

DATED

2019

- (1) INVEST NORTHERN IRELAND
- (2) [MANAGER]

GRANT MANAGEMENT AGREEMENT
RELATING TO THE
SUCCESSOR PROOF OF CONCEPT GRANT FUND

Tughans

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BETWEEN:

1. **INVEST NORTHERN IRELAND**, a Non-Departmental Public Body of the Department of Enterprise, Trade and Investment of the Northern Ireland Executive whose registered office is at Bedford Square, Bedford Street, Belfast, BT2 7ES (“**Invest NI**”); and
2. ● incorporated and registered in ● with company number ● whose registered office is ● (“**Manager**”).

INTRODUCTION

- A. Invest NI is a Non-Departmental Public Body of the Department of Enterprise, Trade and Investment of the Northern Ireland Executive whose role is to grow the economy of Northern Ireland by helping new and existing businesses and by attracting new investment to Northern Ireland.
- B. The Manager is an independent venture capital firm focusing on seed and early stage investments.
- C. Invest NI has, through a competitive process commencing with the placing of a contract notice ● on ● in the Official Journal of the European Union, selected the Manager to provide certain services in connection with the making of grants to fund proof of concept stage investment proposals to be known as the Proof of Concept Grant Fund. The Manager is willing and able to provide those services in accordance with the terms and conditions of this Agreement. Invest NI has, as part of the same competitive process, selected the Manager to provide certain investment services in respect of a collective investment scheme. This Agreement therefore forms part of a suite of documents comprising the Limited Partnership Agreement, the Management Services Agreement, and this Agreement, all of which relate to the management and operation of funds known as the Successor Seed Capital Fund.

AGREEMENT

1 DEFINITIONS AND CONSTRUCTION

- 1.1 The definitions and rules of interpretation in this Clause apply in this Agreement.

“**Associate**” means:

- (a) if the person concerned is a body corporate:
 - (i) the holding company of such person or a subsidiary of such person or a subsidiary of any such holding company; or
 - (ii) any other body corporate in which the person holds directly or indirectly 50 per cent or more of any class of equity share capital; or
 - (iii) any director of such person;
- (b) if the person concerned is a limited liability partnership:
 - (i) any subsidiary of such person;
 - (ii) any other body corporate in which the person holds directly or indirectly 50 per cent or more of any class of equity share capital; or
 - (iii) any member of such person;

- (c) if the person concerned is a limited partnership:
 - (i) the general partner of such person; or
 - (ii) if the general partner of such person is a body corporate, any person who is an Associate of the general partner within the meaning of (a) above;
- (d) if the person concerned is an individual or a firm or other unincorporated body:
 - (i) any body corporate in which the person holds directly or indirectly 50 per cent or more of any class of equity share capital; or
 - (ii) the spouse or any business partner of such person or any other Connected Person;

“Authorised Person” means a person who is an authorised person for the purposes of FSMA;

“Bidding Materials” means all documentation, information, records, analysis, projections, budgets, forecasts, references, statements and other materials provided by the Manager, any of its Associates or any of its officers or employees to Central Procurement Directorate and/or Invest NI prior to the date hereof in response to the invitation to tender issued by Central Procurement Directorate reference ID2072741;

“Block Exemption” means Commission Regulation (EC) No. 651/2014 declaring certain categories of aid compatible with the Common Market in application of Articles 107 and 108 of the TFEU, as extended, modified, amended, replaced or re-enacted from time to time and all regulations from time to time deriving validity therefrom;

“Business Day” means any day, other than a Saturday, Sunday or any other day on which clearing banks in the City of Belfast are not open for the conduct of ordinary business;

“Confidential Information” means all confidential information (however recorded or preserved) disclosed by a party or its employees, officers, representatives or advisors (together its **“Representatives”**) to the other party and that party’s Representatives whether before or after the date of this Agreement in connection with NISPO II or the services to be provided hereunder, including:

- (a) the existence and terms of this Agreement;
- (b) any information that would be regarded as confidential by a reasonable business person relating to: (i) the business, affairs, customers, clients, suppliers or plans of the disclosing party; and (ii) the operations, processes, product information, know-how, designs, trade secrets or software of the disclosing party; and
- (c) any information developed by the parties in the course of carrying out this Agreement;

“Connected Person” means a person connected with a director of a company as defined in Sections 252-255 of the Companies Act 2006;

“Control” means the right to control, directly or indirectly, the activities of a person, whether through ownership or the ability to control the voting powers of shares, the ability to control the board or management of such person or otherwise;

“Data Protection Legislation” means: (i) unless and until it is no longer directly applicable in the UK, the General Data Protection Regulation ((EU) 2016/679) (**GDPR**); (ii) any implementing laws, regulations and secondary legislation enacting or supplementing GDPR in the UK; and (iii) the UK Data Protection Act 2018, each as amended, supplemented or updated from time to time;

“Drawdown” shall bear the meaning attributed to such term in Clause 6.1;

“**Drawdown Notice**” shall bear the meaning attributed to such term in Clause 6.4;

“**Effective Date**” means the date of this Agreement;

“**FCA**” means the Financial Conduct Authority or any successor regulatory organisation;

“**Fees**” means the fees amounting to £● **[Bidders to make proposal of fees in Bidding Materials]** inclusive of VAT and payable to the Manager under the terms of this Agreement as set out in Schedule 3;

“**Force Majeure**” means any cause affecting the performance by a Party of its obligations under this Agreement arising from acts, omissions, or other events beyond its reasonable control, including acts of God, riots, war, acts of terrorism, fire, storm or earthquake and any disaster, but excluding any industrial dispute relating to the Manager, its personnel or any other failure in the Manager’s supply chain;

“**FSMA**” means the Financial Services and Markets Act 2000 (as amended) and any successor legislation thereto;

“**Grant**” means a grant made by the Manager on behalf of Invest NI to a Grant Beneficiary funded from the Grant Fund pursuant to the Grant Making Policy;

“**Grant Beneficiary**” means a company, person or other entity to whom a Grant is made;

“**Grant Fund**” means the sums which Invest NI shall make available to the Manager from time to time pursuant to the terms of this Agreement for the purpose of the making of Grants, which shall amount to £4.5 million in aggregate, to be drawn down as set out in Clause 6;

“**Grant Making Policy**” means the policy for the making of Grants by the Manager on behalf of Invest NI funded from the Grant Fund, as set out in Schedule 1;

“**Grant Management Services**” means the grant management services to be provided by the Manager on the basis set out in Schedule 4;

“**Intellectual Property Rights**” means all patents, rights to inventions, utility models, copyright and related rights, trade marks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, topography rights, rights in confidential information (including know how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extension of, such rights, and all similar or equivalent rights or forms of protection in any part of the world;

“**Invest NI Project Co-ordinator**” means Invest NI’s project co-ordinator for the purposes of this Agreement appointed in accordance with Clause 4.1(a);

“**Invest NI Project Manager**” means Invest NI’s project manager for the purposes of this Agreement appointed in accordance with Clause 4.1(a);

“**KPIs**” means the key performance indicators set out in Schedule 5;

“**KPI Failure**” means a failure to achieve certain KPIs as defined in Clause 7.2;

“**Large Grants**” means the larger quantum of Grants for 100% grant rate of independent third party costs up to £75,000, to be made on the basis set out in Schedule 1;

“**Limited Partnership Agreement**” means the Limited Partnership Agreement entered into by Invest NI, **[Name of General Partner]** and **[Name of Founder Partner]** on or

about the date of this Agreement governing the provision of certain investment services by the Manager in respect of the **[Name of Partnership]**;

“Management Services Agreement” means the management services agreement entered into by the Manager and **[Name of General Partner]** on or about the date of this Agreement governing the provision by the Manager of certain investment services in respect of the **[Name of Partnership]**;

“Mini Grants” means the smaller quantum of Grants for 100% grant rate of independent third party costs up to £10,000, to be made on the basis set out in Schedule 1;

“Named Executive” means the person(s) employed or engaged by the Manager, which person must be based in Northern Ireland, to manage and administer the Grant Fund and provide the Grant Management Services, being ● **[Note: one person to be specified in the Bidding Materials]**;

“Named Executive Departure” means any Named Executive ceasing for any reason to devote substantially all of his business time to the provision of the services under this Agreement unless such executive has been replaced with a person of broadly equivalent calibre and expertise within a period of six months following the cessation of supply by the Named Executive of substantially all of his business time to the provision of the services or, in the case of shorter temporary absence or leave due to sickness, incapacity or other reason unless suitable cover has been arranged;

“Parties” means the parties to this Agreement, each being a **“Party”**;

“Quarter” means the three month period expiring on a Quarter Date and **“Quarterly”** shall be construed accordingly;

“Quarter Date” means 31 March, 30 June, 30 September and 31 December in each calendar year;

“Required Insurance” means the insurance levels required by Clause 17.1 of this Agreement;

“Seed Capital Fund” means the fund of the Partnership constituted under the Limited Partnership Agreement and managed by the Manager pursuant to the Management Services Agreement;

“Selection Criteria” means the criteria to be applied by the Manager in assessing applications to receive a Grant in accordance with Schedule 1;

“Shared Personal Data” means the personal data relating to individuals (including (without limitation) the parties to this Agreement, the Grant Beneficiaries or any of their staff) as shared between the parties in accordance with this Agreement;

“Standard Grants” means the medium quantum of Grants for 100% grant rate of independent third party costs, up to £35,000, to be made on the basis set out in Schedule 1;

“State Aid” means any aid granted by an EU Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods which shall, insofar as it affects trade between Member States, be incompatible with the common market; and

“VAT” means United Kingdom Value Added Tax and/or any other value added tax or sales tax applicable in the United Kingdom or any other country.

