

PRIVATE CAPITAL RAISE WITH TARGETED INVESTORS

In many cases, banks, †direct lenders, or even the much sought after †“hard money” private party lenders just cannot match up to the real †needs of a lot of borrowers for worthy projects †in today’s ever tightening lending environment. †

We have on staff a 20 year experienced SEC attorney who can set up a **Private Equity or Debt Placement Memorandum (PPM)/Reg D (Private Capital Raise)** offering to raise debt/equity capital, from \$100,000.00 to no maximum, usually within 7 - 30 days, quickly and efficiently.

Why use a Private Capital Raise?

- NO down payment needed
- NO personal liability
- NO personal credit requirements
- NO proof of current revenues required

Funding for your venture or project is based solely on the quality of your memorandum/ business plan, principal’s resume, and overall pro forma†return on investment. The **Private Capital Raise** can provide either debt or equity funding from \$100,000.00 to no maximum. Terms can be custom designed to meet both Client and Investors’ needs.

PRIVATE CAPITAL RAISE REG D Memorandum and Subscription Agreement

Regulation D requires that you must disclose to each investor “all material” information before they are asked to invest in your project. This requirement is commonly accomplished by creating a Private Equity Placement Memorandum aka (PPM) and a Subscription Agreement. In fact, you cannot legally accept *any* investor funds without first providing them with these documents.

The proper preparation of the PPM or Private Placement Memorandum is critical because you have to make sure you are either not offering the investor enough for their investment or equally problematic, or, perhaps offering too much. Our legal team will assist in the preparation of the investor documents (Private Placement Memorandum and Subscription Agreement) so you are assured of a timely and professional preparation. Further, it will address all the salient questions and challenges that have long range implications such as:

- **Investor exit options that WORK...** *(Critical for successfully raising capital)*
- Equity or Debt ...*(Each has pros and cons)*
- LLC, C Corporation or S Corporation. *(Related to exit options. Very important decision)*
- Preferred or Common or Units... *(Could have substantial impact on maintaining control)*
- Convertible Securities... *(Gives the owner greater flexibility)*
- **Offering Amount...** *(Most common mistake and typically dooms the offering)*
- What to set the valuation? *(Always a difficult question)*
- Percentage of company you should offer investors? *(what is too little or too much)*
- **Are you pricing your PPM too cheaply or expensive?** *(very common mistake)*
- How to solicit investors...*(Recent changes in Federal Law has eased the rules)*

ATTORNEY DOCUMENTS YOU WILL RECEIVE

- A completed PPM - **Private Placement Memorandum**
- (The PPM is Legend for use in all 50 States at No Additional Cost)
- A completed **Subscription Agreement**
- **Investor Questionnaire** (a Federal Law Requirement)
- Copy of **Federal Filing Form D** (and how, when and where to file)
- We also Include Contact Info for All States Securities Regulators
- The PPM will be appropriate for your corporate structure whether a C Corporation / S Corporation or

- LLC-Limited Liability Corporation
- The PPM will be appropriate for your industry
- We also will include a sample Non-Disclosure Form
- The PPM will be compliant with Federal Securities Laws - Rule 504 / 505 / 506
- We also will include a **sample Confidentiality Agreement**
- The documents will be delivered in either MS Word (doc) or Adobe (pdf) format

[Business Plan Review and Preparation](#)

The business plan is usually incorporated into the PPM. We will also review your current business plan, (if available) critique it, and enhance as needed. Or, we can create it from scratch This provides you with an opportunity to identify and correct the deficiencies before you begin discussions with potential investors

A large percentage of Business Plans we receive are defective in a number of areas. Generally, the reason is that the person(s) preparing the plan is not fully experienced in delivering an effective message *specifically designed* for a SEC compliant Private Capital Raise, and does not fully understand what the document needs to contain to get a fast "yes" from an investor.

Whether we create your business plan from scratch, or, work to modify your existing plan, here is what we will provide:

CUSTOM PCR BUSINESS PLAN HIGHLIGHTS:

- **A 9 chapter, 60 page Business Plan,** (WORD and Excel formatted for easy editing)
- 3 Year Automated Financial Model in MS EXCEL
- Complete Industry Research specific to the †Client's submitted project and industry
- Fully customized Power Point Presentation included
- **A 30 page, SEC Compliant Private Placement Memorandum also included**

[Targeted , Pre Screened Accredited Investors](#)

As an integral component of the complete Private Capital Raise package, we present your finished memorandum and business plan package via our powerful and fast **Targeted Direct Marketing**. (TDM)

Using TDM, we email your Private Capital Raise package or business plan **direct to our own proprietary database of over 2000 accredited investors, already screened, vetted and targeted for your specific industry.**

We leave nothing to chance. †We don't have to advertise or hunt for the money.
We already know where the right money is, and who is ready and willing to invest in your opportunity.

