



## NuFund 22 Annual Fund FAQ

NuFund 22 is NuFund Venture Group's fifth annual Fund launched with 250 members. Please see answers below to commonly asked questions by entrepreneurs.

**Q: What kinds of companies does the Fund invest in?**

A: The Fund invests in companies that have passed NuFund due diligence AND are structured as US-based, C-Corps. The Fund does not invest in LLCs.

**Q: How much does the Fund invest in each company?**

A: The Fund invests between \$250K and \$500K. Decisions are based on voting thresholds by the Fund members.

**Q: How does the Fund determine the amount to invest?**

A: Deals are distinguished based on a due diligence checklist and offering board visibility (board observer rights or board seat) to NuFund. A company must offer board visibility to NuFund in order to receive more than \$250K in funding. Board rights are granted to a member chosen by the company CEO and NuFund deal lead(s). All deals must be recommended for investment by a deal team composed of Fund members.

**Q: Why does every NuFund 22 portfolio company need to sign a side letter assigning follow-on rights?**

A: Since every NuFund Annual Fund, including NuFund 22, is an annual fund, they cannot invest in follow-on rounds in different years. Therefore, any follow-on rights (including rights that could be added through restructuring in future rounds) are assigned by the current Annual Fund to the subsequent Annual Fund via side letter provided by NuFund.

**Q: How long does it take for the Fund to make a decision?**

A: After the completion of NuFund's due diligence process and the recommendation to invest (<30 days), the Fund takes 5 days to collectively review all diligence materials and vote on a deal.

**Q: When does the Fund wire its investment if the round is a syndication deal with other investors?**

A: The Fund (single cap table entry) makes its investment once the lead investor for the deal has invested its money. If there is no single lead investor, the NuFund Deal Lead will determine when to wire the funds based on closing milestones for the round.