

**STANDARD TERMS REQUIRED BY ENTERPRISE IRELAND FOR  
COMPETITIVE START FUND INVESTMENTS**

**Note: This is not an offer. These terms are for information purposes only**

<b>EI Shareholding in the Company</b>	€50,000 will be invested (in two equal tranches) for two 5% equity stakes in the Company in ordinary shares.
<b>Pre-Completion Requirements</b>	Current (at date of Investment) Tax Clearance Certificate. Share Capital Certificate from Company Secretary confirming authorised and issued share capital of Company prior to EI's investment.
	Pre First Stage Completion: Furnish confirmation that a new additional sum of €5,000 has been invested for ordinary shares in the Company since the call close date.
	Pre Second Stage Completion: Furnish a report satisfactory to Enterprise Ireland detailing first tranche expenditure.
<b>Completion Requirements</b>	Third Party Certificate detailing company incorporation, share capital to allot shares, capacity to enter agreement (Certificate Template included in Agreement).
	Second Stage Completion must take place within one year of the date of Agreement.
<b>Post Completion Requirements</b>	Use EI's investment solely to give effect to the Business Plan. Waiver of pre-emption rights from all existing Shareholders in relation to the issue of Ordinary Shares.
<b>Covenants required from Company/Shareholders</b>	The shareholders will take all necessary actions and exercise voting rights to ensure compliance by the Company with the terms of the Agreement. The Company shall carry on its business in an effective and business like manner in accordance with Business Plan and to its best commercial advantage. Any expansion or alteration in the business will be carried on by the Company or a wholly-owned subsidiary. Any action undertaken by the Company will be done in the ordinary course of business and in contemplation of the direct benefit of the Company. Any Intellectual Property developed as a result of giving effect to the Business Plan will be registered in the name of the Company or a Permitted IP Owner (University or Institute of Technologies).
<b>Information/Access Requirements</b>	<ul style="list-style-type: none"> <li>• Quarterly Management and Annual Accounts;</li> <li>• Updates on progress of business, particulars of matters relating to activities of the Company (when required by EI);</li> <li>• Information (whenever required by EI) in relation to sales, exports, employment and added value for the purpose of EI surveys.</li> </ul>

<b>Actions taken by Company/Shareholders where EI requires its consent to be sought</b>	a. Ceasing to be involved in the production of products for export or products of an advanced technological nature for supply to internationally trading or skilled sub-supply firms within the State or products for sectors of the Irish market that are subject to international competition, or an activity covered by the Industrial Development (Service Industries) Order, 1998 ("Eligible Activity").
	b. Creating, issuing, redeeming, purchasing, re-issuing or converting shares/loan capital (or instrument giving right to shares/loan capital).
	c. Altering rights attaching to shares, reducing share capital/capital reserve account, repaying share premium account or credit redemption reserve, re-organising share capital, creating new class of shares.
	d. Altering provisions of Company's Memorandum and Articles of Association.
	e. sell, transfer, lease, license or in anyway dispose of its Intellectual Property or any part thereof (except in the ordinary course of business).
	f. Except for in the ordinary course of business create an Encumbrance over the assets including the IP.
	g. Shareholders disposal (incl. assignment and transfer) of any Shares held by them in the Company.
<b>Shareholders required to be party to Agreement</b>	100%
<b>Restriction on Transfer and Issue of Shares</b> <i>(Note - Deed of Adherence ensures that any person becoming a Shareholder after EI's investment agrees to be bound by the terms of EI's Agreement. Form of Deed is included in Agreement.)</i>	The Company must ensure, that where a Shareholder (who is party to the Agreement) is transferring his shares to another person not a party to EI Agreement, that transfer is not registered until the new Shareholder has entered into a Deed of Adherence.
	The Company must ensure that before new shares are issued to a person not a party to EI Agreement, such person(s) shall enter into a Deed of Adherence.
<b>Tag Along</b>	Before a Shareholder accepts an offer for the sale of any shares in the Company, he shall procure that the Buyer shall make a similar offer to Enterprise Ireland for the sale of its shares (Tag Along Right)
<b>Warranties</b>	Basic Warranties from the Promoter in relation to the Company's share capital structure, capacity, pending claims, etc.