



## TRANSACTION ILLUSTRATIVE TIMELINE

### *Organized Expectations Creates Capital Raising Clarity*

#### Purpose

While each capital raise is unique and has its own highpoints as well as challenges, there is a basic outline to each capital raise. Understanding this process (see the Appendix for an Illustrative Timeline) helps a capital seeker be prepared which helps ensure the timely success of the capital raise. The more organized the capital seeker, the better the impression the investor/buyer will have of the capital seeker which will help give the investor/buyer the confidence to complete their investment.

#### Covered Topics

One of the keys to a successful capital raise is the upfront preparation that is done before the capital seeker even enters the market.

The market for capital is highly competitive and at each investor/buyer interaction/meeting.

**There is Only One Chance to Impress and Many Chances to Fail**

A well-executed transaction can be closed as quickly as 4 to 6 months assuming all required investor due diligence (see Deer Isle Due Diligence Check List - [Company](#) / [Fund](#) for a sample due diligence check list) is available and prepared to an institutional standard.

While it's a natural inclination to want to be in front of investors as quickly as possible for your capital raise, *the Pre-launch and Week 0 time periods are important introductory steps that set the foundation for the capital raise.* If you are not a professional capital raiser/M&A expert, it is usually wise to hire an advisor to help with preparation. The concerns and language of investors/buyers is usually something that is learned with experience and this experience can help ensure success as well as reduce the amount of preparation time/prevent missteps.

Once the capital raise/M&A transaction has a strong foundation, the *second major stage of the process is to send information and meet potential investment partners.* This process is greatly enhanced by having institutional quality materials given the competitive nature of capital raising. A potential investor/acquire will focus their analysis time on materials that they understand since they are not required to spend their time figuring out how a particular transaction meets their investment requirements if the information is poorly presented.

*The third major phase of a transaction is when the investor is completing due diligence/entering the pre-closing dance.* At this point the potential investor is testing the capital seeker to try to understand any weak points in the capital seeker or the transaction details. The capital seeker should anticipate tough questions during this period and, if they are working with an advisor, should not hide any problems. It is much better to figure out answers to tough questions prior to being asked them than to not be prepared and potentially handle the questions in a manner that creates investor hesitation or, even worse, regulatory problems.



*The final and most rewarding stage of the transaction is closing.* Closing is exciting and everyone wants it to happen as quickly as possible. However, closing can be tricky since all remaining questions or deal terms that have not yet been answered or completed can come back at the last minute to derail the transaction. It's important to have a clear sense of any transaction weak points and address them early in the process in order to help ensure a quick closing with no last-minute surprises.

## Result

The result of a clear and well-run process is usually a timely close and an attractive valuation. During the capital process the capital seeker is trying to build trust and competence while the potential investor is trying to determine if they are “missing anything”. A potential investor is making investment judgements all along the investment timeline and seeking any information that makes them say “no”.

Investors rarely gets penalized for NOT MAKING an investment and usually only get penalized for “MAKING A BAD” investment.

If you are a capital seeker, use the process to make a good impression at every phase in order to help ensure your successful capital raise.

Contact Us  
For Your  
Capital Raise

## About Deer Isle Group:

Deer Isle Group (“Deer Isle”) with its subsidiaries, Deer Isle Capital, a registered broker/dealer, and Deer Isle Financial, is a differentiated investment bank that provides financial/strategy and closing advisory as well as proprietary technology solutions in order to help ensure a successful sale or private placement capital raise. Our business is built upon providing investors and capital seekers/issuers the right tools in order to ensure a transparent, smooth and efficient capital solution.

Our successful track record includes having raised over \$5 billion in private placement capital since our founding in 2007.

Deer Isle's capabilities and expertise provides value-add for both investors and capital seekers/issuers by understanding investor requirements and helping capital seekers achieve an institutional-quality sales process or capital raise.

Our fundamental strength is our institutional-quality advice combined with our proprietary technology solutions. Our success in these factors has helped drive our proven execution capabilities.



Deer Isle Group, LLC

Appendix  
Transaction  
Illustrative Timeline



## Capital Seeker Name

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Timing	Activity
Pre-Launch	<ul style="list-style-type: none"> <li>- Organizational Meeting</li> <li>- Initial Due Diligence</li> <li>- Draft Executive Summary</li> <li>- Initial Modeling</li> <li>- Draft Intro/Management Presentation</li> <li>- Determine Optimal Structure</li> <li>- Clarity on Structuring Complexities</li> </ul>
Week 0	<ul style="list-style-type: none"> <li>- Finalize Deal Structure</li> <li>- Finalize Executive Summary</li> <li>- Finalize Model</li> <li>- Continue Drafting Intro/Management Presentation</li> <li>- Formal Launch</li> </ul>
Week 1 to 3	<ul style="list-style-type: none"> <li>- Contact Potential Investors</li> <li>- Distribute Executive Summary &amp; NDA's</li> <li>- Negotiate &amp; Sign NDA's</li> <li>- Establish and Populate Data Room</li> <li>- Finalize Intro/Management Presentation</li> <li>- Schedule Management Presentations</li> <li>- Create Solutions for any Structuring Complexities</li> </ul>
Week 4 to 6	<ul style="list-style-type: none"> <li>- Conduct Intro/Management Presentations</li> <li>- Finalize Solutions for any Structuring Complexities</li> <li>- Distribute Financial Model to Interested Investors</li> <li>- Grant Data Room Access to Interested Investors</li> </ul>
Week 7 to 9	<ul style="list-style-type: none"> <li>- Detailed Investor Due Diligence</li> <li>- Ensure Follow Up Info is Ready/Sent</li> <li>- Site Visits</li> </ul>
Week 9 to 11	<ul style="list-style-type: none"> <li>- Request Term Sheet Proposals from Interested Investors</li> <li>- Negotiate Terms</li> </ul>
Week 11 to 18	<ul style="list-style-type: none"> <li>- Grant Lead Investor Exclusivity (typically 45 to 60 Days)</li> <li>- Determine Follow-On Investors/Syndicate (if Required)</li> <li>- Investor(s) Complete Due Diligence</li> <li>- Draft Legal Documentation and Negotiate</li> </ul>
Closing	<ul style="list-style-type: none"> <li>- Finalize Legal Documents</li> <li>- Closing and Funding</li> </ul>

