Individual Accreditation Verification Guide

Alumni Ventures Group operates under Regulation D, Rule 506(c) and is required by the SEC to collect documentation from all investors demonstrating their status as an accredited investor. As the requirements vary based on your method of investment, you will be asked to provide the following information in the Investor Portal during the closing process.

This document provides guidance for individual cash and IRA subscribers on definitions/qualifications and means of showing proof of accredited status. Entity and Trust subscribers can review verification requirements here.

Methods

VERIFYING ACCREDITATION

You must verify your accreditation status by **ONE** of the following methods (foreign equivalents are accepted):

1. **Income**
2. **Net Worth**
3. **Third Party**
4. **Professional Designations**

Income

Option 1: Income

To qualify via this method, you must be a natural person with either (1) individual income of $200K+ in each of the two most recent years **OR** (2) joint income with spouse or spousal equivalent of $300K+ in each of the two most recent years. You must also reasonably expect to meet the same income requirements in the current year.

Verification

- Provide IRS forms reporting income for the two most recent years **AND**
- Provide a written note on income expectation for the current year. Forms that qualify include W-2, 1099, K-1 (Form 1065), and 1040.

Net Worth

Option 2: Net Worth

To qualify via this method, you must be a natural person with either individual net worth or joint net worth with spouse or spousal equivalent greater than or equal to $1 million.

Verification

1. Asset proof: dated in prior 3 months, one or more of following:
   - Bank statements
   - Brokerage statements
   - Other securities holdings statements
   - Certificates of deposit
   - Tax assessments
   - Other appraisal reports from independent third parties
2. Liabilities
   - Provide a note that all liabilities needed to make determination of net worth have been disclosed
   - Consumer report from at least one nationwide consumer reporting agency

Notes on Calculating Net Worth

- Primary residence can't be included as asset.
- Indebtedness secured by primary residence, up to estimated fair market value of primary residence at time of sale of securities, won't be included as a liability (except if amount at time of sale of securities exceeds amount outstanding 60 days before such time, other than as a result of acquisition of primary residence, the amount of such excess must be included as a liability).
- Indebtedness secured by primary residence in excess of estimated fair market value of primary residence must be included as a liability.

Third Party

Option 3: Third Party Method

To qualify via this method, you must provide written confirmation of your accreditation from a person or entity who has taken reasonable steps to verify that you were an accredited investor within the preceding three months.

Verification

You must provide written confirmation from one of the following:

- Registered broker-dealer
- Investment adviser registered with SEC
- Licensed attorney in good standing under laws of the jurisdictions in which he or she is admitted to practice law
- CPA who is duly registered and in good standing under laws of the place of his or her residence or principal office

Professional Designation

Option 4: Professional Designations

To qualify via this method, you must be a natural person holding certain professional certifications and licenses which the SEC designates as qualifying the investor as an accredited investor, provided the individual is also currently in good standing with the granting organization. The SEC has designated natural persons holding one of the following licenses as qualified as an accredited investor:

- Series 7 (licensed general securities representative)
- Series 65 (licensed investment adviser representative)
- Series 82 (licensed private securities offerings representative)

Any additional professional certifications and designations determined to qualify a natural person will be posted on the SEC website.

Verification

Submit your CRD Number. AVG will access FINRA's BrokerCheck to confirm your license is active and in good standing.

What next?

Once your documentation has been submitted, our team will review it and confirm receipt. If you have any questions on process, definitions, or documentation, please reach out to Investor.Relations@AVGFunds.com. We are happy to help.

F01-X0144-210111.01