



# NEW MEXICO ANGELS MEMBERSHIP APPLICATION

**THIS APPLICATION FOR MEMBERSHIP IN NEW MEXICO ANGELS IS FOR ONE OF THE FOLLOWING CLASSES (PLEASE CHECK APPROPRIATE BOX).**

- PERSONAL MEMBERSHIP (Accredited Investor)**
- ASSOCIATE MEMBERSHIP (Non-Accredited Investor)**
- CORPORATE MEMBERSHIP (Venture Fund, Law Group, Bank, Etc)**

**Applicant Name:** \_\_\_\_\_

## **MEMBER APPLICATION AND AGREEMENT**

New Mexico Angels, Inc., a not-for-profit corporation organized under the laws of the State of New Mexico (“NMA”) was organized to provide a forum for Angels who are committed to funding high-risk opportunities within New Mexico and desire to meet entrepreneurs and companies who have developed innovative concepts, procedures, products or services and are seeking both advice and capital.<sup>1</sup>

### **SECTION 1 - NMA Membership**

1. To obtain a Personal Membership, an individual must:
  - a. Be an “accredited investor” as that term is used in Regulation D under the Securities Act of 1933, according to the U.S. Securities and Exchange Commission;
  - b. Submit this signed and completed application form (the “Agreement”) and \$100 application fee;
  - c. Participate in an interview with one or more members of the Board of Directors (the “Board”); and
  - d. Be accepted for Personal Membership by the Board.
  
2. To obtain an Associate Membership, an individual must:
  - a. Submit this signed and completed application form (the “Agreement”) and \$100 application fee;
  - b. Participate in an interview with one or more members of the Board of Directors (the “Board”); and
  - c. Be accepted for Associate Membership by the Board.

---

<sup>1</sup> Neither this Member Application and Agreement, nor any of the activities of New Mexico Angels, Inc. (NMA) constitute an offer to sell or the solicitation of an offer to purchase securities. If an investment in a company occurs as a direct or indirect result of a member of NMA participating in any activity or meeting of NMA, it will be solely at the initiative of the investor without participation by or transaction-related compensation to NMA or its agents, officers, directors, or other members. Investments in a company presenting at any forum or meeting of NMA will involve a high degree of risk. Investors must perform their own “due diligence” and seek their own legal and other professional counsel prior to reaching any investment decisions. NMA makes no warranty or representation or takes any position whatsoever as to any company participating in NMA activities or meetings as an investment opportunity.

- d. ***NOTE: An Associate Member may not invest in any NMA-Sponsored investment unless signed off by his/her Financial Consultant, or by a Personal Member of NMA who can attest to the financial conditions of the Associate Member and is willing to be a de facto legal representative.***
3. To obtain a Corporate Membership, and individual must:
    - a. Be a member of a corporation (LLC, C or S corporation, etc)
    - b. Submit this signed and completed application form (the "Agreement") and \$100 application fee;
    - c. Participate in an interview with one or more members of the Board of Directors (the "Board"); and
    - d. Be accepted for Corporate Membership by the Board.

The Board reserves the right to accept, at its sole discretion, applications to join NMA on a rolling basis. Applicants should know that there is no assurance that membership will be renewed from year-to-year.

### **SECTION 2 - Effective Term and Membership Fee**

Term of membership will begin upon notification of acceptance by the Board, at which time annual membership dues of \$600 for Associate, \$900 for Personal, or \$1500 for Corporate Memberships will be assessed. There is also a one-time application fee of \$100 that is to be included with the submission of this application.

Membership dues are billed annually, based on the date the application was accepted (i.e. join in April, renew in April). Membership will continue until either party provides a written notice to terminate membership, if membership agreement is in violation, or until a member's dues are more than 30 days in arrears. Dues may be raised on a yearly basis without early notification.

### **SECTION 3 - Modifications to this Agreement**

The Board may amend or modify this Agreement from time to time. Notice of amendments or modifications shall be given to members and applicants by electronic mail. Acknowledgement of receipt will be requested and such acknowledgement will constitute approval and consent to the modification or amendment as if it were contained in the original Agreement.

### **SECTION 4 - Support NMA Goals**

In applying for membership in NMA, applicants agree to work with NMA to advance its goals and objectives. Members are expected to contribute to the success of the organization in the following ways:

- By bringing new investment opportunities to the NMA membership;
- By being a resource for screening new investment opportunities; and
- By participating in due diligence meetings where appropriate.

In addition, applicants and members agree to refrain from using NMA resources or connections to compete with, detract from, or divert any opportunities from NMA. The Board may evaluate from time to time each Members support of NMA goals, and may condition continued membership on a minimum Level of support.

### **SECTION 5 - Intent to Invest**

Applicants understand that NMA relies in good faith on representations of financial means, of technological sophistication, and of ability to invest in the relevant opportunities. Personal members must SEC accredited investors. NMA requires personal members invest a minimum of \$25,000 over 2-year period.

### **SECTION 6 - Confidentiality**

While members are not required to sign a Non-Disclosure Agreement (NDA) with any of the companies that present their respective technologies at an NMA meeting (each such presentation is called an investment opportunity (“Investment Opportunity”), they do agree, however, to refrain from manipulation or appropriation or infringement of legally protected intellectual property rights, confidential information, proprietary information, or trade secrets pertaining to an Investment Opportunity, or any other information provided to you by other members regarding the Investment Opportunity. Members agree to treat material distributed to NMA and its members as confidential regardless of whether or not it is marked “confidential” or “proprietary”. Members planning to attend a due diligence session agree to disclose to the Board, *via* the NMA President, prior to such meeting, any current or previous involvement a member has had with technology similar to, or competing with, technology presented at NMA meetings.

