



CAPPELLO

CAPITAL CORP.
INVESTMENT BANKERS

OVERVIEW

For over 30 years, the principals of Cappello Capital Corp. and its affiliates have been providing innovative investment banking services to public and private companies across a broad range of transactions exceeding \$50 billion in aggregate value.

With significant cross-border transactional experience in over 40 countries in North America, Latin America, Europe, Australia, Asia, Africa and the Middle East, the firm's professionals offer a tremendous wealth of knowledge to clients in almost every industry.

We focus on long term relationships with our clients, allowing us to optimize results when providing the following services:

- Strategic Advisory
- Mergers & Acquisitions Advisory
 - Sell Side
 - Buy Side
- Private Placements of Equity & Debt
 - Public Companies
 - Private Companies
- Financial Restructurings

Cappello Capital Corp. is a registered broker-dealer and a member of the National Association of Securities Dealers (NASD).



FIRM PHILOSOPHY

Our mission, simply stated, is to help talented management teams leading companies with strong fundamentals to best meet their needs for capital and strategic growth.

We are fierce advocates for our clients' interests, and seek to maximize their objectives. Regardless of size or circumstances, Cappello's senior professionals offer the utmost attention and expertise to every client. As a result, our clients enjoy an efficiently run process and close on the best possible terms.

SERVICES

Companies turn to Cappello for customized solutions designed specifically to meet their needs, whether complex or conventional in nature. We are equally experienced at advising and raising capital for healthy, growth-oriented companies as we are at helping troubled companies overcome difficulties. We specialize in providing:

- Access to growth capital
- Recapitalizations
- Advice on mergers and acquisitions
- Guidance on strategic decisions
- Restructuring of ailing balance sheets

At Cappello, we take great pride in not being conflicted or distracted by offering trading, published research, brokerage services, individual accounts, widely-syndicated deals or off-the-shelf products or services. **The result?** Our clients receive pure, objective advice and develop long term relationships with our firm.

"Whenever we had a tough assignment to fill, ranging from M&A advisory to private placements of debt and equity, we would place our confidence with Cappello's experienced bankers. In fact, without their steady hand at the helm, certain transactions may not have closed." *

*Ray Springer, Former CFO
FAC, Inc.*

* May not be representative of the experience of other clients and is no guarantee of future performance or success.



STRATEGIC ADVISORY SERVICES

When a company lacks clear goals, or simply desires an objective viewpoint, Cappello provides a detailed assessment based on empirical data and our experience gained from having advised a multitude of companies facing similar challenges.

Growing companies, in particular, benefit from the advice of impartial financial experts. Management often is barraged with solicitations from financing sources, prospective targets, interested acquirers and intermediaries, distracting them from running their business. As a highly experienced advisor, Cappello helps management make informed choices in the best interests of shareholders, while freeing management to focus on operations.

Our objective advice is of particular value when growth companies face critical junctures, such as needing capital under challenging circumstances and assessing unsolicited purchase offers. We employ expertise in the following areas to help educate and guide management through difficult choices:

- Structuring strategic alliances, joint ventures, LBOs and MBOs
- Evaluating and implementing strategies for takeover preparedness
- Identifying and evaluating the universe of strategic and financing alternatives
- Accessing the most likely domestic and international investors
- Advising public companies on broadening their shareholder bases through multiple listings or depository receipts

We hold ourselves accountable to provide timely, efficient, confidential advisory services, with the best interests of our clients and their shareholders of paramount importance.

MERGERS & ACQUISITIONS

Cappello delivers merger, acquisition and divestiture services to public companies, closely-held businesses and private equity funds. Our definition of a successful M&A transaction differs from the typical rule-of-thumb of signed documents and transferred funds. We believe that the following milestones must be met, which may take months, or even years, after the deal has closed:

- Full purchase price realized by seller
- Accretion of shareholder value
- Business synergies realized
- Tax goals fulfilled

We apply our extensive knowledge of hedging and derivative products to structure the most favorable terms, and always provide the requisite education to ensure that our clients are comfortable with the transaction structures chosen. We are particularly knowledgeable in the area of cross-border transactions. This enables us to proactively overcome obstacles unique to international transactions, such as regulatory issues, cultural differences and multiple currencies.

SELL-SIDE ENGAGEMENTS: Our relationships with the decision makers at private equity firms worldwide and our extensive resources to identify the appropriate strategic acquirers, regardless of industry, enable us to deliver the right buyers to our clients.

BUY-SIDE ENGAGEMENTS: Whether a client's goal is to expand market share or to enter new markets, we put forth a dedicated effort to seek, structure and close acquisitions. As a buffer between buyers and sellers, we are able to optimize the relationship between the parties following transaction closing.



FINANCING PUBLIC COMPANIES

Cappello specializes in providing a wide range of customized financing solutions to public companies, from conventional applications of equity, debt and convertible securities to the most complex derivative structures. Public companies considering a private placement generally fall into one of two categories:

- Issuers with attractive operating characteristics, but illiquid shares, benefit from our extensive relationships with capital sources that are fundamentally focused and comfortable in the public markets.
- Issuers with highly liquid shares benefit from our deep knowledge of the capital markets and our expertise in derivatives, allowing them to monetize the volatility of their share prices and lower their overall cost of capital.

Cappello is one of the most experienced providers of private placements for public companies, and is a pioneer in structuring custom designed securities. In fact, the firm was consulted by regulators during the creation of regulations and guidelines for PIPEs (Private Investments in Public Equities).

