

Equity Matters

4. The Deal – Part 2

Investment Management

31-05-2022



Agenda

- + Opening
- + Investment Management
- + Panel Discussions
- + Questions and Answers
- + Links and Resources



Today's Speakers



Fidelma McGuirk

*Founder & CEO
Payslip*



Tom Early

*Head of Equity & Legal
Enterprise Ireland*



Killian McMahon

*Senior Investment Advisor
Enterprise Ireland*

Investment Management



Investment Management

- + **Board seat(s):**
 - *Lead investors often look for a Board seat while other investors may seek a Board observer option*
- + **Information Rights**
 - *What information has to be provided, when it has to be provided and to which investors*
- + **Restricted transfers**
 - *A person to whom the shareholder can transfer some or all of its shares without seeking the consent of the other shareholders*
- + **Right of first refusal**
 - *A contractual right granted to purchase shares held by other shareholders (or on a new issue) before such shares may be offered to other shareholder/s or to a third party*



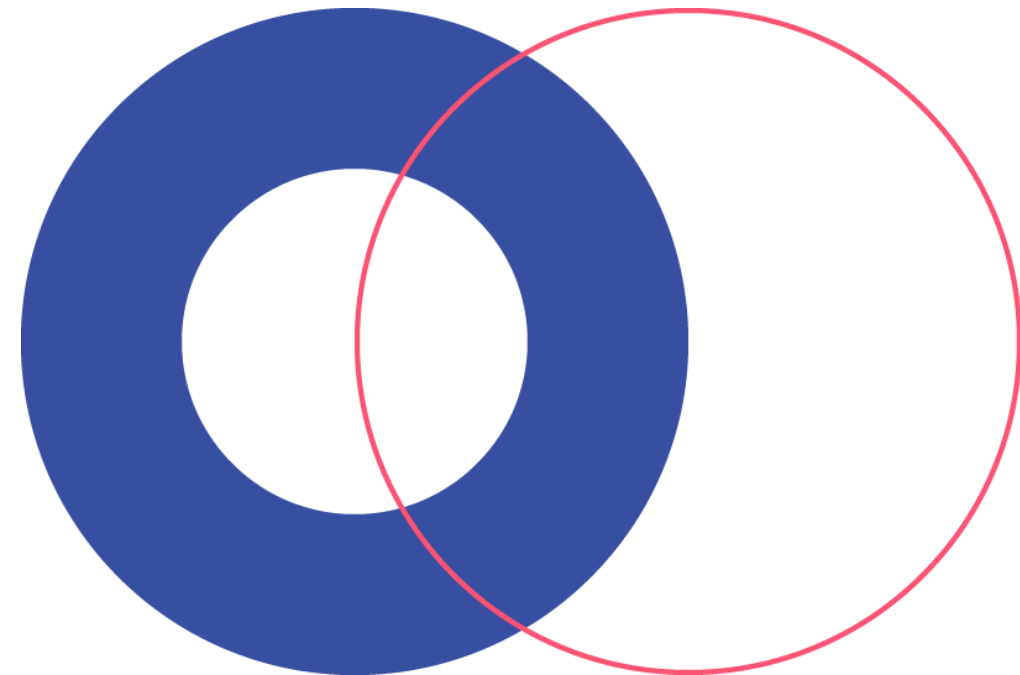
Investment Management



- + **Pay-to-play:**
 - *Investors must invest to avail of new investment terms*
- + **Promoter warranties:**
 - *Warranties provided by promoters to the investors*
- + **Protective Provisions / Restricted Transactions / Management Rights:**
 - *Consent rights or vetoes provided to investors*
 - *What transactions must be approved by shareholder(s) e.g. new shares being issued must be approved by a shareholder?*
 - *Ordinary course of business matters should not be restricted*
- + **Deed of adherence:**
 - *New investors must acknowledge and comply with existing agreements*

Decision Making

- + Protocols for shareholder and board decisions
- + Who makes decisions on major matters such as :
 - *CEO appointment*
 - *Capital raising*
 - *Sale of company*
 - *Disapplication of existing rights*
- + Major shareholder decisions may require:
 - *100% shareholder agreement*
 - *Super-majorities*
- + Major board decisions may require:
 - *Non-use of veto (by certain shareholders)*
 - *Super-majorities*



Questions & Answers

Thank You

- + The next webinar is
**THE DEAL — PART 3: EXIT AND
DOWNSIDE MANAGEMENT**
on Tuesday 28 June @11am
- + Here's the link to the series:
globalambition.ie/equity-matters-webinar-series/
- + For more information on the supports mentioned:
visit enterprise-ireland.com.