New England Region – Syndication Meeting Template

Introduction
For the past four years the 18 ACA Member angel groups in the New England Region have been holding three Regional Summits per year. The purpose of these meetings is multi-fold:

- syndication of existing portfolio companies is the primary driver
- sharing best practices is equally important
- introducing sectors of high growth (nanotechnology, life sciences, green energy) through Keynote Speakers
- summarizing the state of our industry (from the angels in New England, to those across the US, to the Venture Capital community)
- ultimately building knowledge about each individual group (members, deal type, sector, stage, capital, etc.), and building trust between us.

Common Angels and Hub Angels have been the primary motivators for these meetings, and typically coordinate the overall process. We like to move the meetings around so that different angel groups can host these meetings in their geographical location – encouraging more members of the local group to take advantage of the meetings. Our June meeting tends to be on Cape Cod and includes a golf outing, so there is a social component at least once a year. The October 2008 meeting was held in Worcester, Massachusetts and hosted by the two groups West of Boston – Boynton Angels (Worcester, MA) and River Valley Angels (Springfield, MA).

Process
Below is a summary – or template if you will – of how the October meeting was initiated and organized.

1. Setting the Date, and Confirming the Host

At the June NE ACA Region Summit, Boynton Angels and River Valley Angels agreed to host the fall meeting. During the August conference call of the New England angel groups (a conference call is scheduled approximately every 6 weeks), a date of October 15th was set for the next Syndication Meeting. Further, Paul Silva of River Valley Angels agreed to craft the agenda, and run the screening meetings to decide which six companies would present. Jerry Schaufeld of Boynton Angels agreed to secure the venue at the Worcester Polytechnic Institute. For space, a single room which will accommodate 75-100 people is ideal, with three breakout rooms that hold 25 people each. We typically have box lunches available so people can eat in any of the rooms for larger or smaller conversations. Coffee, tea and muffins are available in the morning, and typically coffee, tea and cookies in the afternoon around adjournment. Now and again we have a social hour (beer and wine, etc.), or golf outing. The Group Managers meet at the end of the day to talk about what is happening in their group and in our industry.

2. Key Responsibilities

Once the host is set, and the venue is secure, the eight key activities are as follows:

Agenda – Company Presentations and Keynote Speaker(s). The host(s) are responsible for setting the agenda (see Appendix A for a sample). Our convention has been to have six companies present in two sessions. In the morning session, three companies present with 15 minutes allotted to each. The deal lead “tees up” the company before they present. There is no Q&A at this point. After the three
company presentation, each company is set up in a different conference room where interested angels sit in on a 60-minute session of deeper discussion. The deal led “hosts” the breakout, and takes names of all the angels who participate. Potential Keynote Speakers are suggested to the organizer on an ad hoc basis. These speakers usually present at lunch. In the afternoon another session of three company presentations is conducted, with breakouts after for an hour. At the end of the day (we prefer to end by 2:30pm so people who have traveled a significant distance can get home), we typically have an Angel Managers meeting for 60 minutes after the formal meeting ends to talk about the day, and angel investing in general.

Registration. In the New England region we use Acteva to provide electronic registration. Another service is Eventbrite. Both allow you to create a URL for your event, with information about the agenda, registration, payment, etc. Each also provides a report during and after the event about who has committed to attend. We generate an Attendees list, and output name tags from Acteva. A few weeks after the event, a check for the proceeds is received. As an example, please visit the following link: http://www.acteva.com/booking.cfm?bevaid=167477. Angel groups that are ACA Members pay $39 for each attendee. Invited Guests pay $59 for each attendee. These costs cover the total expenses of the meeting – venue, food and beverage, and AV. David Verrill of Hub Angels manages the Registration of the meetings – it is easier for one person in the region to duplicate the effort from one meeting to the next. About 75 people attend, so “ticket” revenues are about $3,000 – which more than cover the expenses of the event since the space is usually free (food, drink and AV costs are paid for with ticket revenues).

