

If Colin Doesn't Invest Personally

How the round structure adapts, and how to handle Josh Sunday in each scenario

FRAMING

Why this brief exists.

Colin may end up taking one of three paths on Thursday: invest personally at Anchor terms, not invest personally but bring the naturopath angel and act as advisor, or pass on financial involvement entirely. Each path changes how the round structure should adapt and how to position the Josh conversation Sunday. This brief covers all three scenarios so you walk into both meetings with clarity.

PATH A · COLIN INVESTS PERSONALLY

The baseline scenario. Colin commits the \$30K.

What changes: Nothing meaningful. Anchor terms go to Colin. He gets advisor equity on top. Josh comes in at Strategic tier as lead investor at \$750K to \$800K pre-money. Round closes as designed.

For Josh Sunday: "Colin came in as the anchor for \$30K. I am opening the rest of the round to investors at Strategic and Standard tiers. I want you as the major lead at Strategic terms (\$750K pre-money) for \$150K to \$200K, which gives you 16 to 21% ownership plus board involvement."

This is the cleanest path. Colin gets honored, Josh becomes the major check, naturopath angel can still come in at Standard tier later, Sol's network rounds out the second tranche.

PATH B · COLIN BRINGS NATUROPATH, DOESN'T INVEST PERSONALLY

Colin acts as connector + advisor. Naturopath comes in at Standard tier.

What changes: Anchor terms were Colin-specific from the original deck and do not transfer. Naturopath angel comes in at Standard tier (\$1M pre-money). Colin gets advisor equity (1-2%) plus finder reward (0.5-1% per qualified investor brought). Josh still comes in at Strategic tier as lead.

The reasoning: Anchor was the original deck offer made to Colin personally before momentum existed. Now that Josh is interested, Sol's network is engaged, and a demo plan is on the calendar, the company is structurally worth more. The terms reflect that. Naturopath gets fair early-stage terms (Standard tier), not the friends-and-family discount.

Sequence:

1. Colin introduces naturopath. Naturopath does diligence.
2. Naturopath writes \$30K (or larger) check at Standard tier (\$1M pre-money). \$30K = ~2.9% of the company.
3. Colin formalized as advisor with baseline equity plus finder reward.
4. Josh closes at Strategic tier as the major check.
5. Sol's network rounds out the round at Standard tier.

For Josh Sunday: "Colin is bringing his naturopath angel friend who is doing diligence. Anchor terms were specific to Colin and have expired. Round is now at Standard and Strategic tiers. I want you as the major lead at Strategic, which gives you the best valuation in the round."

This is still a strong outcome. Naturopath contributes capital at fair terms, Colin stays in the orbit as advisor without writing a check, Josh

becomes the named lead at Strategic. Founders retain more equity than if Anchor had been transferred. Clean cap table.

If naturopath wants Anchor terms specifically: hold the line. "Those were the original deck terms offered to Colin as the first conversation. The round has progressed since then. The current going rate is Standard or Strategic. Standard gives you 2.9% for \$30K which is generous early-stage terms." If they walk, they walk. Better than over-diluting the company.

PATH C · COLIN PASSES ENTIRELY

No money, no advisor role. Anchor terms expire.

What changes: Anchor terms were Colin-specific and expire when Colin passes. The round becomes a cleaner two-tier structure: Strategic for major lead investors, Standard for everyone else. Josh becomes the named lead at Strategic terms without getting the friends-and-family discount.

The reasoning: Anchor was made BEFORE the company had Josh interested, demo plan in motion, Faena conference confirmed, and the rest of the story coming together. Holding the \$300K pre-money valuation for someone else now would be giving away equity at a price that no longer reflects the company's actual position. The deck has moved on.

Strategic implications if Colin passes:

- **Loss of his connector value.** No naturopath angel introduction. No corporate sales pathway through his network. No structural-integrity advisor.
- **Validation signal weaker.** Round lacks the "Colin committed" anchor moment.
- **Round becomes more dependent on Josh as lead.** He is the most important commitment.
- **Founders retain MORE equity** because there is one fewer investor in the cap table at the deepest discount.

The new round structure if Colin passes:

- Josh at Strategic tier: \$150K at \$800K pre-money = approximately 15.8% (settling to ~14.4% after second tranche)
- Remaining \$100K at Standard tier (\$1M pre-money) = approximately 9.1% from one or more smaller investors
- Total raised: \$250K
- Founders combined retain approximately 73% (versus 68% if Colin had been in at Anchor)

How to handle Josh Sunday if Colin has passed: be straightforward. Do not hide it. Frame it as opportunity for Josh.

" Colin and I had a great conversation but he is not investing personally. He is staying in the orbit as a friend. That means the round is structured around you as the named lead at Strategic terms. \$750K to \$800K pre-money valuation. Your \$150K buys you approximately 15 to 16 percent of the company, which settles to around 14 percent after the rest of the round closes. Board seat. Advisor equity. Optional hybrid loan for some portion. You are the most important investor in this round. "

This is actually a strong offer for Josh. He gets the lead investor position at the most favorable valuation in the round, without the awkwardness of competing with Colin's Anchor terms. Cleaner narrative for him.

If Josh asks about Anchor terms specifically: "Anchor was a specific offer to Colin from the original deck conversation, made before the company had the team, traction, and demo plan in place. Those terms have expired with Colin's decision to pass. The current round is Strategic for lead investors of your size. That is genuinely favorable: \$800K pre-money is well below what a comparable round would price at six months from now after the demo is built and the Faena conference traction is in hand."

The honest risk: if Colin passes AND Josh passes or commits low, the round structure has to be rethought entirely. Options at that point: 1) lean on Sol's network harder (Gabby, her partner, the benefactor), 2) bootstrap from coaching income while building the demo, 3) revisit the round size downward (\$50K-\$100K target instead of \$150K+). The exec

summary and term sheet do not need to change for these scenarios.
Your conversation framing does.

RETHINKING THE WHOLE APPROACH (IF BOTH COLIN AND JOSH PASS)

The deepest contingency. What happens if neither commits.

Low probability but worth thinking about so you have a backup. If both Colin and Josh pass by end of May, here is the rethink:

REDUCE THE ROUND SIZE AND TIMELINE PRESSURE

Drop the target from \$150K to \$250K down to \$50K to \$100K. This makes the round closeable from smaller checks. Sol's network alone (Gabby, her partner, benefactor) could fill this. Mark Donahue, Steve and Laura in Omaha, Chris Mangan all become more important.

SELF-FUND THE DEMO

The demo can be built for \$55 to \$75 (per the Demo Build Plan). You can manage that out of coaching income or a small personal credit. Demo + Faena conference traction creates a much stronger fundraising position 60 days from now.

SHIFT THE ROUND TIMING

Instead of closing by end of June, target end of September (post-Faena). This trades urgency for traction. A round with Faena conversion data attached is way easier to close than a pre-demo round.

REFRAME THE OMAHA CONVERSATIONS

Steve, Laura, Chris Mangan become the new primary leads. Their commitments + Sol's network gets you to \$100K to \$150K without Colin or Josh. Different mix, same destination.

The deeper reality: Affirmology does not require any specific investor to succeed. It requires capital from someone. If Colin and Josh both pass, that is information about those two specific relationships, not a verdict on

the company. Pivot, raise from the next set of conversations, build the demo on small capital, let Faena create the inflection point.

SUNDAY DECISION TREE

Walking into Josh with three branches ready.

Depending on how Thursday goes with Colin, you walk into Sunday with one of three frames. Internalize all three before the meeting because you may not know which one is operative until Sunday morning.

If Colin Invested Personally (Path A)

Opening line: "Colin came in as anchor for \$30K. Round is moving."

Offer for Josh: Strategic tier as lead investor. \$150K to \$200K at \$750K-\$800K pre-money. Board seat. Hybrid loan option for some portion.

Mood: Confident, momentum-driven, here is the spot reserved for you.

If Colin Brought Naturopath (Path B)

Opening line: "Colin is bringing in his naturopath angel friend at Anchor terms. Colin is in as advisor. Round is taking shape."

Offer for Josh: Same as Path A. Strategic tier as lead. Different anchor name but same round structure.

Mood: Confident, multiple aligned people coming together.

If Colin Passed (Path C)

Opening line: "Colin and I had a great conversation but he is not investing personally. He is in the orbit as a friend. Round is structured around you as the named lead."

Offer for Josh: Strategic tier as lead investor. \$150K at \$800K pre-money = ~15.8% ownership initially, settling to ~14.4% after remainder of round closes. Board seat, advisor equity, hybrid loan option. The most favorable valuation in the round goes to him as the lead.

Mood: Honest, direct, "you are the most important investor in this round." The favorable Strategic valuation is the reward, not a transferred Anchor discount.

THE MINDSET GOING IN

How to hold this without anxiety.

The single biggest mistake founders make in this position is letting an early investor's decision determine their emotional state. Colin's choice is data about Colin's choice. It is not a verdict on Affirmology, on you, or on the round. The company is the company. The product is the product. The market is the market. Whichever investors say yes are the ones building it with you. The ones who say no still get the relationship but not the seat.

Sunday with Josh, you walk in as someone with a great company, a clear plan, an honest read of where each potential investor is, and three different paths ready depending on which one is real. That posture (confident, transparent, prepared) is itself one of the strongest signals you can send Josh that you are the kind of operator he wants to back.

The reframe: if Colin passes, that frees up the Anchor terms for someone else. Anchor for someone who actually wants them is more valuable than Anchor sitting unclaimed. The round wants to close. Whichever investor steps up first gets the gift. Your job is to make sure investors who could step up know the gift is available.