WEST TEXAS ANGEL NETWORK

SERVING AMARILLO & LUBBOCK

INVESTING IN THE FUTURE OF WEST TEXAS, TOGETHER.

MEMBERSHIP INFORMATION / PROSPECTIVE INVESTORS

MEMBERSHIP INFORMATION FOR PROSPECTIVE INVESTORS

A comprehensive guide to membership with the West Texas Angel Network, including how it works, the benefits of participation, and what to expect as an investor in high-potential West Texas companies.

INVEST / CONNECT / SUPPORT REGIONAL GROWTH

hello@westtexasangelnetwork.com

Welcome

Thank you for your interest in the West Texas Angel Network.

Enclosed you will find an overview of the network, what membership includes, what it costs, and how to join. Prospective members are welcome to attend one meeting as a guest before deciding. There is no obligation, and most members joined after seeing the room for themselves.

If you decide to join, return a signed Membership Agreement along with the $1,000 non-refundable annual dues. Questions are welcome at any point in the process.

Contact: hello@westtexasangelnetwork.com

About the Network

The West Texas Angel Network (WTAN) is a member-directed investment club of accredited investors who participate in capital formation for early and growth stage companies across West Texas. Formed in 2015 as the Lubbock Angel Network, the organization was the first formalized group of angel investors in Lubbock and has since broadened its footprint to serve both Amarillo and Lubbock.

The purpose of the organization is to be the first open door to facilitate capital formation in West Texas by making the process between founders and investors more efficient. Sourcing is organized, diligence is coordinated, and terms are informed by what the broader angel market is actually doing. WTAN collaborates with startup and growth stage ecosystem facilitators like commercial lenders, Texas Tech University, the Lubbock Economic Development Alliance, and regional partners. WTAN works to make this region a place where good companies can be built and financed without leaving, retaining more of the value of world-class West Texas organizations locally.

WTAN is not a fund. The network does not pool capital, manage money, or make investment decisions for anyone. Members invest their own money, in their own names, on terms they accept individually. When investments are of interest to the membership broadly, WTAN will help to coordinate and facilitate legal management of its member's investments for that specific opportunity if members request.

What the Network Does

• Capital pipeline. WTAN connects vetted, high-potential companies with accredited angel investors, keeping capital and the jobs it creates in West Texas.

- Ecosystem connector. Founders, investors, mentors, and community partners are brought into one room, turning scattered effort into a connected community.
- Education resource. Through mentorship and direct feedback from experienced investors, WTAN helps business owners sharpen pitch, strategy, and fundamentals.

Our Impact

$4.2M+	28	310+	40+
Capital deployed into local companies	Companies funded since 2015	Jobs created across West Texas	Member meetings & pitch events

Benefits of Membership

Membership dues fund general operating expenses: meeting costs and refreshments, supplies, personnel, marketing, member events, and the network's technology and website.

Deal Flow

Consists of two types of opportunities:

- Opportunities to invest in growth stage companies in West Texas seeking access to capital for executing on a new product or services launch, market expansion strategies, or a leadership transition. WTAN develops this pipeline of exclusive opportunities through relationships with top-tier business executives and affiliated networks.
- A pipeline of early- and accelerator-stage companies. WTAN sources locally across Amarillo and Lubbock and syndicates nationally with other angel groups and venture funds, so members see opportunities well beyond what any one investor could find alone.

Company Screening and Coaching

Companies that apply are screened by WTAN before they ever reach the membership. Staff work with founders to sharpen the presentation and surface the information investors actually need. WTAN's Head of Strategy oversees initial deal screening and

Member-Only Meetings

Pitch meetings are closed to members and invited guests. Members hear presentations, question founders directly, and hear portfolio updates.

Due Diligence Support

WTAN coordinates diligence rather than leaving each investor to repeat the same work. Where WTAN invests alongside another group, the lead's diligence memo is shared with interested members, and WTAN supports follow-up requests such as updated financials, references, and CEO Q&A.

Portfolio Diversification

Syndication relationships across Texas and nationally give members the ability to build a more diversified portfolio than a single local pipeline would allow, and to lean on the experience of angels in other markets during diligence.

Best Practices and Education

Members are provided with resources and opportunities to further develop their knowledge and skills as investors. WTAN holds member education events with experts in various areas of investing such as leveraging retirement accounts for tax sheltered investments, deal evaluation, market analysis, etc.

