



ANGEL CAPITAL ASSOCIATION

Angel Investing Key Pillar of JOBS Act Success

JOBS Act Implementation Panel

Jean Peters

Angel Capital Association Board and Golden Seeds - Managing Director

Securities and Exchange Commission

Government-Business Forum on

Small Business Capital Formation

November 15, 2012

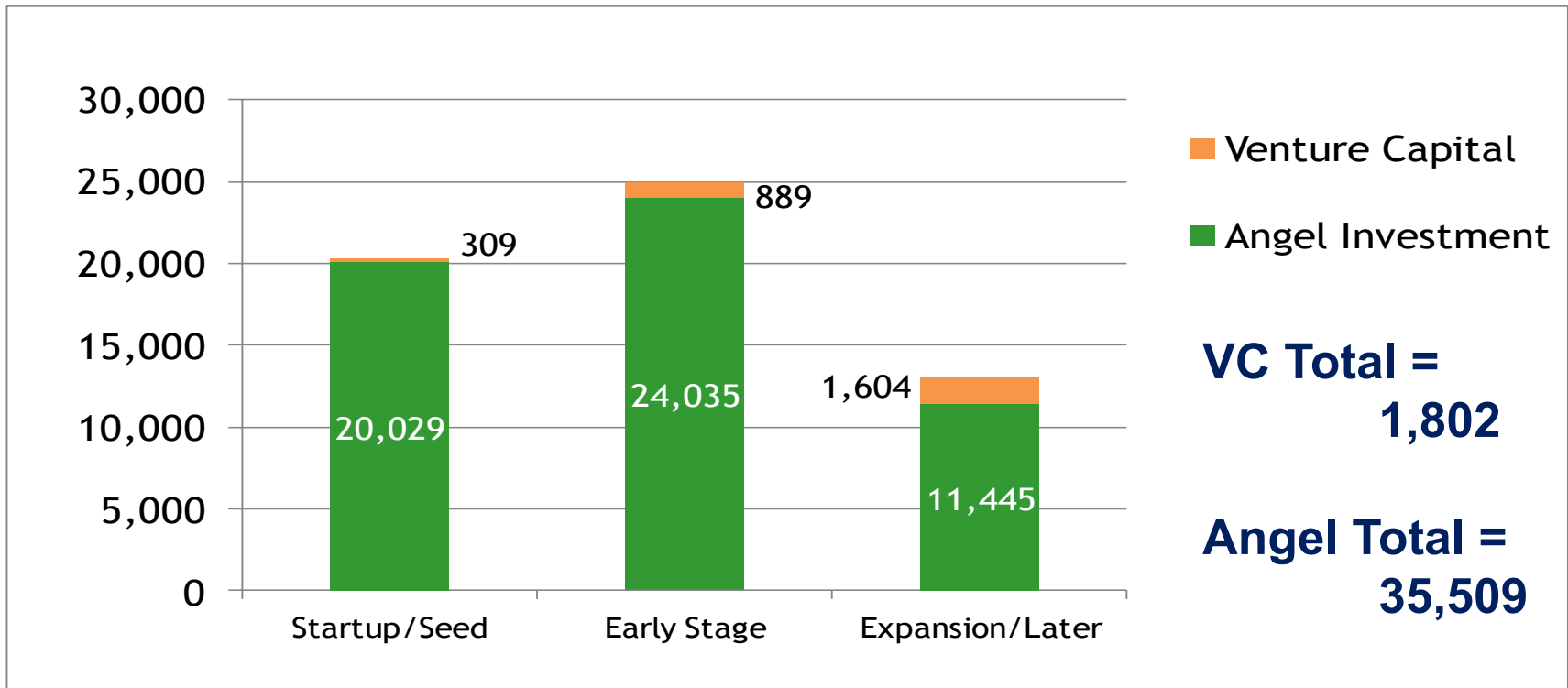
www.angelcapitalassociation.org

[@ACAAngelCapital](https://twitter.com/ACAAngelCapital)

