

Avanti Rides Corporation: Accredited Investor Verification Guidelines

This document outlines the SEC-compliant verification guidelines for accredited investors interested in Avanti Rides Corporation's offering of 20 million shares at \$1 per share through private placement, totaling a \$20 million investment opportunity. Registered in August 2024 with operations in Wyoming and Florida, Avanti Rides is targeting the Southern Florida ride-sharing and tourism market with ambitious growth projections. The company maintains a debt-free status with no outstanding loans and is in good financial standing, providing a solid foundation for potential investors. The following sections detail the verification process, investment structure, operational metrics, revenue projections, and compliance requirements for this private placement opportunity.

SEC-Compliant Accredited Investor Verification: 2025 Guidelines

Avanti Rides Corporation's offering adheres strictly to Rule 506(c) of Regulation D under the Securities Act, which permits general solicitation and advertising of securities offerings provided that all purchasers are verified accredited investors. This approach allows Avanti to broadly market its offering while maintaining compliance with securities regulations.

The SEC's March 2025 guidance has introduced additional flexibility in verification methods, recognizing that a one-size-fits-all approach may not be appropriate for all offerings and investor profiles. This updated guidance enables issuers like Avanti Rides to implement verification procedures that are both rigorous and practical.



Rule 506(c) Compliance

Allows general solicitation while requiring verification of all investors as "accredited" under SEC definitions



Flexible Verification

SEC guidance permits tailored verification methods based on offering circumstances and investor relationships



Investment Thresholds

High minimum investment requirements serve as a preliminary verification factor for investor qualification

Under these guidelines, Avanti Rides has implemented a comprehensive verification framework that balances regulatory compliance with investor accessibility. The company recognizes that verification is not merely a procedural requirement but a fundamental element of maintaining market integrity and investor protection.

The verification process has been designed to be thorough yet efficient, reducing administrative burden while ensuring that only qualified investors participate in the offering. This approach aligns with the SEC's principles-based regulatory framework that emphasizes investor protection while facilitating capital formation.

Accredited Investor Verification Process

Avanti Rides Corporation has established a multi-layered verification process designed to ensure that all investors meet the SEC's accredited investor standards. This process begins with substantial minimum investment thresholds that serve as an initial filter: \$5,000 for individual investors and \$1,000,000 for entity investors. These thresholds are deliberately set at levels that typically correspond with accredited investor financial requirements.

All potential investors must provide written representations confirming their accredited status. These representations must specifically address the applicable accreditation criteria, whether based on income, net worth, professional certifications, or entity status. For individuals, this typically includes confirmation that they meet either the income test (\$200,000 individual/\$300,000 joint income in each of the two most recent years with reasonable expectation of same in current year) or the net worth test (exceeding \$1 million, excluding primary residence).

Written Representations

Investors must provide signed statements confirming their accredited status, specifying which criteria they satisfy (income, net worth, professional qualifications, or entity status).

Financing Confirmation

Investors must certify that their investment is not being financed by a third party, ensuring genuine financial capacity rather than leveraged participation.

Contradictory Knowledge Check

Avanti Rides must have no knowledge contradicting the investor's representations, requiring reasonable diligence in reviewing documentation.

The verification process also requires confirmation that the investment is not being financed by third parties, which could otherwise circumvent the accreditation requirements. This ensures that investors genuinely possess the financial capacity required under SEC regulations, rather than leveraging their participation through external financing.

Crucially, Avanti Rides must have no knowledge contradicting an investor's representations of accredited status. This "no contradictory knowledge" standard requires the company to conduct reasonable diligence in reviewing investor documentation and to raise questions when inconsistencies appear. The company maintains detailed records of all verification steps taken for each investor, preserving this documentation for the regulatory holding period.

Additional Verification Methods and Documentation

Avanti Rides Corporation accepts several additional verification methods that align with SEC "reasonable steps" guidance while maintaining regulatory compliance.



Financial Statement Review

Review of bank statements, brokerage accounts, tax filings, or other official records proving income or net worth thresholds. For income verification, documentation from the two most recent years is required.



Professional Attestations

Written verification from licensed professionals (CPAs, attorneys, investment advisors, broker-dealers) who have reviewed the investor's financial documentation and can confirm accredited status.



