

## FIRST CAPITAL ADVISERS LLC

First Capital Advisers L.L.C. is a New York based investment banking firm, specializing in middle market corporate finance, securitization and private equity. First Capital was founded in 1989.

First Capital Advisers L.L.C. is focused on providing clients with innovative financial solutions and customized investment products.

FCA has three main lines of business:

Corporate Finance: FCA provides a full range of investment banking services to middle market companies (companies with revenues from \$20 million to \$300 million), including corporate advisory work, debt placement, securing equity and installing ESOPs.

Securitization and Asset Finance: First Capital Advisers' successes have included securitizations based on esoteric asset classes and introduction of new assets to the structured finance industry.

Private Equity and Turnaround Financing: FCA has substantial capability and experience in the financing and management of manufacturing companies, including turnarounds.

The First Capital team is comprised of seasoned professionals with many years of investment banking, asset management, institutional sales, and corporate management experience. We provide our clients with dedicated services and maintain long-term relationships based on performance and trust.

### Corporate Finance

FCA is a boutique investment bank, dedicated to delivering exceptional transaction structuring and execution to middle market companies. We provide a full range of investment banking services, and offer our clients financial technology and expertise typically available only to larger corporations.

We closely interact with each of our clients to identify their needs and objectives, and determine the type of funding required to achieve them. First Capital Advisers then works to raise the capital and/or debt under the best possible terms for the client.

## First Capital Advisers L.L.C. – General Information

FCA has expertise in analyzing, structuring, and successfully locating funding sources for a wide variety of debt instruments.

We arrange for:

- Senior Debt:
  - secured term and revolving facilities,
  - letters of credit,
  - asset and real estate finance.
- Subordinated Facilities:
  - mezzanine debt,
  - bridge loans,
  - cash flow facilities,
  - construction finance.
- Specialty Finance:
  - trade finance
  - project finance
  - ESOPs

The experience of the senior professionals at First Capital Advisers as managers and principal investors in middle-market companies ensures that we, as a firm, understand the needs and objectives of our clients, and will facilitate the implementation of appropriate and effective solutions.

### Securitization

FCA provides a variety of asset securitizations to middle market companies. Securitizations have traditionally allowed banks and larger corporations with high credit ratings to obtain funding for themselves at lower interest rates than traditional debt. We enable smaller firms, which typically do not have credit ratings, to secure this type of financing.

First Capital Advisers' past successes have included securitizations based on esoteric asset and introduction of new assets to the structured finance industry. We have extensive experience and contacts with various underwriters, rating agencies, surety providers, liquidity providers, and legal professionals involved with securitizations.

Securitizations typically:

- Provide flexible access to capital, in amounts limited only by the quality of assets available for securitization. Rather than relying on a lender, companies can use securitization to secure additional working capital or acquisition for finance.
- Do not necessarily require an offering process.
- Enable companies to efficiently increase or decrease borrowing levels within a short period of time.

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- Allow some companies to finance their assets off-balance sheet, thus increasing their leverage capabilities without negatively impacting debt-to-equity ratios.
- Lower a company's borrowing cost by more directly accessing the capital markets.
- Decrease borrowing rates by offering financing based on quality of the securitized assets (or obligors) rather than the credit rating of the sponsoring company.
- Avoid or delay equity dilution.
- Permit business expansion to be based primarily on marketing and acquisition activity, rather than the ability to increase debt or willingness to raise expensive capital.

The size of a securitization program is based on the amount and predictability of future cash flows on a given pool of assets. These future flows can often support higher borrowing than can be achieved with a traditional loan or bond secured by those assets. In some cases, a contract guaranteeing future payments (such as a franchise, license or royalty agreement) may support a securitization that is larger than the book value of the underlying agreement. Securitizations can typically enable a combination of higher borrowing levels and lower costs than those possible with traditional debt.

We are always interested in exploring the applicability of securitization to particular asset groups, and the feasibility of potential transactions. For more information please contact Barry Burton ([bpb@fca-usa.com](mailto:bpb@fca-usa.com))

## Private Equity and Turnaround Financing

First Capital Advisers is seeking acquisition targets in the manufacturing sector that produce goods for industrial, commercial, or consumer markets. FCA is particularly interested in turnaround opportunities that will benefit from its proprietary production improvement methodology.

### Industry

1. Target companies should not rely upon cutting edge technology and should not require intensive in-house research and development.
2. We specifically exclude companies in the following types of businesses: services; distribution; after-sales support; food, clothing, textiles and furniture manufacturing; and companies that sell directly to the end consumer and/or require large advertising expenditures.

### Corporate Structure

## First Capital Advisers L.L.C. – General Information

3. FCA acquisition candidates may be corporate subsidiaries; divisions that are being divested; or stand-alone companies; and may be either publicly or privately held.
4. Company headquarters and the majority of operations should be located in the United States, preferably (but not exclusively) east of the Mississippi.

### Control

5. FCA prefers acquisitions in which it can gain effective control.
  - a) Minority equity positions in recapitalizations or growth situations will be considered on a case by case basis.
  - b) Current management team may remain post-acquisition.
  - c) FCA may facilitate and finance a management buyout, but not as a passive investor.

### Size, Customer Base & Profitability

6. Minimum revenues of \$35 million.
7. Companies should have a wide customer base, existing or potential. No more than 20% of sales should be to any one customer.
8. There is no minimum EBITDA requirement.

If you have a client, or know of a company that is currently seeking subordinated capital, please contact Nicholas Ktorides ([ncktorid@fca-usa.com](mailto:ncktorid@fca-usa.com)).

### Contact Information

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