Sent: 8/16/2015 10:26:27 AM

Subject: Cofounders Capital Makes 3rd and 4th investments

Investors,

I'm pleased to report that we have made our 3rd and 4th investments.   Unlike our first two investments that were follow on rounds, these are both new first round investments led by Cofounders.    Although it may seem unusual to make two new investments this quickly after closing our fund, I have been tracking and working with both of these companies for several months, one since last year.

EmployUS is a Raleigh base startup run by an NCSU graduate.   It could become the Uber of the staffing industry by empowering employers to lessen their dependence on staffing agencies by offering referral bonuses to anyone who connects them to a great hire.   Referrers can make thousands of dollars just by referring a friend for a new job.  EmployUS was a Citrix Accelerator company and a winner of a $50K NC Idea grant.   We have lined up some solid beta customers and recruited a proven CTO.   Cofounders led the round with a $300K investment.  Sovereign Capital added on another $200K on a $1.4M valuation.   There may be add on opportunities here if EmployUS decides to complete the last $100K on the raise.

Factivate is a business intelligence tool for sales and marketing organizations providing data aggregation, visualizations and alerts.   In sharp contrast to the complex and expensive B.I. tools on the market today, if you know how to use Excel then you know 95% of what you need to know to use Factivate and pull your cloud-based data into a simple familiar interface for analysis and manipulation.  Factivate is run by a Duke graduate who currently works out of our lab in Cary.   We lined up several large beta customers before leading the round with a $300K investment and $1M pre-money valuation.  There is $100K available for add on investments.   Please let me know if you have interest in doing an add on.   This deal will be announced early next week.

**Thrill Financial Focus Group Lunch next week.**

Next Thursday the 27th at 12:00 I will be hosting a focus group lunch at the lab to see a demo of the Trill and follow up discussion.  If you have a background in wealth or fund management please try to attend.   We need all of the subject matter expertise we can get to help us evaluate this opportunity.

**Pack Purchase Lunch this week**

On August 12th (this Wednesday)  at 12:00 the Pack Purchase CEO will be hosting a lunch at our Cary Lab for those considering an add on investment and want to learn more about the company.   Let me know if you'd like to join us.  We only have two takers so far on this.

<http://www.newsobserver.com/news/business/article30695061.html>

<http://www.bizjournals.com/triangle/blog/techflash/2014/09/stealthy-startup-pack-purchase-raises-cash-pivots.html>

<https://www.packpurchase.com/pages/press>

**Cofounders and Portfolio Companies in the News**

I believe we are off to a great start and already have a promising portfolio of companies.    Here is some additional press about the Lab and fund.

<http://www.newsobserver.com/news/local/community/cary-news/article29971344.html>

<http://www.betaboston.com/news/2015/08/13/techstars-alum-testive-adds-1-15m-to-boost-college-test-prep-service/>

<http://wraltechwire.com/cofounders-capital-to-make-3rd-investment-open-house-planned/14797184/>

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