



MEMBERSHIP APPLICATION, BENEFITS & FREQUENTLY ASKED QUESTIONS

Thank you for your interest in Investors' Circle. Please fill out the form below, and we will contact you as soon as possible to discuss your membership status.

Name: _____ Company Name: _____

Address: _____

City, State, and Zip: _____

Phone: _____ Fax: _____ Email: _____

1. How did you become aware of the Investors' Circle? Who referred you to the Circle? Have you met other Circle members?

2. Please explain your interest and experience to date in:

- a.) venture capital investments
- b.) socially responsible investing.

3. Please describe whether the capital that you are investing is personal, professional, or requires group approval, and your latitude to make decisions regarding specific investments.

165 11th Street
San Francisco, CA 94103
Phone: 415-255-6844
Fax: 415-863-1356
membership@investorscircle.net
www.investorscircle.net

4. Please specify area(s) of investment interest: Energy and Environment, Health and Wellness, Food and Organics, Media and Education, Community and International Development, Other.

5. Please note geographic preference for investment.

6. Please note investment stage preference: seed, early, expansion, pre-IPO.

7. What is your ideal investment range?

8. Please include a brief Personal Statement highlighting your general work experience and history, and any insights you may wish to share with this group. You are welcome to attach a separate sheet if you prefer.

9. Would you like this information to be included in the Member Directory which is circulated annually to all IC members?

All information

Name and contact information only

No information

Thank you. We will be contacting you shortly.

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MEMBERSHIP FEES

	1 Year Membership	2 Year Membership	Total
One Time Initiation Fee	\$1000.00 <input type="checkbox"/>	\$1000.00 <input type="checkbox"/>	\$1000.00
Individual Rate	\$1495.00 <input type="checkbox"/>	\$2790.00 <input type="checkbox"/>	\$ _____
Institutional Rate <i>up to three individuals</i>	\$1995.00 <input type="checkbox"/>	\$3790.00 <input type="checkbox"/>	\$ _____
Grand Total			\$ _____

Please list name of member/institution: _____

If institution, please list names of individuals:

1. _____ 2. _____ 3. _____
 Email: _____ Email: _____ Email: _____

Please make check payable to: Investors' Circle
 165 11th Street
 San Francisco, CA 94103

Or complete this form and we will bill your credit card:

MasterCard Visa American Express

Name on Card: _____

Card Number: _____

Expiration Date: _____

Signature: _____

Date: _____

Please sign the attached disclaimer and send it in with your payment. Thank you.



MEMBERSHIP DISCLAIMER FORM

By payment of these membership dues to Investors' Circle and my signature below, I signify understanding that:

1. The Investors' Circle is a nonprofit membership organization organized for the purpose of dramatically increasing capital to, and investments in, socially-responsible businesses, including, without limitation, through the sharing of venture capital and investment information among its members and the education of "emerging investors" in venture capital and other financing technologies.

2. Any and all information distributed by the Investors' Circle, its officers and directors and other members, shall be for information purposes only and is not intended to be, and is not, or shall it be deemed to be, an endorsement, approval or other recommendation with respect to securities and/or investments. Additionally, dissemination of information by the Investors' Circle does not constitute an endorsement of the accuracy or adequacy of the information therein.

3. With respect to securities and/or investments, the member will be responsible (i) for obtaining such additional information as he or she deems necessary (ii) for evaluating the relative merits and risks therein and/or (iii) consulting with his or her individual investment advisor.

4. I am an accredited investor, as defined by Regulation D of the SEC. For an individual investor, this means my individual net worth, or joint net worth with my spouse, exceeds \$1,000,000, or that I had an individual income in excess of \$200,000 in each of the two most recent years or joint income with my spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

5. I recognize that companies circulating their business ideas to IC members are understandably concerned about privacy protection. As such, I will not share briefings or company information with non-members.

Dues, contributions and gifts are not deductible as charitable contributions for federal income tax purposes. Taxpayer identification number 36-3836645.

