



Cherrystone Angel Group – Contact Info Sheet

Investor Name _____ **Date:** _____

Mailing Address: _____

Telephone numbers _____ (cell)

E-mail address _____

Sponsoring Member _____

In addition to the contact information requested above, the following information is required to complete your membership package:

PRELIMINARY PACKAGE:

- Prospective Member Questionnaire
- Resume or Bio
- Signed Member Certificate of Accredited Investor Status

FINAL PACKAGE:

- Signed Operating Agreement
- Payment of annual capital contribution (amount subject to issued dues bill and payable to Cherrystone Angel Group)



Prospective Member Questionnaire

Please return completed Questionnaire and your Resume and/or Bio to angels@cherrystoneangelgroup.com or mail to Cherrystone Angel Group, LLC, 40 Westminster Street, Suite 702, Providence, RI 02903 at 401-351-3036

Member Information

Name: _____

Have you previously made equity investments in private companies?

If so, how many and how much?

Whether or not you have made past investments in private companies, please identify your preferred investment profile by:

Industries:

Top three investment criteria:

Have you ever been an investor in a Venture Capital fund? If yes, which one(s)?

Member participation in the screening process and on due diligence committees is Cherrystone's greatest resource in determining good investments. In the two charts below, please assess your expertise by industry and discipline.

Industries	Low	Moderate	High
Software			
Telecommunications			
Biotechnology			
Life Sciences			
Electronics / Hardware			
Manufacturing			
Distribution / Retail			
Other?:			
Other?:			

Discipline	Low	Moderate	High
Technology			
Sales & Marketing			
Finance			
Manufacturing			
Other?:			

While we ask that you attach a bio, please summarize your background in the space provided below:

Education (Degree(s), Institution & Year):

Work Experience (Company, Last Title, Years; Industry)

Expanding on the strengths identified in the charts above, what areas of particular expertise do you feel you will be able to volunteer to deal screening and due diligence.

Please identify prior Board Experience and any existing Board Positions you hold (Profit & Non-Profit):

During Cherrystone's meetings, information of a proprietary or confidential nature may be shared. Cherrystone members are bound by a non-disclosure commitment, and guests are required to acknowledge they also will neither disclose nor make use of any proprietary or confidential information revealed during the meeting. Please acknowledge your agreement by signing below.

As a Cherrystone guest, I hereby agree to honor the confidentiality terms cited above:

Signature

Name

Date



What is an angel investor?

An angel investor is an individual private investor who invests in entrepreneurial companies at the seed or start-up phase. Typically, angels either take a direct equity position in a company through the issuance of shares or indirectly through other instruments that are convertible into shares.

How significant is angel investing as opposed to other investment activities?

Angel investment is a very significant form of venture investing in the United States, with total investment dollars in recent years well in excess \$15 billion a year. In early 2010, there were over 260 angel groups like Cherrystone in the United States, funding literally thousands of start-ups.

Who are angel investors?

Angel investors have been described as “excited” successful entrepreneurs and business people who invest significant time in portfolio companies as mentors, advisors, and members of Boards of Directors. Angels often invest individually but more recently have begun to approach their investing with other like-minded individuals through organizations like Cherrystone. SEC rules require all angels to satisfy the Accredited Investor Status outlined in the attached Member Certificate of Accredited Investor Status.

How is Cherrystone organized?

Cherrystone Angel Group is an invitation only investor group that works together to screen deals, share due diligence, and negotiate common terms for an investment. Cherrystone is a limited liability company. Members pay a \$1,000 annual capital contribution to fund the group’s administrative activities.

Do I make my own investment decisions?

Cherrystone members make their own investment decisions based on their interest in a company and their capacity to invest. It is expected that Cherrystone will fund 2-3 deals each year and that the group’s collective investment in any deal will be in the \$250-500,000 range.

Following a prospective investment opportunity's presentation to Cherrystone's general membership, the group decides whether there is sufficient interest to proceed to more in depth due diligence. If so, a committee of volunteers performs the due diligence, reports their findings back to the group, and then solicits individual investment commitments. If the minimum investment threshold is reached, the same committee negotiates deal terms for the entire group. Cherrystone retains legal counsel to advise on deal issues and to prepare documentation. Cherrystone typically takes one Board seat on behalf of the group in the funded company.

How much do I have to invest?

Individual investments in a single company typically range from \$10-50,000, and most members opt to diversify their risk by participating in a larger number of investments at a lower individual amount. Based on interest and deal flow, each member on average is likely to contribute at least \$20-25,000 a year to group investments. As opportunities arise, there is also the ability to contribute significantly more than this amount, if a member's interest and capacity is sufficient.

How much time do I need to invest in Cherrystone?

As a member driven group, Cherrystone members are active and involved. Their three main priorities are to do good deals, get good returns and have fun in the process! The membership meets once a month to review deals, update current investments and occasionally hear presentations on items of interest to the angel investment community. There are also a number of active committees which screen deals, attend to membership issues and oversee due diligence. It is expected that members will try to attend most general membership meetings and will also participate in due diligence activities when their experience is relevant to a prospective investment.

How long does it take to get a return on an investment I make?

The timing of a return on an angel investment, like any form of venture capital, is difficult to predict. Early stage venture capitalists these days expect an exit in about 4 - 7 years, although that could vary significantly depending on the deal and the market. Because angel investing occurs so early in a company's life cycle, it is often considered the riskiest, but potentially most rewarding, of the venture investment activities.

Where can I learn more about angel investing?

For more information about angel investing, please visit the Angel Capital Association's web-site at www.angelcapitalassociation.org or contact us.