



Being a co-owner of the fund

Every entrepreneur we invest in becomes a **co-owner of the fund**. We do this to align our ambitions and achievements with the founders we back. We call it **equitable venture** - we share the upside of the fund with you. Oh and our advisers and team members too.

This means that after all commitments have been returned to our fund investors, we all together share **at least 20% of the funds profits** - you get to share in the success of the other entrepreneurs around you.

We do this by allocating each entrepreneur **carry points**. We allocate these carry points equally to each company and within each company to the founders personally pro-rata to their shareholding in their business. We allocate these points annually at an agreed valuation with our auditors - we do this is to avoid triggering a taxable event for you at the time of allocation.

Much like your options pool, your carry points will **vest over five years**, with 20% vesting on the 1st anniversary of your allocation, and then vesting monthly until you're 100% vested on the 5th anniversary.

When profits are finally shared (venture is a long game after all), you will receive a **share of any profits** in line with your share of the carry points.

You may be thinking what if I decide I'm not what's best for my business, what if we go under, or what if we are acquired - will I still be a co-owner of the fund? In most cases we say yes - because **we invested in you** and believe you will continue to be valuable to the portfolio even if you've moved on.

We do however have discretion on this - depending on the circumstances of your departure. There are three case - one, you remain a fully-fledged carry partner with your carry points vesting until the 5th anniversary, two you retain your vested carry points but forfeit the remaining back to the fund, or three in the rare case that you're a 'bad leaver', you are required to return all of your carry points back to the fund.

We have structured the fund in this way, so that as co-owners, you will develop and reinforce the relationships and reputation that drives great investments, influence and returns.