

Small Business Capital, LLC

Private Placement Program

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<http://www.smallbcapital.com>

Accredited Investor Portfolio Program Preliminary Client Commitment Conditions

- 1) The borrowing, or equity selling, entity must be either a "C" corporation or a Limited Liability Company (LLC). Please forward a complete copy of incorporation or LLC filing papers.
- 2) Please fax a complete 1003 (in the case of a real estate transaction), or an Executive Summary, along with a tri-merged credit report no more than 90 days old.
- 3) What will be the address and phone number of the corporate or LLC headquarters?
- 5) A complete business plan for a business transaction or a real estate development transaction will be required in "Word" format and must be emailed. The business plan must include a projection of income and expenses for the next 5 years. Include resumes of the principals in the plan.

5A. If the transaction at hand is a simple real estate transaction then a narrative covering these points (see bottom of 2nd page for an outline) will be sufficient. We will still need a projection of income and expenses for the next 5 years.
- 6) Please advise of the minimum and maximum amounts of the financing required. That is, how much, minimally, will get you started, and how much will be the maximum you wish to raise.
- 7) We will need a "Use of Funds" statement for the amount you are seeking. If you have a minimum and a maximum amount, we will need a separate "Use of Funds" statement for each amount.
- 8) Which bank will be client be using? Please provide full address, contact info, and phone number.
- 9) Which title co/escrow will be handling the closing for this transaction? Please provide full contact details.
- 10) Will this be a request for a loan or will equity be offered? Please outline the terms offered. If equity is offered, what % of the company is for sale? If you are seeking a loan, what terms are you seeking?
- 11) If you have an appraisal, please email it to us. If you have a Broker Price Opinion, please forward a copy. Generally we obtain final investor approval prior to requesting an appraisal to minimize upfront expenses.

12) Additional items may be needed as the preparation of the financing package gets underway.

PLEASE NOTE: Unlike most lenders, we do not require this entire package to be completed before submitting to us. Please feel free to begin submitting documents once you have received a formal proposal from us and the client has accepted it.

NOTES FROM 5A:

1. **Executive Summary:** Write this last. It's just a page or two of highlights of your business/project.
2. **Company Description:** Legal establishment, history, start-up plans, future plans, etc.
3. **Product or Service:** Describe what you're selling. Focus on customer benefits.
4. **Market Analysis:** You need to know your market, customer needs, where they are, how to reach them, etc.
5. **Strategy and Implementation:** Be specific. Include management responsibilities. Include advertising plans, promotions, etc..
6. **Management Team:** Describe the organization and the key management team members.
7. **Financial Analysis:** Make sure to include at the very least your projected Profit and Loss tables.