For more details on the **Targeted Direct Marketing**, Please see ADDENDUM C, attached

SUMMARY:

Working together, a Private Capital Raise can fund your investment either as a straight debt (much faster and easier) or equity play (no money to repay). **You will then have your own permanent, one on one private money sources not only for this deal, but every other deal in the future.**

No more brokers. No more hard money lenders. No more middlemen. No more endless and degrading personal financial and credit internal exams of every iota of your life by soulless underwriters who could care less about your vision and your dream of financial success. Just you, your good deal and the private people *who write checks*.

We provide the entire documentation and attorney consultation package (Sections I, II, III, IV) including all the above SEC and REG D compliant memorandum documentation, the SBA Approved page full business plan with interactive graphics, website, and, most importantly, **direct targeted marketing to industry specific cash Investors**, and, ongoing attorney oversight and consultation on far too many points and topics to even list here.

And, most importantly, you will have priceless, permanent direct interface with your own network of vetted accredited investors.

And all documentation is yours to keep.

Turnaround time approx. 5 - 20 business days, end to end.

Let's face it, we all know that so called "hard money" brokers, conventional lenders, and, REO Sellers aren't even trying anymore to be flexible to really help the small Investor, business owner, and Entrepreneur. They are too busy chasing after the heavy hitters with AAA+ credit and/or, are paying CASH. These guys can get loans with just a phone call. They buy wholesale properties for pennies on the dollar with cash on the table *before you even know it's listed.*

A Private Capital Raise/ REG D memorandum is increasingly the only real chance wholesalers, commercial investors, developers, business startups, etc. have to try to raise funds for their dreams. **If you have problem credit, no cash, no history of business income, (startups) and no collateral, there simply is no other viable mechanism available than a professionally prepared, SEC compliant Private Capital Raise.**

If you have a business startup, expansion, or any kind of real estate related investment need and are ready to get started please send a brief 1-5 page executive summary to: tsc.capital@yahoo.com. Make sure you summary addresses the following salient facts : **Detailed Use of Funds, Defined Exit Strategy, and 3 year Pro Forma.** We will review and give you our feedback within 1 business days.

Addendum A: Comparison, Conventional Lending vs. Private Capital Raise

Addendum B: FAQ

Addendum C: Targeted Direct Marketing summary

Addendum A

CONVENTIONAL LENDING vs. PRIVATE CAPITAL RAISE

Conventional lending typically requires:

10-30 % Down Payment
2 Years Tax Returns,
2 Years Bank Statements
Minimum Credit Score (640-740)
Debt Ratio Requirements

A Private Capital Raise requires Zero down payment.

Conventional funding usually requires: Collateral/ Performing audited cash flows.

A Private Capital Raise does not require proof of any current revenues OR Collateral

Conventional Bank Lending typically requires Full Personal Guarantees by the Founder.

A Private Capital Raise has Zero personal Liability. (The Corporation is raising funds which has been used for centuries to shield against personal Liability).

You can preserve and retain 100% of your Cash reserves.

- Obtain 100% working capital for Acquisitions or Refinancing from Private sources. Absolutely invaluable for Start Ups or, going concerns *with or without current revenues*.
- Defer liability to the LLC or Corporation away from Personal Liability (non-recourse.)
- **Funding is solely based on the presentation of the†Founder's business plan, principals resume, and memorandum showing pro forma of projected revenues and/or existing revenues.**
- 100% Unsecured or Secured funding, at the discretion of the Founder.

Our professionally prepared Private Capital Raise package requires Zero down, Zero operating history or revenues, Zero minimum credit score requirements, the only costs are the stated nominal filing and memorandum doc preparation and presentation services for final delivery to the targeted accredited investors.

Addendum B

PRIVATE CAPITAL RAISE (PCR) **Frequently Asked Questions**

What IS a Private Capital Raise?

- In essence, a Private Capital Raise is how the little guy can legally solicit and raise debt or equity capital from the public, without spending the usual tens of thousands of dollars to do a formal SEC public stock offering or IPO.
Funding is based on the presentation of the business plan, principal's resume, and memorandum showing pro forma of projected revenues and/or existing revenues.

Congress passed The Securities & Exchange Act of 1933, to regulate the soliciting and taking of any and all investor money. However, compliance with the law was so difficult and expensive that individuals and small companies could not afford to raise capital. To remedy this problem, Congress amended the law and passed what is known as **Regulation D**. In Reg D, Congress said, if you comply with the requirements listed in Regulation D (Reg D) you will be “exempted” from the much more complex and expensive requirements that the SEC Act of 1933 imposes. . If you violate any of the Reg D requirements, you lose the exemption and thus you are in violation of Federal Securities Law.

What information is included in a Private Capital Raise?

Regulation D requires that you must provide each investor with “All Material Information” regarding their investment in your company. **The information contained within the Placement Memorandum and Subscription Agreement (.a.k.a. PPM or Private Capital Raise) is the total package we will give each investor to comply with this Reg D requirement.** NOTE: A business plan is not a PPM, however, the information included within the business plan is *included* within the PPM.

Once we have the PCR memorandum, business plan complete...what happens next?

