

# AngelList Roll Up Vehicles® FAQ for Investors

Questions

[rollups@angellist.com](mailto:rollups@angellist.com)

# Overview

## Cleaner cap tables and less work for founders & investors

**Q: What are Roll Up Vehicles?**

**A:** RUVs are SPVs that allow founders to consolidate multiple angels into a single entity that then signs the investment documents and sends a single wire to the company. It saves founders (and you) the hassle of collecting funds and signatures from many individuals. AngelList handles the entity formation, collection of funds, and post-investment activities.

**Q: What is the structure of the RUV?**

**A:** RUVs are structured as series limited partnerships. Each RUV is a distinct series under a Master Partnership called "Roll Up Vehicles, LP".

An example RUV legal name would be "LD Fund I, a series of Roll Up Vehicles, LP". This is the entity name that will appear on the company's cap table and sign the investment documents.

The fund's general partner is "Fund GP, LLC," an AngelList affiliate. The RUV's Investment Adviser is AngelList Advisors, LLC (unless otherwise indicated). RUVs are administered by Belltower Fund Group, AngelList's preferred fund administrator.

**Q: How are these legally different from normal AngelList SPVs?**

**A:** RUVs utilize the same AngelList SPV documents you may have seen before, but without customer advisory involvement (specifically, the RUV offering does not involve a "Fund Lead" or "Sub-Adviser" and there is no carry charged on the vehicle).

**Q: How easy is it for investors?**

**A:** Investors often say that investing through RUVs is significantly easier than making direct investments. RUVs allow investors to complete their commitment within minutes and fund their commitment over ACH, Wire or Crypto.

**Q: Is this good for the company?**

**A:** If the company is paying for the fees, the breakeven point is around seven investors. We find that companies often save tens of thousands dollars when they do the math on cap table costs and future cap table cleanliness. More importantly, they have a cleaner cap table, which positions them better for future fundraises or M&A transactions. Our estimations, suggest that a seed stage company that is considering using a RUV for 45 angels will save \$75,000 over the lifetime of the company (when compared to the costs of allowing 45 direct investments).

**Q: How much does a RUV cost?**

**A:** The cost of the RUV is generally paid for by the company, so investors often incur no additional costs for the RUV administration itself.

**Q: Do I need to be accredited?**

**A:** Yes. All investors in AngelList RUVs must be accredited. For most Roll Up Vehicles, a self attestation of accreditation status is sufficient.

GETTING STARTED WITH RUV

<https://ruv.new>

QUESTIONS?

[rollups@angellist.com](mailto:rollups@angellist.com)

# Overview

## Q: Does Angellist Perform a KYC check?

A: Once an LP completes the investing flow, we automatically attempt to verify their identity using the information they provided (name, address, date of birth). We are required by law to perform these checks.

For LPs investing with an entity that fails the automatic checks, our KYC team will follow up over email asking for additional information.

This check is only done once for each entity that an LP is investing with, not every time they are investing. You can track the status of an LP's KYC check in your dashboard. "Pending KYC" means the KYC check is not complete yet. No label means the KYC check is done.

## Q: Can I fund my commitment with Crypto?

A: Yes, when going through the closing flow, you can select crypto as the funding method. Once received, the cryptocurrency will be converted to USD.

## Q: Can I adjust my commitment?

A: To increase or cancel an investment before the RUV has been finalized, you may email us at [invest@angellist.com](mailto:invest@angellist.com).

## Q: Will I get a copy of the financing documents?

A: No, we do not share the financing docs with investors. Once the RUV is finalized, you will be able to access the executed fund documents from your Dashboard. You can review the draft fund documents at anytime from your Dashboard during the raise.

## Q: Will I receive a K-1?

A: The RUV will issue a K-1 to but it will be a \$0 K-1 (we are required to create one in the first year of the fund). Future years are unlikely to have a K-1 issued (until of course, there is a distribution).

## Q: Do QSBS benefits flow through to investors?

A: Generally, yes, the benefits of QSBS flows through when investing in a RUV.\* RUVs are Delaware Limited Partnerships which are pass through entities.

\* Not tax advice. Consult your own tax advisor.

## Q: Are there transfer restrictions on the members?

A: The RUV is a great instrument for long-term holders. The RUV template documents contains customary transfer restrictions that prevent limited partners in the RUV from transferring their interests in most cases. These are specified in Article 6 of the LPA. That said, the LPA allows for transfers to be done for estate planning purposes.

## Q: What about liquidity & exits?

A: If secondary liquidity is presented to the SPV by the company, the investment adviser will generally not sell shares in a secondary. For an exit, when we receive distribution proceeds, we will distribute them to LPs. In some cases (like an IPO or acquisition by a public company), we can directly disburse stock to the brokerage accounts of the RUV members.

GETTING STARTED WITH RUV

<https://ruv.new>

QUESTIONS?

[rollups@angellist.com](mailto:rollups@angellist.com)