



## ANGEL CAPITAL ASSOCIATION

*"Help us be your strong voice in Washington DC."*

Dear ACA Member:

Your professional support organization, the Angel Capital Association, has been diligently working to be your "voice" in Washington DC. We have made in-roads on many fronts, most notably having 2 provisions repealed from the Dodd-Frank Wall Street Reform and Consumer Protection Act that might have crippled Angel investing. We are regularly asked for our opinion on policy issues by Congressional staff, the White House, and Securities & Exchange Commission.

ACA's public policy committee meets monthly and has been discussing a number of issues that impact angel investors and the entrepreneurs with whom we invest. The following is a list of the items we have been pursuing.

- Extension of 100% gains exemption on Qualified Small Business Stock (Sec 1202) - Current Senate bill 2050, Small Business Tax Extenders Act of 2012. It is a bi-partisan bill, led by Sen. Olympia Snowe (R-ME). The bill calls for a one-year extension of several tax breaks, including 100% exemption of 1202, retroactive to December 31, 2011. Similar extensions are in the President's Startup America legislative agenda and the Startup Act sponsored by Sen. Jerry Moran (R-KS) and Sen. Mark Warner (D-VA).
- Angel Tax Credit – Current Senate bill 256, American Opportunities Act, which would provide a 25 percent tax credit for investments in innovative startups.
- Address issues in the current Job Creation bill package, including crowdfunding, allowance of general solicitation, developing an IPO on-ramp, and related issues that can affect the environment for angel investors.

If all or some of these are passed in their current form, they will dramatically impact returns on angel investment, making angel deals more attractive.

To date, we have done this with volunteers. In some cases, we found ourselves behind the curve because we did not have anyone in Washington looking out for your interests. 2012 is anticipated to be the year when Congress makes decisions on these issues. We can help guide them if we have the right resources to promote the policies. Washington is interested in job creation and many are starting to see the importance of early-stage companies and the angels' role in getting them started.

To become most effective in representing you and being your voice, we need to hire a lobbyist. This is our "ask" of you: we need an additional \$50,000 to hire this lobbyist. The board and the public policy committee have started a special "fund-raise" to meet this need. We have funds collected of \$3,000 at this time. Any amount that you can donate to support this cause will be much appreciated. The money will be used only to hire lobbyists who will be our "eyes and ears" in DC – this is not a Political Action Committee.

Please make your checks payable to the Angel Capital Association, and inscribe a note that states the proceeds are "restricted funds for the public policy committee". Send the check to Marianne Hudson at ACA's address below and/or complete the attached form to pay by credit card.

As you know, money talks in Washington DC. Help us be a stronger voice for you. Thank you.

Sincerely,

Catherine V. Mott  
ACA Chair

Dan Rosen  
ACA Public Policy Chair

Marianne Hudson  
ACA Executive Director



## ANGEL CAPITAL ASSOCIATION

### CONTRIBUTION FORM

### ACA LEGISLATIVE FUND

Yes, I want to support the work of the Angel Capital Association in public policy. My gift is enclosed in the amount of \$\_\_\_\_\_.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

Angel Group: \_\_\_\_\_

***Please make all checks payable to Angel Capital Association or provide credit card information below:***

Credit Card Payments: Visa / MC / Amex / Discover

Card No.: \_\_\_\_\_ Exp.Date: \_\_\_\_\_

Signature: \_\_\_\_\_ CVV#: \_\_\_\_\_

The **Angel Capital Association (ACA)** is the North American trade association of angel groups and private investors that invest in high growth, early-stage ventures. This legislative fund increases ACA's ability to be the public voice of the angel industry. Funds contributed to the ACA Legislative Fund are not tax deductible.

***Thank you for your contribution!***