

BENFORD CAPITAL PARTNERS, LLC

Private Equity for Small Business

Benford Capital Partners is a Chicago-based private equity investment firm focused on leveraged buyouts and recapitalizations of lower middle market companies with enterprise values of at least \$4 million. We look to buy and build niche businesses that, because of their small size or other factors, fall outside the investment parameters of typical private equity funds. Our transactions provide liquidity for owners, capital for growth and acquisitions, and a path to significant equity appreciation for management. Benford Capital seeks to partner with strong, experienced operators in management buyouts or in management transitions away from a retiring owner. Transitions are carefully planned to put a business in the best position to achieve long-term success.

Benford Capital is experienced with the unique cultural, business and family issues that smaller companies can face. Transactions are flexible and structured to meet the specific financial, legal and tax objectives of shareholders and management. We take an active role on the board of directors, focusing on growth opportunities, acquisitions, recruiting, strategy and financing. Benford Capital has a collaborative approach to building value long-term with day-to-day decisions left to management.

INVESTMENT CRITERIA

Size	Minimum revenue of \$3 million
Geography	United States and Canada
Business Characteristics	Small market niche leaders Defensible market position Growth potential internally or through acquisition Niche manufacturers of consumer and industrial products Unique service companies Value-added distribution
Avoided Industries	Retail, restaurants, software, start-ups, real estate, commodity products, biotech
Management	Management continuity is preferred but not required
Transaction Characteristics	Buyout of retiring owner or majority/minority shareholder Management buyout Generational transfer in family business Recapitalization of existing ownership/management Corporate divestitures Meaningful equity ownership for continuing management Long-term perspective, typically investing between 5-10 years

INTERMEDIARIES

Benford Capital works with a wide universe of investment bankers, business brokers, lawyers, accountants and other intermediaries for introductions to investment opportunities and is pleased to honor finder fee agreements.

EXPERIENCE

Prior to founding Benford Capital, Mr. Benford was a Principal at Prospect Partners, LLC, a Chicago-based lower middle market private equity firm with \$270 million under management. Mr. Benford joined Prospect Partners in August 1998 and played key roles in the sourcing, closing and monitoring of over 16 investments, including serving on the board of seven portfolio companies: Excello Products, LLC, GameMark Products, Inc., Gourmand Specialty Foods, Inc., Marine Accessories Corporation, Marina Medical Billing Service, Inc., Regency Windows Corporation and Remuda Ranch Company. Prior to joining Prospect Partners, Mr. Benford was with Lazard Frères & Co., LLC in the Investment Banking Group working on merger & acquisition and corporate finance transactions. Prior to Lazard, he worked at Morgan Stanley & Co., and at the Northern Trust Company. Mr. Benford earned a BA from Vanderbilt University and an MBA from the University of Chicago.

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