

# The Summer Issue



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## Wall Street vs. Main Street



### The World of Alternative Investing

The aftermath of Covid-19 left a trail of disruption. The resulting restrictions caused the U.S economy to spiral downwards from last spring, causing policy makers and economists to worry that it would take years for businesses to recover.

In an encouraging turn of events, economists predict

that the economy's size will surpass pre-pandemic levels this quarter. The projections show that the gross domestic product will hit its level and then exceed it by the end of this year regardless of the pandemic.

The U.S economic recovery is fast-tracking stimulus money, Covid-19 mass vaccinations and re-opening of businesses which will cause a surge in consumer spending and investing habits, a decline in layoffs

and a revival in factory output. In March, the retail sales jumped to 9.8% as reported by the Commerce Department. Joseph Brusuelas, the chief economist at RSM says, “the economic readings taken together reflect people going back to work, people seeing more income, people spending. This is a good story about the American economy’s resilience.”

## The Greed that is Wall Street

Wall Street was motivated by greed and went ahead to take advantage of the economic turmoil and unreasonably shorted some stocks like AMC, BA and other “oldies” on the assumption that they would keep dropping as the pandemic continues to restructure the economy.

Investors got tired of the insensitive Wall Street and decided to try different routes for alternative investing. eVest Marketplace is one such platform with its strategic positioning anticipating the market transformation. Dan Summers CEO of eVest Technology quipped, “The pandemic actually helped fuel this retail trading saga in that lockdown created a vacuum in which to spend cash. Multiple rounds of stimulus, excess savings, low consumer debt and rising home equity amped up retail investor participation.”

Until recently, investors had to go through a broker and pay a commission in order to buy or sell a stock. Robinhood disrupted this industry’s modus operandi with its dynamic no-cost trades. This translates to a loss for the Wall Street suits who used to get a fee anytime investors wanted to buy stocks, options, mutual funds or other investments.

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**DANIEL SUMMERS**

Founder and CEO, eVest Technology

## eVest Marketplace as the alternative Investing Platform

Through advances in technology, alternative investment opportunities like the eVest Marketplace provides the investing public with instant access to opportunities which goes to rebalancing the society’s economic and power needs. These offerings can be accessed through portals which are highlighted by informative programs like no-commission investing through platforms like eVest Marketplace, Reddit and Robinhood.

## The Option for the Everyday Investor

It’s Main Street’s turn to “eat”. Days when institutional investors shared knowledge amongst themselves and getting the lions share of the spoils are coming to an end. The retail investors are taking over, by embracing alternative platforms to give the power back to the people. The timing couldn’t be more perfect, with the societal and economic shift caused by the pandemic. This is after decades of investing institutions focusing on making as much money as the possible irrespective of the economic implications. It goes to explain why the eVest Marketplace is swiftly gaining momentum as the alternative investing vehicle

for sophisticated investors. Everyday people have put their faith in this platform and by continually investing their hard-earned cash in businesses and other ventures, instead of faceless institutional investors who greedily manipulate stock prices.

Reddit and Robinhood took the investing revolution a step forward in recent weeks but eVest takes it even further. With alternative investing options besides traditional stocks, eVest opens up avenues for invest-

ments that were not available before. Opportunities such as start-ups, Funds, real estate, cannabis, technology, etc. are now available all on a single platform. The desire to do better than the corruption-laden Wall Street is a major driving factor. The investing public is presented with an opportunity to invest in upcoming businesses without the need of a broker, broker-dealers, attorneys, CPAs, analysts from Wall Street and other professionals who are out to skim for their own selfish benefits.

It is unfair for investment analysts to live large from the millions they make off of hardworking people who struggle to have a decent quality of life and still be

able to save for retirement. The status quo is discouraging and the growing need for economic change has eVest stepping up to the plate to spearhead the revolution.

The idea that the public will one day take full control of its investing habit without the unsolicited interference from third parties or corporate Wall Street crooks might have seemed far-fetched but that's not the case anymore. The opportunity has arrived and "dumb money" according to Wall Street has now transformed to "smart money". The retail investor has in-depth knowledge and is ready and willing to embark on the investing revolution. Welcome to the





An accredited investor is legally approved and authorized to purchase securities which are not registered with the regulatory bodies such as the SEC. Some companies may decide to raise capital for expansion through a private placement by selling their stocks, bonds or shares to pre-determined investors instead of an Initial Public Offering (IPO) through the open market. They are exempted from registering the securities with the SEC thus saving them a lot of money, though there is the potential risk that these accredited investors face. Consequently, these investors need to safeguard their financial stability, be knowledgeable and experienced about these ventures. The buyers of these private placements claim more returns than they compared to what they can get on the open markets.

