



Emerging Market FAQs

1. What is the Emerging Markets Fund and what is its thesis?

The Emerging Markets Fund (EMF) invests in companies that are located in an emerging U.S. or international market for venture capital investments. The portfolio will contain ~20-30 venture deals, further diversified by sector, stage, and lead investor. All will have established leads and be vetted and sponsored by one of AVG's actively managed funds. Besides leveraging our community to source new opportunities, we can also invest in follow-on rounds of some of the ~600 companies in our existing portfolio.

The thesis of EMF is that while the past 50 years of venture investing have been largely dominated by three key venture hubs in the U.S.— California, New York, and Boston—arguably the future will be different. We envision a much more diffuse market within the U.S. and globally, offering access to innovative companies at more attractive valuations. In the U.S., we see geographic arbitrage through great startups in Seattle, Austin, Salt Lake City, St. Louis, and more. Across the world, ecosystems like Canada, Israel, India, and parts of Europe are particularly active.

2. What portion of the deals will be U.S. vs. international? And will you diversify by region in each of those markets? Are there any regions you will avoid?

We don't have a quota, but we expect about 50% of the investments will be from emerging international markets and 50% from emerging U.S. markets. Deals will not be located in Silicon Valley, NY, or Boston. We will seek to diversify both within the U.S. market and internationally. Since our practice is to follow established lead investors with expertise in a sector or geography, both the lead and our own teams will evaluate any risks involved in investing in a region.

3. What is your definition of an international deal?

We define *international* as a company headquartered outside of the U.S. or whose core market is international.

4. How will the lead investors in the international deals differ from those in the U.S. that AVG has historically invested alongside? How well does AVG know these lead investors internationally?

The lead investors will be those who have expertise in the sector and region. AVG has invested in international deals since inception alongside established international venture funds.

5. Can you give me some examples of deals the fund might invest in?

We had already added two deals to the Emerging Markets Fund portfolio.

Beam Dental is innovating dental insurance as the first and only digital dental provider. The company offers an easy-to-use, mobile-first digital platform that saves time and money for consumers, providers, employers, and brokers. With PPO policies available in more than 40 states and access to over 400,000 dental groups, Beam is rapidly capturing market share. We participated in a Series E led by Mercato Partners., a growth-stage focused VC firm with successful exits in fintech and healthtech. The company is located in Columbus, Ohio.

Lang.ai is a fast-to-implement AI tool for support teams that automates time-consuming tasks like tagging, prioritizing, and routing. The company focuses on structuring free-text data (80% of data for large enterprises) such as customer support, sales data, social media, and more.



This makes it easier for companies to query, analyze, and retrieve data, without spending hours to read and categorize information. We participated in a Seed round led by Village Global (LPs such as Jeff Bezos, Bill Gates, Reid Hoffman, Mark Zuckerberg). The company is headquartered in Spain and has two U.S. offices.

6. How are the investments for the portfolio selected? And who manages the fund?

Once an AVG sponsor fund has approved and committed to a deal—which meets our criteria for acceptable risk-reward—the fund proposes deals for the Emerging Markets Fund that they think might be a good candidate. [Our 7-member Focused Fund Nomination Committee](#) makes the final determination on whether the opportunity fits with the fund thesis. Additionally, the investment must contribute to portfolio diversification across stage, sector, geography, and lead investor.

7. If a company in the EMF portfolio is doing well, might the fund invest in a follow-on round?

Yes, and in fact we reserve ~20% of the fund for follow-ons.

8. What is the Emerging Markets Venture Club?

Venture Clubs are a unique benefit for AVG investors, and every Emerging Markets fund member is automatically given a one-year membership to the Emerging Markets Venture Club. It's also a great chance to network with like-minded folks, learn more about venture capital and entrepreneurship, and customize your venture portfolio. You can be as involved as you wish.

9. How does the EM Venture Club work, and what's in it for me?

The club is staged in a private online platform offered by AVG and provides members a chance to learn, engage, and network. The club is designed to offer 4-8 single asset fund investment opportunities (Syndications) where investors can gain exposure to a portfolio company in which the AVG Funds are investing. With each Syndication offering, you have the opportunity to evaluate the investment and invest additional amounts if you want. All deals are vetted and approved by an AVG fund and offered when we have negotiated extra allocation from the portfolio company. Members make their own investment decisions and own their own portfolios with respect to each Syndication and their overall investment portfolio. AVG does not provide individualized investment advice, and you should consult your own advisor.

A note on Syndications: We also occasionally offer Syndications to AVG investors outside the club environment. However, the investment minimums for these Syndications are typically \$25k, as opposed to \$10k when offered through a club.

The manager of the AVG Funds is Alumni Ventures Group (AVG), a venture capital firm. AVG 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 AVG 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.

All private placements of securities and other broker dealer activities are currently offered through a partnership with Independent Brokerage Solutions LLC MEMBER: FINRA / SIPC ("IndieBrokers"), which is located at 485 Madison Avenue 15th Floor New York, NY 10022. (212) 751-4424. AVG and its affiliates are independent and unaffiliated with IndieBrokers. Any securities transactions or related activities offered by AVG associated persons are conducted in their capacities as registered representatives of IndieBrokers. To check the background of IndieBrokers and its representatives, visit [FINRA's BrokerCheck](#), where you can also find our [Form CRS](#).

AVG offers smart, simple venture investing to accredited investors. Specifically, AVG 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 AVG 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. AVG Funds' simple fee mechanism permits investors to avoid constant capital calls throughout the life of the fund as found in other private investment vehicles.