As a pioneer in the PIPEs market, Cappello has ranked among the top 5 Placement Agents by proceeds for Privately Placed Convertible Preferred Stock in four of the years since the data has been compiled.

Data compiled by Thomson Financial

FINANCING PRIVATE COMPANIES

Cappello delivers far more than capital to our closely-held clients. We roll up our sleeves to help them define their strategic plans and prepare their companies for financing. This hands-on approach enables us to create a financing structure that best meets our client's needs and is attractive to the investor market. Many of our clients comment that they gain valuable insight into their businesses as a result of this process.

Through our experience working with owners of closely-held businesses, we understand their challenges and provide the most appropriate solutions for:

- Wealth diversification
- Shareholder liquidity
- Growth enhancement, organically or through acquisitions
- Recapitalizing a balance sheet
- Succession planning
- Accessing the right partners and board members

Our knowledge has been gained first-hand. Many of Cappello's managing directors have founded and fostered businesses in senior management positions. This operating experience, together with a track record of over \$50 billion in transaction experience, exemplifies the prowess that we bring to every client engagement.

Private placements for public and private companies are suitable only for qualified investors. The securities sold in private placements are subject to restrictions on transferability and resale.



RESTRUCTURING SERVICES

Cappello's professionals have completed a wide variety of successful restructuring and workout assignments. Our collective experience includes financing and M&A transactions, both in and out of bankruptcy, and providing perspectives from all points of view: creditor, debtor, trustee, advisor, management, shareholder and regulator. We have advised on transactions involving excessive leverage, deteriorating or changing fundamentals, change of control, asset purchases and asset sales, including those pursuant to Section 363.

Clients in challenging financial situations choose Cappello for our disciplined approach to the transaction process and our ability to rapidly implement creative financing solutions. We work quickly with management to gain a thorough understanding of the situation and the challenges facing all participants in a transaction. We then develop a suite of solutions to address the needs of all stakeholders, while stabilizing our client's business and providing the resources for future growth.

Our goal for restructuring assignments is to minimize the inherent risk, uncertainty and management distraction involved, while maximizing value to our client. Our long-standing relationships with institutional lenders and equity funds enable us to quickly and efficiently implement restructuring transactions.



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FINANCING PRIVATE COMPANIES

FINANCING PUBLIC COMPANIES

\$250,000,000
Equity Commitment



The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$30,400,000
Debt / Equity


Dynasty Classics, Inc.

The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$105,000,000
Convertible Preferred Stock



The undersigned acted as exclusive financial advisor in this transaction.



8480 001

\$110,000,000
Common Stock Option
to acquire Series A, B, L.




The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$30,000,000
Debt




The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$25,000,000
Secured Credit Facility

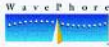


The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$36,900,000
Convertible Preferred Stock




The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$32,500,000
Common and Convertible Preferred



The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$23,000,000
Convertible Preferred Stock


Geo East Mesa L.P.

The undersigned acted as exclusive financial advisor in this transaction.




8480 001

**Preferred Equity
Senior Debt Facility
Additional Equity Commitment
Terms Not Disclosed**




The undersigned acted as exclusive financial advisor in these transactions.




8480 001

\$29,000,000
Convertible Preferred Stock



The undersigned acted as exclusive financial advisor in this transaction.




8480 001

\$10,300,000
Common Stock

\$5,250,000
Common Stock

genius products, inc.

The undersigned acted as lead placement agent in these transactions.




8480 001


MERGERS & ACQUISITIONS

STRATEGIC ADVISORY & RESTRUCTURING SERVICES

Acquisition of Canongate Golf Clubs
Terms Not Disclosed



The undersigned acted as exclusive financial advisor in this transaction.




NOV 2011

\$400,000,000
Acquisition

Geothermal Resources International

The undersigned acted as exclusive financial advisor in this transaction.




NOV 2011

\$285,000,000
Debt Commitment

BCG Investment Corp. / CWC

The undersigned acted as exclusive financial advisor in this transaction.



NOV 2011

\$150,000,000
Project Financing Debt / Equity Commitment

ORFA Corp. of America

The undersigned acted as exclusive financial advisor in this transaction.



NOV 2011

\$100,000,000
Acquisition of Zany Brainy, Inc.

\$20,000,000
Convertible Preferred

\$115,000,000
Senior Debt Facility



The undersigned acted as exclusive financial advisor in these transactions.




NOV 2011

\$34,000,000
Merger

Arcus Data Storage

The undersigned acted as exclusive financial advisor in this transaction.




NOV 2011

\$140,000,000
Restructuring

G.E.M.L.P. / Pacificorp

The undersigned acted as exclusive financial advisor in this transaction.



NOV 2011

Strategic Advisory
Terms Not Disclosed



The undersigned acted as exclusive financial advisor in this transaction.



NOV 2011

\$20,000,000
Merger/Acquisition of Global Genomics



The undersigned acted as exclusive financial advisor in this transaction.




NOV 2011

Acquisition of American Vantage Media Corp.
Terms Not Disclosed

genius products, inc.

The undersigned acted as exclusive financial advisor in this transaction.



NOV 2011

\$50,000,000
Restructuring


Sun Computers

The undersigned acted as exclusive financial advisor in this transaction.




NOV 2011

Strategic Advisory
Terms Not Disclosed



The undersigned acted as exclusive financial advisor in this transaction.



NOV 2011