

# FUNDING FOR MY BUSINESS ?

## *REQUISITES BEFORE SEEKING CAPITAL*

1. Personal Commitment
  - a. Your own dollars to invest
  - b. Personal financial net worth statement & tax returns from prior years
  - c. Personal credit rating: acceptable score +
  - d. Pledged items [collateral] to cover amount of the loan
  - e. Management ability? Self-starting ability?
  
2. Business Plan
  - a. Description of business, its niche, products, competition, and marketing strategies
  - b. Financial information:
    - i. All start-up costs
    - ii. Cash flow analysis and detail
    - iii. Three [3] year income/expense projection
    - iv. Breakeven point

### ***CAPITAL SOURCES – WHERE?***

1. Personal participation and personal connections:
  - a. Savings and pledges [mandatory]
  - b. Relatives and friends
  - c. Individual personal investors
  
2. *Ordinary* Commercial Sources
  - a. Banks
  - b. Banks [with SBA terms]
  - c. Community Express [short term use]
  
3. *Extraordinary* Sources [Risk Capital or Private Equity]  
~ Special situations and breakthrough technologies ~
  - a, Small Business Investment companies
  - b, Venture Capital companies
  - c, Angel investorsSee GOOGLE and YELLOW PAGES
  
4. Internal sources [must be negotiated]
  - a, Customers
  - b. Suppliers

# FUNDING FOR MY BUSINESS ?



10/09 tomk