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Press Release

The Angel Company Gives Non-Accredited Investors Equity in Crowdfunding

Chugwater, WY, April 15, 2016: May 16th marks the beginning of a new era in equity financing of startups. Effective that date, the SEC's JOBS Act Title III, also known as *Regulation Crowdfunding*, becomes effective, establishing a new alternative for raising equity capital: equity crowdfunding for non-accredited investors.

The Angel Company is a startup that will thrive under this regulation, using its well-placed patents and business model to help both investors and issuers take advantage of the regulations while reducing risk.

Last year [CNBC stated](#) that \$662 million had been raised by accredited investors in the first quarter of 2015 alone, and that amount is quickly growing. *Regulation Crowdfunding* will increase this market drastically by allowing non-accredited investors to join.

A number of countries, including New Zealand, Italy, Sweden and the United Kingdom, have recently legalized equity crowdfunding. Crowdfunding is replacing a substantial amount of the traditional angel and venture capital funding in the U.K. The Angel Company's founders believe that *Regulation Crowdfunding* will have a similar effect in the U.S. Equity crowdfunding allows for quickly raising capital, while founders retain control of their companies.

Non-accredited investors will be attracted to their new ability to directly invest in startups, receiving equity instead of trivial, one-time rewards. Non-accredited investors will become more excited about the companies in which they can become *genuine stakeholders*, and can take part in the startup funding market with a potential for spectacular returns. Participation in a company's success can mean much more to a crowdfunding participant than "I funded a billion dollar startup, and all I got was this lousy T-shirt."

Almost a decade ago The Angel Company's founder, Tim Bendel, realized that startup companies were spending an inordinate amount of time trying to secure investment: time that could have been spent developing their business. He also realized that non-accredited investors could work with the startups in order to help solve these problems, and would potentially receive great benefit by owning equity in the companies. The larger pool of investors would allow for the startups to receive more money in a shorter

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amount of time. Mr. Bendel further realized that a new sort of private equity “mutual fund” would decrease investor risk. Starting in 2008, Mr. Bendel refined his ideas and began patenting his novel investment structure. [Two patents have now been issued, 8630931 B2 and 8589269 B1](#), including these claims:

- Establishing a website enabling private companies to offer their equity for sale to non-accredited investors online;
- Establishing a website that allows non-accredited investors to trade this equity;
- Evaluating the private companies using a proprietary algorithm so as to establish ratings; and
- Creating and trading the equivalent of mutual funds comprised of private equity companies.

As The Angel Company owns these patents, it is in a unique position to enable issuers and non-accredited investors alike to take advantage of the emerging crowdfunding economy by:

- Enabling the funding of game-changing companies that would otherwise be ignored by traditional angel investors and venture capitalists;
- Making the equity liquid (within SEC constraints), such that non-accredited investors will invest more money more often, knowing they can sell their equity;
- Selecting the most promising, high-quality companies to crowdfund and trade in a marketplace; and
- Bringing together groupings of these high-quality companies to create mutual funds, such that investors can easily diversify and spread their risk.

For more information, contact The Angel Company directly at:

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