

From: Chad Walldorf <chad@eightysixllc.com>

To: Soura, ChristianChristianSoura@gov.sc.gov

Date: 6/6/2013 4:20:22 PM

Subject: FW: Fwd: Press Release: HIGH GROWTH SMALL BUSINESS ACCESS TO CAPITAL ACT PASSES[Upstate Carolina Angel Network]

Attachments: 06.06.2013 HIGH GROWTH SMALL BUSINESS ACCESS TO CAPITAL ACT PASSES.docx

Fyi; I personally don't think it's great policy but don't think it's horrible either so would suggest someone talk with Dave if she is thinking about vetoing it.

From: david.ellison@nm.com [mailto:david.ellison@nm.com]

Sent: Thursday, June 06, 2013 4:16 PM

To: Chad Walldorf

Subject: FW: Fwd: Press Release: HIGH GROWTH SMALL BUSINESS ACCESS TO CAPITAL ACT PASSES[Upstate Carolina Angel Network]

Any concern that Nikki might veto this? Hope not. DAVE

Sent with Good (www.good.com)

-----Original Message-----

From: Matt Dunbar via Gust [messages@gust.com]

Sent: Thursday, June 06, 2013 12:40 PM Central Standard Time

To: ELLISON, DAVID /047171 /GA104

Subject: Fwd: Press Release: HIGH GROWTH SMALL BUSINESS ACCESS TO CAPITAL ACT PASSES[Upstate Carolina Angel Network]

Dear UCAN Members:

Thank you very much for all your efforts to help us pass the Angel Bill. After nearly four years of working on this, with tremendous help from Mark Cothran at the Chamber, I am pleased to report that the bill gained final passage in both the House and the Senate yesterday afternoon...so now we await the Governor's signature. If she does not sign or veto within 5 days, the bill becomes law without her signature.

Thanks again and best regards,

Matt D.

----- Forwarded message -----

From: Laakso, Brenda <blaakso@greenvillechamber.org>

Date: Thu, Jun 6, 2013 at 1:24 PM

Subject: Press Release: HIGH GROWTH SMALL BUSINESS ACCESS TO CAPITAL ACT PASSES

To: "Laakso, Brenda" <blaakso@greenvillechamber.org>

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NEXT Member CEOs,

Congratulations to all who helped get this legislation passed.

Subject: Press Release: HIGH GROWTH SMALL BUSINESS ACCESS TO CAPITAL ACT PASSES

High Growth Small Business Access to Capital Act PASSES

PRESS RELEASE for Immediate Release - June 6, 2013

Media Contact: Marion Mann, 864-239-3729, mmann@greenvillechamber.org <
mailto:mmann@greenvillechamber.org <mmann@greenvillechamber.org>>

The final steps were taken to pass the High Growth Small Business Access to Capital Act (H.3505) on Wednesday evening by a vote 94-10 in the South Carolina House of Representatives. The legislation has been sent to the Governor's Office, and is awaiting signature.

Greenville Chamber and Upstate Chamber Coalition lobbyists, together with NEXT entrepreneurs and allies, have been advocating this bill since its introduction as the Bill Wylie Entrepreneurship Act in 2011 in efforts to attract and retain both investors and entrepreneurial talent here in South Carolina. According to Greenville Chamber Executive Vice President and head of NEXT John Moore, "Early-stage, high-growth companies are major drivers of quality job growth and wealth in our state. By providing tax credits to those who invest in these new ventures, South Carolina is enabling its most promising young businesses to compete more effectively with companies in other states for capital necessary to grow and become significant employers for the state."

Matt Dunbar, Managing Director of the Upstate Carolina Angel Network, notes that, "The passage of this legislation marks an important day for the economic future of South Carolina. Entrepreneurs and startup companies create all the net job growth in our state and nation, yet in South Carolina they face a daunting challenge in finding access to early stage capital. Today, less than half a percent of the state's residents eligible to invest in high-growth startup companies are allocating capital to support these firms. This legislation will encourage potential angel investors to provide our entrepreneurs with the capital they need to create jobs, grow companies and fuel the economic future of our state."

Approximately 25 other states have passed similar legislation, including Georgia and North Carolina, and have provided data to demonstrate that these programs are effective in attracting capital, growing jobs, and ultimately creating economic growth and revenue for the state. Dunbar notes, "South Carolina's version of the legislation is unique in that the state will recover the value of the tax credit when an investor realizes a capital gain from an investment, so it's truly a win-win-win for

entrepreneurs, the state, and the communities where these startup firms will have the chance to grow and prosper."