Accepting investment money from anyone other than immediate family members is subject to both federal REG D, and state securities regulation. Once you comply with the requirements of Regulation D † you can legally advertise and † accept investor's capital. You can sell investors equity shares in your venture or issue debt in the form of bonds. With Regulation D, *it does not matter that you are a startup with zero cash or collateral, or an operating company with a proven track record.* **Our Private Capital Raise automates this process for you by sending your completed package direct via email to our own proprietary database of over 5,000 Accredited Investors, already screened and vetted, and, targeted to YOUR specific industry.**

In other words, we don't leave anything to chance, by just hoping that someone sees your offering posted somewhere We send it right to the real players with a ton of cash, who are hungry for good deals like yours, and can write checks immediately.

But, I am a Start Up Company, I have no cash down to contribute.....?

A Private Capital Raise requires NO down payment. You can preserve and maintain 100% of your on hand cash reserves.

What about showing my last personal two years financials or tax records...?

A Private Capital Raise does not require proof of any current revenues OR Collateral

Do I have to personally guarantee these funds? I cannot afford to take that kind of risk!

A Private Capital Raise has Zero personal Liability, making it **100% non-recourse**. This is because it is your Corporation (not you personally) that is raising funds which, as you know, has been used for centuries to shield against personal Liability. Using our SEC compliant package, we make sure of it.

My Credit is pretty bad, and, I have a few negatives on my report, could I still qualify?

A Private Capital Raise has NO minimum personal or corporate credit score requirements.

Overall, how long will it generally take to raise the money I need?

If we receive all requested documentation needed in a timely manner from the Client to complete the Private Capital Raise package ({Reg D Memorandum, Subscription Agreement, and the Business Plan,) we can have the package completed within 5 - 10 business days. Once completed, we can have funds raised within 10 - 20 business days, on average.

Addendum C

Private Capital Raise

TARGETED DIRECT MARKETING (TDM)

Proper , targeted, professional marketing of any investment plan , public offering or REG D memorandum takes planning, structure, and an organized polished format to present to as many qualified investors as possible, as quickly as possible, to gain their interest and response.....on the very first pass.
There is no short cut.

Just having a memorandum and business plan, no matter how well prepared, has zero value ...**if you don't know how and where to present it to the *proper* audience.**

As the most critical component of our total **Private Capital Raise** service, our **Targeted Direct Marketing** uses our own proprietary list of proven, screened, and vetted Accredited Investors and entities in our 3000+ database.

Our **Targeted Direct Marketing** emails all 2000+ Accredited Investors in our database, with your own custom email that will have links to your completed Private Capital Raise package which includes: your business plan, full REG D documentation and any other promotional materials you need to present.

The database list includes Company Name, Contact Person, Contact Phone Number, E-mail Address, Location, and Website. This list is tested and updated every 30 days for accuracy.

The email bounce rate is less than 3% and all emails are sent in excel format within 24 hours of final completion of the full **Private Capital Raise** package.

Our **Targeted Direct Marketing** allows the Investor to quickly, at the tap of a button, receive your entire

professional presentation in a matter of seconds, by never leaving his keyboard. Fast. Complete. Efficient.

Below are a few examples of our Accredited/Angel Investors with a Net-Worth of over 1 million:

Individual Venture Capitalists, Venture Capital Firms, Private Equity Firms, Hedge Funds, High Net-Worth Professionals Funding Groups, Direct Business Lenders, Commercial Real-Estate Lenders, CEO'S, Executives, Business Owners, Doctors, Lawyers, Etc...†

Our Targeted Direct Marketing database does not consist of brokers, consultants, non-principals, or advisers in any capacity. Our database of investors *only* consists of direct, principal, and real funding sources.

As professionals, we complete the necessary due diligence to ensure each investor entity is a real source before presenting any funding proposals, including completion of the required REG D Investor Questionnaire.

Also, we assist you to design and upload your own private video on YouTube or Vimeo, in which only those with the direct link can view it, then place the video link in the email message we send to the Investor Entities.

We will provide you with all of the below services under our Targeted Direct Marketing:

- Our promise is to work with you and prepare the Private Capital Raise package. This includes your attorney prepared, fully compliant SEC REG D Memorandum PPM, from scratch if needed, with Memorandum, Subscription Agreement, Questionnaire, Promissory Notes or Bonds. This also includes consultation of formation of the Business Plan which is inserted in the Memorandum.
- Our promise is to send your e-mail message (containing the links to your Private Capital Raise) to accredited investor entities under our targeted e-mail to our database. List includes Company Name, Contact Person, Contact Phone Number, E-mail Address, Location, and Website. This list is tested and updated every 30 days for accuracy. The email bounce rate is less than 3%.
- Our promise is that it will be emailed in excel format within 24 hours of completion of the Private Capital Raise package.

If you are ready to proceed, please send your executive summary (1-5 pages) outlining your capital funding needs. Make sure you detail your use of funds, management relevant resumes, expected ROI, and pro forma. Email it to: tsc.capital@yahoo.com. A representative will review and contact you within 24 hours of receipt with feedback and determination for eligibility for our program.

All information is held in strictest confidentiality and is never shared to any unauthorized 3rd parties.