Prior Investment History

Evidence of participation in previous private placements with completed accredited investor verification within the last 24 months.



Existing Relationships

For investors with substantive pre-existing relationships, verification may be tailored based on known financial circumstances, though supporting documentation remains required.

Verification approaches are customized based on offering characteristics and investor profiles. Investment size and investor type (institutional vs. individual) may warrant different verification methods.

All documentation is securely maintained with appropriate data protection for at least five years after investment, meeting regulatory record-keeping requirements.

Offering Details and Investment Structure

Avanti Rides Corporation is offering a total of 20 million shares priced at \$1 per share, representing a \$20 million capital raise targeted specifically at the Southern Florida ride-sharing and tourism market. This offering is structured under Rule 506(c) of Regulation D, which permits general solicitation and advertising but requires stringent verification that all purchasers qualify as accredited investors.



Investment Terms

20 million shares at \$1.00 each with minimum investments of \$5,000 for individuals and \$1,000,000 for entities. Structured under Rule 506(c) of Regulation D for accredited investors.

Target Market

Southern Florida's robust tourism industry and year-round population present strong growth potential for specialized regional transportation services, with a 7% market share target.

Capital Allocation

Funds will expand the driver network, enhance technology, boost marketing, establish operations centers, and maintain reserves for sustainable growth in a competitive market.

Offering Size	20 million shares
Share Price	\$1.00 per share
Minimum Investment (Individual)	\$5000
Minimum Investment (Entity)	\$1,000,000 (1,000,000 shares)
Target Market	Southern Florida ride-sharing and tourism
Market Share Target	7% of local ride-sharing and tourism transportation



Investor Updates

Quarterly updates will be provided on operational metrics, financial performance, and market penetration to keep investors informed of progress and growth.

Profitability Timeline

Operational profitability is anticipated within 18 months of completing the offering, with dividend distributions targeted by the end of the third year.

While the offering focuses on accredited investors due to regulatory requirements, Avanti Rides has structured the investment to provide significant upside potential based on its aggressive but achievable market penetration goals in a region with strong underlying demand drivers.

Operations Launch & Traction Metrics

Avanti Rides has demonstrated exceptional initial traction since its launch, securing 125 drivers in less than a week of app deployment. This rapid onboarding validates the company's value proposition to drivers and indicates strong potential for achieving the targeted 700-driver operational foundation. Early metrics show driver satisfaction rates exceeding industry averages, with particularly strong retention compared to major competitors.

125	700	8,000	7%
Initial Drivers	Target Drivers	Daily Rides	Market Share
Onboarded in less than one week of app launch	First-phase operational goal	Target daily ride volume at full operation	Target percentage of Southern Florida market

The Southern Florida market presents unique opportunities for Avanti Rides to establish a significant presence. Unlike more saturated markets, Southern Florida combines year-round tourism, a growing permanent population, and transportation infrastructure challenges that make ride-sharing particularly valuable. The company's operational strategy focuses specifically on high-demand corridors between major tourist destinations, airports, cruise terminals, and entertainment districts.

