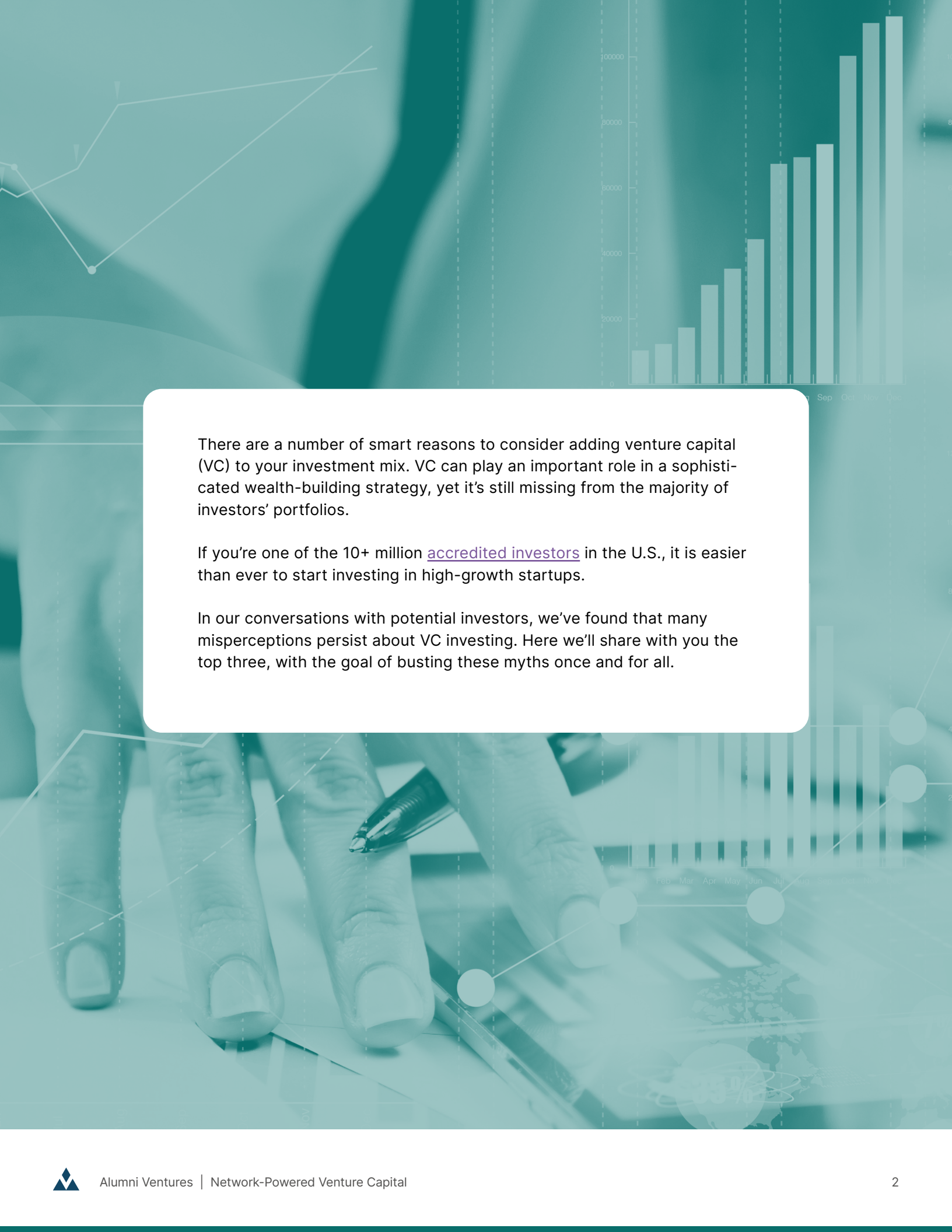


Mythbusting Venture Capital Investing:

3 Barriers to VC That Have Been Broken




There are a number of smart reasons to consider adding venture capital (VC) to your investment mix. VC can play an important role in a sophisticated wealth-building strategy, yet it's still missing from the majority of investors' portfolios.

If you're one of the 10+ million [accredited investors](#) in the U.S., it is easier than ever to start investing in high-growth startups.

In our conversations with potential investors, we've found that many misperceptions persist about VC investing. Here we'll share with you the top three, with the goal of busting these myths once and for all.



A woman with her hair in a bun, wearing a dark blazer, is smiling and looking down at a tablet computer she is holding. The background is a solid teal color.

Myth 1: I don't
have enough
money to invest
in venture capital.




MYTH 1: I DON'T HAVE ENOUGH MONEY TO INVEST IN VENTURE CAPITAL.

Let's start with one of the most widespread myths pertaining to venture capital: You think you'll need to cut a check for millions of dollars to participate in the asset class. If you only read the financial headlines, it's easy to see why you'd think this is true. Traditional venture firms do typically cater to institutional investors, the ultra-wealthy, and family offices. However, Alumni Ventures' unique investing model has upended this precedent.