## Requirements for Accredited Investors

The Security and Exchange Commission (SEC) instituted accreditation in 1982. Some jurisdictions may vary in their regulations for an accredited investor based on the different dynamics in the local market regulator or the present authority. In the U.S, an accredited investor is defined by the SEC Rule 501 of Regulation D.

Interestingly enough, the benchmarks to be accredited haven't change since 1982. Never adjusted for inflation or population growth. What has changed however, are the number of accredited investors that qualify today vs 1982. Originally, there were only 500,000 qualified investors. Today there are in excess of 11,000,000.

An individual is qualified to be an accredited investor if they report an annual income of more than \$200,000, or \$300,000 for joint income, in the last two years. This is with the expectation of earning the equal or a higher income in the current year. For the income test to be satisfied, the individual's income for one year must not show a joint income

## Accreditation 101

In the financial world, an accredited investor is a person or a business corporation with a special status under the financial regulation laws. These kinds of investors range from high income individuals, financial institutions, banks to large corporations that have access to high-risk investment portfolio like trust funds, angel investments and venture capital.

The U.S. SEC press released by chairman, Jay Clayton on August 26 2020, made amendments to define an accredited investor. This was to include individuals who initially, did not meet specific tests on income or net worth and were thus not eligible for the opportunity to invest in the massive and complex private markets, their financial sophistication notwithstanding. The amendments now effectively include these individual investors and institutions who have the necessary professional knowledge and expertise to participate in these private capital markets. The other entities permitted to participate in these markets are tribal markets and other organizations who are qualified to participate in the private offerings.



with a spouse for the next two years, and vice versa.

A net worth exceeding \$1 million for either an individual or a joint account with a spouse also places one to be an accredited investor. An executive officer, a general partner or a director of a company that is issuing the unregistered securities is also considered an accredited investor by the SEC.

For an entity, if it is an organization or a private business development company whose assets exceed \$5 million, then it is considered an accredited investor. Also, if it has equity owners who are accredited investor, then the entity itself is an accredited investor. That being said, an organization cannot be formed with the solely for purchasing specific securities.

the sellers of the securities to take steps in verifying the status of individuals or entities who claim to be accredited investors and wish to be treated as such.

For the individuals or parties who wish to be accredited investors, they send an application to the issuer of the unregistered securities. A questionnaire may be presented to the applicant for the purpose of determining if they qualify to be an accredited investor. Several attachments accompany like account information, balance sheets and financial statements. These attachments might include salary slips, tax returns, W-2 forms, letter from investment brokers, tax attorneys and an evaluation of credit reports for extensive assessment.

## Purpose for the Accredited Investor Requirements

A regulatory body has the responsibility of safeguarding the investors and promoting their interests. The regulators are also in business and they look into making profits by promoting investments in risky ventures and entrepreneurial undertakings. These might be risky initiatives and the chance for failure might be high because they generally focus on development activities and research based on concept only, without any product that can be marketable. The investors stand to make huge returns if these ventures are successful.

The less knowledgeable individual investors in terms of risks associated with their investments need to be protected by the regulators. This is because they are likely to have less financial protection in the event that high losses occur.

There is no defined process for one to become an accredited investor. However, the responsibility is on



## Essential Digital Tools That Help Sponsors Market Deals in a Convincing Manner

Marketing potential deals in a way that persuades prospects to convert into investors is certainly challenging yet possible with the right strategy. From landing pages to informative content, the use of customer relationship management (CRM) platforms and scheduling booking services, there are plenty of ways for sponsors to expedite and maximize conversions.

### The Right Landing Page

The optimal landing page will collect information from prospective investors. In particular, prospects' contact information is especially important as it sets the stage for building a mutually beneficial relationship in the weeks, months and possibly even years ahead. Sponsors should focus on collecting potential investors' full names, e-mail addresses, phone numbers and even street addresses just in case sending snail mail through the United States Postal Service is necessary. A polished landing page that presents information in an artful manner makes it that much easier to generate leads for sales in the short-term and also sales across posterity. As an example, Unbounce and MailChimp facilitate the creation of landing pages that will hike sponsor conversion rates.

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**TEDDY WATTS**  
Digital Marketing

### Customer Relationship Management

Customer relationship management, or CRM for

short, makes it easy to store contacts' names and information in an organized manner that can be accessed with ease. MailChimp's CRM service is available for free, empowering sponsors to store 2,000 contacts within its platform. In fact, this service even makes it easy to collect prospects' names and contact information through your site's landing page.