NMA agrees to keep all information herein CONFIDENTIAL and will not disclose any related information to anyone unless that person has a legal right to such disclosure.

### **SECTION 7 - Notification of Intent**

Each Personal or Corporate member agrees to inform NMA, *via* the NMA President, of his or her interest in any of the following:

- Offering of a potential Investment Opportunity to NMA members;
- Investing in any Investment Opportunity presented at an NMA meeting; or
- Offering an Investment Opportunity to an Affiliate Firm (defined in Section 8 below).

In seeking to perform any of the activities described above, each member agrees to disclose to the Board, *via* the NMA President, any relationship(s) he or she may have with any potential or actual Investment Opportunity.

### **SECTION 8 - Investment at Members’ Risk**

Each member agrees and understands that any investment made pursuant to an Investment Opportunity is made at that member’s own and individual risk and without the participation or advice or counsel of NMA. Each member agrees and understands that NMA has the limited and circumscribed role of providing its membership with preliminary and unverified information about a potential Investment Opportunity.

Each member agrees and understands that the fact of presentation of an Investment Opportunity neither constitutes nor indicates any advice or representation of the suitability or unsuitability of a potential investment for an individual member by NMA, its officers, directors, or other members. Each member agrees and understands he or she is solely responsible for each and every investment decision made, regardless of whether or not any other member, officer, or director of NMA endorsed, recommended, or invested in any Investment Opportunity.

Each member agrees and understands he or she is responsible to conduct and perform thorough and independent due diligence, and to examine each and every Investment Opportunity prior to any

investment in an Investment Opportunity by that member. Each member agrees and understands that any investment made pursuant to an Investment Opportunity is based solely on that member's judgment regarding the merits of a particular Investment Opportunity and on no statement(s) by NMA, its officers, directors, or other members.

Each member agrees and understands that it would be imprudent and unwise not to seek and obtain independent and objective legal and other professional counsel prior to any investment or commitment to invest made pursuant to an Investment Opportunity. Each member agrees and understands that each Investment Opportunity has significant probability of being a high risk investment, meaning an investment in an Investment Opportunity could result in the total loss of funds invested.

When and if NMA conducts due diligence to determine whether to invite a company to present an Investment Opportunity, each member understands and acknowledges that such diligence is preliminary, without guarantee or legal effect, and without independent or objective verification. No member may conclude from such an invitation that NMA has endorsed any company or business plan presented to the members or that NMA considers any Investment Opportunity an appropriate or suitable investment for any individual member. Because NMA conducts no independent investigation to verify the factual information submitted by entrepreneurs or companies and because NMA makes no representations or warranties regarding the truth, accuracy, or completeness of the information provided by entrepreneurs or companies, when presenting an Investment Opportunity, each member acknowledges that any investment pursuant to an Investment Opportunity is the sole responsibility of a member without recourse to NMA.

#### **SECTION 9 - Agreement Not to Sue**

Each member agrees not to initiate legal action or to name in any legal action NMA, its officers, directors or any NMA member for any alleged loss, damage, or injury resulting from participation in any NMA activity or from any investment in any Investment Opportunity; including, but not limited to, investment losses or the loss of opportunity to invest in any Investment Opportunity.

#### **SECTION 10 - Release**

You agree to release and hold harmless NMA, its officers, directors and other members from claims resulting from investments in which you participated, expected or wished to participate, or with respect to which you held discussions with NMA or any member or NMA.

#### **SECTION 11 - Potential Interests**

NMA has no financial interest in any firm presented to the membership, although individual members, directors and officers may.

#### **SECTION 12 - Angel Investment/Educational Seminars**

All members in good standing are encouraged to attend one of the educational events put on by NMA. Attendance fees are waived for current members.

#### **SECTION 13 - Application & Questionnaire**

Please submit this application, filled out in its entirety, including the following application questionnaire, signed and dated, along with an application fee of \$100.00 to: New Mexico Angels, Inc., 1155 University Boulevard SE, Albuquerque, NM 87106. If for any reason this application is rejected, the \$100 will be returned with the rejection notice.

## APPLICANT QUESTIONNAIRE

---

Name \_\_\_\_\_

---

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip \_\_\_\_\_

---

Phone Number \_\_\_\_\_

Email Address \_\_\_\_\_

---

Current Employment \_\_\_\_\_

I serve as a member of the following companies' Board of Directors:

I belong to the following investment groups:

Areas of expertise:

How did you find out about the New Mexico Angels?

What kind of investment deals are you interested in?

***Please attach a copy of your current resume***

In the current calendar year, I will consider investing a minimum of \$\_\_\_\_\_ in New Mexico start-ups (depending upon the quality of the deals). (New Mexico based start-ups qualify for the Angel Tax Credit).

I agree to remain in active membership status (attendance at a minimum of 50% of Angel meetings, minimum investment of \$25,000 over 2-year period).

I am  am not an accredited investor according to Regulation D under the Securities Act of 1933.

I hereby certify that my answers are true and correct.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

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