- 1.2 Clause, schedule and paragraph headings shall not affect the interpretation of this Agreement.

- 1.3** A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's legal and personal representatives, successors and permitted assigns.
- 1.4** The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.
- 1.5** Words in the singular shall include the plural and vice versa.
- 1.6** A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.7** Where the words **include(s)**, **including** or **in particular** are used in this Agreement, they are deemed to have the words **without limitation** following them. Where the context permits, the words **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.8** Any obligation in this Agreement on a person not to do something includes an obligation not to agree, allow, permit or acquiesce to that thing being done.
- 1.9** References to Clauses and Schedules are to the Clauses and Schedules of this Agreement.
- 1.10** Save as otherwise expressly provided, all amounts referred to in this Agreement (including any damages for breach of this Agreement) will be regarded as stated exclusive of VAT and any other taxes unless otherwise stated.

2 EFFECTIVE DATE

This Agreement will come into force on the Effective Date. This Agreement will continue in force for a period of six years from the Effective Date unless terminated earlier in accordance with its terms, provided that all Grant awards must be made and letters of offer for Grants must be issued by the Manager within a period of five years from the Effective Date (in accordance with the KPIs) and in the sixth year, all final claims for, vouching and approval of all Grants will take place.

3 POC GRANT MANAGEMENT SERVICES

- 3.1** The Manager will manage the Grant Fund within the objectives and any restrictions stated in this Agreement (including in particular the Grant Making Policy). Subject to such objectives and restrictions, the Manager will have discretion, for the account of Invest NI, to make Grants pursuant to the Grant Making Policy and otherwise act as the Manager judges reasonably appropriate in relation to the Grant Fund. In addition, the Manager shall provide the Grant Management Services.
- 3.2** The Manager will at all times deliver its services pursuant to this Agreement and make Grants in a manner which is consistent with the commitments and representations made in the Bidding Materials (in the event of conflict between the provisions of this Agreement and the provisions of the Bidding Materials, the provisions of this Agreement shall prevail).
- 3.3** Without prejudice to Clause 18, the Manager undertakes that it will use competent, appropriately skilled and experienced personnel in the management and administration of the Grant Fund and the provision of the Grant Management Services and shall ensure that they are properly supervised at all relevant times.
- 3.4** The Manager undertakes that it will manage and administer the Grant Fund and provide the Grant Management Services using all reasonable care and skill and in accordance

with good industry practice and shall allocate sufficient resources to enable it to comply with this obligation.

3.5 The Manager shall from the Effective Date:

- (a) co-operate with Invest NI in all matters relating to the Grant Fund and Grant Management Services;
- (b) perform all its duties and responsibilities honestly, fairly and professionally in accordance with the best interests of Invest NI and best practice in the venture capital sector;
- (c) appoint the Named Executive who shall have authority under this Agreement contractually to bind the Manager on all matters relating to this Agreement and who shall be suitably skilled and experienced to carry out the services required hereunder;
- (d) procure the availability of the Named Executive to assist the Manager in performing its obligations under, and during the term of, this Agreement;
- (e) ensure that the Named Executive uses reasonable skill and care when assisting the Manager in the performance of its obligations under this Agreement; and
- (f) prepare reports and provide such information in connection with this Agreement as is required by Invest NI to meet any of its audit, monitoring or accounting requirements.

4 INVEST NI'S OBLIGATIONS

4.1 Invest NI shall:

- (a) co-operate with the Manager in all matters relating to the Grant Fund and Grant Management Services and appoint (and, as it thinks fit, replace) a project co-ordinator who will be the main point of contact for Invest NI in respect of this Agreement ("**Invest NI Project Co-ordinator**") and a project manager ("**Invest NI Project Manager**"). The Invest NI Project Manager shall have the authority contractually to bind Invest NI on matters relating to the Grant Fund and Grant Management Services;
- (b) inform the Manager prior to the Effective Date of the identity of the Invest NI Project Co-ordinator and Invest NI Project Manager and as soon as reasonably practicable inform the Manager of any replacement of either the Invest NI Project Co-ordinator or the Invest NI Project Manager during the term of this Agreement; and
- (c) transfer the relevant monies for proposed Grants in accordance with Clause 6.4 within 10 Business Days of receipt of a Drawdown Notice.

5 REPORTS, DISCLOSURE AND EVALUATION

5.1 The Invest NI Project Co-ordinator and the Named Executive shall meet at least once every month to discuss matters relating to the Grant Fund and the Grant Management Services.

5.2 The Manager shall on the 30th day of the month following each Quarter (or the following Business Day if the 30th day of that month is not a Business Day), at the same time as (and as part of) the reports to be provided under the Limited Partnership Agreement provide a report to Invest NI setting out:

- (a) the details of the ongoing programme of Grant activities including (for the purposes of Clause 6.2), the Manager's forecast for Grant awards to be made in the succeeding Quarter;

- (b) the performance (actual v. forecast) of the Manager against the KPIs in the Quarter, year to date and from the Effective Date up to the date of the report (cumulative over the term of this Agreement); and
- (c) the information specified in Schedule 6 in respect of all Grant Beneficiaries (the details of whether the Grant Beneficiary has pitched at HBAN or participated in the Pre-Accelerator Propel or Accelerator programme or any successors to such programmes to be provided only where available to the Manager), together with details of Grant Beneficiaries and/or receiving investment under the Limited Partnership Agreement.
- 5.3** The Manager shall prepare reports and provide such information in connection with the management and administration of the Grant Fund and the provision of the Grant Management Services as shall be required by Invest NI to meet its audit, monitoring and accounting requirements to the EC Commission and others in respect of Invest NI's funding (including the names of Grant Beneficiaries, the amount of each Grant, the State Aid intensity, the sectors of activity and a brief description of the activities of the Manager), and shall supply such information to such persons required by the EC Commission or any government department or agency.
- 5.4** Invest NI will require the Manager to procure that any promotional material relating to the Grant Fund and/or Grant Management Services includes a statement in terms of or to the effect that it is supported by Invest NI and is in compliance with Invest NI branding protocols.
- 5.5** The Manager shall permit Invest NI, the Department for the Economy (“**DfE**”) and its agents, the Northern Ireland Audit Office, the European Commission and the European Court of Auditors of Invest NI, any regulatory body of Invest NI or their successor bodies or such other bodies to which Invest NI is required to report or is accountable (together the “**Reporting Bodies**”) from time to time upon giving reasonable notice at any time during this Agreement and for a period of one year thereafter, to enter its business premises and any other premises of the Manager during normal working hours (unless a statutory or regulatory obligation requires entry outside of these hours) to inspect any asset and any accounting or other record in respect of any commitment which has been paid or may become payable by Invest NI under the terms of this Agreement and to review and, if applicable, copy such records to comply with any statutory or regulatory obligation of any of the Reporting Bodies or their respective agents or advisors.
- 5.6** The Manager's performance under this Agreement shall be subject to review and consideration by the DfE and the Department of Finance as part of an overall review of the Successor Seed Capital Fund as follows:

EVALUATION	TIMING
Interim Evaluation	Any time in the period between the date 6 months from the Effective Date and the fifth anniversary of the Effective Date
Post Project Evaluation	At any time after the 10 th anniversary of the Effective Date
Other Interim Evaluation(s)	At any time notified to the General partner by Invest NI

Where Invest NI reasonably considers there may be cause to do so, further interim evaluations may be carried out from time to time. The Manager will comply with any reasonable requests to change its delivery of services hereunder, as submitted by Invest NI following the interim evaluation or evaluation specified above.

- 5.7** Invest NI shall be entitled, at any time during the term of this Agreement and for a period of one year thereafter, to vouch and approve the terms of any Grant made (and a minimum of 1 in 10 Grants made) by the Manager to a Grant Beneficiary to confirm that such Grant was made in accordance with the terms of this Agreement. To enable Invest

NI to exercise its rights under this Clause 5.7, the Manager shall provide to Invest NI, upon request, a copy of the application form, approval, letter of offer, claims application and payment details for the relevant Grant (including bank statements for the Grant Beneficiary as considered appropriate) and shall procure that the Grant Beneficiary is contractually committed to procure that Invest NI is entitled to visit the Grant Beneficiary's premises to obtain further details and verify any information disclosed.

