



INVEST NEBRASKA ANGEL SIDECAR FUND

The Invest Nebraska Angel Sidecar Fund provides early investment capital that matches private angel investment in start-up businesses developing, modifying, or employing new technologies.

ELIGIBLE ACTIVITIES:

This seed capital may be used by a start-up company for advanced intellectual property development and evaluation, advanced proof of concept work for scientific discovery, advanced prototype design and development, key personnel hires, and related activities.

PROGRAM BENEFITS:

- Investments of \$50,000 to \$500,000
- Seed investment may be in the form of convertible debt or equity
- Encourages private lenders and investors to increase their participation in projects
- Encourages additional growth capital in small businesses graduating from the start-up to growth stage in the development cycle

ELIGIBLE BUSINESSES:

Eligible businesses are Nebraska-based start-up companies that have (1) a committed leadership team with significant experience related to the technology being commercialized, or committed collaborators and/or mentors with such experience; (2) a committed leadership team with significant experience successfully launching a start-up technology business, or a committed collaborator and/or mentor with such experience, which may include a relationship with an innovation center or entrepreneurial support organization that can provide expertise appropriate to the project; (3) a viable plan for securing venture capital financing needed to successfully grow the start-up company within a reasonable time period after the seed capital co-investment; (4) and a market-based, third-party investment commitment equal to at least 100 percent of the total requested seed capital funding from the Angel Sidecar Fund.

BUSINESS PARTICIPATION:

- Small business with fewer than 750 employees
- Types of business, activities, and uses of funds must be eligible
- Angel Sidecar Funds must be matched 1:1 or more with private funds

INELIGIBLE ACTIVITIES:

- X Ownership, purchase or acquisition of passive investments, such as commercial real estate, and securities
- X Lobbying
- X Repayment of delinquent federal or state income taxes unless the business has an established payment plan with the relevant taxing authority; or
- X Repayment of taxes held in trust or escrow, e.g. payroll or sales taxes; or
- X Reimbursement of funds owed to any owner, including any injection of equity or capital for business continuance; or
- X Cash dividends or bonuses to management or business owners
- X The refinance of previously incurred financial institution debt
- X Purchase any portion of ownership interest of any owner of the business
- X Personal unpaid taxes, judgments, previous loan costs, or personal debt incurred prior to approval

Applications or questions can be directed to:

Dan Hoffman, Executive Director

Invest Nebraska Corporation
4701 Innovation Drive
Lincoln, NE 68521
Telephone: (402) 742-7860
dan@investnebraska.com