

TAN Entrepreneur Fact Sheet

What is the Thunderbird Angel Network?

The Thunderbird Angel Network is an initiative of the Walker Center for Global Entrepreneurship at the Thunderbird School of Global Management located in Glendale, Arizona.

The Thunderbird Angel Network is an organized group of accredited investors seeking opportunities to invest in early stage or start-up companies. The organization serves only as a forum for its members, who conduct due diligence and invest individually from their personal funds. The Thunderbird Angel Network niche is companies with the potential to expand globally.

How to apply to the Thunderbird Angel Network:

You can apply to the Thunderbird Angel Network by visiting our website (www.thunderbirdangelnetwork.org) and going to the "Entrepreneur" page. On this page, you will find the link to the TAN Gust site. Gust.com is an online platform that angel groups use to review companies that are interested in funding. You will need to create a Gust account (email and password) and then create a Gust profile for your company. This profile will include information such as the members of the management team, a detailed business summary and financial information. You can also upload a slide deck pitch and supporting documents such as your business plan, detailed financials, and videos.

The Thunderbird Angel Network is an all-volunteer organization. You will receive a response to your application within a reasonable time, but it may be two or three weeks before you receive any response. Note: TAN does not operate during the summer months of June, July and August. Therefore, if you apply during the summer, you may not receive a response until September.

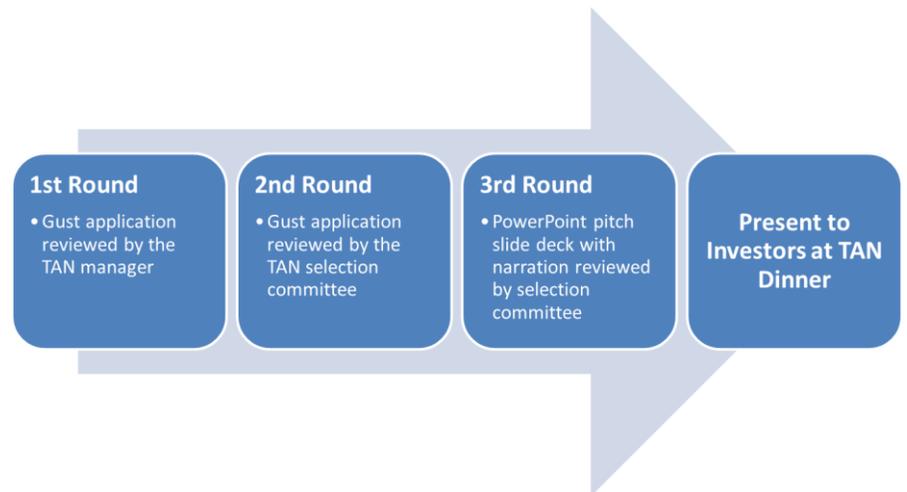
Information That Should Be Included in Your Gust Application:

- Applicants should upload to Gust either an extended executive summary or a full business plan.
- Please identify members of the management team with name, position or role, and a brief bio of their background/experience and education.
- If there is a board of directors or advisory board, please provide a short bio for each board member.
- Financial projections are required for five years following the year of funding. If the company already has revenues, the projection box should include the total revenues, total expenses, and EBITDA for the most recent full fiscal year and the current year. Current's years results should be shown year-to-date and projections to year end.
- Be sure to include the telephone number and the email address of the CEO and, if different, the person that prepared the application.

TAN Selection and Screening Process

1. All deals must go through Gust to track statistics and to manage efficiently and effectively our deal flow.
2. Deals are reviewed on a rolling basis and selection will be made on a rolling basis. Therefore, once the selection committee has chosen 3-5 companies for an investor dinner, the remaining deals may be passed on for consideration to present at the subsequent investor dinner.
3. Deals will be reviewed for presentation up until 2 weeks before the investor dinner; then, remaining or new deals will be reviewed for the next investor dinner.
4. The first round of deal screening is done by the TAN manager to check the Gust submission for sufficient information, quality/professionalism, deal size, location, potential for international expansion, etc.