Signature _____ Date _____

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"I joined Investors' Circle ten years ago because I saw it as an opportunity to look at many socially responsible deals. Now, 18 deals later, I greatly value both the results and the peer network that IC has generated for me."
Phil Villers, former CEO, Computervision

Deal Flow Every month, IC staff screen scores of investment opportunities and select the best of these for inclusion in our database. Members are notified of new opportunities via e-mail on a monthly basis. At any time, members can access our online, searchable database of companies seeking venture financing. IC is widely recognized by socially responsible entrepreneurs as an innovative, mission-driven network of investors. We offer our members access to an efficiently organized stream of attractive deals, while protecting their anonymity.

As is typical of most angel groups, our deal flow tends to be smaller and earlier stage than that of most professional venture capital firms. Checks written by IC members have ranged in size from \$10,000 to \$5 million. Typically, a few IC members co-invest an aggregate of a few hundred thousand dollars in a round of financing. Companies that come to IC are typically seeking funding of between \$500,000 and \$5 million.

Membership Directory This confidential directory is available only to IC members and includes member biographies, as well as profiles of member investment interests.

Member Retreats Members gather to enjoy intimate forums, in-depth discussions, and unparalleled opportunities for networking and community building each year. The retreat is held in January at Sundance Village, UT, just before the opening of the Sundance Film Festival.

Preferential Rates Members receive discounted event registration for conferences and venture fairs.

The IC Letter This newsletter includes updates on investments made by our network, profiles of companies and member investors, industry news and research, and other updates from Investors' Circle.

Privacy and Confidentiality Our services are designed to give the investor control over his/her relationship with entrepreneurs. You initiate all contact with companies when you are ready. We never publish our members' contact information outside the network and we never sell our mailing list.

Patient Capital Collaborative A diversified "investor-owned cooperative" approach to investing in IC deals led by 20-year investment veteran. Visit <http://www.sustainvc.com> for more information.

What we do NOT do:

- We do not participate in deal negotiations;
- We do not recommend particular investments;
- We do not perform professional due diligence on companies. Our venture fair selection committees, comprised of IC member volunteers, ensure that applicant companies meet certain requirements to qualify for presentation to our membership. Members of this committee do make some calls to screen applicants, but we do not promise that IC has verified all information presented by a company; and,
- We do not take a “cut” of any investments made by our members. The only fees we charge are annual membership fees and event registrations; although, through the IC Foundation, members may choose to increase their support, through charitable contributions.

Fees Our Annual membership fees are \$1495 (individuals) or \$1995 (institutional). In addition, a one-time initiation fee of \$1000 is added to the first year’s dues for new members.

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Why we are here:

Q: What is the mission of Investors' Circle?

A: The mission of Investors' Circle is to a) catalyze the flow of capital to early stage companies that address major social and environmental problems and b) grow and support the network of patient capital investors. Patient capital investors recognize that the transition to sustainability requires more than investing in tomorrow's breakthrough technologies and extraordinary growth companies. It requires supporting minority and women entrepreneurs. It requires investing in venture funds that target economically disadvantaged regions. It requires investing in companies that support organic agriculture and sustainable forestry. Patient capital includes, but is not limited to, venture capital. Patient capital prioritizes ERR (external rate of return) and optimizes IRR (internal rate of return). Patient capital recognizes that wealth now/philanthropy later is an inappropriate response to the challenges of the 21st century. Patient capital recognizes that the 20% IRR benchmark is crude, based on short term phenomena, and of little relevance to the social and environmental impacts which are our drivers.

Q: How does Investors' Circle achieve this mission?

A: By bringing together investors and entrepreneurs in bi-annual venture fairs in Boston and San Francisco. By circulating each month an organized stream of investment opportunities, addressing a wide variety of social and environmental challenges. By getting press that these types of companies are out there. By cultivating thought leadership about patient capital. By putting the word out to entrepreneurs and their investors so that IC can be a source of capital for them. By incubating new financial instruments to make it easier to invest in these ventures.

Q: How is IC different from other angel networks?

A: IC is one of the oldest and largest angel investor networks in the country and the only one dedicated to accelerating the transition to a sustainable economy. From organic cotton consumer goods and inner city businesses, to environmental and medical technologies, to educational software and woman-owned businesses, no other angel group in the country is devoted specifically to sustainability.

Q: How do investors measure their success?