6 THE GRANT FUND

- 6.1** The Grant Fund shall be a sum equal to £4.5 million in aggregate to be drawn down in tranches pursuant to this Clause 6, each such tranche being a **"Drawdown"**.
- 6.2** Subject to the remaining provisions of this Clause 6, Drawdowns shall be advanced to an interest-bearing account to be designated in writing by the Manager from time to time (the **"Designated Account"**), in such amounts as the Manager shall reasonably determine based on the Manager's forecast for Grant awards to be made in the succeeding Quarter but so that Invest NI shall not be required (subject to the provisions of this Clause 6) to advance any further tranches after the expiry of a period of 6 years from the Effective Date and so that Invest NI may but shall not be obliged to advance more than £225,000 each Quarter.
- 6.3** The Designated Account shall be established by the Manager specifically for the purposes of this Clause and shall hold only Drawdowns.
- 6.4** The Manager shall give written notice of each Drawdown to Invest NI in the form set out in Schedule 2 which notice shall be served at least ten Business Days prior to the date for advance of the Drawdown specified in such notice (**"Drawdown Notice"**).
- 6.5** Subject to Clause 6.7, the Manager shall procure that 100 per cent of the Grant Fund shall have been subject to Drawdown by the sixth anniversary of this Agreement in respect of approximately 230 Grants of which 150 are Mini Grants, 75 are Standard Grants and 5 are Large Grants.
- 6.6** Any interest received on sums drawn down but not yet paid to a Grant Beneficiary pursuant to the terms of this Agreement shall accrue to the Manager and be set off net of any bank charges against the fees payable to the Manager under Schedule 3 annually at the end of each 12 month period.
- 6.7** Any Drawdowns shall be deemed to have been transferred by Invest NI legally and beneficially to the Manager provided that the Manager shall ensure that all such amounts which are drawn down pursuant to this Agreement are paid to Grant Beneficiaries within the end of 3 months after the sixth anniversary of this Agreement as a long-stop date.

7 FEES AND CHARGES

- 7.1** The Manager shall receive remuneration for its services provided pursuant to the terms of this Agreement on the basis set out in Schedule 3.
- 7.2** A failure by the Manager to achieve any of the KPIs shall be considered a **"KPI Failure"**. From the date Invest NI notify the Manager of a KPI Failure, Invest NI may withhold or reduce payment of the Fees in accordance with Clause 19 in which event Invest NI shall immediately notify the Manager of the same and the reason therefor. If within 30 calendar days of a KPI Failure the Manager remedies the KPI Failure to the satisfaction of Invest NI or provides a written explanation for the KPI Failure in writing to Invest NI which Invest NI, in its sole opinion considers reasonable, (a **"Reasonable Explanation"**), then payment of the Fees shall resume and any portion withheld or reduced by Invest NI shall be promptly paid to the Manager. If within 30 days of a KPI Failure the Manager fails to remedy the KPI Failure to the satisfaction of Invest NI or fails to provide a Reasonable Explanation, then Invest NI may in its sole discretion allow the Manager a further 30 calendar days (an **"Extension"**) to remedy the KPI Failure to the satisfaction of Invest NI

or to provide a Reasonable Explanation. Where Invest NI has in its sole discretion granted an Extension to the Manager and the Manager remedies the KPI Failure to the satisfaction of Invest NI or provides a Reasonable Explanation before the expiry of the Extension, then payment of the Fees shall resume and any portion of the Fees withheld or reduced by Invest NI shall be promptly paid to the Manager. If the Manager does not remedy a KPI Failure to the satisfaction of Invest NI or provide a Reasonable Explanation within:

- (a) 30 calendar days of a KPI Failure where an Extension in respect of that KPI Failure has not been granted; or
- (b) 60 calendar days of a KPI Failure where an Extension in respect of that KPI Failure has been granted,

then Invest NI may terminate this Agreement with immediate effect by notice in writing to the Manager without any liability to the Manager.

7.3 Invest NI may at its absolute discretion elect to waive its rights under Clause 7.2 where it considers that the Manager has provided it with a reasonable justification for the KPI Failure or where it considers that such KPI Failure is as a result of factors outside the reasonable control of the Manager. Invest NI shall notify the Manager in writing of any such waiver in accordance with the requirements of Clause 23.3.

7.4 The Manager will be remunerated on submission of an invoice following issue of a purchase order by Invest NI in accordance with the provisions of Schedule 3. All invoices raised by the Manager must be inclusive of VAT.

7.5 Without prejudice to any other right or remedy it may have, Invest NI reserves the right to set off any liquidated amount that is due and payable to it at any time by the Manager against any liquidated amount that is due and payable by Invest NI to the Manager and/or its Associates under this or any other agreement between the parties and/or their Associates including without limitation, the Limited Partnership Agreement and the Management Services Agreement.

7.6 For the avoidance of doubt, the Manager shall be responsible for all costs associated with its establishment as Manager (including, but in no way limited to, legal costs and promotional and launch costs).

7.7 Invest NI shall act reasonably in the exercise of its rights and discretions under Clause 7.3.

8 QUALITY OF SERVICES

8.1 The Manager warrants to Invest NI that:

- (a) the Manager will perform its obligations and manage the Grant Fund under this Agreement with reasonable care and skill and in accordance with generally recognised commercial practices and standards in the industry for similar services;
- (b) the services provided by the Manager under this Agreement will conform with all reasonable and lawful descriptions and specifications provided to Invest NI by the Manager; and
- (c) it will perform its obligations in accordance with all applicable legislation from time to time in force, and the Manager will inform Invest NI as soon as it becomes aware of any changes in that legislation which the Manager (acting reasonably) considers are likely to have a material effect on the provision of its services hereunder.

8.2 The provisions of this Clause 8 shall survive any performance, acceptance or payment pursuant to this Agreement and shall extend to any substituted or remedial services provided by the Manager.

9 COMPLIANCE WITH LAWS AND REGULATIONS

9.1 Notwithstanding anything in this Agreement to the contrary, the Manager shall not do anything pursuant to this Agreement which might breach the provisions of the FSMA or constitute a regulated activity for the purposes thereof.

9.2 The Manager confirms that it has and undertakes that it shall maintain in place throughout the term of this Agreement all licences, certificates, permits and approvals necessary to enable it to manage and administer the Grant Fund and provide the Grant Management Services. The Manager shall provide full up to date copies of any such documents to Invest NI within a reasonable time of a request from Invest NI for same.

9.3 The Manager shall at all times endeavour to deliver the services required under this Agreement on an inclusive basis and in compliance with all relevant statutory provisions from time to time in force in Northern Ireland imposing obligations in relation to discrimination on the grounds of religious belief, political opinion (including in relation to Section 75 of the Northern Ireland Act 1998), racial group, marital status, age, sexual orientation, gender disability and having dependants.

9.4 The Manager shall perform its obligations under this Agreement in accordance with the terms of this Agreement and venture capital industry practice, with a focus on seed and early stage investment.

9.5 The Manager shall be required to comply fully with all or any applicable law (whether civil, criminal or administrative), common law, statute, statutory instrument, treaty, regulation, directive, decision, bye-law, circular, code, guidance notice, order, notice, demand, decree, injunction, resolution or judgement of any government, quasi-government, supranational, federal, state or local government, statutory or regulatory body, court, agency or association, of any other person or body in any jurisdiction (including, without limitation, the European Union) with regard to the pollution or protection of the environment or harm to, or the protection of, human health and safety or the health of animals and plants. The Manager shall notify Invest NI if it becomes aware of any breach of any such laws committed by the Manager.

9.6 The Manager shall comply with all of its obligations under the Data Protection Legislation which arise in connection with this Agreement. Without limiting the generality of the foregoing, the Manager shall procure that it and its Associates and any of their employees shall be subject to obligations of confidentiality in relation to the Personal Data (as defined in the Data Protection Legislation) processed in connection with this Agreement and, in providing information to Invest NI under or in connection with this Agreement, comply fully with the applicable requirements of the Data Protection Legislation.

9.7 Each of the Parties hereby acknowledges and agrees that for the purposes of the Agreement, each is a Controller of Personal Data in their own right and on an autonomous basis. As such:

- (a) they are not “joint controllers” as that term is defined by article 26 of the GDPR; and
- (b) each Party shall be obliged, independently of the actions of the other Party, to comply with the requirements of the Data Protection Legislation as regards the processing of personal data under the terms of the Agreement.

9.8 Notwithstanding the status of the relationship set out at Clause 9.7, each Party acknowledges that the Parties will disclose to each other Shared Personal Data.

- 9.9** The Manager shall comply with all the obligations imposed on a Controller under the Data Protection Legislation, and any material breach of the Data Protection Legislation by the Manager shall, if not remedied within 30 days of written notice from Invest NI, give grounds to Invest NI to terminate the Agreement with immediate effect.
- 9.10** The Manager shall not transfer any Personal Data received pursuant to the Agreement outside the EEA unless the Manager ensures that: (i) the transfer is to a country approved by the European Commission or (if different) United Kingdom as providing adequate protection pursuant to article 45 GDPR; (ii) there are appropriate safeguards in place pursuant to article 46 GDPR; or (iii) one of the derogations for specific situations in article 49 GDPR applies to the transfer.
- 9.11** The Manager shall ensure that it has in place appropriate technical and organisational measures to ensure the security of Personal Data, and to guard against unauthorised or unlawful processing of the Personal Data and against accidental loss or destruction of, or damage to, the Personal Data and shall:
- (a) promptly inform Invest NI about the receipt of any data subject access request relating to this Agreement;
 - (b) comply with any such data subject requests within the timescales required by the Data Protection Legislation;
 - (c) in so far as such assistance is necessary to ensure that Invest NI can comply with its own obligations under the relevant Data Protection Legislation, assist Invest NI, at the cost of the Manager, in responding to any request from a data subject and in ensuring compliance with its obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;
 - (d) at the written direction of Invest NI, delete or return Shared Personal Data and all copies thereof to Invest NI on termination of the Agreement unless required by law to store the personal data;
 - (e) use technology compatible with that of Invest NI for the processing of Shared Personal Data to ensure that there is no lack of accuracy resulting from personal data transfers;
 - (f) maintain complete and accurate records and information to demonstrate its compliance with this Clause 9 and allow for audits by Invest NI or Invest NI's designated auditor; and
 - (g) provide Invest NI with contact details of at least one employee of the Manager as point of contact and responsible manager for all issues arising out of the Data Protection Legislation, including the procedures to be followed in the event of a data security breach and the periodic review of the Manager's compliance with the Data Protection Legislation should Invest NI consider it necessary to do so for any reason;
 - (h) provide Invest NI with such information as it may reasonably require to satisfy itself that the Manager is complying with its obligations under the Data Protection Legislation;
 - (i) promptly (and in any event, within 72 hours) notify Invest NI of any breach of security measures to be put in place pursuant to this Clause and any actual or suspected Personal Data Breach (as defined in the GDPR);
 - (j) ensure that any Personal Data provided to Invest NI may be processed by Invest NI for the purposes contemplated by this Agreement, in a lawful, fair and transparent manner and in compliance with all relevant Data Protection Legislation (including, without limitation, ensuring the accuracy of such Personal Data and adequately notifying relevant data subjects of the possibility of, reasons for, extent of and basis of such transfer); and

- (k) ensure it does not knowingly or negligently do or omit to do anything which places Invest NI in breach of their respective obligations under the Data Protection Legislation.

