

Investment Risk Disclosure Letter

Date: [Insert Date]

[Investor's Name]
[Investor's Address]
[City, State, Zip Code]

Dear [Investor's Name],

We appreciate your interest in investing in [Company Name]. As part of our commitment to transparency and responsible investing, we would like to inform you of the risks associated with venture capital investments.

Investment Risk Disclosure

- 1. Market Risk:** Investments in venture capital are subject to market fluctuations, which could lead to reduced returns or loss of capital.
- 2. Illiquidity:** Venture capital investments are typically illiquid, meaning you may not be able to sell your investment easily or at all.
- 3. Long-Term Horizon:** These investments often require a longer time frame to realize returns, often between 5 to 10 years.
- 4. Business Risk:** There is no guarantee that the invested companies will achieve profitability or a successful exit strategy.
- 5. Dilution Risk:** Future financing rounds may dilute your ownership percentage in the company.

It is crucial that you consider these risks carefully before proceeding with your investment. If you have any questions or require further information, please do not hesitate to contact us.

Thank you for considering an investment with us.

Sincerely,

[Your Name]
[Your Title]
[Company Name]
[Company Address]
[Email Address]
[Phone Number]