

Executive Summary

Victory Solutions (VS) enables political campaigns to communicate effectively, improve direct voter contact, and succeed through industry-leading technologies and data-management services. The key to VS' strong sales growth and increasing influence since its 2005 launch is simple: great technology combined with a growing and well-established network of strategic-partner resellers (called "VSPs," or Victory Solutions Strategic Partners), and an expanding roster of high-profile customers.

The VSPs' Unique Value – The strength and breadth of VSPs' existing relationships with VS' customers (VSPs are typically campaign consultant insiders, with already-established trust and confidence) exponentially increase VS' opportunities. For VS, this means access to and credibility with decision makers – things competitors uniformly lack. As trusted political advisors and consultants to campaigns, the VSPs are remarkably well positioned to advocate for VS while educating and informing campaign decision makers about technology choices and data-management issues. VS continuously adds new VSPs, and expects up to 54 by December 2012.

Products and Services – Through its VSPs, VS presently sells and distributes its proprietary state-of-the-art VoIP volunteer phone bank and automated calling systems and software (Victory VoIP), and telephone town-hall services, which are either proprietary to VS or developed in partnership with product partners.

Increasing Revenue through Two New Products – While its primary product lines are the Victory VoIP and Broadnet's TeleForum and Boomerang technologies, and its first market is political campaigns, VS is actively developing two complementary products that will increase revenue from existing customers and open new markets for VSPs.

Victory Center Strategy Engine – allows political operations to manage their data securely online, permits sophisticated profiling, strategy modeling, and voter-data segment organization, allows campaigns to implement complex phone strategies, and integrates directly into Victory VoIP, enhancing Victory VoIP's effectiveness and ease of use.

Grassroots Management Suite – an online tool set that enables campaigns to manage and grow their grassroots organization more effectively and competitively, through greater agility and reduced costs.

Both of these new products will follow VS' mission to create:

1. Technology superior to the alternatives.
2. The best solution for customers' problems.
3. Interoperability and integration among all products based on a proprietary technological platform.

Customers – VS' customers are Republican and conservative candidates and organizations in political markets, and non-profit organizations and other non-political customers like issue-advocacy / lobbying groups. VS' partisan affiliation, coupled with its VSP relationships, gains political customers' trust and permits closer working relationships than bi-partisan vendors can attain – a distinct advantage. In politics, relationships matter.

VS has provided its technology and services to a growing and impressive list of candidates and campaigns, and state parties, working with over 360 customers / campaigns in 2010, including those in the accompanying chart. Momentum is building.



VICTORY SOLUTIONS
TECHNOLOGY EMPOWERING THE RIGHT

Notable Victory Solutions Clients

| | |
|--------------------------|----------------|
| Governor Rick Scott | Florida |
| Governor Bob McDonnell | Virginia |
| Governor Chris Christie | New Jersey |
| Congressman John Boehner | Ohio |
| Governor Bobby Jindal | Louisiana |
| Governor Scott Walker | Wisconsin |
| U.S. Senator Scott Brown | Massachusetts |
| U.S. Senator Jim DeMint | South Carolina |
| U.S. Senator Pat Toomey | Pennsylvania |
| U.S. Senator Rob Portman | Ohio |
| U.S. Senator Rand Paul | Kentucky |
| U.S. Senator Dan Coats | Indiana |

Also, non-campaign political groups (such as the Republican Party, political professionals, and issue-advocacy groups), non-political membership organizations (such as industry associations and organized religions), and public relations and opinion-polling organizations are markets VS will develop through VSPs.

High Growth to Continue – These factors are the root of VS’ rapid growth in sales and margins. In 2010 alone, with VSPs well established in an election year, sales rose strongly to \$2.31 million, more than five times 2009 sales. Valuation is now at \$5,000,000.00. With this history, VS’ stage is set for *dramatic* growth during the 2011-2012 political season. Total 2012 revenues will soar to between \$8,700,000 (EBITDA of \$3,000,000) and \$13,700,000 (EBITDA of \$5,000,000) depending on new equity capital secured under this offering.

These growth projections are supported by the current strength and positioning of VS’ VSPs – who are *already* working with 4 to 6 Republican 2012 presidential hopefuls. Existing relationships make it highly likely that VS will secure this presidential-primary-level business (and a large number of congressional campaigns). This means both revenue and dramatically improved relationships and positioning for VS. Projections are also supported by political reality: in every campaign cycle, spending increases as the stakes get higher. Total U.S. political campaign spending is projected to exceed \$9 billion per year.

| Organic Revenue Growth | |
|------------------------|--------------|
| 2007 | \$50,000 |
| 2008 | \$400,000 |
| 2009 | \$431,000 |
| 2010 | \$2,310,000 |
| 2011 | \$2,155,000* |
| 2012 | \$8,700,000* |

| Revenue Growth with New Equity Capital | |
|--|---------------|
| 2011 | \$3,600,000* |
| 2012 | \$13,700,000* |

* Projected

To summarize, VS’ sales will grow through (in order of priority):

1. Recruiting New VSPs
2. Delivering New Products Through the VSP Network
3. Improving the Performance of VSPs
4. Entering New Markets

Company History

Shannon Burns developed the concept of delivering the best technology to grassroots campaigns in 2004 while serving on the Bush/Cheney ‘04 Steering Committee for Cuyahoga County, Ohio. Program operations commenced in December 2005, and Victory Solutions, LLC was formed on May 8, 2006. Sales commenced in March 2006, and development of the VSP network began in August 2007. In its 2006 and 2007 start-up phase, VS launched, and defined its business and path to market. 2008 and 2009 saw the initial development of the VSP network and revenues of just over \$400,000 for each year.

In 2009, VS worked with Bob McDonnell for Governor in VA and Scott Brown for U.S. Senate (Jan-2010), which validated VS’ sales/distribution model, and generated significantly increased revenue for VSPs and VS. In 2010, VS focused on best-practice training for VSPs (which yielded dramatic average performance increases), and developing new strategic-partner relationships. By February 2010, VS had more than 30 VSPs reselling its flagship product, Victory VoIP, along with the automated TeleForum and Boomerang products by Broadnet (Denver, Co.). As of Election Day, **2010 YTD revenues exceeded \$2.31 Million** (5 times 2009 revenue). Broadnet sales were one-half of 2010 revenues, and solid evidence that VSPs can and will sell additional products to the same customers.

Equity Opportunity

VS seeks to raise \$750,000 from equity investors, to continue development of data-management software (to ensure that VS products remain innovative and responsive to the market’s needs), and expand marketing through recruiting and training new VSPs. **Note:** Victory Solutions, LLC is certified by the State of Ohio Department of Development for [Ohio's Technology Investment Tax Credit \(TITC\)](#) Program.

The terms of this offering are explained in the accompanying “Confidential Term Sheet.” This offering remains open until May 30, 2011, or until all offered units are purchased, whichever first occurs.

For details about this investment opportunity, please contact Shannon Burns at (216) 539-0169 or Shannon@VictorySolutions.US for a personal appointment. To learn more, interested parties are encouraged to participate in Shannon Burns’ conference call on April ___ 2010, at ___:00 __.m. The call in number is: ___.