



PRECURSOR
VENTURES

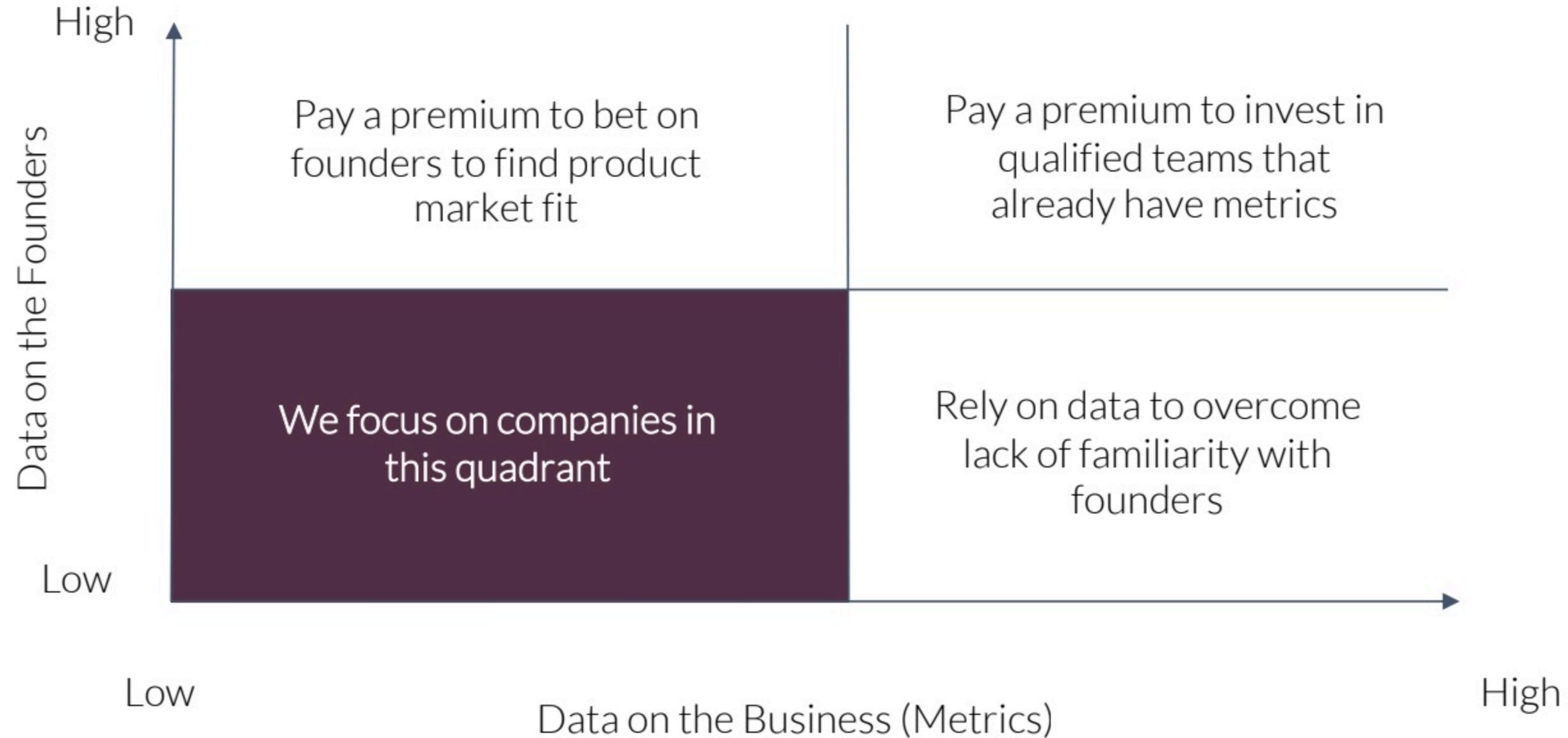
PRECURSOR VENTURES FUND III

\$40 Million Pre-Seed Venture Fund

We invest in people over product at the earliest stage of the entrepreneurial journey



Investing Where Others Fear to Tread



Team: Charles Hudson



Education:

Stanford BA, Economics
Stanford MBA

Entrepreneur and Exec:

Founded two companies
Google, IronPort Systems, Gaia, Serious
Business

Investor:

Uncork Capital (SoftTechVC)
Active Angel
In-Q Tel

Team: Sydney Thomas and Ayanna Kerrison

Sydney Thomas

Education:
Duke BA, Public Policy
Berkeley-Haas MBA

Operator:
Naya Health
Kimberly Clark
Soma Water



Ayanna Kerrison

Education:
Baruch College BA,
Finance

Operator:
Credit Suisse
Bank of Montreal
Merrill Lynch



The Evolution of Institutional Seed Investing

Institutional seed firms were created over the last 15 years to address the gap between friends and family and Series A rounds

The top performing seed firms have increased their fund sizes over time and built increasingly concentrated portfolios

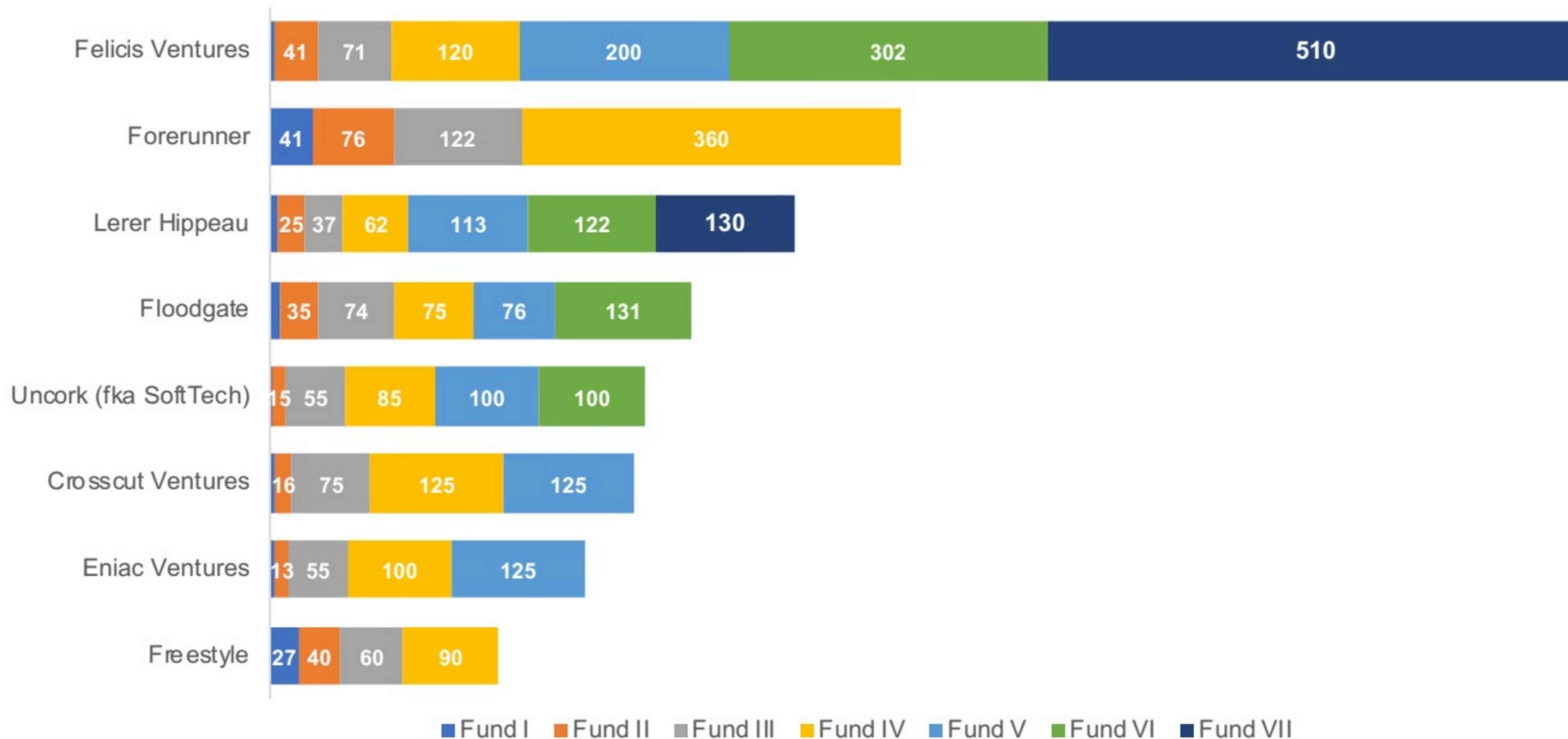
Seed rounds went from \$1 million rounds to finance product market fit (2007-2010) to \$3+ million rounds driven by early metrics and data on company progress (today)

The cycle begins anew – pre-seed is the new seed, seed is becoming the new Series A

Seed Funds Have Continued to Grow Over Time

In the last few years, top seed funds have grown to \$100M+ per fund

Fund Size (\$M)



Capitalizing on the Pre-Seed Opportunity

Precursor Ventures' strategy for winning at the pre-seed stage:

- Lead rounds of \$1 million or less
 - We are one of the few firms that will lead and structure pre-seed rounds
- Help founders build out syndicates and fill out rounds
 - Many pre-seed founders lack access to capital and need help filling out rounds
- Prepare founders for the next round of financing
 - We have deep relationships with the top seed and Series A firms
- Provide founders with an engaged, supportive community of founders
 - A robust community of over 300 founders who support and advise each other

Precursor Fund I

Precursor Fund I - \$15.3 Million Fund Closed in 2016

Precursor Fund I was designed to validate our thesis for investing in pre-seed companies

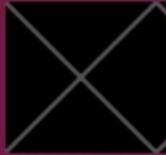
- Invest in 20-25 companies per year with a \$100-250K check
 - Portfolio was weighted toward pre-seed, with some exposure to seed
- Prove ability to lead and set terms for pre-seed rounds
 - Validate our ability to lead and the importance of having a lead at the pre-seed stage
- Use SPVs to follow on in our best portfolio companies
 - Work with existing Precursor LPs to form syndicates for our best companies
- Focus on access over ownership
 - Focus on getting into great companies, with more attention paid to entry price over ownership percentage

Fund I Summary Performance

\$ 
Million Dollars
Invested


Investments

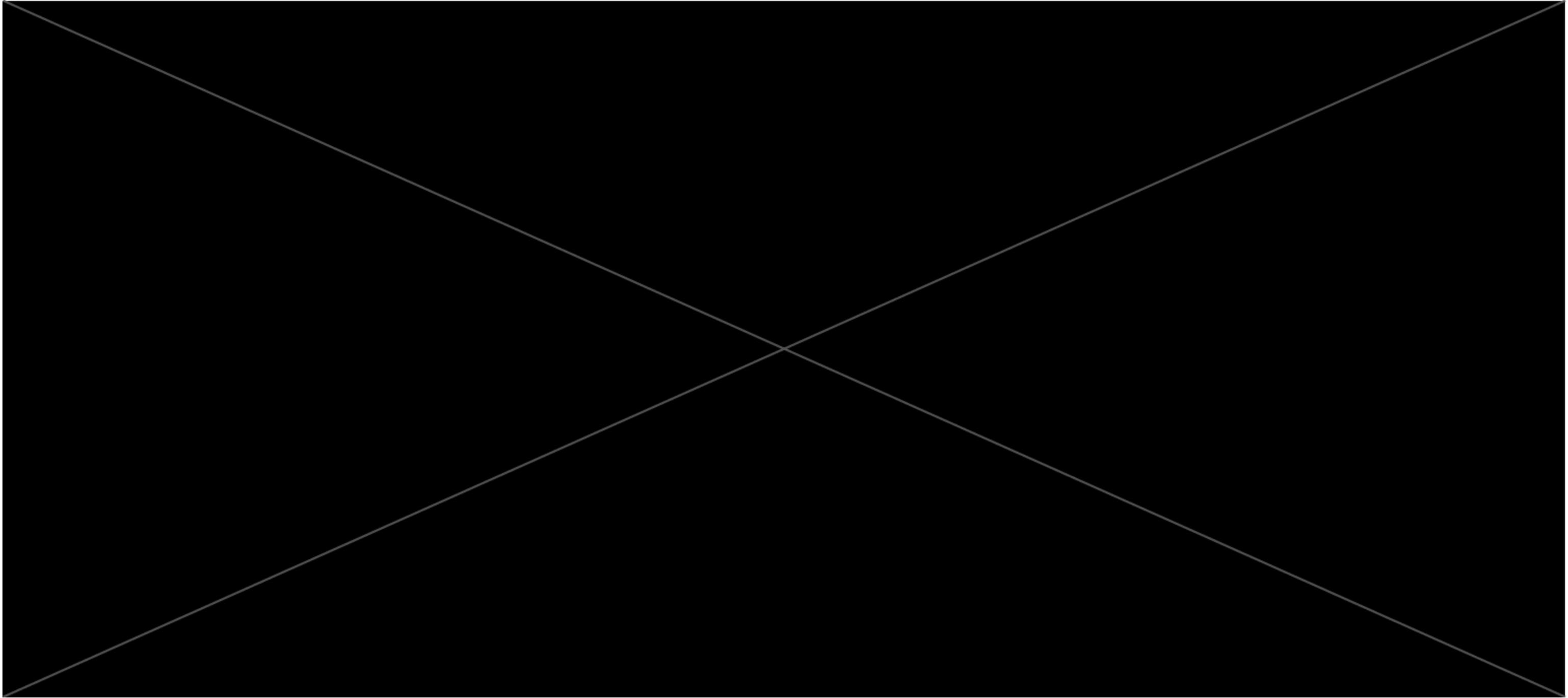

Series A+


Multiple on Invested
Capital

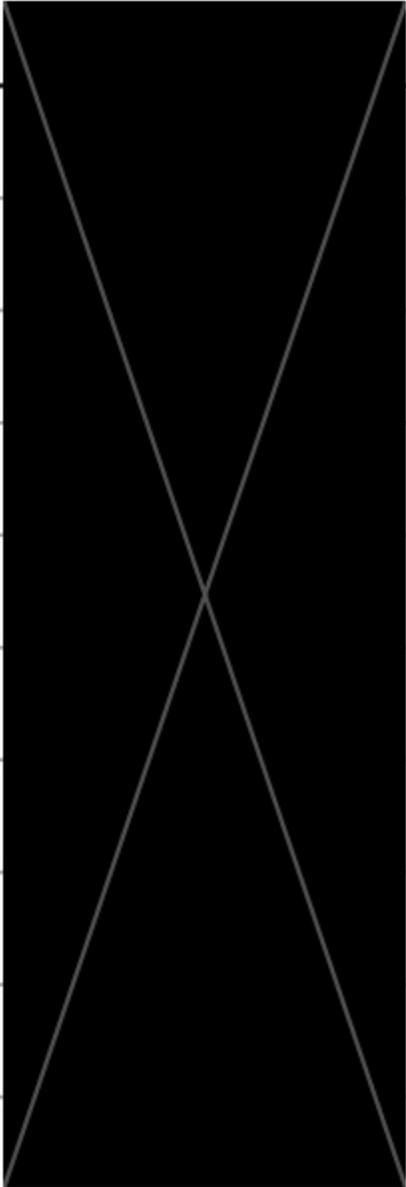
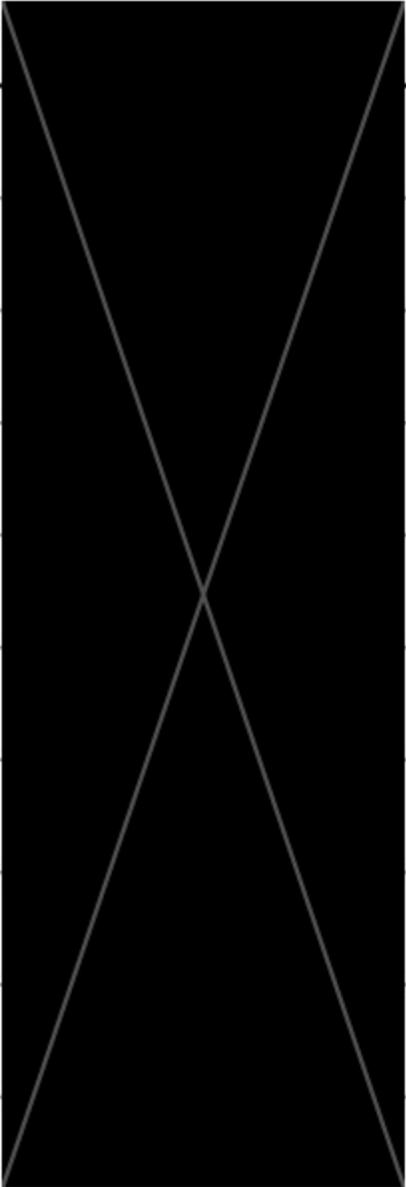
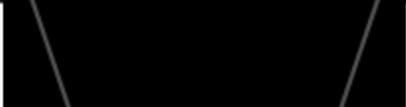
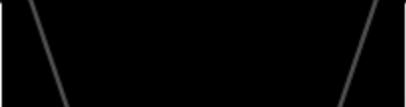
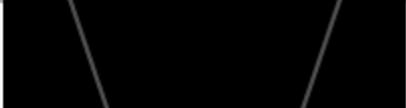
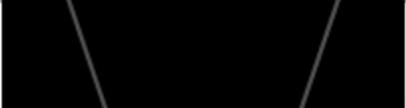
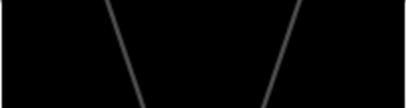
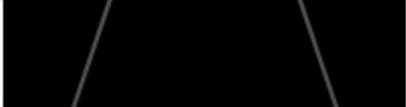
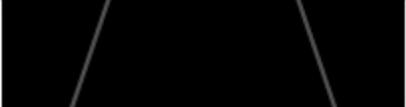
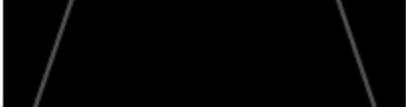
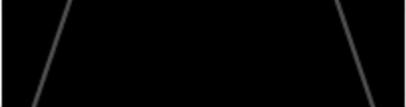

