

Acquisition Opportunity

Marketing & Presentation Software for Insurance Agents and Financial Advisors

2016 Revenue: \$514 K

2017 Proj Revenue: \$850 K

- **Growing Market for the Company's Services:** Main product is an illustration software for Indexed Universal Life. IUL's emerging popularity with insurance agents and financial advisors, along with retirement savings wealth trends in general, support strong momentum for Company's market opportunity.
- **Proprietary Financial Product Development:** Company occupies a very unique viewpoint in the retirement savings industry, has hundreds of agent and carrier contacts, and understands the underlying actuarial and marketing aspects of insurance-oriented savings products. All materials and product names are copyrighted.
- **Track Record/Proven Product Acceptance:** Company has increased its year-over-year sales to one of the largest IMOs in the industry since inception, and now has other IMOs participating, as well as other market participants interested. Great growth potential with expanded marketing resources.

Recast Historical and Pro Forma Statement of Income^(a)

For the Fiscal Years Ended December 31

(\$000)

	Historical			Est.	Projected				
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Sales	159	291	514	850	1,900	3,400	4,900	6,400	8,000
% Growth	--	82.6%	77.0%	65.3%	123.5%	78.9%	44.1%	30.6%	25.0%
EBIT	(379)	(207)	(2)	251	705	1,517	2,331	3,140	4,010
% of Sales	-238.0%	-71.2%	-0.4%	29.5%	37.1%	44.6%	47.6%	49.1%	50.1%
EBITDA	(354)	(189)	19	269	730	1,548	2,367	3,185	4,059
% of Sales	-222.6%	-65.1%	3.7%	31.6%	38.4%	45.5%	48.3%	49.8%	50.7%

Client # 61151 SW



In Partnership With



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Headquartered in Kentucky, Company offers marketing and sales presentation software for insurance agents and other financial advisor professionals. The software and associated materials support tax-advantaged savings programs using the Indexed Universal Life Insurance product.

The product package was effectively established for one larger client in approximately 2012, and officially introduced to other clients in late 2015. Market feedback has been very positive, with revenues growing from \$160,000 in 2014 to over \$500,000 in 2016.

The suite of products is offered on a recurring subscription basis, and is website-accessed by its customers. The site enables financial advisors to create and manage a variety of customized, compliance-approved client reports that streamline the complex IUL product. Client reports are accompanied by complete marketing programs that support member advisors from the prospecting phase through the close of the sale. IUL is one of the fastest growing products in the life insurance industry, where it is used as a tax-advantaged cash value accumulation tool. A rapidly-growing number of advisors use IUL for retirement planning with their clients.

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Non-Disclosure Agreement

This Confidentiality and Non-Disclosure Agreement ("NDA") sets forth the terms and conditions under which Generational Equity, LLC ("GE"), its authorized agents, representatives and affiliates, including but not limited to Generational Capital Markets, Inc. ("GCM"), (hereafter "GE/GCM") is or may be providing information to you, as a potential buyer ("Potential Buyer"), and any authorized employees, officers, agents, advisors including accountants, attorneys, and financing sources ("Representatives") regarding the following client ("Client"):

#61151 SW – Marketing & Presentation Software for Insurance Agents and Financial Advisors

1. Potential Buyer acknowledges the disclosure of any non-public information concerning Client ("Confidential Information") will cause Client irreparable harm and significant injury. Confidential Information includes Client's identity, location, type of business, the fact Client is considering a sale of its assets or ownership interests, and any other confidential information, including, but not limited to, any written reports, data, records, financial data, intellectual property, or any other proprietary or privileged information. Confidential Information under this NDA shall not include the following:

- A) Information that is or becomes public other than as a result of acts by Potential Buyer;
- B) Information that is already known by Potential Buyer at the time of any disclosure under this NDA;
- C) Information that is independently obtained by Potential Buyer from a third party having no confidentiality obligation to Client;
- D) Information that is independently developed by Potential Buyer without use of any Confidential Information under this NDA; and
- E) Information that Potential Buyer is obligated to disclose pursuant to any law, regulation, court order or any other related legal process.

2. Confidential Information is being provided solely in connection with Potential Buyer's consideration of the acquisition of Client. Potential Buyer understands that no representations or warranties are being made as to the completeness or accuracy of any Confidential Information. No portion of the Confidential Information shall be disclosed to any third party except those Representatives associated with Potential Buyer whose knowledge of the Confidential Information is required for Potential Buyer to evaluate Client as a potential acquisition. Representatives of Potential Buyer that receive Confidential Information shall assume the same obligations as Potential Buyer under this NDA. Potential Buyer hereby assumes full responsibility to ensure the compliance of any Representatives of Potential Buyer for any breach of the terms of this NDA. Potential Buyer agrees to indemnify and hold harmless Client and GE/GCM from any and all losses or damages caused by the misuse or release of any Confidential Information by Potential Buyer or Potential Buyer's Representatives.