Sponsorship. In the New England Region we invite up to six sponsors for each event (see Appendix B). Sponsors pay $2,000 per event. They hang a banner at the event, provide handouts and typically one or two people attend. During the day each sponsor is invited to stand up, introduce themselves and “pitch” their company for 60 seconds. We promote sponsorship on the Registration site, and on the Program for the day. We have the Angel Capital Association bill them directly, as this is the New England region’s contribution to the ACA. David Verrill of Hub Angels and James Geshwiler of Common Angels solicit Sponsors. With 4-6 sponsors, this generates $8,000-$12,000 of revenue to the ACA.

Marketing. A “Save the Date” email is sent to the managers of the New England angel groups two months in advance – and they are asked to communicate the date to their members. One month prior to the event another email is sent to the angel group managers with a link to the registration page which is located on the Acteva website. Again, the angel group managers are responsible for informing and encouraging their members to attend.

Screening. For the October event, Paul Silva of River Valley Angels has offered to manage the screening process. A month before the event, Paul sends out an email to the angel group managers soliciting presenters (see Appendix C). We tend to use Angelsoft to accumulate and share the plans in executive summary format. Paul also uses a Google Data Form so that the deal advocate and put in comments associated with the deal. A single screening session is held to narrow the list to six presenters. Paul uses Doodle.com to coordinate a day and time when everyone is available for the screening meeting. Prior to the screening meeting, each participant is asked to review the executive summaries. At the meeting, a discussion ensues with priority given to those companies who already have an investment from one of the groups. Companies that have a term sheet from one of the groups are also acceptable. The focus is to present the highest quality deals, however, there is some weight given to the sector and sponsor of the deal so that we have some variety. Once the six presenters are finalized (with one Alternate), the order of presentation is put together and the deal lead for each presenting company is
responsible for confirming participation and preparing them for the presentation – 20 minutes total, including an introduction by the deal lead. Presentations must be submitted two days prior in MS PowerPoint (or Adobe Acrobat) format so that they are up and running when the CEO starts his presentation.

Keynotes. If there are Keynote Speakers, they are pre-registered and invited to participate in the entire day. Their biography is in the event handout and they may provide hard or soft copies of their presentations. We do not pay honoraria, or travel expenses since most of the speakers are local.

Day of the Event. The co-hosts tend to arrive at least 30 minutes before registration to set up a registration table, put up banners, and make sure all the presentations are up and running. Folders are handed to each participant, and include the day’s agenda, company summaries, and biographies of the Keynote(s). Sponsor handouts are available on tables, and otherwise any other materials are easily tossed into the folders. Karen Cortina of the Common Angels prepares the folders as well as name tags. Typically the local hosts welcome the group and get the day started, while James Geshwiler and David Verrill tend to MC the morning and afternoon company presentation sessions (respectively). Periodically a questionnaire is handed out so we can get feedback from the participants about how to improve the event.

Follow-up. The individual deal leads are responsible for taking names and following up with those that attended the breakout session for their company. Typically this involves sharing due diligence, presenting the company in other group meetings, and determining the individual processes of each group with respect to closing of a financing. In the next conference call of the regional angel group managers, a status report for each company is provided, and other discussions take place about what went right and what went wrong with the meeting so we can constantly improve the syndication process. At the October 2008 meeting, Sarah Dickey of the ACA will present the results of a survey provided to each deal lead from the previous eight syndication meetings about companies that they presented.

**Commentary**
This approach seems to work for us – it is relatively painless, allows a number of people to work on separate pieces of the event that are easily collected and shared electronically.

Respectfully submitted by: David Verrill – Founder/Managing Director, Hub Investment Group, LLC.
March 30, 2009
Appendix A: Agenda

Event Co-Hosts

RIVER VALLEY INVESTORS
Springfield, Massachusetts

Event Sponsors

Driving Business Advantage
The October 15, 2008 meeting is the 9th ACA–Northeast regional meeting, designed to provide a forum for sharing best practices and syndicating investment opportunities.

