



Intermediaries : Overview

Lasting relationships with intermediaries based upon a true spirit of partnership are central to Excellere's long-term investment strategy.

Intermediary relationships are critical to the success of Excellere's investment strategy. Excellere strives to create lasting relationships with our network of intermediaries based upon a desire for mutual success.

Intermediaries are an extension of business owners, management, and employees. They build a bridge between the current ownership structure and a future partnership with Excellere. Establishing trust, candor, and responsive communication facilitates better understanding of objectives. It also leads to a more fulfilling and successful experience for all of the transaction's relevant stakeholders.

As a commitment to this philosophy, Excellere established an Intermediary Code of Conduct that defines a standard of excellence to expect from our partners and professionals.

To facilitate a mutually beneficial relationship with intermediaries, Excellere also designed several attractive programs that offer mutually beneficial value, including buy-side search agreements and strategic alliances.

INTERMEDIARY CODE OF CONDUCT

- Timely feedback on an investment opportunity
- Thoughtful, respectful, and candid communication
- A spirit of fairness and opportunity for all parties
- Creativity, when necessary
- Efficient, expedited, organized, and visible process



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Intermediaries : Strategic Alliances

Strategic Alliances are an important part of Excellere's multi-faceted approach to create opportunity while providing industry intuition and practical insight during the life of an investment.

As part of our industry-focused investment strategy, the Strategic Alliance Program aligns Excellere Partners with select industry specialists who help develop investment strategies, gain access to quality investment opportunities, and provide insight and resources during the life of the investment.

Strategic Alliances are formed with specialized investment bankers, business advisors, consultants, or former executives who want to participate in a private equity investment as an advisor, intermediary, or principal.

Strategic Alliances collaborate with Excellere from strategy development to successful exit, earning fees, and equity participation throughout the investment's life.

If you are interested in becoming a Strategic Alliance, please contact any of the professionals at Excellere who will readily share the details of this exciting program with you.



EXCELLERE
STRATEGIC ALLIANCE PROGRAM

Excellere Partners

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Intermediaries : Buy-Side Advisory

Buy-side engagements allow intermediaries, accountants, attorneys, and consultants to be more opportunistic and creative as they encounter companies that fit with Excellere's differentiated investment approach.

Excellere recognizes that intermediaries encounter all types of opportunities in the market, some less conventional than others. For companies that do not want to formally enter into a protracted sales process or are unsure about engaging an exclusive intermediary, Excellere has created a buy-side program that may include a success fee, equity participation, and future buy-side acquisition advisory support.

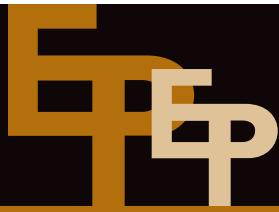
Even if a transaction is not imminent we are pleased to meet with companies considering transactions to evaluate strategic alternatives. Business owners sometimes find this process enlightening, as they learn more about private equity and the kind of partner that fits their personal, financial, and strategic objectives.

Excellere is always open to new ideas and welcomes the creativity of our intermediary partners. Whether for a new platform company or add-on acquisition, Excellere will readily explore potential opportunities with you.

Please visit Excellere's industries of interest for more details about our sector focus and desirable investment characteristics.

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Intermediaries : Capital Structure

Excellere designed its capital structure strategy around entrepreneurs and management teams who prefer a stable foundation to pursue aggressive growth.

One of the reasons entrepreneurs partner with Excellere is our conservative capital structure coupled with significant upside for business owners, managers, and employees.

The average Excellere platform company maintains approximately 50 percent debt capital and a 30 percent ownership stake held by the existing management team in the newly capitalized business. This conservative structure eliminates or reduces the demands of a highly leveraged enterprise and, with Excellere's Incentive Stock Program, provides significant wealth creation potential for the business owner, managers, and employees.

Excellere believes that its favorable transaction structure appeals to intermediaries who desire more certainty of close and to business owners who want to diversify their net worth while still participating in the newly capitalized businesses' upside.

RECAPITALIZATION

Liquidity for entrepreneur(s) as well as significant equity ownership in Newco

- Realize 80% of purchase price in cash and hold ~40% of Newco equity
- Management / cultural continuity and representation on board of directors
- Tax deferred rollover investment earns a return on pre-tax dollars

CAPITAL STRUCTURE

Typically 50 percent equity and 50 percent debt capital structure

- Certainty to close and minimal credit market risk
- Growth not constrained by capital structure
- Capital structure does not distract management from execution of strategy

INCENTIVE STOCK

Significant performance-based management stock program

- Creates opportunity to reward historical contributions and inspire future effort
- Prevents "leaving money on the table" - Seller benefits from unanticipated upside
- Attract superior talent with significant equity opportunity