3. Potential Buyer agrees that it will not use any Confidential Information for its own account or economic/competitive advantage. Potential Buyer shall not use any Confidential Information to solicit any employee, customer or supplier of Client. Potential Buyer agrees it will not interfere with any of Client's business through the use of any Confidential Information acquired under this NDA however solicitation of employees, customers, or suppliers in the ordinary course of business and without the use of Confidential Information is not restricted by this NDA. Potential Buyer understands that Client is the intended beneficiary whose rights are being protected under this NDA and in the event of a breach of this NDA, Client may enforce the terms of this NDA as fully as GE/GCM.

4. The obligations under this NDA shall be in full force and effect for a period of twenty four (24) months following the date of execution.

5. Should any dispute, controversy or claim arise between Potential Buyer, GE/GCM, and/or GE/GCM's Client, Potential Buyer agrees that it shall be resolved by binding arbitration administered by the American Arbitration Association ("AAA") in Dallas, Texas in accordance with the Federal Arbitration Act (Title 9, U.S. Code). The laws of the State of Texas shall govern this NDA without regard to any conflicts of law principles. Venue and jurisdiction for any action under this NDA shall take place in Collin County, Texas. In any action to enforce this NDA, the prevailing party shall be entitled to recover actual damages, reasonable attorneys' fees, court costs, arbitration costs, and other expenses associated with such action. Potential Buyer and GE/GCM hereby waive, to the fullest extent permitted by law, any right to indirect or consequential damages including any loss of: use, income, profit, financing, business, reputation, goodwill, and any claim of punitive or exemplary damages and may only recover actual damages, attorney's fees and costs. Neither GE/GCM nor Potential Buyer shall be entitled to join or consolidate disputes by or against others in any arbitration or to include any dispute in arbitration as a representative or member of a class, or to act in any arbitration in the interest of the general public or any private attorney general action. The cost of the arbitration shall be borne equally by the parties during the pendency of the arbitration, but the prevailing party, if any, as determined by the arbitrator's award, shall be entitled to reimbursement of all expenses incurred in the course of the arbitration proceedings and costs incurred in the enforcement of the arbitration award, including a reasonable attorney's fee. Judgment on the award may be entered and enforced in any court having personal jurisdiction over the party in favor of whom an award is entered by the arbitrator. The parties agree not to initiate, or threaten to initiate, any complaint, claim, or cause of action whatsoever in any public or private agency or in a state or federal court without first 1) submitting the details of the dispute in writing to the other party and 2) submitting said dispute to arbitration as agreed herein.

6. Potential Buyer agrees and acknowledges that GE/GCM may assign this NDA to any of its affiliates or affiliated entities, provided such affiliate or affiliated entity assumes in writing all obligations of GE/GCM under this NDA. The signing party/person to this NDA represents it has full legal authority to enter into this NDA on behalf of Potential Buyer and if the signing party is not a corporate or institutional buyer/investor but instead is an individual owner, investor, or principal he/she hereby agrees to be jointly and severally responsible for the fulfillment of Potential Buyer's obligations under this NDA. Potential Buyer agrees to reasonably cooperate with GE/GCM in providing information requested by GE/GCM regarding the status of any purchase or potential purchase by Potential Buyer of a Client provided to Potential Buyer by GE/GCM, and Potential Buyer shall not prevent GE/GCM's full participation and attendance at any closing or sale of Client. If Potential Buyer consummates a purchase of GE/GCM Client, Potential Buyer agrees that GE/GCM may claim appropriate credit (i.e. tombstone, press release or such similar announcement) within a reasonable and customary industry timeline. This NDA may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Signatures exchanged electronically or by facsimile are effective for all purposes hereunder to the same extent as original signatures. Potential Buyer represents and warrants that based upon age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance and other factors, Potential Buyer has a sophisticated investment profile

Doug Smith

Regional Managing Director Generational Equity, LLC

(Signature) _____ for (Company) _____

by (Printed Name) _____, its (Title) _____

(Address) _____ (City) _____ (State) _____ (Zip) _____

(Phone) _____ (Email) _____ (Date) _____

Please Email to DaveKauppi@midmarkcap.com, or Fax this to (630) 230-3052