9.12 The Manager shall indemnify Invest NI against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties, fines and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by Invest NI arising out of or in connection with the breach of the Data Protection Legislation by the Manager or its employees or agents.

10 TERMINATION OF AGREEMENT

10.1 Without prejudice to any other rights or remedies which the Manager may have, the Manager may terminate this Agreement without liability to Invest NI immediately on giving written notice to Invest NI if Invest NI fails to pay any amount due under this Agreement on the due date for payment and remains in default at least 30 days after being notified in writing to make such payment or commits a material breach of any of the terms of this Agreement and (if such breach is remediable) fails to remedy that breach within 30 days of Invest NI being notified in writing by the Manager of the breach.

10.2 Without prejudice to any other rights or remedies which the parties may have, Invest NI may terminate this Agreement without liability to the Manager immediately on giving written notice to the Manager if:

- (a) the Manager commits a material breach of any of the terms of this Agreement and (if such a breach is remediable) fails to remedy that breach within 30 days of the Manager being notified in writing by Invest NI of the breach; or
- (b) the Manager repeatedly breaches any of the terms of this Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this Agreement; or
- (c) the Manager suspends, or threatens to suspend, payment of its debts, is unable to pay its debts as they fall due, admits inability to pay its debts or is deemed unable to pay its debts within the meaning of Article 103 of the Insolvency (Northern Ireland) Order 1989;
- (d) the Manager commences negotiations with all, or any class of, its creditors with a view to rescheduling any of its debts, or makes a proposal for, or enters into any compromise or arrangement with, its creditors other than for the sole purpose of a scheme for a solvent amalgamation of the Manager with one or more other companies, or the solvent reconstruction of the Manager; or
- (e) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Manager other than for the sole purpose of a scheme for a solvent amalgamation of the Manager with one or more other companies or the solvent reconstruction of the Manager; or
- (f) an application is made to court, or an order is made, for the appointment of an administrator, a notice of intention to appoint an administrator is given, or an administrator is appointed over the Manager; or
- (g) a floating charge holder over the assets of the Manager has become entitled to appoint, or has appointed, an administrative receiver; or
- (h) a person becomes entitled to appoint a receiver over the assets of the Manager, or a receiver is appointed over the assets of the Manager; or
- (i) a creditor or encumbrancer of the Manager attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against,

the whole or any part of its assets and such attachment or process is not discharged within 14 days; or

- (j) any event occurs, or proceeding is taken, with respect to the Manager in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in Clause 10.2(c) to Clause 10.2(i) (inclusive); or
- (k) the Manager suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business; or
- (l) either the Limited Partnership Agreement or the Management Services Agreement is terminated before the end of its specified term; or
- (m) the Manager undergoes a change of Control or enters into arrangements pursuant to which a change of Control will occur other than, in each case, a transfer to a member of its group or where it has first obtained the written consent of Invest NI (such consent not to be unreasonably withheld or delayed).

10.3 Either Invest NI or the Manager may terminate this Agreement on the service of 30 days' written notice in accordance with Clause 21 ("**Force Majeure**") if the period of delay or non-performance due to a Force Majeure Event has continued for more than three months.

10.4 Notwithstanding the provisions of this Clause 10 above, Invest NI may terminate this Agreement by giving to the Manager 60 days' written notice:

- (a) after the third anniversary of the Effective Date; or
- (b) if the Financial Transactions Capital of the Northern Ireland Executive for the period after 31 March 2021 does not provide sufficient funding for Invest NI to fully pay the Grant Fund to the extent not already drawn down pursuant to this Agreement.

Such termination shall be without prejudice to the right of the Manager to compensation for termination of this Agreement in an amount equal to the Fees in respect of the six months immediately prior to the date of termination. No further compensation shall be payable.

11 CONSEQUENCES OF TERMINATION

11.1 Termination will not affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payment save that Invest NI will pay any fees and expenses payable in connection with this Agreement.

11.2 On termination of this Agreement for any reason, the Manager shall as soon as reasonably practicable deliver to Invest NI all information and records regarding the services provided under this Agreement that Invest NI or any other third party Invest NI may appoint to provide the services under this Agreement will require to deliver, manage and administer such services, including, without limitation, any and all information required by Invest NI to tender such services, including, for the avoidance of doubt, any information requested by Invest NI in relation to the Manager's employees delivering such services as at the date of termination.

11.3 If the Manager fails to fulfil its obligations under Clause 11.2 then Invest NI may, upon giving five (5) Business Days' notice and during normal business hours, enter the Manager's premises and take possession of any items which should have been returned under it. Until they have been returned or repossessed, the Manager shall be solely responsible for their safe keeping.

- 11.4** It is the Parties' intention that, both during the term of this Agreement and following its termination (for any reason whatsoever) all of the Manager's employees (including, without limitation, the Named Executive) engaged in delivering services hereunder ("**Employees**"), shall at all times remain as the Manager's employees and subject to the requirements of TUPE (as defined below) shall not transfer to Invest NI.
- 11.5** Invest NI accepts no responsibility, financial or otherwise, for any costs, claims, liabilities or expenses arising out of the employment, termination of employment, redundancy or dismissal of Employees in connection with this Agreement, for any reason.
- 11.6** The Manager undertakes to fully indemnify and hold Invest NI harmless from and against any action, award, claim or other legal recourse, complaint, cost, debt, demand, expense, fine, liability, loss, outgoing, penalty or proceeding (including without limitation any reasonable legal or other professional costs and expenses) which Invest NI may suffer, incur, pay or be put to arising from or in connection with:
- (a) the employment of the Employees or the termination of their employment by the Manager;
 - (b) any failure by the Manager to comply with any of its legal obligations in respect of any of the Employees;
 - (c) any failure by the Manager to comply with its legal obligations in relation to the transfer to a third party, by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Service Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 ("**TUPE**") or the employment of any Employee; or
 - (d) the Manager's failure to comply with any of its obligations under TUPE, particularly with regard to the provision and exchange of employee liability information.
- 11.7** On termination of this Agreement (however arising) the accrued rights and liabilities of the parties as at termination, and the following clauses, shall survive and continue in full force and effect: 5, 8, 9, 11, 12, 15, 16, 20, 28, 29, 30, 33, 34 and 35.

12 REMEDIES

- 12.1** Subject as otherwise provided in this Agreement, if the Manager fails to comply with any of the terms of this Agreement, Invest NI shall be entitled (without prejudice to any other right or remedy) to exercise any one or more of the following rights or remedies:
- (a) to require the Manager, without charge to Invest NI, to carry out such additional work as is reasonably necessary to correct the Manager's failure; and
 - (b) in any case, to claim such damages as it may have sustained in connection with the Manager's breach (or breaches) of this Agreement.

13 CLIENT ASSETS

The Manager will only hold cash belonging to Invest NI during the period between a Drawdown being made in respect of a proposed Grant and the making of a relevant Grant. The Manager shall not pursuant to this Agreement hold any other assets belonging to Invest NI.

14 GENERAL RESTRICTIONS

The Manager shall not, without the prior written consent of Invest NI, have power to commit Invest NI to supplement the assets in the Grant Fund by borrowing on Invest NI's behalf or by committing Invest NI to a contract which may require it to supplement such assets.

15 TAXATION

- 15.1** For the avoidance of doubt, Invest NI and any professional tax adviser of Invest NI remain responsible for the management of Invest NI's affairs for tax purposes and the Manager shall not be required to take any matters relating to taxation into account when making Grants or assessing the relative merits of applications to receive a Grant.
- 15.2** All Fees payable pursuant to this Agreement shall unless otherwise stated be inclusive of any VAT and the Manager shall be responsible for any VAT which may be payable including any VAT on any Fees payable hereunder.

