

Enhanced Capital

Private Capital for Recycling and Waste Businesses

Presentation to

**CT Department of Energy & Environmental
Protection**

September 23, 2014

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We Love Waste Companies

- Enhanced Capital is a leading provider of capital for companies in CT that that are in the waste industry.
 - We are investors in
 - Recycling Company in CT
 - Solar Developer
 - Electronics Recycler
- Resource Recovery Systems – My first company
- Iron Ventures – Invested in waste/environmental projects

SQUEEZABLE



Supply Drives Debt %

Supply Contract	Put or Pay/Good Credit/ Covers Debt service/ Maturity Match	Best Efforts/ municipal/Should Cover Debt service/Maturity Match	Multiple suppliers driven by pricing/ unmatched contract maturity	No supply contracts - market driven economics	Unproven technology - Uncommitted supply
Bank	60%	40%	20%	20%	
Mezzanine	20%	20%	20%		
Equity	20%	40%	60%	80%	100%

Price Contracts for Commodities

- Hard to sustain
- Short term
- Discounted

Commodity Prices Cycle

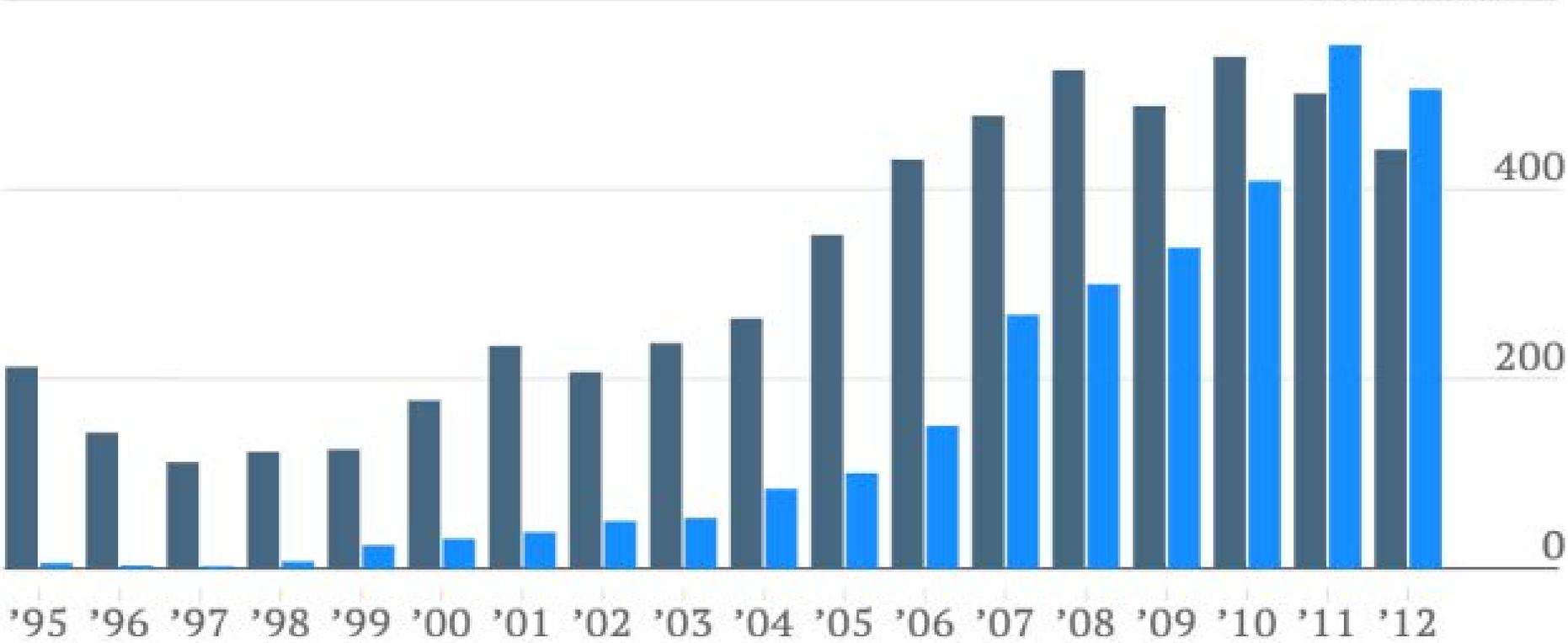
IRON ORE FINES PRICE
92.76 USD/T
31 AUG '14



