

## Angel Group Community Integration Protocol

### 1.0 Introduction

The purpose of this protocol is to provide the scaffolding to help develop active relationships between Angels and Community Stakeholders

### 2.0 Definition of Terms

2.1 Angels, as accredited investors, include individual Angels, Angel group managers, and Angel group members.

2.2 Community Stakeholders include, but are not limited to:

2.2.1 Venture capital funds

2.2.2 Other individual Angels and Angel groups

2.2.3 Business community members (e.g. Local legal, accounting, insurance, etc. resources)

2.2.4 Research Institutions (e.g. Universities, colleges, government research labs, research hospitals, etc.)

2.2.5 Business Accelerators (e.g. Regional economic development centers)

2.2.6 Ontario Commercialization Network (OCN) Members (See OCN Directory)

2.3 Given the variety and complexity of such relations, this protocol does not seek to be either prescriptive or comprehensive; it seeks simply to offer guidance on some of the issues that most commonly arise.

### 3.0 Scope of Protocol

Angels and Community Stakeholders will engage, where appropriate as determined by the Angel group manager, in activities set out in the Scope of Protocol. This scaffolding provides infrastructure for targeted networking and relationship-building to help Angel groups ensure they know where to find appropriate groups of Angels or Community Stakeholders to actively:

3.1 **Screen** investment opportunities

3.2 **Refer and share** investment opportunities

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- 3.3 Refer other member Angels or other Community Stakeholders
  - 3.4 **Co-Invest** in investment opportunities
  - 3.5 Conduct **due diligence** sharing and preparation activities
  - 3.6 Provide in-kind and/or in cash **sponsorship** of the Angel group

#### 4.0 Role of Angels

Angels will be supported in, amongst other things:

- 4.1 **Identifying Community Stakeholders** whose mandate is aligned with the development of a regional or sectoral Angel group including
- 4.2 **Proactively engaging** relevant Community Stakeholders as their Angel group develops based on the Scope of Engagement (Section 4)
- 4.3 **Representing Angels** and communicate feedback on a specific Community Stakeholder's activities where such feedback is necessary to achieve positive results for all parties involved
- 4.4 **Accepting dealflow and resources** from Community Stakeholders, where appropriate
- 4.5 **Providing feedback to Community Stakeholders** with respect to the quality of dealflow
- 4.6 **Providing dealflow to Community Stakeholders** where such stakeholders can add value to developing ventures

#### 5.0 Role of Community Stakeholders

Community Stakeholders will be supported in, amongst other things:

- 5.1 **Reciprocally engaging with Angels**, where appropriate and possible, to ensure they have the resources, expertise and ability to assess and invest in strong investment opportunities
- 5.2 **Referring unaligned individual Angels** to Angel groups in their local community
- 5.3 **Accepting dealflow** from Angels
- 5.4 **Providing feedback to Angels** with respect to the quality of dealflow
- 5.5 **Providing dealflow to Angels** where such Angels may be interested in a specific investment opportunity

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- 5.6 **Representing themselves and communicating any feedback** on a specific Angel's activities where such feedback is necessary to achieve positive results for all parties involved
  - 5.7 **Accepting dealflow** and resources from Angels, where appropriate
  - 5.8 **Providing feedback** to Angels with respect to the quality of dealflow
  - 5.9 **Providing dealflow** to Angels where such stakeholders can add value to developing ventures

## 6.0 Respect and Courtesy

For the effective conduct of Angel investment activities as set out in Section 3, there must be mutual respect, trust and courtesy in all meetings and contacts, both formal and informal, between Angels and community stakeholders. This plays a very important part in the Angel group's and Community Stakeholder's reputation and how it is seen in public.

## 7.0 Redress

If an Angel group or Community Stakeholder considers that he/she has not been treated with proper respect or courtesy, he/she may raise it with the relevant Angel Investors Ontario representative without delay if it is not possible to resolve it through direct discussion.

## 8.0 Conclusion

It is hoped that, by following good practice and securing sensible and practical working relationships between Angels and Community Stakeholders the delivery of high value investment opportunities, resources and services may be provided by Community Stakeholders, and investment quality services can be enhanced.