16 LIABILITY

- 16.1** In managing and administering the Grant Fund and providing the Grant Management Services, the Manager will act in good faith, honestly, fairly and professionally, and with due diligence and in the best interests of Invest NI.
- 16.2** Subject to Clause 16.4, the Manager shall not be liable for any default of any Grant Beneficiary nor shall it be liable for any default of any bank which holds money, on behalf of the Manager, however, where a Grant Beneficiary or bank are in default, the Manager agrees to take all reasonable steps, including commencement of legal proceedings, to remedy the default or recover money.
- 16.3** No warranty, assurance or undertaking is given by the Manager as to the performance of any Grant Beneficiary following the making of a Grant.
- 16.4** The Manager shall indemnify and hold Invest NI harmless from all claims and all direct or indirect liabilities, costs, proceedings, damages and expenses (including reasonable legal and other professional fees and expenses) awarded against, or incurred or paid by, Invest NI as a result of or in connection with:
- (a) any claim made against Invest NI in respect of any liability, loss, damage, injury, cost or expense sustained by Invest NI, its employees or agents to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the provision of the services under this Agreement as a consequence of a breach or negligent performance or failure or delay in performance of this Agreement by the Manager, its employees or agents or any other acts or omissions of the Manager, its employees or agents; or
 - (b) in connection with the provision of the services under this Agreement the Manager holding itself out, advising or representing to any third party that it has authority to act as agent, in the name of or on behalf of or otherwise bind Invest NI in any way (including the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power),
- in each case save where such claims, liabilities, costs, proceedings, damages and/or expenses arise directly as a result of the Manager carrying out its duties in accordance with the terms of this Agreement or otherwise as a result of written instructions received by the Manager, its employees or agents from the Invest NI Project Co-ordinator or the Invest NI Project Manager.
- 16.5** Notwithstanding any contrary provision in this Agreement, the Manager does not limit or exclude its liability in respect of:
- (a) any death or personal injury caused by its negligence;
 - (b) any fraud; and
 - (c) any statutory or other liability which cannot be excluded under applicable law.

16.6 The provisions of this Clause 16 shall survive termination of this Agreement, however arising.

17 INSURANCE

17.1 The Manager shall be required at all times throughout the term of this Agreement to take out and maintain in force at its own cost with a reputable insurer of good financial standing professional indemnity insurance with a minimum level of indemnity of £2,000,000 per occurrence and £10,000,000 in the aggregate (“**Required Insurance**”). The Manager shall be required to provide to Invest NI upon request:

- (a) copies of the policy relating to the Required Insurance or such other information as Invest NI may request to enable it to verify that the Required Insurance is in place;
- (b) evidence that the premiums payable under the Required Insurance have been paid and that the Required Insurance is in full force and effect; and
- (c) evidence that the interest of Invest NI has been noted on such policy and such security as Invest NI may reasonably require to protect the interest of Invest NI under such policy.

17.2 In addition to the provisions of Clause 17.1, the Manager shall be required to have in place (and shall provide copies to Invest NI upon request of) such insurance policies as are normal for a company providing services similar to the services being delivered hereunder with a reputable insurance company covering, without limitation, all the obligations to be imposed upon the Manager under this Agreement and shall provide details of such insurance to Invest NI when requested to do so. The Manager shall be required to undertake not to do or permit anything to be done which may render any policy or policies void or voidable.

18 MANAGEMENT CAPABILITY

18.1 If at any time prior to the expiry of this Agreement a Named Executive Departure occurs, the Manager shall as soon as reasonably practicable notify Invest NI of the Named Executive Departure.

18.2 As soon as reasonably practicable following a Named Executive Departure, the Manager shall appoint a replacement Named Executive who must be of equivalent calibre and experience to the Named Executive being so replaced. The Manager hereby acknowledges and agrees that any proposed replacement Named Executive cannot be the same person as is performing the role of a named executive under the Limited Partnership Agreement.

18.3 The Manager will procure that the Named Executive devotes substantially all of his working hours to the management and provision of the Grant Fund and the Grant Management Services whilst in the employ of the Manager until:

- (a) in the case of ● **[Note: Named Executive for Grant Management Agreement to be provided in Bidding Materials]** the expiry of six years from the Effective Date; or
- (b) in the case of any replacement Named Executive appointed following the departure of ● the remaining term of this Agreement.

18.4 The Manager shall procure that throughout the term of this Agreement a director of the Manager has overall responsibility for the management and administration of the Grant Fund and the provision of the Grant Management Services and such director shall make himself reasonably available from time to time to discuss with Invest NI any issues arising in connection therewith.

19 KEY PERFORMANCE INDICATORS

- 19.1** The Manager shall achieve the KPIs in performing its obligations under this Agreement.
- 19.2** Without prejudice to any other right or remedy which it may have, and subject to Clause 19.4, in the event that the Manager fails to meet:
- (a) KPI number 1 in Schedule 5, Invest NI shall be entitled (but not obliged) to reduce the Fees payable hereunder pro rata to the number and type of Grants not made in each year as a percentage of the total number and type of Grants to be made in each year;
 - (b) KPI numbered 2 in Schedule 5, Invest NI shall be entitled (but not obliged) to reduce the Fees payable hereunder pro rata to the number and type of Grants not made during the term as a percentage of the total number and type of Grants to be made during the term;
 - (c) KPI numbered 3 in Schedule 5, Invest NI shall be entitled (but not obliged) to reduce the Fees payable hereunder in such amounts as it determines appropriate in the circumstances.
- 19.3** For the avoidance of doubt, Clauses 19.1 and 19.2 are independent clauses and the Fees may be reduced on each or any occasion of a breach of the relevant KPI.
- 19.4** Invest NI may decide to waive its rights under Clauses 19.1 and/or 19.2 above in circumstances where it considers (acting reasonably) that the Manager has provided it with a reasonable justification for divergence from the relevant KPIs or where it reasonably considers that such divergence is as a result of factors outside the reasonable control of the Manager.

20 CONFIDENTIAL INFORMATION

- 20.1** Subject to the remaining provisions of this Clause 20 neither party shall, and shall use all reasonable endeavours to procure that every person connected with or associated with that party shall not, disclose to any person, firm or corporation or use to the detriment of the other party (other than in connection with claims against such parties in respect of any breach of their obligations and duties under this Agreement) any Confidential Information which may have come to its or their knowledge concerning the affairs of Invest NI or the services provided hereunder, unless required to do so by law or by a court of law or by the regulations of any relevant stock exchange or the FCA or any other regulatory authority to which any of the parties or any such person connected or associated with a party is subject provided however that in respect of each party the foregoing obligation shall not apply to information which:
- (a) is possessed by such party prior to the receipt thereof from the other party; or
 - (b) becomes known to the public other than as a result of a breach of such obligations by such party; or
 - (c) the other party (acting reasonably) believes it is necessary to disclose to enable the provision of the services hereunder.
- 20.2** Notwithstanding Clause 20.1, a party shall be entitled to disclose information received by it pursuant to this Agreement to:
- (a) its shareholders or partners;
 - (b) its bona fide advisers and auditors; or
 - (c) to any governmental, regulatory or tax authorities to which such party is accustomed or required to report.

- 20.3** The Manager acknowledges that Invest NI is subject to freedom of information legislation (“**FOI Legislation**”) and the Manager agrees to assist and co-operate with Invest NI to enable Invest NI to comply with its obligations under applicable FOI Legislation. Other than in respect of any information described in Clauses 20.1(a), (b), or (c), Invest NI shall notify the Manager as soon as reasonably practicable once it becomes aware of a relevant disclosure request from a third party (other than its own shareholders, investors, advisers, auditors or any governmental regulatory or tax authority to which such entity is accustomed or required to report) for Confidential Information to be provided or disclosed by Invest NI to such third party) (a “**Disclosure Request**”). Invest NI hereby agrees that following its receipt of a request from the Manager it shall use reasonable endeavours to consult with the Manager regarding such Disclosure Request in accordance with the provisions of the relevant public disclosure laws. The Manager acknowledges that Invest NI may be obliged under applicable FOI Legislation to disclose Confidential Information without obtaining consent from the Manager.
- 20.4** Notwithstanding any other provision of this Agreement, Invest NI may include (subject to any relevant data protection considerations or requirements) any information which it receives in relation to any company or individual receiving the benefit of a Grant hereunder in a database of economic financial and statistical information and may publish or disseminate reports derived from such database provided that such reports do not specifically identify the company receiving the benefit of the Grant and the Manager shall ensure that all such individuals are notified in advance of Invest NI’s right to use Personal Data.
- 20.5** Notwithstanding any other provision of this Agreement, Invest NI may disclose any information which it may in the course of its duties under this Agreement or otherwise have become possessed to any other government department which department is subject to the same or equivalent obligations of confidentiality as set out in this Clause 20 in relation to such Confidential Information.
- 20.6** Notwithstanding any other provision of this Agreement and subject always to compliance with Clause 20.1 the Manager may:
- (d) disclose information relating to the Grants as it considers necessary (acting reasonably) for the purposes of providing the Grants; and
 - (e) publish information on its website relating to the Grants provided that the Manager must at all times comply with Invest NI’s branding and publicity protocols.
- 20.7** Notwithstanding any other provision of this Agreement, both the Manager and Invest NI shall be entitled to publish the fact and existence of this Agreement and the fact and quantum of Grants being made in Northern Ireland by Invest NI pursuant to this Agreement at such times and in such manner as the Manager or Invest NI (as appropriate) may decide provided that the Manager may not do so without the prior written consent of Invest NI (such consent not to be unreasonably withheld or delayed). The Manager shall render Invest NI such assistance as Invest NI may reasonably request in connection with any publicity which Invest NI may deem appropriate in respect of the matters contemplated in this Agreement.
- 20.8** Notwithstanding any other provision of this Agreement, Invest NI may include any information which it receives in relation to any Grant Beneficiary in a database of economic financial and statistical information and may publish or disseminate reports derived from such database provided that such reports do not specifically identify the Grant Beneficiary.
- 20.9** If ERDF is used as a source of funding, the Manager will procure that any promotional material relating to the Grant Fund or the Grant Management Services will include a statement in terms of or to the effect that the Grant Fund or the Grant Management Services are supported by Invest NI and/or by a major contribution by ERDF and is in compliance with Invest NI branding protocols. The Manager shall give due recognition to

EU funding on any brochures, leaflets, and in any publicity regarding the Grant Fund and will consult with Invest NI in advance about any publicity or public announcements.

