



Affiliate Membership

The Affiliate Membership is a new class of membership for the Tech Coast Angels (TCA) to supplement our current reach by expanding opportunities for new investments and investors. This class of membership is for business entities that have an interest in seed, early stage and young growth-oriented companies and would like to co-invest with TCA as an extension of their corporate portfolios or part of their strategic objectives.

Affiliate members will include the following classes of business organizations:

- Family offices
- Corporate entities (such as M&A, corporate venture funds)
- Foundations
- Non-profits
- Small VC entities, which have a fund of less than \$7.5 million. TCA may establish relationships with the larger Venture Capital funds in excess of \$7.5 million in their fund, foundations, Private Equity firms, and others that are not included within this affiliate program.

Affiliates can join an individual network, or if these affiliates are located outside of the southern California area, they, too can access TCA deals and screenings via UCI Applied Innovation (commonly referred to as The Cove) facilities or other similarly situated facilities.

TO QUALIFY:

- The entity must be an LLC, LLP, C-corporation, or S-corporation
- The entity agrees to target an investment of a minimum of \$50,000 per year as a company in TCA investable companies and/or the ACE fund to which the company will have access
- Managing members of the entity can participate as individuals (if so, must meet the criteria of Accredited Investor – see SEC web site for the full definition) or as the voice of the entity and accordingly must have the authority to commit on behalf of their company which itself has standing to invest funds of the entity
- The company will agree to be actively involved in TCA as well as agree to help build the ecosystem of entrepreneurship in Southern California
- The entity will have to sign a rules of membership i.e. ROMAC agreement.

BENEFITS:

- The ability to make investments in startups for economic and financial gain through an exit of the startup
- To be part of the movement to support entrepreneurship in southern California and by extension, the rest of the country
- To help existing portfolio companies grow through funding and growth capital
- The ability to offer the affiliate an opportunity to invest as a “strategic” partner thereby gaining an early understanding in new technology and IP



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- The potential to be involved early on with a startup and have an inside track on potential acquisition as a strategic advantage based on the entity's objectives
- A potential opportunity for a board seat depending on funding
- A potential ability to influence the R&D and execution of the startup plan
- The potential to work with a startup on their IP and gain other knowledge from the new startup which can be mutually beneficial to both the entity and the startup
- The opportunity to leverage the expertise of current and new TCA members for due diligence on affiliate deals

MUTUAL BENEFITS

- Increase the potential deal flow through the contacts and networks of other individuals and corporations
- Affiliate members are encouraged to bring deals to TCA for screening
- Add to the intellectual capacity of TCA and to enable a more diverse group to screen deals, participate in analysis, and perform due diligence of prospective companies
 - Participation in Meet the Angels panels, workshops, investor meetings, ACA conferences and similar events
- Provide additional capital for investment in our portfolio companies and for our ACE funds
- Provide potential entrepreneurs with a broader investor base, making TCA the preferred funding choice for their startups
- The affiliate member will chose a primary TCA network with which to be affiliated even if that affiliate is located outside of California. Affiliate members, however, may attend screenings and any other events with the same privileges of existing TCA members

NOTES:

Members of banks, CPA firms, and legal groups, consulting groups, and other entities will not be considered affiliates at this time. However, individuals within those entities who otherwise meet the criteria of Accredited Investors may join as regular members or as Virtual Members as described below.

Affiliate members will be able to invest as a single entity, not as an individual. (NOTE: This class of membership is not to be confused with a Sponsorship Agreement and does not include company promotion with the basic membership. Any affiliate member may become a sponsor of the TCA at the prevailing rates and under the terms and conditions of sponsorships.)

Cost: \$2,000 annual dues for the prime member or alternate plus \$1,500 per year each for up to two additional affiliate representatives.

To apply for membership, please contact one of the network chapter presidents or David Friedman (dfriedman@prodigy.net) for more information. Applications may be submitted online at www.techcoastangels.com/membership