million as of 2014.

Funding / Term

The fund will close down in 2022 unless its term is extended.

Purpose

TAEF was created to support the Tunisian people after the Arab Spring by investing in Tunisia’s private sector.

TAEF seeks to expand economic and employment opportunities throughout the country, encourage investment and launch the small and medium enterprises that will be engines of long term growth.

TAEF’s goals are

- Positive financial returns
- New, stable employment
- Investments throughout the country—not just in the capital region
- Investments in women entrepreneurs
From Commencement of Operations July 9, 2013 through December 31, 2013
(UNAUDITED)

Balance Sheet (amounts in USD)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$ 115,756</td>
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<tr>
<td>Fixed Assets</td>
<td>$ 3,047</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$ 7,443</td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$ 126,246</strong></td>
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</tbody>
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<table>
<thead>
<tr>
<th>LIABILITIES &amp; EQUITY</th>
<th></th>
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<tbody>
<tr>
<td>Equity</td>
<td>$ 126,246</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES &amp; EQUITY</strong></td>
<td><strong>$ 126,246</strong></td>
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Statement of Activities (amounts in USD)

<table>
<thead>
<tr>
<th>REVENUE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>USAID Grant Revenue</td>
<td>$ 262,668</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$ 262,668</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSE</th>
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</thead>
<tbody>
<tr>
<td>Building Rent/ Lease</td>
<td>$ 3,956</td>
</tr>
<tr>
<td>Furniture &amp; Fixtures</td>
<td>$ 783</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 5,114</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>$ 96,344</td>
</tr>
<tr>
<td>Travel</td>
<td>$ 30,095</td>
</tr>
<tr>
<td>Other</td>
<td>$ 130</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>$ 136,422</strong></td>
</tr>
<tr>
<td><strong>NET FUNDS AVAILABLE</strong></td>
<td><strong>$ 126,246</strong></td>
</tr>
</tbody>
</table>
TUNISIAN AMERICAN ENTERPRISE FUND

CONTACT INFORMATION

TAEF—Advisory Company
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STAFF

Hela Fourati, COO
Managing Director

Louise Stoner Crawford
Managing Director

BOARD MEMBERS

W. Bowman Cutter*
Chair
Roosevelt Institute

Ferid Abbas**
SETCAR

Stephen Bosworth*
John F. Kennedy School of Government

Gil Crawford*
MicroVest Capital Management

Mohamed Malouche**
Treasurer
Tunisian American Young Professionals

Howard Newman*
Pine Brook Partners

Ann Wyman*
AfricInvest Capital Partners

* US member
** Tunisian member