- 20.10** The Manager warrants that it has, as at the Effective Date, put in place a comprehensive and effective information security policy to protect the sensitivity of all Confidential Information (“**Information Security Policy**”). As part of the quarterly reports to be provided under Clause 5.2, the Manager shall confirm its compliance/non-compliance with such Information Security Policy and, if there have been any incidents of non-compliance within the applicable reporting period, report those incidents of non-compliance to Invest NI, together with the steps taken to rectify such incidents. Invest NI reserves the right to audit the Manager’s compliance with the Information Security Policy at any point during the term of this Agreement.

21 FORCE MAJEURE

- 21.1** A Party shall not be obliged to perform its obligations under this Agreement to the extent that it is prevented, hindered or delayed by reason of Force Majeure either during the continuation of such events, or for such time after they cease as is necessary for that Party to recommence its affected operations and the corresponding obligations of the other Party shall be suspended to the same extent.

- 21.2** If either Party is prevented or delayed in the performance of any of its obligations under this Agreement by Force Majeure, that Party shall:

21.2.1 promptly notify the other Party specifying the nature and extent of the circumstances giving rise to Force Majeure;

21.2.2 take all reasonable steps (without being obliged to incur any expenditure or cost) to:

- (a) mitigate and/or avoid such prevention or delay; and
- (b) to bring the Force Majeure event to a close or to find a solution by which the Agreement may be performed despite the continuance of the Force Majeure event; and

21.2.3 to the extent that it is not able to perform its obligations despite complying with Clause 21.2.2, shall in any event use its reasonable endeavours to recommence performance as soon as possible after the cessation of the Force Majeure event.

- 21.3** Force Majeure which affects the sub-contractor or supplier of a Party shall be deemed to affect that Party.

- 21.4** In this Clause 21, a Party shall be deemed to have been “prevented” in the performance of its obligations where an event of Force Majeure has made such performance impossible, illegal, or significantly more expensive, time consuming or onerous than was anticipated by the Parties at the Effective Date.

22 ASSIGNMENT AND SUB-CONTRACTING

- 22.1** The Manager shall not, without the prior written consent of the Invest NI Project Manager (such consent not to be unreasonably withheld or delayed), assign, transfer, charge, mortgage, subcontract or deal in any other manner with all or any of its rights or obligations under this Agreement, provided that the prior written consent of the Invest NI Project Manager shall not be required where the Manager is engaging third party specialist consultancy advice in relation to a proposed Grant to a Grant Beneficiary. In relation to sub-contracting, where permitted by Invest NI in accordance with this Clause 22.1, the Manager:

- (c) shall publicise any future opportunities within its supply chain, in relation to the performance of this Agreement on the Manager’s website and/or where appropriate, the local press in accordance with Clause 22.5; and

- (d) shall, where entering into a sub-contract with a supplier or contractor for the purposes of performing its obligations under this Agreement, ensure that a provision is included in such sub-contract which requires payment to be made of all sums due by the Manager to the sub-contractor on receipt of a valid invoice and within a specified period on terms as contained in this Agreement; and
- (e) shall retain primary liability for the acts and omissions of its agents and sub-contractors as if they were its own.

22.2 Invest NI may, at any time, assign, transfer, charge, mortgage, subcontract or deal in any other manner with all or any of its rights or obligations under this Agreement to a successor body of Invest NI or another government department or otherwise with the written consent of the other party.

22.3 Each party that has rights under this Agreement is acting on its own behalf and not for the benefit of another person.

22.4 Except as herein otherwise specified this Agreement shall enure for the benefit of and shall be binding upon the heirs, executors, administrators or other representatives, successors and assigns of the respective parties hereto.

22.5 The Manager shall use fair and open procurement practices when engaging the services of any sub-contractor or agent including competitive tendering and shall comply with EU and UK procurement law, policy and best practice, including the principles of the EU Treaty, relevant EU Directives and UK Regulations and competitive tendering for appropriate services. For the avoidance of doubt, the Manager shall be entitled to engage professional advisors in connection with the provision of services under this Agreement without having to comply with any of the above mentioned procurement laws and policy.

23 OTHER PROVISIONS

23.1 Further assurance

Each of the Parties shall use all reasonable endeavours to do or procure to be done all such further acts and things and execute or procure the execution of all such other documents as may from time to time be reasonably required for the purpose of giving the other Party the full benefit of the provisions of this Agreement, and the documents contemplated in it (whether expressly or by implication).

23.2 No partnership or agency

Save as otherwise provided, nothing in this Agreement is intended to or shall operate to create a partnership between the Parties or to authorise either Party to act as agent for the other, and neither Party shall have authority to act in the name or on behalf of or otherwise to bind the other in any way (including the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

23.3 Waiver

23.3.1 Failure to exercise, or any delay in exercising, any right or remedy provided under this Agreement or by law shall not constitute a waiver of that (or any other) right or remedy, nor shall it preclude or restrict any further exercise of that (or any other) right or remedy.

23.3.2 No single or partial exercise of any right or remedy provided under this Agreement or by law shall preclude or restrict the further exercise of that right or remedy.

23.3.3 A waiver (which may be given subject to conditions) of any right or remedy provided under this Agreement or by law shall only be effective if it is in writing. It shall apply only to

the party to whom it is addressed and for the specific circumstances for which it is given. It shall not prevent the party who has given the waiver from subsequently relying on the right or remedy in other circumstances.

- 23.3.4 Unless specifically provided otherwise, rights arising under this Agreement are cumulative and do not exclude rights provided by law.

23.4 Severance

23.4.1 If any provision of this Agreement (or part of any provision) is found by any court or other authority of competent jurisdiction to be invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed not to form part of the Agreement, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

23.4.2 If a provision of this Agreement (or part of any provision) is found illegal, invalid or unenforceable, the parties shall negotiate in good faith to amend such provision such that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the parties' original commercial intention.

23.5 Variation

23.5.1 Subject to Clauses 23.5.2 and 23.5.3, this Agreement may only be amended (whether in whole or in part) by the written consent of the parties.

23.5.2 Each party confirms that such amendments shall be made to this Agreement as may be necessary to comply with such regulatory regime to which the Manager is subject.

23.5.3 Notwithstanding Clause 23.5.1, this Agreement may be amended by Invest NI without the consent of the Manager to cure any ambiguity or correct or supplement any provision hereof or correct any printing, stenographic or clerical error or omission, provided that such amendment does not adversely affect the interest of the Manager in any material respect.

23.6 Entire Agreement

23.6.1 This Agreement and the documents referred to in it constitutes the whole agreement between the Parties and supersedes any previous arrangement, understanding or agreement between them relating to the subject matter of this Agreement.

23.6.2 Each Party acknowledges that, in entering into this Agreement, it does not rely on any statement, representation, assurance or warranty of any person (whether a party to this Agreement or not) other than as expressly set out in this Agreement.

23.6.3 Nothing in this clause shall limit or exclude any liability for fraud.

23.7 Contract (Rights of Third Parties) Act 1999

This Agreement is expressed to be for the benefit of the Manager and Invest NI and nothing in this Agreement confers any right on any person (other than the Parties hereto) pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

23.8 Execution in Counterparts

This Agreement may be executed in any number of counterparts, each of which taken together shall be deemed to constitute one and the same agreement and each of which individually shall be deemed to be an original, with the same effect as if the signature on each counterpart were on the same original.

24 INTELLECTUAL PROPERTY RIGHTS

- 24.1** Invest NI (or its licensors) shall retain all Intellectual Property Rights in all material it provides to the Manager from time to time. The Manager will comply with the terms of Invest NI marketing protocols when using Intellectual Property Rights which belong to Invest NI. Without prejudice to the generality of the foregoing, the Manager shall not use Invest NI's name, trade mark, logo or other Intellectual Property Rights without Invest NI's prior written consent.
- 24.2** The Manager hereby assigns to Invest NI, as beneficial owner and free from all third party rights, the Intellectual Property Rights and all other rights in any reports to be provided by the Manager hereunder.
- 24.3** The Manager shall, promptly at Invest NI's request do all such further acts and things and the execution of all such other documents as Invest NI may from time to time reasonably require for the purpose of securing for Invest NI the full benefit of all right, title and interest in and to the Intellectual Property Rights and all other rights assigned to Invest NI in accordance with Clause 24.2.
- 24.4** The Manager shall obtain waivers of any moral rights in any rights assigned to Invest NI in accordance with Clause 24.2 to which any individual is now or may at any future time be entitled under Chapter IV of Part 1 of the Copyright Designs and Patents Act 1988 or any similar provision of law in any jurisdiction.
- 24.5** The Manager shall indemnify and hold Invest NI harmless from all claims and all direct, indirect or consequential, liabilities (including loss of profits, loss of business, depletion of goodwill and similar losses), costs, proceedings, damages and reasonable expenses (including reasonable legal and other professional fees and expenses) awarded against, or incurred or paid by, Invest NI as a result of or in connection with any alleged or actual infringement, whether or not under Northern Irish law, by the Manager of any third party's Intellectual Property Rights or other rights arising out of the provision, receipt, use of or supply of the services or products of the services provided by the Manager under this Agreement.
- 24.6** For the avoidance of doubt and subject to Clause 24.2, all Intellectual Property Rights, rights in the products of the services and any other rights developed by the Manager in connection with this Agreement shall be owned by the Manager.