A top priority of the Greenville Chamber's Legislative Agenda is to support the development and implementation of a comprehensive statewide economic development plan that focuses on creating jobs of the future, business retention, and incentives for high-growth companies. According to Greenville Chamber and Upstate Chamber Coalition lead lobbyist Mark Cothran, "This bill is ultimately about entrepreneurs - helping them find access to extremely scarce capital so they can build successful businesses - creating jobs, wealth and long-term benefits for all South Carolinians. This week, our state legislature took a huge step in leveling the playing field. We look forward to continuing to work with our elected officials to ensure the continued development of a highly competitive entrepreneurial ecosystem.

About the High Growth Small Business Act (H.3505)

The High Growth Small Business Job Creation Act is a relatively small bet on a potentially sizeable return in economic growth and job creation at a critical time in South Carolina's economic history. Below are some highlights of the bill, the status of which is online at

http://www.scstatehouse.gov/sess120_2013-2014/bills/3505.htm <

http://www.scstatehouse.gov/sess120_2013-2014/bills/3505.htm .

- * State income tax credit of 35% of investments in qualified startups
- * Non-refundable credit with 10-year carry forward provision
- * Credit to be taken 50% in year of investment, 50% in following year
- * Annual cap of \$100K per investor and \$5 million in aggregate
- * Investors must meet SEC definition of "accredited" investor
- * No brokerage fees or commissions allowed
- * Qualified businesses must have:
 - * Been organized within the last 5 years
 - * Headquarters located in South Carolina
 - * Fewer than 25 employees
 - * Annual revenues less than \$2 million
 - * Less than 25% of business activity from excluded activities
- * Unique recapture provision to recover amount of credit on successful investment
- * Also disallows double-counting of capital loss on unsuccessful investment

About NEXT

As of January 2010, NEXT became a full-time initiative funded by ACCELERATE!, the Chamber's five year strategic effort to reverse declining income competitiveness in the Greenville area. NEXT is uniquely dedicated to increasing the number of globally-impactful headquarters in the Greenville area by supporting the growth and attraction of early-stage high-growth companies, leading to immediate job and wage growth, plus

long-term wealth creation. NEXT supports knowledge-based companies in a variety of industry sectors including software/IT, life sciences, advanced materials, and consumer electronics.

NEXT is the economic development program of the Greenville Chamber dedicated exclusively to growing the region's economy by attracting and supporting globally-impactful, early-stage companies. NEXT provides direct support to high-growth company CEO's and leads the area's development of a world-class entrepreneurial ecosystem including increasing the availability of capital, targeted facilities, and human capital. The portfolio of companies supported by NEXT are in a variety of industry sectors including software/IT, life sciences, advanced materials, and consumer electronics and are located in both urban and rural communities across Upstate South Carolina. Learn more at www.nextupstatesc.org <<http://www.nextupstatesc.org>

About the Greenville Chamber

The Greenville Chamber, now in its 125th year of operation, is the largest business organization in the Upstate. The Chamber's vision is to build one of the premier business communities in the world by driving economic growth and prosperity, serving as an advocate for business interests, training future leaders and facilitating the workforce of tomorrow. For more information about the Greenville Chamber, call 864-242-1050, or visit www.greenvillechamber.org <<http://www.greenvillechamber.org> .

About the Upstate Chamber Coalition

The Upstate Chamber Coalition (UCC) was created to unify the voice of business in the Upstate of South Carolina to improve our region's business conditions, which will ultimately help to create jobs, lower the unemployment rate and to raise per capita income. The Coalition represents 8,000 member-businesses and over 200,000 employees.

The UCC brings together Chambers of Commerce from throughout the Upstate of South Carolina to provide one unified voice for business advocacy at the statehouse in Columbia with the goal to make South Carolina - particularly the Upstate - the best place to do business. The UCC is a bound group of Chambers that are served by lobbyists Mark Cothran and Elizabeth Edwards. Learn more at <http://www.upstatechamber.org> <<http://www.upstatechamber.org> . The Upstate Chamber Coalition is made up of the following member Chambers:

Anderson Area Chamber of Commerce
Cherokee County Chamber of Commerce
Clemson Area Chamber of Commerce
Greater Easley Chamber of Commerce
Greater Greer Chamber of Commerce
Greenville Chamber of Commerce
Greenwood Chamber of Commerce
Laurens County Chamber of Commerce
Simpsonville Area Chamber of Commerce
Spartanburg Area Chamber of Commerce
Walhalla Chamber of Commerce

Westminster Chamber of Commerce

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Release attached and also online at

<http://www.greenvillechamber.org/chamber-news.php>

Brenda Laakso

Vice President, NEXT

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