Companies Acquired


Companies Shutdown

Precursor Fund I Performance Over Time



Fund I Portfolio Snapshot by Entry Point

Pre-Seed Entry Point		Seed Entry Point	
Total		Total	
Pre-Seed		Pre-Seed	
Seed		Seed	
Post-Seed		Post-Seed	
Series A		Series A	
Series B		Series B	
Series C		Series C	
Series D		Series D	
Acquisition		Acquisition	
Written Down		Written Down	
Shutdown		Shutdown	

Standout Precursor Fund I Companies



Sports Media
(Series D)
Bedrock Capital
Partners, Founders
Fund



**CRM for
Experiences**
(Series A)
A16z, Rally Ventures



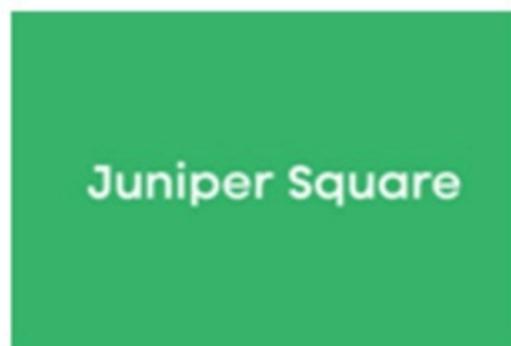
**Alternative
Financing**
(Series B)
Emergence, Social
Capital



**Job Placement for
Healthcare**
(Series A)
Obvious Ventures, NfX,
A16z



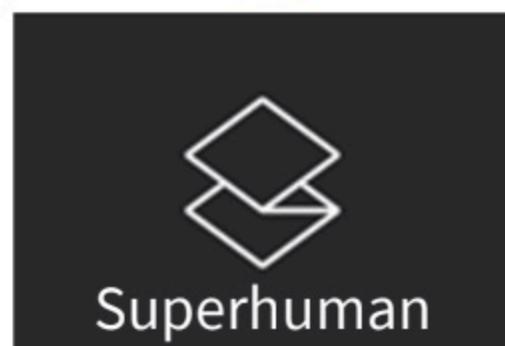
**Fertility Benefits
Platform**
(Series B)
USVP, Uncork, Maven,
CRV



**CRM for Real
Estate**
(Series C)
Redpoint Ventures,
Felicis Ventures, Ribbit
Capital



**B2B Payments
Platform**
(Series B)
Bain Capital,
Homebrew



**Next Gen Email
Service**
(Series B)
First Round, A16z

Fund I Exits

Company	Entry Stage	Exit Stage	Outcomes
[Redacted Content]			