25 NOTICES

- 25.1** Notices which may be or are required to be given hereunder by any Party to another shall, unless otherwise stated herein, be in writing and shall be deemed to have been properly given if delivered in person or if sent by express courier service, to the relevant Party at the address given below or such other address as may from time to time be designated by any Party hereto by notice. The first addresses for the Parties shall be as follows:

Address for Invest NI:

Invest NI Project Manager: William McCulla
Invest Northern Ireland
Bedford Square
Bedford Street
Belfast
BT2 7ES

Address for Manager:



- 25.2** Any notice will be effectively served and shall be deemed to be received:
- (a) on the day of receipt where any hand-delivered letter is delivered on a Business Day before or during normal working hours;
 - (b) on the following Business Day, where any hand-delivered letter is delivered either on a Business Day after normal working hours or on any other day;
 - (c) on the second Business Day following the day of posting from within the United Kingdom of any letter sent by post office inland first class recorded delivery mail postage prepaid;
 - (d) on the third Business Day following the day of posting from within the United Kingdom to an address outside of the United Kingdom of any prepaid registered letter;
 - (e) on the fifth Business Day following the day of posting from outside the United Kingdom to an address within the United Kingdom of any prepaid registered letter.
- 25.3** For the avoidance of doubt, no notice will be valid if served by facsimile transmission or email.

26 CONFLICT OF INTEREST

26.1 Any actual or potential conflict of interest will be promptly disclosed by the Manager to Invest NI and the Manager shall comply with all reasonable directions of Invest NI to seek to avoid the conflict of interest or remove any reservations with regard to it. The Manager shall ensure proper management and administration of the Grant Fund and provision of the Grant Management Services to ensure that all decision making processes are fair and in the interests of Invest NI.

26.2 Without prejudice to the generality of Clause 26.1:

- 26.2.1 no Grant shall be made to any Grant Beneficiary in which the Manager or any Associate, or any officer, director (or Connected Person), shareholder, agent, partner or employee of the Manager or any such Associate, is a shareholder; and
- 26.2.2 the Manager shall not (and shall procure that no Associate, officer, director (or Connected Person), shareholder, agent, partner or employee of the Manager or any such Associate or any limited partnership of which the Manager is the manager shall) without the prior written consent of Invest NI (not to be unreasonably withheld or delayed) make investments in Grant Beneficiaries or Associates of such Grant Beneficiaries or provide financing thereto in its own capacity during the term of this Agreement and for a period of 24 months following the expiry of this Agreement; PROVIDED THAT this shall not prevent any investment properly made by the Manager in its capacity as manager of the Seed Capital Fund.

27 EXCLUSIVITY

The Manager shall not, during the term of this Agreement, manage any other Northern Ireland-based grant fund or provide services similar to the Grant Management Services in Northern Ireland without the prior consent of Invest NI (such consent not to be unreasonably withheld or delayed). For the avoidance of doubt, this Clause 27 shall not operate to prevent representatives, employees or other representatives of companies which have received investment from any other venture capital fund from attending IAPs or Showcasing Events (as defined in the Investment Awareness Programme Services Agreement).

28 LIMITS ON STATE AID

28.1 Notwithstanding any other provision of this Agreement, if required as a result of a decision of the Commission of the European Union (the "**Commission**") or as a result of any

other obligation under European Union law relating to the provision of “state aids” by Member States, Invest NI may at any time withhold payment of and/or require repayment of any or all of the Grant Fund together with interest from the date on which the Grant Fund was drawn down at the rate from time to time as required by the Commission and the Manager shall on demand by Invest NI repay to Invest NI such amount and interest.

28.2 The Manager will notify all Grant Beneficiaries, prior to awarding them a Grant, that:

28.2.1 the Grant is provided by a government source; and

28.2.2 for three years, when applying for any form of public body support via any regional or SME support scheme considered by the European Commission as containing an element of State Aid, such Grant Beneficiary will be required to declare in any such application that it has received a grant from a government source; and

28.2.3 (if the Grant is being provided to the Grant Beneficiary under the de-minimis state aid regulations) the Grant Beneficiary must comply with the conditions associated with receipt of monies under the de-minimis exemption and the Manager will include the following in the letter of offer for a Grant:

“Under EC Regulation 1998/2006 (de minimis aid regulation), this is de minimis aid. There is a ceiling of €200,000 for all de minimis aid provided to any one firm over a 3 year period. Any de minimis aid awarded to you under this offer letter will be relevant if you wish to apply, or have applied, for any other de minimis aid. For the purposes of the de minimis regulation, you must retain this letter for 3 years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. You may need to keep this letter for longer than three years for other purposes.”

28.3 The Manager will obtain a declaration, warranties and/or indemnities, as appropriate, from recipients as to previous State Aid received and that the Grant will not cause the relevant cumulative limit to be exceeded.

28.4 In the event that a Grant is found to constitute or contain any element of unlawful State Aid the Manager shall recover any sums which Invest NI is required to recover pursuant to a decision of the Commission of the European Communities, European Court of Justice or any other competent authority. The Manager will ensure whenever a Grant is awarded that it is able to require the repayment of any sums so invested which are capable of being required pursuant to this clause.

28.5 The Manager will provide information for Invest NI’s summary annual report on State Aid in a specified format.

29 DOCUMENTATION

29.1 The Manager shall retain all documentation relating to the services it delivers under this Agreement (including without limitation detailed records of its Grants) for the duration of this Agreement and a period of 10 years thereafter from the termination of this Agreement and acknowledges that Invest NI has the right to request and receive all such relevant documentation upon the termination of this Agreement upon giving five (5) Business Days’ notice.

29.2 In addition to its obligations under Clause 29.1, the Manager shall retain all original records relating to the services it delivers under this Agreement and make such records available for inspection until at least [**Date tbc**] or such later date as is required by the European Commission.

30 GOVERNING LAW

This Agreement and the rights, obligations and relationships of the Parties hereto under this Agreement shall be governed by and construed in accordance with the laws of

Northern Ireland and all the Parties irrevocably agree that the courts of Northern Ireland are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement, whether or not governed by the laws of Northern Ireland, and that accordingly any suit, action or proceedings arising out of or in connection with this Agreement shall be brought in such courts save that Invest NI, at its discretion, reserves the right to bring proceedings or other action in any jurisdiction in which the Manager is based or incorporated. The parties hereby waive, to the extent not prohibited by applicable law, and agree not to assert by way of motion, as a defence or otherwise, in any such proceeding, any claim that it is not subject personally to the jurisdiction of such courts, that any such proceeding brought in such courts is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

31 REPRODUCTION OF DOCUMENTS

This Agreement and all documents relating thereto, including, without limitation, any consents, waivers, amendments and modifications which may hereafter be executed, and certificates and other information previously or hereafter furnished to any party, may be reproduced by it by any photographic, microfilm, micro card, miniature photographic or other similar process, and any party may destroy any original document so reproduced. Each Party agrees and stipulates that any such reproduction shall be as admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by a Party in the regular course of business) and that enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

32 ANTI-BRIBERY

32.1 The Manager shall:

- (a) not engage in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010;
- (b) comply with all applicable laws, statutes, regulations and codes of practices relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 (“**Legal Requirements**”);
- (c) comply with Invest NI’s Anti-bribery Policy, as may be updated from time to time (“**Relevant Policy**”);
- (d) not do, or omit to do, any act that will cause or lead Invest NI to be in breach of any relevant Legal Requirements or Relevant Policy;
- (e) have and maintain in place throughout the term of this Agreement its own policies and procedures, including but not limited to adequate procedures to ensure compliance with the Legal Requirements;
- (f) promptly report to Invest NI any request or demand for any undue financial or other advantage of any kind received by the Manager in connection with the performance of this Agreement;
- (g) provide such supporting evidence of compliance with the Legal Requirements as Invest NI may reasonably request.

32.2 The Manager shall ensure that any person associated with the Manager to whom the Manager has delegated the performance of the services under this Agreement does so only on the basis of a written contract which includes terms equivalent to those imposed on the Manager in this clause. The Manager shall be responsible for the observance and performance by such persons of such terms, and shall be directly liable to Invest NI for any breach by such person of any of such terms.

- 32.3** The Manager shall indemnify Invest NI against any losses, liabilities, damages, costs (including but not limited to reasonable legal fees) and reasonable expenses incurred by, or awarded against, Invest NI as a result of any breach of this Clause 32 by the Manager.
- 32.4** For the purpose of this clause, the meaning of adequate procedures and whether a person is associated with another person shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act), sections 6(5) and 6(6) of that Act and section 8 of that Act respectively. For the purposes of this clause a person associated with the Manager includes but is not limited to any subcontractor of the Manager.
- 32.5** Without prejudice to any other rights or remedies which the parties may have, Invest NI may terminate this Agreement immediately on giving written notice to the Manager if the Manager breaches the terms of this Clause.
- 32.6** If Invest NI terminates this Agreement for breach of this clause, the Manager shall not be entitled to claim compensation or any further remuneration, regardless of any activities or agreements with additional third parties entered into before termination.