**Location**  
Worcester Polytechnic University  
Worcester, MA

**Date**  
Wednesday, October 15, 2008

**Agenda**
- 8:30 am Registration and Coffee
- 9:00 am Welcome and Introductions
- 9:00 am "Worcester's Venture Resources"  
  Dennis Berkley - President, Worcester Polytechnic Institute
- 9:25 am "Springfield's Venture Resources"  
  Ellen Bemben - President, Regional Technology Corporation
- 9:45 am Company Presentations  
  9:50 am Company 1  
  10:05 am Company 2  
  10:20 am Company 3
- 10:35 am Break
- 10:50 am Breakout Sessions
- 11:50 am Lunch and Keynote – Data from Syndication in New England  
  Sarah Dickey - Angel Capital Association
12:25 pm Company Presentations
12:30 am Company 4
12:45 am Company 5
1:00 am Company 6

1:15 pm Breakouts

2:15 pm Adjourn General Session

3:00 pm NE ACA Group Manager Meeting

4:30 pm Adjourn

Registration: http://www.acteva.com/booking.cfm?bevaid=167477
Appendix B: Sponsorship

9th Northeast Regional Summit
Sponsorship Opportunity
15 October 2008

AMOUNT: $2,000 sponsorship

OPPORTUNITY: Banner, recognition among 20+ New England angel groups with 60+ attendees

EVENT: A day of panel discussions on investment strategy, venture investing and portfolio management with six companies presenting for syndication.

TIME & PLACE: Wednesday October 15, 2008; 9:00am-3:00pm
Worcester, MA

CONTEXT: As venture capital funds have grown to an average of over $200M—more than doubling in the past five years according to Dow Jones/Venture One—VCs have moved to larger rounds and to later-stage investing. A “capital gap” has emerged in the $1M-$5M round size, particularly affecting early stage companies. In response, individual investors have been pooling their resources and capital to form organized groups that each can invest several hundred thousand dollars to more than a million. Six years ago, there were a handful of these organizations in New England, now there are over 20 and growing. These groups are now beginning to syndicate deals through a series of investment summits to do rounds of $1M-3M and to seek to fill the “capital gap.”

AUDIENCE: 60+ of the top angels and angel group managers from groups across the northeast, as well as some smaller venture capital firms.

We are making this a restricted, invitation-only event as a way to have high-quality discussion and debate as well as to have the capital to follow up with demonstrable financings for companies that present. We have surveyed past participants and developed the following profile of interest for service providers:

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<th>Recommender of the following type of service</th>
<th>At least 1x/year</th>
<th>3-5x/year</th>
<th>&gt;10x/year</th>
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<tr>
<td>Legal</td>
<td>68%</td>
<td>40%</td>
<td>20%</td>
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<td>Accounting</td>
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<td>22%</td>
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<tr>
<td>CFO-for-Hire</td>
<td>50%</td>
<td>0%</td>
<td>14%</td>
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</tbody>
</table>
SPONSORSHIP: Because the institutional angel investment community is evolving rapidly, we seek sponsors focused on early stage companies and view them as partners helping shape the dialog on how to make investments and to support them throughout their life cycle.

PAST SPONSORS:  

SVB Silicon Valley Bank  
Foley Hoag LLP

ANGELSOFT  
MicrosoftStartupZone.com
Appendix C: Screening Deals

Email from Screening Manager:

If you have a deal you wish to nominate for the 10/15 NE ACA summit, here is the process:

Step 1: Send in the documentation
* If you already use Angelsoft, please refer the deal to the group "ACA Northeast Angels"
* If you do not use Angelsoft, simply email me the documentation you have for the company.

Step 2: Send coordinating data
Fill out the simple web form at: http://spreadsheets.google.com/viewform?key=p1U5qDYeCVoZEiAZ-O4siEg

Criteria for nomination
* Your group has invested in the company, or you have submitted a Term Sheet to the Company.
* You (or your group) will champion the deal and serve as the central coordinator for follow-on due diligence efforts.