### Use a Scheduling Booking Service

No-cost scheduling booking services have emerged as important digital tools that help sponsors market deals. Such apps empower prospective investors to access a preset calendar to book a certain day and time when to interact with a member of the sponsor's team. Examples of such scheduling booking services include Schedulicity (<https://www.schedulicity.com/>) and Calendly (<https://calendly.com/>).

### Content is Still King

The phrase “content is king” is often used in the context of inbound marketing. Provide prospective investors with information about your value offering and they will be inclined to read it or at least skim through it. If this information is provided at no cost and proves engaging, it will make a lasting impression, ultimately hiking conversion rates and bringing that many more investors on board. Examples of helpful content include press releases (<https://www.cision.com/>), blog posts, videos and articles related to the industry or niche.

### Conference Calls

Plenty of interested investors will be willing to hop on a conference call. Use this opportunity to educate potential investors about the unique merits of your value offering, answer questions and address concerns.

Conference calls can be orchestrated and completed with surprising ease using Zoom (<https://zoom.us/>), BlueJeans (<https://www.bluejeans.com/>) and Google Meet (<https://meet.google.com/>).



## About the Author

### TEDDY WATTS JR.

Digital Marketing

Teddy is widely recognized as a Digital Marketing expert in helping businesses in a wide range of industries including:

- Investing and Financial Research
- Real Estate
- Higher Education
- Fine Art
- Health and Wellness
- Digital Marketing and Media Relations

Teddy has 18+ years of Digital Marketing experience

and has a passion for helping businesses and entrepreneurs reach their financial goals online and offline.

He has partnered with Amazon Inc. in the daily deal business space back in 2011 and has helped his clients make a total of \$250+ million in the past 18 years he's been in Digital Marketing.

To discuss how to market your offering online, schedule a FREE 30-minute coaching call (\$297 value) with Teddy by signing up at the link below:

<https://calendly.com/tawattsjr>



## Private Placement By The Numbers, *part 1 of 2*

	<b>Title II (Rule 506(c))</b>	<b>Title III (Reg CF)</b>	<b>Title IV (Regulation A Tier 2)</b>	<b>Rule 506(b)</b>
Maximum Dollars Raised	No Maximum	\$5 million per 12 months, including affiliates	\$75 million per 12 months	No Maximum
Permitted Investors	Only Accredited	Anyone	Anyone	Accredited plus up to 35 non-accredited
Per-Investor Limits	None	For non-accredited investors (i) the greater of \$2,200 or 5% of the greater of income or net worth, if income or net worth is less than \$107,000; or (ii) 10% of the greater of income or net worth, not to exceed \$107,000, if both income and net worth are at least \$107,000	For nonaccredited investors, 10% of income or net worth, whichever is more, per deal	None
Advertising	Yes	Yes, but limited if not through portal	Yes	No
Testing the Waters	Yes	Yes	Yes	No
Cost	Very low	Very low, except portal commissions	High	Low
Exempt from State Registration	Yes	Yes	Yes	Yes
State Blue Sky Notices	Yes	No, with some exceptions	Yes	Yes
Sold Through Portals	Permitted, but not required	Yes	Permitted, but not required	Permitted, but not required
Portals Required to Register	No	Yes	No	No
Disclosures Required by Law	None, except to avoid 10b-5 claims	Moderate	Substantial	Moderate
Shareholder Limits	2,000 equity owners	None if certain conditions satisfied	None if certain conditions satisfied	2,000 equity owners



## Private Placement By The Numbers, *part 2 of 2*

	<b>Title II (Rule 506(c))</b>	<b>Title III (Reg CF)</b>	<b>Title IV (Regulation A Tier 2)</b>	<b>Rule 506(b)</b>
Audited Financials Required	No	If raising more than \$1,070,000 yes; if first time offering no more than \$1,070,000, no; otherwise maybe	Yes	Sometimes
Pre-Sale Approval of SEC Required	No	No	Yes	No
Length of Process	Very fast	Pretty fast	Slow	Pretty fast
Available to Non U.S. Issuers	Yes	No	No, unless principal place of business is in U.S. or Canada	Yes
Non-U.S. Investors Permitted	Yes	Yes	Yes	Yes
Investor Verification Required	Yes	No	No	No
Available for Sale of Owner Shares	No	No	Yes	No
Subject to “Bad Actor” Disqualification	Yes	Yes	Yes	Yes
Ongoing Reporting	None	Moderate	Substantial	None
Special Purpose Vehicles Permitted	Yes, with no more than 100 owners	Yes, subject to strict rules	No	Yes, with no more than 100 owners
Investment Companies Allowed to Raise Capital	Yes, with no more than 100 owners	No	No	Yes, with no more than 100 owners
Types of Securities Permitted	Any	Any	Any	Any

## Meet Dan Summers



Dan Summers is one of the most seasoned and experienced real estate syndicators in America.