Networking

Members invest alongside one another and have opportunities to socialize and connect across the network at social events scheduled in conjunction with the member meetings. The membership includes business owners, senior executives, physicians, and professional investors creating many opportunities for new connections and relationships to develop.

Mentoring and Regional Impact

Members mentor West Texas founders and help shape the region's innovation economy. Capital deployed here keeps companies, and the jobs they create, in West Texas.

Who Can Join

Membership is by invitation and at the discretion of WTAN. To qualify, you must:

- Qualify as an accredited investor under Rule 501 of the SEC regulations. In the context of a natural person, this includes anyone who earned income exceeding $200,000 (or $300,000 together with a spouse) in each of the prior two years and reasonably expects the same for the current year, or who has a net worth over $1 million, alone or together with a spouse, excluding the value of the person's primary residence.
- Currently have, or are interested in, pursuing the knowledge in financial and business matters to evaluate the merits and risks of an investment on your own. WTAN executives are available to discuss this further as well as recommend resources to further your knowledge.
- Be sponsored by a current member.
- Agree to the terms of the WTAN Membership Agreement and Bylaws, which are available on request.
- Pay the $1,000 non-refundable annual membership fee.

Membership at a Glance

Annual membership dues	$1,000, non-refundable. Billed annually on the anniversary of your initial membership.
Spouse or partner	Included at no additional charge.
Investor qualification	Accredited investor under Rule 501 of SEC Regulation D.
Sponsorship	New members must be sponsored by a current member.
Investment expectation	Members should be willing and able to invest $25,000 per year across deals they choose. This is an expectation of active membership, not a condition of joining.
Minimum per deal	Set by each company's round, not by WTAN. Typical member checks range widely.
Meetings	Four to six member meetings per year, plus ecosystem and partner events.
Where you invest	Directly, in your own name, on your own terms. WTAN does not pool or manage member capital. When multiple WTAN members invest in the same deal, WTAN may be asked to facilitate an SPV.
Term	One year, renewable at the discretion of WTAN.

How to Join

Getting started is simple and welcoming.

Step 1 Attend a Meeting as a Guest

Prospective members are invited to attend one meeting as a guest to see how the group works before making any commitment. Guests sign a short Guest Code of Conduct and may participate fully in the meeting they attend. If a guest decides to pursue an investment in a company seen through WTAN, membership is required at or before the time that investment is made.

Step 2 Apply for Membership

Complete the Membership Agreement in full, confirm your accredited investor status, and obtain sponsorship from a current member. Return the signed agreement with the $1,000 annual dues. Your payment will not be processed unless and until your application is accepted.

Step 3 Engage and Invest

Attend meetings, review deals, join diligence, and invest on your own terms and in your own name. Members are encouraged to attend in person, particularly in the first year - the interaction with founders and with other investors is where most of the value sits.

What to Expect at a Meeting

Meetings are held four to six times per year at various locations throughout Lubbock.

A typical meeting:

- A brief opening from WTAN executives on what to expect from the session.
- Company or companies presentations. The subject matter of the presentations depend what type of opportunity is presented to the members, either a startup or growth stage company.
- Member feedback forms. After each presentation, members note whether they want to learn more, along with questions, pros, and cons. Staff consolidate these and send them to the company anonymously; the company's written responses are circulated back to members.
- Portfolio and diligence updates from existing investments.
- Open remarks. After the founders leave the room, members spend five to ten minutes sharing their reactions. Members consistently describe this as one of the most valuable parts of the meeting.

Questions Members Ask Founders

New members sometimes find the first meeting intimidating, less because of the people than because it is not obvious what to ask. A few that recur:

- How do you make money, and what is the unit economics picture?
- What is your go-to-market strategy, and which channels are already working?
- How did you arrive at your valuation?
- How much of your own money is in the company?
- Who are your likely acquirers, and how many more rounds do you expect to raise?
- What are your two or three biggest concerns right now?

Diligence, Closing, and Reporting

Due Diligence

WTAN provides diligence support rather than leaving each member to duplicate the same work. WTAN sometimes invests alongside another angel group or a deal lead that has already conducted diligence, and that memo is shared with members who indicate interest. WTAN will support additional requests: updated financials, reference checks, recent shareholder updates, a Q&A with the CEO and, where useful, consolidate findings into a single diligence report.

A diligence report is meant to inform your decision. It is not a recommendation and should never be the sole basis for an investment.