www.angelresourceinstitute.org



Angels Fund Majority of Early Stage Deals

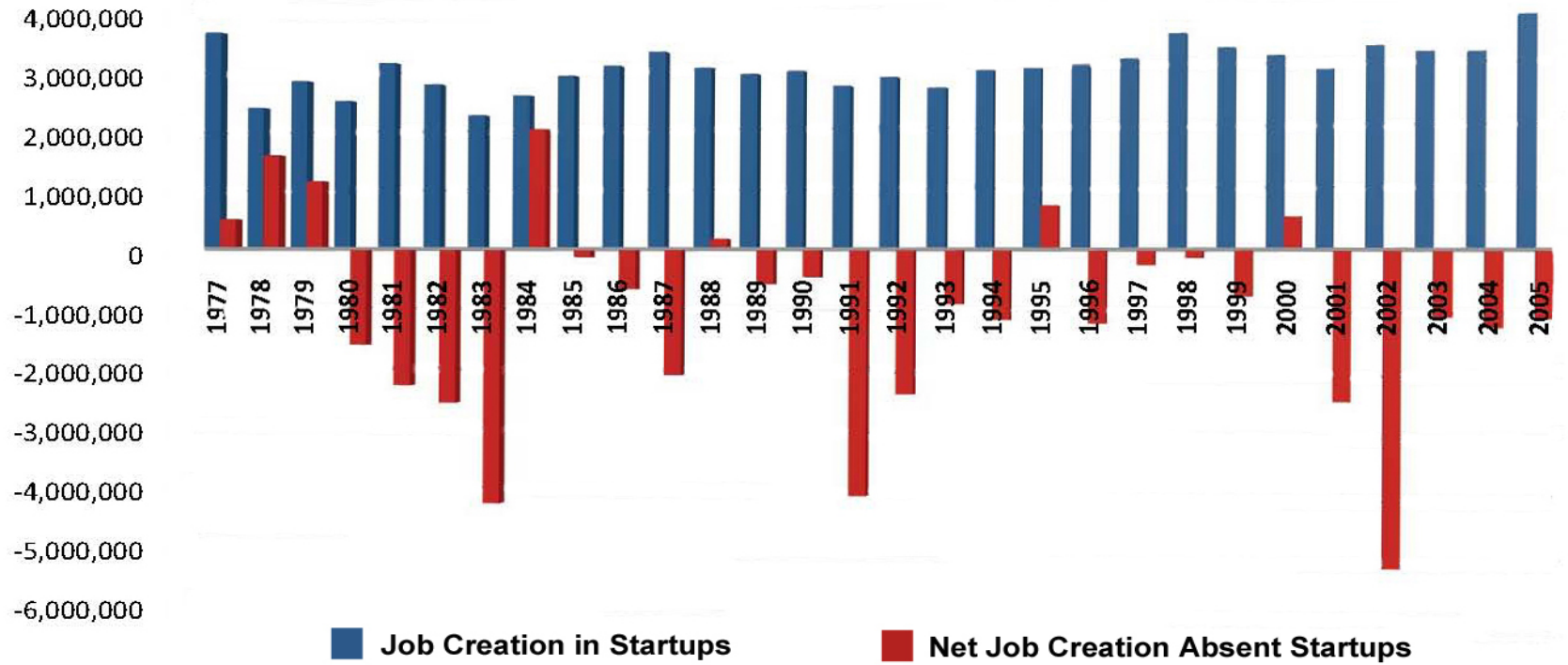


Angels Fund 20 Times More Early Deals Than VCs

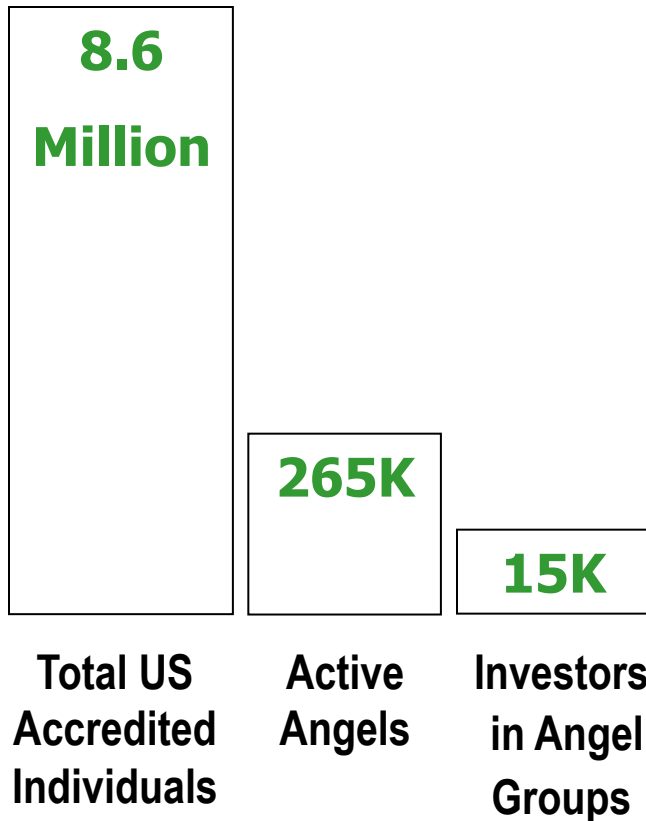
Angels Are Key to Entrepreneurs' Success

ENTREPRENEURS ARE KEY TO JOB CREATION

No Startups, No Job Creation



Angel Groups Take Professional Approach



- **Experienced, Accredited Investors**
 - Successful Entrepreneurs/Business People
 - Median Years Investing – 9
 - Median Number of Investments – 10
- **Invest Where We Live & In What We Know**
 - Main Street – Not Wall Street
 - 300+ Groups – In Every State
 - Work as a Team
- **Focused on Best Practices**
 - Deal Screening
 - Due Diligence
 - Term Sheets
 - Valuation
- **Support Companies We Invest In**
 - Board Seats and Advisory Boards
 - Contacts, Advice, Recruiting, Strategy
 - Follow-on Funding



Rule 506 Will Allow Issuers to Advertise

- **Securities May Only Be Sold to Accredited Investors**
 - **Issuer Must Take “Reasonable Steps” to Verify**
 - **Verification Determined by “Facts and Circumstances”**
 - **What are Reasonable Steps?**
 - Type of Accredited Investor
 - Amount of info issuer has about purchaser
 - Nature of offer – Minimum Investment Size
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