33 REPUTATION

The Manager shall use reasonable endeavours not to do or omit to do, anything in relation to this Agreement, or in the course of its activities, which may bring the standing of the Manager or Invest NI into disrepute or attract adverse publicity for any such persons. Where the Manager becomes aware of any matter which may bring the standing of any of those persons into disrepute or attract adverse publicity, the Manager shall notify the Invest NI Project Co-ordinator of that matter within 10 Business Days upon it becoming so aware.

34 EQUALITY OF OPPORTUNITY

- 34.1** The Manager shall comply with all applicable fair employment, equality of treatment and anti-discrimination legislation (including in relation to section 75 of the Northern Ireland Act 1998). In addition the Manager shall use its best endeavours to ensure that in its employment policies and practices and in the delivery of the services required of the Manager under this Agreement it has due regard to the need to promote equality of treatment and opportunity between:
- (a) persons of different religious beliefs or political opinions;
 - (b) men and women or married and unmarried persons;
 - (c) persons with and without dependants (including women who are pregnant or on maternity leave and men on paternity leave);
 - (d) persons of different racial groups (within the meaning of the Race Relations (Northern Ireland) Order 1997);
 - (e) persons with and without a disability (within the meaning of the Disability Discrimination Act 1995);
 - (f) persons of different ages; and
 - (g) persons of differing sexual orientation.
- 34.2** The Manager shall take all reasonable steps to ensure the observance of the provisions of the above Clause 35.1 by all servants, agents, employees, consultants and sub-contractors of the Manager.

35 HEALTH AND SAFETY

The Manager shall comply with the requirements of the Health and Safety at Work (Northern Ireland) Order 1978 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to staff and other persons working in the performance of its obligations under this Agreement.

SCHEDULE 1

GRANT MAKING POLICY

INTRODUCTION

The Grant Fund has been established with a view to distributing £4.5 million to the non-university 'technology' sector on a competitive basis. Financial assistance (via Grants) will be made available to non-university based projects that have the potential to produce valuable intellectual property which may in future be commercially exploited, in some cases via a spin-out company. Grants will be made with a view to enabling Grant Beneficiaries to establish the commercial potential of a concept and to assist potential entrepreneurs to develop and test their commercial projects, products and service ideas.

The purpose of the proof of concept stage funding shall be to enable successful applicants to develop innovative intellectual property and business ideas to a stage where they are in a position to licence the intellectual property or incorporate a company and apply for conventional seed or other venture capital funding. Successful applicants may, but shall not be required to, in due course go on to seek funding from the investment fund established by the Limited Partnership Agreement.

In assessing opportunities to make a Grant, the Manager shall focus on the technology fit of an opportunity to its proposed application; the suitability of the emerging management team; signs of customer interest; and a substantiated view as to the potential revenue model going forward.

The Grant Fund will be governed by the terms of this Agreement. Decisions as to whom to award Grants to shall be taken by the Manager.

A Grant (whether a Mini, Standard or Large Grant) is available to cover independent third party costs incurred by a Grant Beneficiary and/or internal (vouched, verified and approved, in accordance with the policy agreed between Invest NI and the Manager from time to time) staff costs incurred by a Grant Beneficiary. For the avoidance of doubt, a Grant will not be made to enable a Grant Beneficiary to pay any costs or fees of a Connected Person, unless: (a) otherwise agreed in advance in writing by Invest NI; or (b) the Grant has been approved for internal staff costs incurred by a Grant Beneficiary.

TIERED AWARDS

Grants to be made by the Grant Fund will be split into three tiers:

- 1 Mini Grants at 100% grant rate of third party costs, which may not exceed £10,000 in value;
- 2 Standard Grants at 100% grant rate of third party costs, which may not exceed £35,000 in value;
- 3 Large Grants at 100% grant rate of third party costs which may not exceed £75,000 in value.

Mini Grants

Mini Grants will focus on exploring the viability and commercial potential of novel/innovative concepts. This could include further market research, testing & validation activities, assessment of uniqueness of intellectual property, exploration of the competitive strengths & weaknesses of initial business concepts, and concept/prototype development work.

Standard Grants

Standard Grants will be made available for concepts further advanced than those concepts that qualify for Mini Grant. The Standard Grants will cover similar activities to those of a Mini Grant, however the Grant beneficiary's approach to the concept should have a demonstrable balance between technology/product development & market facing activities, and should ideally help with team formation. The award process will have greater emphasis on steps towards commercial exploitation/engagement with potential customers.

Large Grants

Large Grants will be made available where the Grant Beneficiary will have the potential and the opportunity to drive the development of their product towards real requirements, in conjunction with an organisation or in isolation but directed at a particular theme. The activities and stage of development will be similar to that of a Standard Grant and there will be an expectation in the award process that there is the likelihood that a business will be established.

SELECTION PROCESS

The Selection Criteria to be applied to applications to receive a Grant shall be determined by the Manager at its first meeting and subject to agreement by Invest NI

The Manager shall notify Invest NI on a monthly basis of all Grants made (including the making of further tranche payments under a Grant which is payable in two or more tranches).

The Manager shall not:

- (a) provide funding for Grant Beneficiaries which are incorporated or resident outside Northern Ireland; or
- (b) provide funding for any industry for which financial support (including state aid) is prohibited by any European directives or regulations.

SCHEDULE 2

FORM OF DRAWDOWN NOTICE

[Ref]

[Date]

[Name And Address]

Dear [Name]

PROOF OF CONCEPT GRANT FUND

Pursuant to Clause 6 of the Grant Management Agreement relating to the Proof of Concept Grant Fund (the “**Agreement**”), you are hereby required to advance the tranche set out below on or before the date set out below, being at least 10 Business Days (as such term is defined in the Agreement) from the date hereof:

Sum required: £[●]

Payment date: [●]

Payable to: [●]

Bank name and address: £[●]

Account number: [●]

Sort Code: [●]

The sums so advanced by Invest NI will be used to make payments of Grants as have been forecast by the Manager.

Kind regards

Yours sincerely

For and on behalf of [●]

SCHEDULE 3

FEES

The Fees are as set out in the table below. These Fees cover all management costs of the Grant Fund and are inclusive of any and all costs and expenses incurred by the Manager in performing its obligations hereunder including, without limitation, all labour, material and expenses involved in such performance.

The Fees will be invoiced by the Manager on each Quarter Date in advance alongside the Drawdown Notice issued on each Quarter Date and referred to in Clause 6.

The annual fee and total as provided in the Bidding Materials is set out below:

PERIOD	FEES (INCLUDING VAT)
From the Effective Date to 31 March 2020	£●
Year ending 31 March 2021	£●
Year ending 31 March 2022	£●
Year ending 31 March 2023	£●
Year ending 31 March 2024	£●
Year ending 31 March 2025	£●
[From 1 April 2025 to ● 2025]	£●
TOTAL	£●

Divided into the following quarterly invoices:

FUND	FUNDS UNDER MANAGEMENT	QUARTERLY INVOICE FOR FEES (INCLUDING VAT)
Proof of Concept	£4.5 million	£●

The invoice for the first Quarter will be adjusted to ensure that subsequent invoices will be issued on 1 January, 1 April, 1 July and 1 October. The invoice for the final Quarter will be modified accordingly.

SCHEDULE 4

GRANT MANAGEMENT SERVICES

The Manager shall provide pro-active support to increase the number of projects that may potentially lead to investments by (1) the Partnership (as defined in the Limited Partnership Agreement); and/or (2) other sources of venture and/or seed capital funding. Such support shall include the provision of mentoring advice, which may (by way of non-binding illustration) include advice on:

1. route to market and commercialisation strategy;
2. technology development priorities;
3. the protection of intellectual property rights;
4. financial control; and
5. governance structures.

SCHEDULE 5

KEY PERFORMANCE INDICATORS

1. The minimum number of Grants to be made per year for 5 years, commencing on the Effective Date, is set out in the table below:

PERIOD	NO. OF GRANTS TO BE AWARDED	NO. OF GRANTS TO BE AWARDED	NO. OF GRANTS TO BE AWARDED
	MINI	STANDARD	LARGE
Year 1	20-36	10-18	0-2
Year 2	24-36	12-18	0-2
Year 3	24-36	12-18	0-2
Year 4	24-36	12-18	0-2
Year 5	24-36	12-18	0-2
Total	150	75	5
Year 1	20-36	10-18	0-2

2. A minimum number of 230 Grants during the 5 years commencing on the Effective Date.
3. Continuing compliance with the management capability provisions in Clause 18.

SCHEDULE 6

REPORTING FORMAT

COMPANY	MINI GRANT	STANDARD GRANT	LARGE GRANTS	TOTAL QUANTUM OF FUNDS	PoC STATUS	RECEIVED SEED CAPITAL FUNDING?	PITCHED AT HBAN?	PROPEL OR ACCELERATOR?

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

EXECUTED as a **DEED** the day and year first before written.

EXECUTED as a **DEED**
by **INVEST NORTHERN IRELAND**
acting by its Authorised Representative

Authorised Representative

Witnessed by:

Name:

Occupation:

Address:

EXECUTED as a **DEED**
by **[NAME OF MANAGER]**
acting by a director in the presence of:

Member

Witnessed by:

Name:

Occupation:

Address:
