

Kansas Capital Multiplier Venture Fund

for Businesses Across Kansas

NetWork Kansas in partnership with the Kansas Department of Commerce introduces a matching venture fund program for businesses across Kansas. The Kansas Capital Multiplier Venture Fund provides more than \$2.6 million in matching venture funds to businesses raising capital through private investors including angel networks and venture capital firms.



Qualifying businesses are eligible to apply for up to 9% of private venture capital invested.

Eligible Matches

Eligible funds include equity investments by private sector venture capital funds, seed capital funds, or angel investor networks disbursed or committed to the business as part of the same transaction at closing.

Eligible Businesses

For-profit businesses* with no more than 500 employees. Anticipated applicants include technology and biosciences companies working with a state entrepreneurial center, university centers of Excellence, and/or the Kansas Bioscience Authority (KBA).

Additional businesses that are working with other NetWork Kansas partners may also qualify including businesses that are in one of the following categories:
1. Essential** businesses with local angel investors,
2. Second Stage Growth Businesses with local angel investors, and
3. Larger businesses with less than 500 employees that have local angel investors and significant private venture capital investment.

Fund Benefits

- 9% match on private equity per round
- Funds can be used for a variety of purposes
- Businesses can be located in both rural and urban areas.

Terms

Terms are subject to the terms and conditions specified in the investment round.

The maximum amount any one business can apply for is \$250,000 and a minimum is \$25,000 per investment round.

“The State of Kansas has been a strong partner of KC BioMedix from the very beginning. This investment by Network Kansas is another example of that partnership and support. It will help us strengthen our strategic relationship with GE Healthcare and enable us to bring our exciting new solutions for assessing and treating feeding incompetency in neonates and infants to the market faster.”

Bruce Richardson
Chief Financial Officer
KC BioMedix

*Must be a C-Corporation

**Essential businesses: must prequalify with the committee before applying

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Funding Flexibility

Proceeds may be used for, but are not limited to, startup costs, working capital, commercial real estate acquisition, business acquisition, inventory financing, franchise financing, construction, and expansion.

Funds cannot be used for the following purposes: **a)** to refinance existing debt where the lender is in a position to sustain a loss, **b)** to effect a partial change of business ownership or a change that will not benefit the business, **c)** to permit reimbursement of funds owed to any owner, **d)** to repay delinquent state or federal withholding taxes, or **e)** to finance a non-business purpose.

Additional Capital Availability

Additional funds may also be utilized but cannot count towards private match. This includes, but is not limited to: NetWork Kansas matching fund programs (E-Community and StartUp Kansas), CDBG funds, county and city government, Main Street organizations, and the USDA.

To Apply for Funds

Small business owners may only access funds by working with a NetWork Kansas Resource Partner. Examples include state entrepreneurial centers, University Centers of Excellence, the Kansas Bioscience Authority (KBA), the Kansas Department of Commerce, certified development companies, Main Street Kansas organizations, Chambers of Commerce, SBA, USDA, economic development agencies, and other non-profit organizations charged with assisting for-profit businesses in Kansas.

Applications are available on the NetWork Kansas website (www.networkkansas.com). A login and password are required to access the application. If Resource Partners have additional questions, please contact Jamie Hofling at (316) 978-7312.

For additional questions about how to apply, or to be connected with a partner, please call (877) 521-8600.

Ineligible Businesses

- Non-profit organizations
- Academic institutions
- Gambling concerns
- Firms engaged in activities prohibited by law
- Floor-planning concerns (e.g., wholesale auto inventory financing)
- Real estate investment firms
- Speculative concerns
- Lending or investment institutions
- Multi-level marketing or pyramid sales organizations
- Charitable and religious organizations
- Government-owned corporations
- Consumer or marketing cooperatives



Kansas Department of Commerce Secretary Pat George presents a check to Jeremy Jones, CEO, and Jason Schmitt, COO of Nitride Solutions.

For more information about NetWork Kansas, visit www.networkkansas.com, or call 877.521.8600. NetWork Kansas was established as a component of the Kansas Economic Growth Act of 2004 to further entrepreneurship and small business growth as a priority for economic and community development in the State of Kansas. Backed by more than 470 partners statewide, the NetWork Kansas service promotes an entrepreneurial environment by connecting entrepreneurs and small business owners with the expertise, education and economic resources they need in order to succeed.