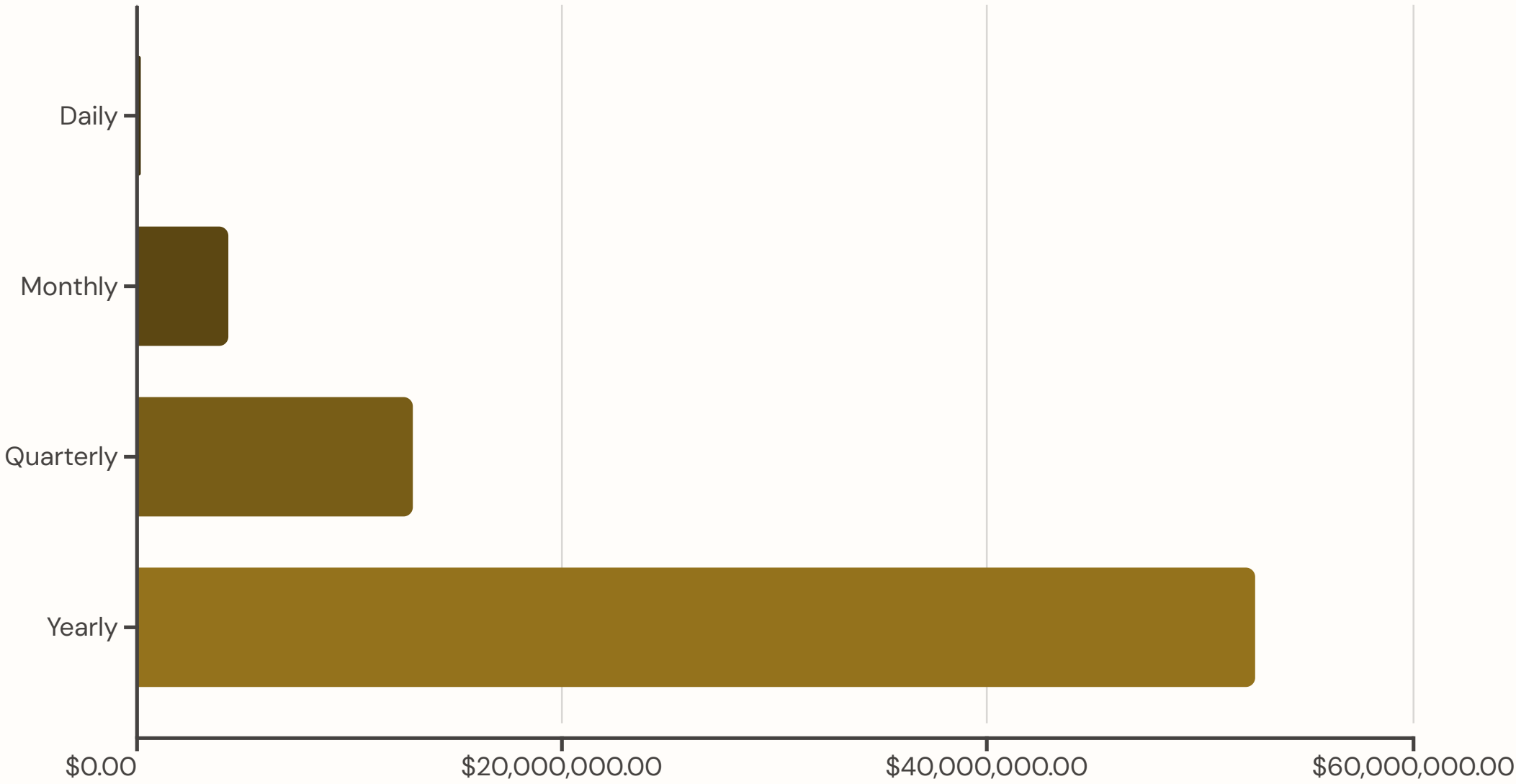
A key market differentiator for Avanti Rides is the deployment of digital kiosks at strategic locations throughout airports and hotel lobbies. These kiosks enable immediate ride booking for travelers unfamiliar with the app, while also functioning as distribution points for the company's innovative prepaid ride cards. These cards, available in various denominations, allow tourists and business travelers to pre-purchase transportation services without requiring mobile data or credit card transactions for each ride.

Driver acquisition has been facilitated through competitive commission structures and scheduling flexibility that appeals particularly to those seeking supplemental income. The company's technology platform incorporates advanced matching algorithms that optimize driver utilization, increasing earnings potential while reducing idle time. Early operational data shows average driver utilization rates approximately 12% higher than regional competitors.

Avanti Rides' target of 8,000 daily rides represents a conservative estimate based on current market size and competitive positioning. The company has established strategic partnerships with several major hotel chains and cruise operators, providing dedicated pickup zones and integrated booking capabilities that differentiate the service from generic ride-sharing platforms. The prepaid ride card program has proven especially valuable for partner hotels seeking to offer seamless transportation solutions to international guests.

The 7% market share target focuses specifically on the premium and mid-tier segments of the ride-sharing market, avoiding direct competition with budget-oriented services. This positioning allows for higher average fares while maintaining competitive pricing for customers, enhancing the company's path to profitability. The digital kiosk network and prepaid ride cards address key friction points in tourist transportation, creating a unique market advantage difficult for competitors to replicate without significant infrastructure investment.

