## Irish Innovation Seed Fund (IISF) – Clarification Document

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Clarification Document to the Call for Expression of Interest - IISF 2022 to select Financial Intermediaries that will receive resources from the Irish Innovation Seed Fund (IISF).

The aforementioned Call for Expression of Interest (further CEOI) stipulated that: "Requests for clarifications from Applicants shall not receive individual replies. Instead, answers to relevant requests for clarifications received within the relevant deadline will be published together in a Clarification Document to be posted on the website www.eif.org".

In accordance with this provision, we hereby present such a clarification document based on questions received from the market. Capitalised expressions utilised below shall have the meaning attributed to them in the CEOI, unless otherwise defined below or the context requires otherwise. Questions may appear as they have been received without any editing from EIF; they also appear in a random order.

#### 1.) Is there a preferred fund structure under the IISF initiative?

As per IISF CEOI document, the Investment Fund and its manager must be established in an EU member state and/or under equivalent laws of the European Union. There is no a *priori* preference for any specific legal structure or jurisdiction.

#### 2.) Must a commitment from IISF come at an investment fund's first closing or also thereafter?

A commitment under IISF is not restricted to any particular closing and thus may well be considered at a later closing (other than the first closing).

# 3.) Will an investment fund be eligible for a commitment under IISF despite already having gained a commitment from one of the promoters (namely, EI, EIF and/or NTMA)?

As stipulated in the IISF CEOI document, fund commitments under the IISF initiative are supposed to be additive to the Irish venture capital market, i.e. these fund investments would not have been expected to occur under the current investment activity of NTMA and EIF. Despite the aforementioned, an additional commitment under IISF may nevertheless be considered after careful assessment by the IISF promoters. Thus, prior commitment(s) from one of the promoters does not prohibit a fund manager from applying under IISF.

### 4.) Are so-called first time teams and/or emerging fund managers considered under IISF?

Applying fund managers under IISF must be able to demonstrate a track record, for the avoidance of doubt also including the individual track records of its key investment personnel, of delivering commercially attractive returns in the market segments targeted under IISF. However, this does not prohibit first time teams and/or emerging fund managers from applying as long as they can demonstrate their investment abilities in line with the stipulated investment strategy.

# 5.) Are co-investment funds i.e. investment funds that do not take on operational involvement (at portfolio company level) considered under IISF?

As stipulated in the IISF CEOI, applying fund managers must be able to demonstrate value-add creation to the investee companies/projects. Thus, under IISF it is currently not foreseen to invest with fund managers who do not take on an operational role with their portfolio companies.