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## **Arkansas Institutional Fund Invests \$100,000 in Fund for Arkansas Future II**

**November 15, 2013 / Little Rock, AR** -- The Arkansas Development Finance Authority (ADFA) announced today that the Arkansas Institutional Fund (AIF) has committed \$100,000 to the second Fund for Arkansas Future, which invests in early stage ventures in Arkansas. The AIF is managed by Cimarron Capital Partners.

Fund for Arkansas' Future II, LLC ("FAFII") is an Arkansas limited liability company, organized as a venture capital fund for angel investors. The investment objective is to provide capital appreciation potential by investing primarily in private placements of preferred stock and related equity securities of privately owned small businesses. FAFII invests primarily in seed and start-up stage entities. On a selected basis other opportunities, including without limitation early stage and possibly expansion stage financings, are considered for entities that have identified a significant market opportunity and need.

The approximately \$5.535 million, 12-year fund is managed by a management committee composed of Dr. Mary L. Good, Jeff Amerine, Dr. James K. Hendren, Jerry Adams and Dickson Flake (the "Managers"). The principal office is located in Little Rock, Arkansas. Jeff Stinson serves as the Executive Director of the fund and manages the FAFII's day to day affairs. FAFII's geographic focus is on opportunities throughout Arkansas. A strong component of FAFII's mission is economic development through the capitalization of companies that have the opportunity for rapid growth and that will create well-paying jobs in the state.

It is expected that a typical investment will be between \$250,000 and \$1,000,000. The size of each investment will be determined by, among other factors, the current and projected future capital needs of the company, the valuation, other sources of capital, the business/investment risk and the assessment of likely investment returns. Investments often, but not always, will be in technology or biotechnology-related companies. FAFII will not be limited to or necessarily exclude any particular industry.

The Managers believe they have developed extensive relationships throughout the business and professional community, which are expected to provide a broad exposure to attractive investment opportunities. Jeff Stinson, as Executive Director, is charged with locating and presenting to the Managers suitable investment opportunities for consideration by the investment committee. Significant sources of

deal flow are expected to be organizations like Bioventures (at UAMS) and the Genesis Incubator at the University of Arkansas – Fayetteville.

## **About the Arkansas Development Finance Authority**

The Arkansas Development Finance Authority is committed to responding to the changing needs of Arkansas' growing, increasingly diverse population and business community. Since its creation in 1985, ADFA has become the state's largest source of low-cost financing for low-to-moderate income housing development, small industries, government, education, agricultural business enterprises and healthcare. Through the issuance of taxable and tax-exempt bonds and notes, the administration of private and public grants and partnerships with state and federal agencies, ADFA gives Arkansans the most cost-effective financing choices possible. In 2001, bond guaranty legislation was modified to allow ADFA to utilize credit enhancement and state tax credits to finance "fund of funds" venture capital investments. At this time the \$70 million Arkansas Institutional Fund (AIF) was created.

## **About the Arkansas Institutional Fund**

In an effort to strengthen the venture capital network in Arkansas and promote economic growth within the State, the Arkansas Institutional Fund (AIF) is authorized to invest in professionally managed venture capital funds that in turn make risk capital more accessible to promising Arkansas firms.

## **About Cimarron Capital Partners**

Cimarron is a leading national investment management firm specializing in regional private equity. The firm serves as fund manager for the Arkansas Institutional Fund (AIF).