5. The deals that do not pass the first round of screening are declined and sent an email notification. The best deals are sent by Gust deal alert to be reviewed by the selection committee for the second round of screening.
6. In the second round of screening, each deal is rated by active TAN members through Gust.
7. Then the Gust ratings and comments are analyzed by the selection committee to determine the deals that will pass the second round of screening.
8. The companies that are declined in the second round are sent an email notification. The best companies are graduated to the third round of screening and are sent an email detailing the next steps of the application process.
9. After receiving the third round email, the selected companies will have 3 days to send a PowerPoint of the company's pitch to the TAN manager. (Note: The company's PPT should be voice narrated) The PowerPoint slide deck should be narrated by the company's CEO using the presentation they would expect to present to TAN if selected. The companies should send the Powerpoint with narration to the TAN manager using dropbox.com.
10. The TAN manager will share the presentations with the selection committee using dropbox.com.
11. The selection committee will have up until 7 days before the scheduled investor dinner to invite the companies to present. Companies that apply and pass the third round of screening may be asked to wait until the next investor dinner to present due to capacity or the timing of the company's application. If the selection committee declines the company in the third round, the committee will send the company feedback about the presentation. If the selection committee asks a company in the third round to wait until the next dinner to present, the committee may send the company feedback to improve the pitch before the presentation to the investors.
12. Applying companies may also be subject to additional phone interviews, in-person interviews, or an in-person practice pitch before the presentation to investors.



If Selected to Present to TAN

- The CEO of the company must make the presentation to TAN
- The presentation should be a 10-15 minute PowerPoint presentation (time will be determined by the number of companies presenting at the dinner)
- A Q&A session of 5-10 minutes will follow the company's presentation
- The company's PowerPoint presentation must be sent to the TAN manager at least 24 hours before the investor dinner
- Up to two members from the company can attend the presentation and assist with the Q&A session that will follow the presentation
- After the presentation, the investors will discuss their interest
- If investors are interested in your deal, they will form a due diligence committee
- The investors will have 1-2 months to complete due diligence
- The TAN manager will send you feedback if the investors do not decide to invest in your company
- If the investors are interested after the due diligence is complete, they will contact you in order to schedule a time to discuss the next steps

Fees

- Currently, TAN application fees are being waived. Therefore, you will not pay a fee to apply to the TAN Gust group.
- If you are chosen to present at a TAN dinner meeting, your company will need to pay a \$50 presentation fee and each member of the company that attends the dinner will need to pay his/her dinner registration fee. The dinner registration fee is usually \$40 per attendee.

Tips for a Successful Presentation

Presentation Considerations

- If the CEO is notified that he or she has been chosen to present at an investor dinner, the CEO should deliver the entire presentation. However, another senior management team member may assist the CEO in answering questions during the ensuing Q&A.
- The CEO should have practiced his or her presentation several times and be able to deliver in 10-15 minutes. If a presentation goes over 15 minutes, the CEO may be permitted to speak for another minute or two, but this time will be deducted from the time for Q&A (which may in fact be more valuable to the company's prospects.) Presenters will be given a two minute warning, and with

this signal, the presenter should concentrate on hitting the key points remaining and finishing on time.

- If an applicant already has a substantial investor or prominent member of its board or advisory board, it is probably helpful to bring that person to the investor dinner. No more than three people from the same company should attend an investor meeting.
- The PowerPoint presentation should be provided to TAN 24 hours ahead of the presentation for preloading. The venue operates on a PC infrastructure.
- The slides should not be dense with information. 18 font is the smallest font that should be used. Financial tables can be the exception.
- The audience is primarily interested in the business aspects of the company.

Ideas for Slide Deck Content

- Explain the problem being addressed by the company.
- Clearly explain the company's solution to the above problem. Do not spend more than 2 minutes total on the technology or science.
- Current status information. Is the company already in business? Does it have revenues?
- Description and size of the market—both US and worldwide.
- Who are your competitors? How are you going to differentiate your company/product?
- Who is your customer?
- Explain the business model—how the company makes money.
- Share a brief explanation of the marketing plan.
- If manufacturing or assembly is required, will that be done directly by the company or will it be outsourced?
- The competitive landscape and why the company can best the competition.
- Describe the company's sustainable competitive advantage.
 - Patents
 - IP
 - Trade Secrets
 - How/why company can it avoid competition from copycats
- Management Team
- Board of directors or advisory board
- Financials – historic/projected
- Define the pre-money valuation of the company.
- Clarify the amount of investment sought and the use of the proceeds.
- Declare if part of the capital has already been raised.
- Describe the exit strategy
- Terms: what percentage of the company will be sold to the investors if all of the capital sought is raised?
- State what instrument is being offered (ex: convertible preferred stock, common stock, convertible promissory notes.)