Dan cut his commercial real estate teeth in Chicago in 1978. Over the next 40 years, he has mentored and been mentored by the greatest real estate minds in the industry like Herb Glimcher, Mel Simon and Sam Zell. As a result, he single-handedly built one of the most successful and impressive real estate portfolios in America valued today in excess of \$2B. Boasting ownership in landmark assets like the Frick Building, Westinghouse Building and the Clark Building, along with myriad of operating companies, Summers underwrote its IPO while selling his interest in 1999. Along the way, he learned volumes of lessons.

When the JOBS Act was enacted in 2013, Summers reentered the industry to build a new and exciting

company...eVest Technology. Playing off 40 successful years of syndicating capital, Summers pulled all his experiences together (good & bad) to create an A-Z White Label syndication platform as only someone with his practical experience can do first hand. Selecting Reg D 506 c as its cornerstone exemption, Summers recognized the availability to raise capital afforded through General Solicitation and reach out digitally to 11M+ accredited investors for the first time in SEC history.

“Real estate is an art and technology is a science. Creating accurate harmony between the 2 was the challenge” said Summers. “One does not learn the art of real estate from a text book. It takes years of hands-on application to perfect the process. Blend that with today’s cutting-edge digital technology and you get eVest Technology. Not a bunch of isolated stand-alone features. But an integrated harmony between every capital raising step, inch-by-inch. From digitizing the PPM to accreditation to dividend distribution and reporting. Only experience can deliver this process accurately,” continued Summers.

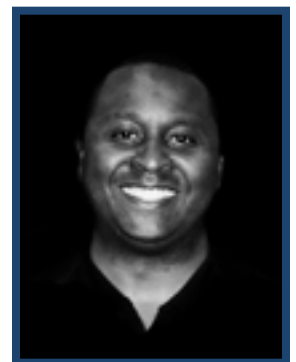
Dan Summers lives in St Augustine, FL with his wife of 40+ years. He has a son who spent 5 years in Special Forces and now is a successful developer in Mississippi. He’s married to a veterinary surgeon and has 3 sons: Gus, Max and Wes. Dan’s daughter is an attorney in St Louis and is married likewise to an attorney. They have 2 daughters: Molly and Paige.

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**Summers recognized the availability to raise capital afforded through General Solicitation and reach out digitally to 11M+ accredited investors for the first time in SEC history.”**

**Dan and Teddy are at your service.**

**TEDDY WATTS JR.**  
Digital Marketing



## We Value Our Clients and Their Shared Insights

I think eVest is really onto something. By enabling businesses to use their online Private Placement Memorandum (PPM) platform, companies can access debt and equity capital directly from investors and lenders, without the upfront costs of an attorney preparing a PPM. I became excited when I realized I could use this for business capital formation, and not only for real estate projects. I am using the platform for two businesses right now, and expect it to work out well. The customer service and support from the eVest office is very responsive, and professional. The site is improving everyday. I look forward to using it in the future.

**Kulshan Commercial**

eVest Technology took the time to truly understand who our customer is. They asked thoughtful questions and made intelligent suggestions. They took that understanding, put it through their process and gave us back by far and away the most qualified list of potential customers we've ever had. Within minutes of using the list for the first time, we had customers combing our website and reaching out for more information. eVest will be an important part of all of our projects going forward.

**Spectrum Capital**

We at Bright Star Scientific decided to engage the services of the eVest portal because we could go right to the site, put all of our information in with little instruction, and be up and running very quickly. We needed to adjust our tactics a bit once we learned from their team more about SEC rules and regs, and the eVest team was very knowledgeable. They are expert and efficient at their jobs and now we have started raising funds. Once we learned about the SEC's Regulation D 506 C, it seems like the right choice for us. They have even done much of the heavy lifting work for their clients, and they have definitely gone out of their way to make this a success.

**Bright Star Scientific**

Used your platform to promote two recent successful real estate auctions. Very impressed with results. Look forward to using your firm again!

**Fisher Auction Company**



## Disclosures

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INSIGHTS

# Summer Issue

Vol 1, No. 2

eVest Technology is disrupting the Private Placement Market and replacing it with its Online Public Offering (OPO) Market creating a whole new Modern Capital Syndication Industry.