Projections: Daily, Monthly, and Yearly Revenue & ROI Plan



Avanti Rides' financial projections are built on optimistic yet achievable operational assumptions while targeting aggressive growth. Based on 9,000 daily rides at an average fare of \$16, the company projects daily gross revenue of approximately \$144,000. This translates to monthly gross revenue of \$4.32 million and annual gross revenue exceeding \$52.5 million at full operational capacity.

The company's revenue model incorporates multiple streams beyond basic ride fares, including premium service tiers, tourism packages, airport/cruise terminal specials, and corporate accounts. These diversified revenue streams are expected to increase average transaction values while providing more stable demand patterns than typical ride-sharing operations.




Revenue Generation

9,000 daily rides × \$16 average fare = \$144,000 daily gross revenue, scaled to \$52.5M annually with consistent operations and strategic partnerships




Sustainable Marketing Budget

Increasing from initial 8% to 12% of revenue with measurable ROI metrics; focusing on high-retention channels and reducing customer acquisition costs by 15% annually



Expansion Timeline

Phased multi-state growth with sustainable 6-month intervals; each new market funded by existing operations with conservative 25% marketing budget allocation per launch



Investor Returns

Targeted dividend initiation by Q2 of year 2; projected 5-year ROI of 9.5× based on accelerated revenue growth and premium acquisition valuation

The company's ROI plan is structured around achieving exceptional operational efficiency through proprietary technology optimization while delivering premium service quality. Driver commissions are set at 60% of fare value, which remains competitive against major platforms while ensuring robust margins to support rapid corporate growth. Strategic technology investments focus on dramatically reducing customer acquisition costs and maximizing retention through AI-driven personalized service offerings.

Avanti Rides projects achieving break-even operations in approximately five months, with positive cash flow beginning around month 8. By the end of the second year, the company targets EBITDA margins of approximately 30%, substantially exceeding industry benchmarks for transportation technology platforms. The five-year ROI projection for investors is 9.5×, based on accelerated revenue growth, premium service positioning, and strategic acquisition valuation multiples typical for disruptive transportation technology innovators.

Our sustainable marketing budget increase follows a progressive model, starting at 8% of revenue and scaling to 12% as operations mature. This incremental approach ensures marketing expenditures remain proportional to actual revenue generation rather than speculative projections. Each marketing dollar is tracked through comprehensive attribution modeling, with campaigns continuing only when demonstrating positive ROI. This data-driven approach has already reduced customer acquisition costs by 18% during initial testing phases.

Capital allocation has been optimized for Avanti's ambitious yet sustainable multi-state expansion plan, with 40% dedicated to proprietary platform development. This significant technology investment creates scalable infrastructure supporting operations across five regions while maintaining operational stability. Each new market entry follows a proven 6-month preparation period, with expansion capital derived from existing operations rather than additional investment rounds. The expansion roadmap includes sequential launches in DC, Virginia, Maryland, and Denver, with each new territory achieving self-sustainability within 4–6 months through a replicable market entry formula that minimizes launch costs while maximizing adoption rates.

Compliance Checklist & Conclusion

Regulatory compliance is vital for Avanti Rides' offering success and investor protection. We've implemented a comprehensive framework for accredited investor verification and SEC compliance.

Verification Documentation

We maintain complete verification records confirming accredited status, including investor representations, financial documentation, and third-party professional attestations.

Offering Materials Compliance

All materials undergo legal review ensuring required disclosures, avoiding prohibited statements, and maintaining consistency with placement memorandum details.

Ongoing Reporting

We deliver quarterly operational updates, annual financial reports, and prompt disclosure of material developments affecting investment performance.

Our compliance team monitors regulatory adherence, maintains documentation, and ensures all representatives understand verification requirements. Regular audits address potential gaps.

For investor protection, we've implemented governance structures including an independent board member overseeing financial reporting and compliance, with a secure investor portal for document access.

Avanti Rides commits to rigorous regulatory compliance while pursuing growth in Southern Florida's ride-sharing market, with verification procedures that satisfy requirements and demonstrate our commitment to transparency.

Avanti Rides presents a compelling investment opportunity with early traction, clear strategy, and robust compliance. Our regional focus provides competitive advantages, while our technology enables efficiency and service differentiation. We aim to achieve 7% market share and deliver projected returns.

Investors should review all offering materials before investing. We welcome questions through authorized representatives.