



THUNDERBIRD
ANGEL NETWORK

Information for Investors

About the Thunderbird Angel Network

The Thunderbird Angel Network (TAN) is a dynamic group of accredited investors who are affiliated with the Thunderbird School of Global Management. Our members include Tbird alumni, professors, friends and members of the Phoenix startup community.

TAN serves as a source to its members for early-stage companies that have the potential to grow rapidly. The Network is based at the Thunderbird School of Global Management, a hotspot for global business; thus, its members are interested in both domestic and international deals. TAN members typically seek to invest between \$50,000 and \$500,000.

TAN hosts dinner meetings the third Thursday of January, March, May, September, and November. All applications are screened through Gust.com and by the TAN selection committee before a company is asked to present at a TAN dinner. If one or more members show interest in a presenting company, further due diligence and deal terms are developed. Members act on their own behalf and make their own individual investment decisions.

Frequently Asked Questions (FAQs)

Do I have to be a Thunderbird alumnus to be a member of TAN?

No. We have several members who are friends of Thunderbird and live in the Greater Phoenix area, nearby cities, or abroad. The Thunderbird Angel Network is open to all accredited investors, not just alumni. However, a number of the investor members of our network are Thunderbird School of Global Management alumni. Becoming a TAN member is a great way to reconnect and network with Thunderbird alumni members and non-Thunderbird members.

Do CEOs have to be Thunderbird alumni to present their company to TAN?

No. Although we leverage the Thunderbird network to source exciting new deals and ventures, anyone can apply to present a company to TAN. Members should expect to see diverse companies with a variety of Thunderbird and non-Thunderbird backgrounds in the applicants.

When and how often do the Thunderbird Angel Network members meet?

We hold one investor dinner meeting every other month at which we bring together 3 to 4 screened companies to present to our members on the campus of the Thunderbird School of Global Management. The meetings offer a great opportunity to discuss the presenting companies with peers, meet other like-minded investors, and participate in early-stage investing. TAN usually meets on the third Thursday of January, March, May, September, and November.

What are the benefits of becoming a Thunderbird Angel Network member?

As a TAN member, you will see deals that have been pre-vetted by our experienced member selection committee, along with high-level due diligence presentations from our MBA research teams. We have a deal screening committee that consists of Network members who have prior experience in venture capital, private investing, investment banking, early stage corporate management, and/or a variety of other disciplines. Our collaboration provides a deeper and broader analytical capability to review deals than might otherwise be available to most private investors.

In general we invite companies that will have the potential for very fast growth over 5 years, have the nucleus of an outstanding management team, and have a sustainable competitive advantage over existing competitors or copycats.

The deals that are of interest to our members will be further analyzed by a due diligence team assembled of TAN investors and, if requested, a due diligence team of Thunderbird MBA students. For those Angels interested in learning more and potentially investing in a company, we form teams that work together not only on due diligence, but also the review of deal documents and the negotiation of terms.

A final benefit of TAN is that members are exposed to great networking opportunities, Angel Capital Association events, Angel Education Forums, and angel investing industry research.

Are there educational opportunities for TAN members?

In addition to exposure to applicant companies, investor members will have the opportunity to hear from and interact with recognized speakers and thought leaders from the angel investment community on local, national and international issues. Preceding each meeting we have an Angel Education Forum addressing different aspects of investing in young companies. Our members conduct additional seminars to train entrepreneurs in how to make a good pitch for capital.

We are a member of the Angel Capital Association (ACA) and TAN members have an opportunity to attend ACA meetings and interact with angel investors from throughout North America, as well as some from South America, Mexico, and Europe.

What does it cost to be a member of the Thunderbird Angel Network?

The cost to be a member of the Thunderbird Angel Network is an annual fee of \$850, which covers all administrative costs and presentation dinner meeting costs. The dinner meetings are held every two months. An email will be sent to you upon acceptance as a member that will include a link to make your annual fee payment.

How to Become a Member of the Thunderbird Angel Network

We encourage interested accredited investors to attend 1 or 2 TAN presentation dinner meetings as a guest before committing to an annual membership. To register for a TAN presentation dinner meeting as a guest, visit our website (thunderbirdangelnetwork.org) and click to view our "Meeting Dates" page. This page has information about our next presentation dinner and a link to register as a guest investor. We may contact you to confirm your accredited investor status prior to the meeting. The fee for a TAN presentation dinner meeting is \$40.00.

Once you are ready to become a member, please email us at thunderbirdangelnetwork@gmail.com, visiting the "Investors" tab of our website and following instructions there, or visiting our Gust (gust.com) site and clicking the "Ask to Join as an Investor" button. Gust.com is an online platform that Angel groups use to manage deals, members, and group communication. Please completely fill out all the required sections of the Gust TAN member application.

Once we have reviewed your application in Gust and you have confirmed your accredited investor status, we will send you an email invitation to be a member of the TAN Gust group. As a member, you will have access to rate the upcoming TAN deals in our Gust investor forum.

Important Membership Information

Accredited Investors Only

Important requirement: to attend our meetings and participate in the Thunderbird Angel Network, you must be an Accredited Investor as defined by federal and state law. This is a set of alternative income and net worth tests. For further details on who is an Accredited Investor, please see the definition and options listed below.

Definition of Accredited Investors

Under the Securities Act of 1933, a company that offers or sells its securities must register the securities with the SEC or find an exemption from the registration requirements. The Act provides companies with a number of exemptions. For some of the exemptions, such as rules 505 and 506 of Regulation D, a company may sell its securities to what are known as "accredited investors."

The federal securities laws define the term, "accredited investor" in Rule 501 of Regulation D as:

1. A bank, insurance company, registered investment company, business development company, or small business investment company;
2. An employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million;
3. A charitable organization, corporation, or partnership with assets exceeding \$5 million;
4. A director, executive officer, or general partner of the company selling the securities;
5. A business in which all the equity owners are accredited investors;
6. A natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1 million at the time of the purchase;

*as it relates to natural persons, the \$1,000,000 net worth standard is to be calculated excluding the value of the primary residence of the natural person. If the value of the primary residence is currently less than the amount owed on the residence, that negative value must be subtracted from the net worth.

7. A natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year; or
8. A trust with assets in excess of \$5 million, not formed to acquire the securities offered, whose purchases a sophisticated person makes. (Dodd-Frank Financial Reform Bill)

For more information about the SEC's registration requirements and common exemptions, read the brochure, Q&A: Small Business & the SEC. (<http://www.sec.gov/answers/accred.htm>)