Making an Investment

When you decide to invest, notify WTAN staff by email so the commitment can be recorded. Companies presenting to the network can raise money through various instruments:

- Equity, closing with a purchase agreement, operating agreement, board consent, and voting agreement.
- Convertible debt, closing with a note purchase agreement and promissory note, or a simplified instrument such as a SAFE or KISS.
- Revenue share or royalty based commitments

After you commit, it usually takes one to four weeks before the formal closing process begins. Closing documents are then circulated for signature, and funds are transmitted directly to the company at that point.

WTAN staff can share general information, but questions specific to your position should go to your own attorney and tax advisor. WTAN maintains a curated list of attorneys and tax advisors that you can request for referral. Experienced angels also plan for follow-on investments in the companies they back.

Ongoing Reporting

- An annual report, along with a summary of your individual investment activity at each membership renewal.
- An investor profile on WTAN's Dealum account for tracking investments.
- A quarterly newsletter.

WTAN does not prepare, collect, or distribute K-1 statements. The network has no accounting function. K-1s must be obtained directly from each company in which you have invested. When appropriate, members can ask WTAN to facilitate establishing an SPV.

Member Code of Conduct

Membership is a privilege, subject to renewal, non-renewal, revocation, or termination. Members agree to:

- Respect the privacy of other members and not provide their names to any third party without permission.
- Treat membership and deal flow information as confidential.
- Refrain from soliciting fellow members for business.
- Disclose to the group any relationship with a presenting company, including any personal gain they may receive from it.
- Conduct themselves consistently with the WTAN Bylaws, Code of Conduct, Code of Ethics, confidentiality requirements, and Membership Agreement.

Frequently Asked Questions

Do I have to invest to be a member?

No. Members should be willing and able to invest roughly $25,000 per year, but investing is not a condition of membership and no member is ever obligated to participate in any particular deal. Every investment decision is yours alone.

Is WTAN a fund?

No. WTAN is a member-directed investment club and a forum for education and introductions. WTAN facilitates the formation of capital for private investments, but it does not internally pool capital, manage money, or invest on behalf of members. Members invest individually, in their own names, and hold their own securities.

What if I am new to angel investing?

That is common, and the group is built for it. New members have access to WTAN executives and resources to support diligence work such as educational presentations. Many members spend their first year listening and learning before writing a check.

Can I participate if I do not live in Amarillo or Lubbock?

Yes. Discuss your circumstances with a WTAN executive to determine what accommodations can be made.

Are meetings held in both Amarillo and Lubbock?

WTAN is domiciled in Lubbock with standing member meetings held there. The scope of the WTAN is regional and specific events may be held elsewhere when the deal or business opportunity arises.

Is my spouse included?

Yes. A member may add a spouse at no additional charge.

Are dues refundable?

No. The $1,000 annual fee is non-refundable once membership is accepted.

How is my information handled?

Membership and deal flow information is confidential. Members agree not to share other members' names with third parties without permission, and not to solicit fellow members for business.

Will WTAN handle my tax documents?

No. WTAN does not have an accounting function and does not prepare, collect, or distribute K-1 statements. Those come directly from each company you invest in.

Next Steps

If you would like to attend a meeting as a guest, or you are ready to apply, get in touch and we will send the current meeting schedule and the Membership Agreement.

Email: hello@westtexasangelnetwork.com

Web: westtexasangelnetwork.com

To apply, email your signed Membership Agreement to West Texas Angel Network. Once approved, we will send an electronic invoice for the membership fee.

Important Disclaimer

The West Texas Angel Network is not a venture fund, an investment bank, a broker-dealer, an investment clearinghouse, an investment portal, or an investment advisor. It is a forum in which investors may be educated on aspects of investment and business and introduced to companies for possible investment. WTAN is not registered with the Securities and Exchange Commission or with any state securities commission.

Each member is responsible for his or her own investment decisions, and WTAN does not recommend any particular company for investment. All investments in entrepreneurial companies involve a high degree of risk, and investors should be able to bear the risk of complete financial loss. The choice to use, and the manner of using, information and knowledge gained through WTAN is each member's individual and personal choice. No guidance is given, and neither WTAN nor any person affiliated with it is responsible for an individual member's use of information, investment decision, or the results of any investment.

WTAN does not conduct any investigation to verify the factual information submitted to potential investors by individual entrepreneurs, and makes no representations or warranties regarding these companies. Investors must conduct their own due diligence and negotiate the terms of any investment they elect to make. Past results of the network or of any company are not indicative of future results.