AV's core goal is democratizing venture capital for accredited investors from all backgrounds and experience levels — including those who have no VC exposure in their portfolios. You won't be asked to cut an eye-watering check for seven digits. When you work with Alumni Ventures' team, you can own a diversified and personalized portfolio of ~20-30 highly competitive companies invested alongside other established venture firms for minimums as low as \$10,000. At the same time, *you* decide which funds, investment amounts, and level of engagement.



A man and a woman are sitting at a round wooden table in a meeting. The woman, on the left, has curly hair and is smiling while looking at a document. The man, on the right, wears glasses and a light-colored shirt, looking at the same document. There are two coffee cups on the table, one in front of each person. The background is a bright, out-of-focus office space with large windows. The entire image has a green tint.

Myth 2: I can't
get into good
opportunities.




MYTH 2: I CAN'T GET INTO GOOD OPPORTUNITIES.

Many venture investments hinge on a complex, multi-layered network of entrepreneurs, investors, and stakeholders. For individuals whose portfolios are solely built around publicly traded assets, these networks can seem intimidating and impenetrable.

This myth is one of the core misconceptions that AV was founded to address. While other venture firms depend on just a few high-dollar investors, Alumni Ventures is democratizing venture capital to bring our entire community to the table, providing access to investment opportunities that would otherwise be out of reach of the average investor.

Indeed, we value our community as our major strength. AV taps into its powerful network of 600,000+ subscribers and community members — plus our 150+ full-time employees working on your behalf — to source capital and investment opportunities, conduct due diligence, and assist portfolio companies.





Myth 3: Venture capital is too complex and time-consuming for someone like me.



MYTH 3: VENTURE CAPITAL IS TOO COMPLEX AND TIME-CONSUMING FOR SOMEONE LIKE ME.

Putting together a venture portfolio from scratch can be difficult. Often investors end up with limited, undiversified portfolios. This can make the process of owning a venture portfolio appear overly complex, time-consuming — and ultimately unrewarding. That's why we've developed an experience for our customers that streamlines and simplifies the entire process.

As one of our investors recently told us, "I have sought out many avenues to become a venture capitalist. The idea of writing outsized checks coupled with finding the right companies to invest in always eluded me until Alumni Ventures came along. The thorough due diligence and entry point provided by AV have removed those previous barriers. As an entrepreneur, I am learning more about building companies now than ever before."¹

With AV, you don't need to source, vet, or select each investment personally. Our team builds portfolios for you, diversified by sector, stage, geography, and lead investors. All investments within your funds are subject to AV's rigorous due diligence and vetting processes, striving to ensure that each investment offers the potential for promising returns. All of our funds are 10-year funds, and there's only one check to write. It's as easy as selecting a portfolio that aligns with your priorities and committing to it. And, to keep your AV experience as stress-free as possible, we don't send surprise bills or have numerous capital calls.

More myth-busting news: Investing in our portfolios does not require excessive paperwork. Alumni Ventures has partnered with Parallel Markets, a portable identity solution for accredited investors. Their platform simplifies investor onboarding by verifying accreditation information [in a single click](#). (Unsure if you are accredited? [Our team can help.](#))

¹ This testimonial was provided by the participant without compensation, but the participant has a relationship with AV from which they benefit. All views expressed are the individual's own.



Venture capital just might be right for you after all.

If there's one thing you take away from this article, we hope it's that venture capital is more accessible than you may have thought. As one of the most active venture capital firms in the world², Alumni Ventures prides itself on helping our customers understand and engage with a compelling asset class that was historically available to an exclusive few.

If we've piqued your interest in venture capital, please don't hesitate to [contact our team](#). We'd be pleased to discuss how venture capital may be right for your portfolio and investing goals. To learn more, check out these [five compelling reasons to consider venture investing](#).

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Kate Clark, "Alumni Ventures Group is the most active venture fund you've never heard of," TechCrunch, October 19, 2018.





Important Disclosure Information

The manager of the AV Funds is Alumni Ventures (AV), a venture capital firm. AV and the funds are not affiliated with or endorsed by any college or university. These materials are provided for informational purposes only. Offers of securities are made only to accredited investors pursuant to each fund's offering documents, which describe among other things the risks and fees associated with the Fund that should be considered before investing. The funds are long-term investments that involve a substantial risk of loss, including the loss of all capital invested. Past performance is not indicative of future results. Opportunities to invest in any security (of a Fund, of AV or in a syndication offering) is not a guarantee that you will be able to invest and are subject to all terms of the specific offering. Diversification cannot ensure a profit or protect against loss in a declining market. It is a strategy used to help mitigate risk.

AV offers smart, simple venture investing to accredited investors. Specifically, AV provides a path for individuals to own an actively managed diversified venture portfolio with a single investment co-investing alongside experienced VC firms. Traditionally, with limited investment capital and contacts, individual investors have had limited access to desirable deals alongside experienced VC firms, and even if they could access one or more such deals, it would take an inordinate amount of time, money and negotiation to build a diversified portfolio. With AV Funds, investors can choose from a number of funds to make a single investment to gain exposure to a diversified portfolio of investments selected by an experienced manager. AV Funds' simple fee mechanism permits investors to avoid constant capital calls throughout the life of the fund as found in other private investment vehicles.

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