A: "We are here," reflects one of IC's most experienced venture capitalists, "because we are both." The both he was referring to is IRR and ERR. While some investors choose to invest in companies that offer the potential for competitive financial returns, others are interested primarily in maximizing social/environmental returns. Essentially, different investors walk different paths in building their investment portfolios. Therefore, they have different opinions about how to measure success. Two IC investments that represent well the IRR/ERR spectrum are Sonic Innovations, which develops digital hearing aids and The Farmers Diner, which hopes to establish a chain of restaurants based on food bought from local farmers. To read an article about The Farmers Diner in the New York Times or for more information about Sonic Innovations visit the IC website.

Who we are:

Q: Who are the members?

A: Members include high net worth individuals, venture capitalists, investment advisors, family office managers and foundation officers.

Q: How much does membership cost?

A: The annual fee for an individual membership is \$1495 and the annual fee for an institutional membership is \$1995 (which allows for up to three people on the membership). In addition, there is a one-time initiation fee of \$1000.

Q: How do I become a member?

A: First, check to make sure that you are an “accredited investor”. A detailed definition as well as the membership application are available on the IC website.

Q: Do I have to be actively investing in deals in order to be an IC member?

A: We, as a community of investors, share abiding concerns and a sense of urgency to invest in ventures that are addressing environmental and social issues. Although there is no investment requirement, IC encourages members to invest in the companies that circulate and present at the venture fairs. Doing deals is important to continue the momentum that IC has created in the marketplace and adds value both to the companies and to our own investment process. To catalyze the flow of greater investment, IC recently launched the Patient Capital Collaborative, a diversified “investor-owned cooperative” approach to investing in IC deals led by a 20-year investment veteran. Visit www.sustainvc.com for more information.

Q: What if I do not qualify as an IC member but want to support IC's work?

A: You can make a tax-deductible donation to the IC Foundation, a designated 501(c)3 nonprofit. You can also sponsor our events and recommend companies and investors to us.

Q: What is the balance between angel and institutional investors?

A: Two-thirds of IC members are individual angel investors; the other third are institutional investors.

Q: Why is it worth becoming a member when I can just come to the events and read the newsletter anyway?

A: You get to be part of a growing, nationwide movement to support the transition to a sustainable economy. You get to build personal as well as co-investment relationships at members-only gatherings. You get to be part of a community of investors who are looking out over the edge, working on new financial instruments, new corporate structures, and thinking about how to galvanize more capital into companies addressing social and environmental problems.

Q: How many members does IC have in my local area?

A: Please email inbox@investorscircle.net for this information.

Q: How many members are interested in each industry sector?

A: Please email inbox@investorscircle.net for this information.

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What we do:

Q: How much money has been invested?

A: Since 1992, Investors' Circle has facilitated the flow of over \$130 million into more than 200 private companies and small venture funds focusing on the following: energy/environment, food/organics, health/wellness, media/education, and community development. The sector breakdown of investments is found on the IC website.

Q: What size investments do IC members make?

A: The median investment is \$60,000. However, checks written by IC members have ranged in size from \$10,000 to \$5 million.

Q: Where can I send my investment ideas?

A: Anyone can recommend companies by encouraging them to go to the "Entrepreneurs" link on the IC website. As a member of IC, you are allowed to circulate deals free of charge if you are already invested in the deal or if you are part of the management team.

Q: What is the due diligence like for the companies that make it to the briefings circulation?

A: IC staff review each application and work with the entrepreneurs to create a company profile. We offer feedback to each company that circulates on how best to present their information. Visit the IC website for details about the criteria for companies.

Q: What is the due diligence like for the companies that make it to the venture fair?

A: IC staff work with a selection committee (a group of IC investors) to review and rank all of the companies that have circulated in the past nine months. IC then requests business plans and other materials from the top half of the companies. Selection committee members review this information and interview the most compelling companies. The selection committee then recommends the top four to five companies to present in each track.

Q: What is the process after a venture fair, with the companies?

A: Some IC members prefer to pursue deals on their own, while others are interested in participating in IC's group due diligence. IC staff will set up an online forum for each company that receives interest. This forum will be a space for group participants to share knowledge, post materials, assess interest levels and identify key questions pertaining to a deal. In addition, IC will encourage one or two members of each group to serve as the due diligence "leads". Leads support the due diligence process by arranging group calls, serving as the main contact between investors and the entrepreneur, and assigning research among group participants. IC staff will be available to help host and schedule calls, collect materials from companies and assist in any other administrative tasks required to further the due diligence process.

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