Uncontrollable Market Externalities

US export of plastic scrap
■ Rest of world ■ China

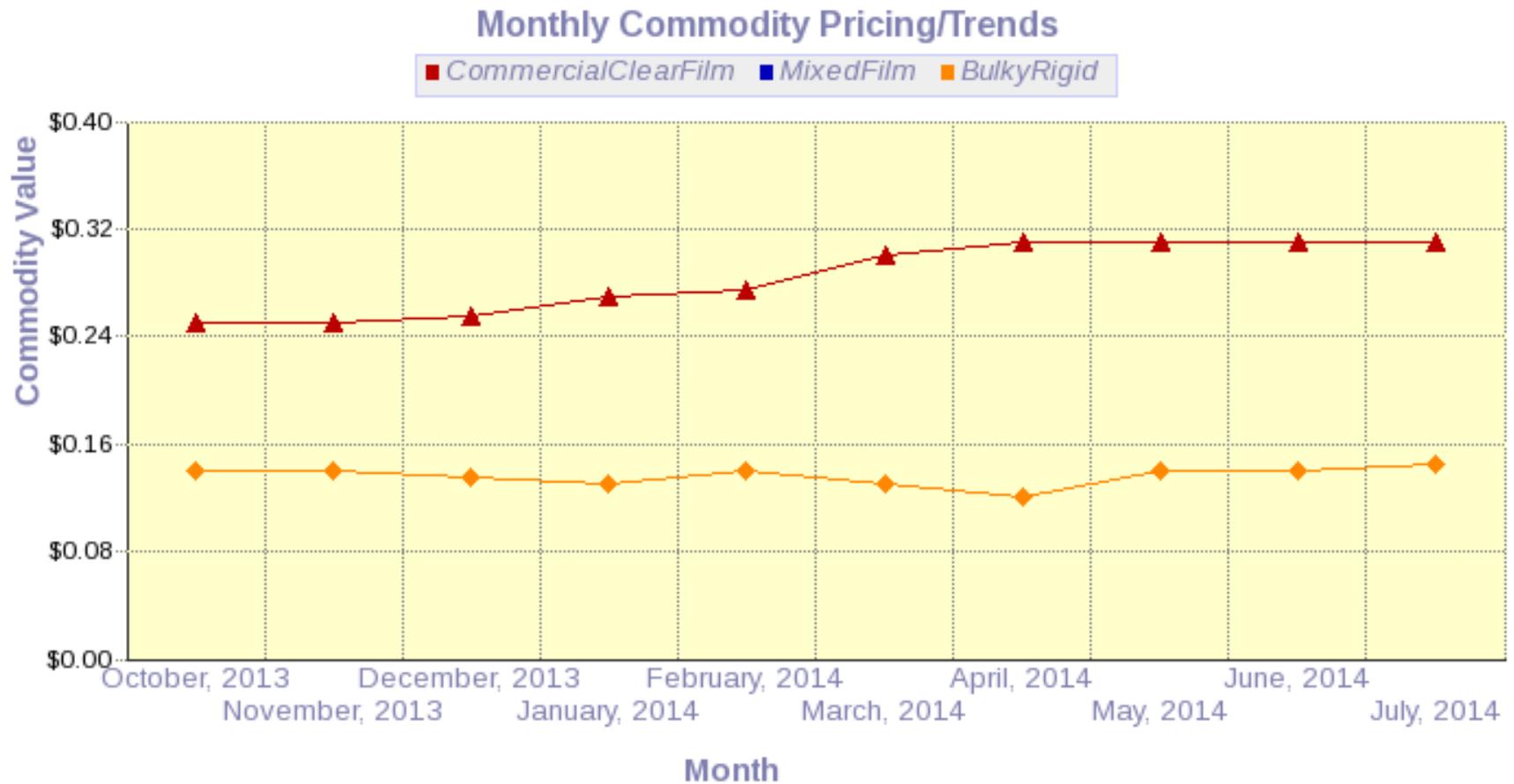
\$600 million



Quartz | qz.com

Data: U.S. Census Bureau

OR...are stable



Subsidy Must Haves

- Predictable Value
- Certain Term
- Stable Pricing

Venture for Technology Development

Environmental Venture Capital			
Fund	Stage	Location	
Emerald Tech Ventures	All	Germany	
Khosla Ventures	Early/Growth	CA	
SJF Ventures	Early/Growth	NY	
Rockport Capital	Early/Growth	MA	
Braemar Capital	Early/Growth	NY	
NGP Energy Tech Partners	Early/Growth	DC	

Find the Right Investors

Environmental Private Equity		
Fund	Stage	Location
Global Environment Fund	Growth	DC
Nautilus Renewables	Early/Growth	NJ, CA
Mission Point Capital	Growth	CT

Mezzanine Lenders

Environmental Mezzanine Debt			
Fund	Stage	Location	
Enhanced Capital	Mezzanine	CT	
IronWood Capital	Mezzanine	CT	
Stonehenge Capital	Mezzanine	CT	
Scully Capital	Mezzanine	DC	

Banks Local and National

Banks with Environmental Focus

Square One Bank	NY
State Green Banks	NJ, CT
Webster bank	CT
First Niagara	CT

Financing Requirements

- Reliable Cash Flow
- Minimized Technology Risk
- Experienced Team

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Appendices

- Management Team Detailed Backgrounds

Liddy Karter's Background

- Liddy is responsible for overseeing investment activity in Connecticut. She brings experience in clean tech venture capital, corporate finance, and early stage company management.
- She was a Managing Partner at IRON Ventures, a venture fund investing in sustainable business ventures enabling symbiotic reuse of energy, industrial material and water.
- She was CEO of Resource Recovery Systems, Inc., a nationwide recycling company based in Essex Ct and CFO of Netkey, Inc., an ecommerce software company based in Branford, CT.
- Prior to that, she was Vice President of the Financial Services Group at Morgan Stanley.
- Liddy founded the CT Angel Investor group as an active Angel Investor. She serves Executive Director of the Connecticut Venture Group, a statewide trade association for venture funds in Connecticut.
- Liddy received an MBA from Yale University and a BA from Columbia University.

Hitesh Shah's Background

- Hitesh serves as a Vice President at Enhanced Capital and focuses on investment activities in Connecticut.
- Prior to Enhanced Capital, he was an Analyst at Connecticut Center for Advanced Technology's (CCAT) Entrepreneur Center, a physical and virtual incubator for technology led small businesses.
- Prior to CCAT, he was an Analyst at Connecticut Technology Council's (CTC) DECD co-sponsored statewide virtual incubation program for small businesses.
- Prior to CTC, he was a Financial Analyst at an export oriented ceramics manufacturing company in India.
- Hitesh graduated with an MBA from University of Hartford and a BS in Accounting from University of Pune.