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Welcome

Welcome to Advantage Capital Partners' electronic newsletter for April. We think you and other opinion leaders in business, finance, government, economic development and higher education will find this month's news about Advantage investments and our innovative portfolio companies to be informative.

News from Advantage

Advantage Capital raises additional \$15 million for venture investments in low-income communities

Advantage Capital Partners has raised an additional \$15 million for its New Markets Tax Credit venture fund, Advantage Capital Community Development Fund LLC. The new capital brings the total for this fund, which is focused on venture capital and private equity investments in Low-Income Communities, to \$40 million.

At least \$4 million of the newly raised capital will target investments in the Gulf Opportunity Zone (GO Zone), which consists of parishes and counties affected by Hurricanes Katrina and Rita in 2005, according to Advantage President Steven T. Stull. Advantage Capital is a leading participant in the New Markets program, having been awarded allocations in three of the four allocation rounds totaling \$230 million.

"Raising this capital marks another milestone for Advantage Capital," Stull said. "We were among the first to raise this type of risk capital through the New Markets program. We were and continue to be one of a small number of New Markets participants focusing on the types of entrepreneurial companies that can bring dramatic changes to the communities in which they are located."

The community development fund complements Advantage's other New Markets investment vehicles: a small business lending fund of \$32 million, urban redevelopments totaling more than \$40 million, and other debt or equity transactions totaling approximately \$10 million. For more on the new fund, go [here](#).

The [New Markets Tax Credits](#) program is a multi-year, \$19.5 billion initiative administered by the U.S. Department of Treasury that promotes economic growth and job creation in low-income communities by providing tax incentives to private-sector investors who commit investment capital to entrepreneurs and businesses in these regions. Organizations receiving

allocations are authorized to raise private capital equaling the amount of their allocation and transfer to investors federal tax credits over seven years totaling 39 percent of the amount raised.

Washington University honors Advantage's Steven Stull

Advantage Capital Partners President Steven T. Stull received the "Distinguished Alumni Award" in April from the Olin School of Business at Washington University in St. Louis. According to Dean Mahendra Gupta, the top-ranked business school selectively presents the prestigious awards annually to "recognize those who have achieved distinction in their fields and for embodying the qualities of leadership, integrity and commitment that the Olin School of Business seeks to instill in its students."



Stull, one of four alumni recognized this year, earned a BSBA degree in 1981 and an MBA in 1985 from the Olin School. Gupta recognized Stull's vision in building Advantage Capital to national prominence and its effective efforts in small-business capital formation, particularly for businesses located in distressed communities or geographic areas underserved by traditional venture capital.

Read more about this prestigious honor [here](#).

News about Advantage Investments

Alabama's HospiScript expands leadership in industry, community

[HospiScript Services](#) of Montgomery, Ala., continues to grow its base of services, clients and employees since Advantage invested in the company in 2005 through Alabama's Certified Capital Companies program. The company today serves clients in 44 states with 130 employees at its Montgomery headquarters.

A respected national provider of prescription benefit management (PBM) services to hospices, HospiScript has been especially active over the last several months. The company entered into an agreement with Arizona-based VistaCare, one of the nation's largest hospice providers, in which HospiScript will manage the pharmacy benefit program for VistaCare locations throughout 14 states, helping its new client continue to provide high-quality clinical care for patients and improve overall efficiencies.

VistaCare Chairman and CEO Richard R. Slager said, "Of all of the companies we considered, HospiScript has the best service and systems for us to help manage prescription benefits. In addition, the quality of the people we'll be working with at HospiScript was a key factor in our decision."

In addition, the company has added Phyllis A Grauer, R.Ph., Pharm.D, CGP and Palliative Care Consulting Group (PCCG) to the HospiScript Services team. Dr. Grauer has been a pain and palliative care clinical pharmacist for more than 20 years; her well-regarded clinical pharmacy consulting practice will enable HospiScript to offer expanded educational and clinical services to clients.

Locally, HospiScript President and CEO Shannon G. Speir recently was elected to the Montgomery, Ala. Chamber of Commerce Board of Directors and to the Management Committee of 100, a group of the city's top business leaders.

Florida and Louisiana governors recognize successful Advantage-funded companies

Two companies Advantage funded early in their development have been recognized by the governors of Florida and Louisiana for their leading-edge technologies.

[AuthenTec Inc.](#), the Melbourne, Fla.-based manufacturer of fingerprint sensor security technology, received Gov. Charlie Crist's New Product Award for 2007, the second time the company has been so honored by the governor in cooperation with the Florida Engineering Society. This year's award recognizes AuthenTec's AES1510, which is used to secure "smart phone" data and to authorize payments made by mobile phones with contactless near-field communication technology.

The Governor's New Product Award recognizes inventors and new products from research and engineering done by companies in the state. AuthenTec received the Florida Governor's Diversification Award for Innovation in 2006 and the Governor's New Product Award for its AES4000 fingerprint sensor in 2003. For more information on the 2007 award, go [here](#).

In Louisiana, Gov. Kathleen Babineaux Blanco has selected Matt Wisdom, president of Turbo Squid, as the state's 2006 Technology Leader of the Year. She will present the award to Wisdom at the TechSouth Conference in May, in partnership with the Louisiana Technology Council, TechSouth and the Louisiana Economic Development Department.

The Governor's Technology Awards honor individuals, companies, universities and other organizations that advocate technology in Louisiana. "The growth and development of Louisiana's technology-driven businesses is critical in diversifying our economy," Blanco said. "I am proud to recognize these businesses and individuals for their contributions to Louisiana's economic growth today and well into the future." Read more about TurboSquid's latest honor [here](#).

Advantage first invested in AuthenTec in 1999 and TurboSquid in 2001 through their states' certified capital company programs.

Hawaii's AssistGuide raises more funds for expansion

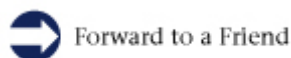
[AssistGuide Inc.](#), a Honolulu-based Web developer, recently secured a \$900,000 round of funding from local investors, Hawaii's *Pacific Business News* reported. The move brings total private investment in the company this year to \$2 million, which will be used to develop technology, increase sales capacity and allow the company to expand to 10 new markets across the country.

The company develops and hosts web sites for long-term healthcare and disability-related businesses. Services include online recruiting, referrals, virtual tours of health-care facilities and online chats moderated by national industry experts.

Advantage first invested in the company in 2005.

About Us

[Advantage Capital Partners](#) is a venture capital and private equity firm focused on investing in promising companies located in areas underserved by traditional venture capital. With offices and partners in New Orleans, St. Louis and several other cities, Advantage Capital has raised more than \$750 million in institutional venture capital since 1992.



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