

**Angel Investment Tax Deduction
Michigan Strategic Fund**

**Qualified Business/Equity Investment
Application Contents/Instructions**

APPLICATION INFORMATION

The application for approval of equity investments under the Angel Investment Tax Deduction program consists of three parts. Only the relevant portions of the application must be completed and the required supporting documentation provided for Michigan Strategic Fund (MSF) consideration.

Part I applies to businesses seeking MSF certification as a qualified business under PA 214 of 2005.

Part II applies to investors making an initial investment in a qualified business.

Part III applies to investors seeking tax credits for making a reinvestment of proceeds from a prior qualified investment.

INSTRUCTIONS:

Please fill out the appropriate section(s) and attach any required supporting documentation.

If the company to be invested in is already certified, it is not necessary to fill in Part I. If the company is not certified, please fill in Part I as well as EITHER Part II OR Part III.

NOTES ON QUALIFICATION:

To qualify for this program, a company must meet all of the following criteria:

- Have its headquarters in Michigan, be domiciled in Michigan, or have a majority of its employees working in Michigan; and
- Have a pre-investment valuation of less than \$10 million; and
- Have been in existence less than five years (although this does not apply to a business whose business activity is derived from research at a Michigan institution of higher education or a 501c(3) tax-exempt organization; and
- Be engaged only in competitive edge technology as defined by PA 214 of 2005; and
- Be a seed or early stage business defined in Section 3 of the Michigan Early Stage Venture Investment Act of 2003 (MCL 125.2233) as one of the following:
 - A business that has not fully established commercial operations and may also be engaged in continued research and product development; or
 - A business engaged in product, service, or technology development and initial manufacturing, marketing, or sales activities.

To qualify for this program, an initial investment must meet all of the following criteria:

- Be made between January 1, 2007 and December 31, 2009; and
- Be at least \$100,000; and
- Be made in a company certified for this program by the MSF or seeking certification concurrently.

To qualify for this program, a rollover investment must meet all of the following criteria:

- Be of at least the basis value of a previous certified investment; and
- Occur with one year of the exit from that investment; and
- Be made in a company certified for this program by the MSF or seeking certification concurrently.

APPLICATION SUBMISSION

The completed application should be mailed to the address below. Incomplete applications will result in delays in processing.

**Angel Tax Incentive
Michigan Economic Development Corporation
300 North Washington Square, 3rd Floor
Lansing, Michigan 48913**

Angel Investment Tax Deduction
Michigan Strategic Fund

Part I – Businesses Seeking MSF Certification

Applicant Entity Legal Name	Applicant Employer Tax Identification Number (EIN)
Address (Street/P.O. Box/City, State and Zip Code)	Primary SIC Code (4 digit)
State(s) Where Incorporated/Organized	Is the business activity derived from research at a Michigan institution of higher education or a 501-c(3) tax-exempt organization? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please provide documentation
Date of Incorporation/Organization	
Pre-investment valuation (please provide documentation)	
Contact Information (name, phone number, email)	Which of the following criteria does the company meet: <input type="checkbox"/> Company has headquarters in Michigan <input type="checkbox"/> Company is domiciled in Michigan <input type="checkbox"/> > 50% of company's employees are in Michigan Please provide documentation for at least one
Company is engaged only in competitive edge technology and is a seed or early stage business as defined by PA 214 of 2005	
<input type="checkbox"/> Yes <input type="checkbox"/> No	
I hereby declare that to the best of my knowledge and belief the information contained in this application is true and accurate and that furthermore, I have the requisite authority to submit this application on behalf of this company.	
Sign Here: _____	Date: _____

Part II – Investors Making Initial Investment

Applicant Entity Legal Name	Applicant Taxpayer Identification Number
Address (Street/P.O. Box/City, State and Zip Code)	Date of Investment (Provide documentation)
	Amount of Investment (Provide documentation)
If the company in which the investment will be made is not also applying for certification on this form, enter the company's name and EIN here:	Is investment being made by an individual or other entity? <input type="checkbox"/> Individual <input type="checkbox"/> other, please specify _____
	If you checked other above, please list all those with an equity interest and the corresponding percentages in the entity: (attach articles of organization)

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Part III – Investors Making Rollover Investment

Applicant Entity Legal Name			Applicant Taxpayer Identification Number		
Address (Street/P.O. Box/City, State and Zip Code)			Date of Investment in Second Business (provide documentation)		
			Amount of Investment (Provide documentation)		
If the company in which the investment will be made is not also applying for certification on this form, enter the company's name and EIN here:			Is investment being made by an individual or other entity?		
			<input type="checkbox"/> Individual <input type="checkbox"/> other, please specify _____		
			If you checked other above, please list all those with an equity interest and the corresponding percentages in the entity: (attach articles of organization)		
Please fill in the following information regarding the previous investment the profits from which are being reinvested					
Date(s) of investment	Date(s) of Exit	Name and EIN of company in which investment was made	Total Invested	Exit amount	Gain (loss)
Totals:					