



Quest Capital
Partnership

Quest Capital Partnership Investment Guidelines

GENERAL INFORMATION

Size

\$500 thousand to \$3 million

Industries

Industries that offer structural competitive barriers.

Preferred Industries

Software, telecommunications distribution, and medical devices.

Structure

Equity and/or debt. Quest seeks to align its and management's interests through the structure of its investments.

Stage of Development

Growth and later stage investments. Demonstrated customer demand is necessary. Prefer to lead and structure investments. No seed capital. No concepts, prototypes or "me too" offerings.

Co-Investors

Quest will invest up to \$2 million with strong co-investors. Will lead or participate in a syndicate investing \$3 million to \$10 million.

Control

Not required. Will assume controlling interest if necessary.

Location

Prefer Rocky Mountain region.

Special Situations

Quest will fund Management-led buyouts, restarts and bridge loans. Quest will not make new investments in crisis situations but will refer them to its affiliate, Vector West.

Exit Requirements

Quest is a patient investor with no special need for liquidity. If attractive, Quest will increase its investment in a portfolio company.

Investment Management Style

Passive except in situations of underperformance or when management requests assistance.