

MAGIC FOLDER



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Alabama**



Your Magic Folder

Success “IS”

A Learned Behavior

The enclosed material is created for entrepreneurs raising any size of funding via a private placement of capital. The material may also help those engaged in preparing public offerings with some modification. The details contained in MAGIC FOLDER include step by step planning to organize an investor presentation “kit” and suggested “language” for use of these materials in making legally compliant offers for your securities.

As always, these, and all education materials provide by LSA should be applied only with review and advice from your legal experts. LSA assumes each user has engaged independent legal representation prior to making security offers to third parties and that all such offers are made in compliance with federal and state laws. LSA provides materials which are prepared to assist professional educators and consumers seeking education in entrepreneur mechanism for capital development to further business growth. We are confident these materials can help improve time management and sequence in developing capital for virtually any size venture.

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Note: this booklet is formatted to permit you to type your dates and notes directly on the appropriate page.

Your Magic Folder An Introduction

The Life Success Academy produces curriculum for the Free Enterprise Forum, as well as support products from time to time. In recent years the CDs and workbook series SUPER RUSH SEED CAPITAL have become a popular self-help tool for the capital building entrepreneur.

The new YOUR MAGIC FOLDER CD set and workbook training provide options for those building capital to complete the process they learned using SUPER RUSH SEED CAPITAL. YOUR MAGIC FOLDER deals with tips, techniques, and methods to rapidly complete a “Magic Folder” to help any capital project, of any size, whether large or jumbo, to complete fund raising in less time with lower cost.

Your Magic Folder will suggest items to be included in your capital kit; use and application methods to extend your Magic Folder to each investor meeting; and to coaching for the capital raiser in skills to help develop confidence at the time an investor presentation is being made.

DISCLAIMER & LIMITED USER LICENSE FOR LSA EDUCATIONAL MATERIALS

Your Magic Folder and the information or opinions contained therein are prepared as a complement to advice received from licensed legal professionals. Should advice from your legal representatives differ from opinions contained in YOUR MAGIC FOLDER, always follow the advice from your paid legal advisers and disregard the opinions expressed in YOUR MAGIC FOLDER.

A Magic Folder is offered to those who have graduated from CEO Space/IBI weeklong entrepreneurial classes with the perspective provided by on-site attorneys, and/or from other similar trainings. YOUR MAGIC FOLDER is designed to be “one” of numerous reference resources.

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MAGIC FOLDER

Your Magic Folder Lesson Plan

Yes. I have listened to the first training CD entitled YOUR MAGIC FOLDER.

Yes. I have developed a design layout and a printing quotation for my projects, name and identity for a folder, typically with a color scheme that matches my project identity.

My Start date "To Print the Magic Folder" with my company identity on the cover is

____/____/____
mm dd yy

My lowest printing quotes include the following:

500 folders: \$ _____

1,000 folders: \$ _____

1500 folders: \$ _____

Understandings


It is understood if I am doing a Private Placement of securities the Magic Folder offering my security full disclosure information will be limited to selected number of investors: _____ *Initial*


It is understood that I will use My Magic Folder for other purposes such as marketing my projects, services, or products. _____ *Initial*


It is understood if I am offering a Security (any agreement between two parties in which I receive capital on terms), legal compliance is required. Legal Compliance includes some of the following steps (as a partial list--your attorney will provide full details for legal compliance in your state: _____*Initial*


 Retaining an experience security attorney to advise and represent your project throughout the offering term.


 Working with your attorney and team to structure your offering terms.


 Completing a business plan that includes the terms of your capital offering and your use of proceeds as required by full-disclosure regulations.


 Providing your attorneys with the content they define in their checkoff list for your security offering.

 Proofreading your draft of the attorney's private placement memorandum or pre-organization offering materials.












 Approving the final content of your Private Placement Memorandum or related materials from your attorney.


 Preparing a financial statement for your project at the time your offering begins.

 Preparing projections for the project, typically prepared with accountant help and software provided spreadsheets such as BizPlan Builder Software, available at www.JIAN.com.

 Advising your attorney of individuals you seek to make offers to in each and every state BEFORE your capital offer is made, to assure proper forms are filed with each state.

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-  Preparing drawings or illustrations of your project including CAD virtual experiences or models when appropriate. Prototypes for inventions are helpful.
-  Obtaining third party letters from suppliers, customers, potential customers, markets, professional coaches and advisers, and endorsing entities.
-  Obtaining third party press, if possible.
-  Creating a video, if possible. (Third party marketing material included in Your Magic Folder must be reviewed and approved by your attorney Prior to including or use).
-  Rehearse your offer with your attorney and use your Magic Folder to complete rehearsal for legal compliance. Adjust your presentation to comply with your attorney's advice.
-  Develop third party contracts as possible.
-  Photographs of you and key managers help.
-  Resumes for all key managers and coaches help (with photos on each one-page “display” of your team leaders).
-  Attorneys will prepare an investor subscription document. Understand this form and its proper use and ask your attorney questions related to its use.
-  Ask questions about an “issuer/offerer” of a private security for capital and/or return to the CEO Space/IBI Free Enterprise Forum Training to focus on capital compliance, with private meetings with attorney-experts.
-  Follow the sequence presented in your lessons and delay starting until your documents meet all state and federal legal compliance for raising capital.

 Obtain a letter from your legal representatives outlining the terms by which you can use your Magic Folder as established to any date in time, with clarity on what is included in the folder, so that your use follows guidance from your attorney.

TEAMWORK MAKES ALL DREAMS WORK.

***MAGIC FOLDER
TIMING IS EVERYTHING***

I may have to raise seed capital from project “founders” to develop sufficient capital for the costs to prepare my Magic Folder.

I know I will need legal advice to prepare a founders’ offering and even this step requires care for legal compliance and attorney review of my Magic Folder.

A Magic Folder is any document package or kit that is handed to an investor (in any form, at any stage of a venture’s life) such that a solicitation for capital is being generated to the investor. Legal compliance as to the full disclosure being made to the investor is always required at the state and federal levels, with similar laws and sequence in all modern countries.

I understand that association with experts in the field can speed up my legal compliance work without sacrifice to quality.

I appreciate that in a free country, I have “permission” to raise capital for ventures of either a profit or not-for-profit nature providing I respect the required legal compliance and full disclosure regulations protecting private investors.

I understand there are serious consequences if I fail to comply with state and federal law.

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I also understand the owner and management of the business are responsible for legal compliance in raising capital and that such responsibility cannot be delegated to third parties.

Attorneys may have different opinions on specific compliance issues. If you have a conflict of opinion, get outside advice, or phone your state or federal regulatory agency directly, or contact each regulatory agency online.

I understand the Federal Government of the United States maintains substantial information on current regulation of capital offerings on its website www.SEC.gov. A review of www.SEC.gov is recommended by LSA as you begin to work with legal experts on your capital formation plan.

Organizations such as the Better Business Bureau, the Chamber of Commerce, many local universities, private organizations such as SCORE (www.SCORE.org), and many others may assist entrepreneurs to develop capital.

CAUTION: Use caution when dealing with websites that promise to match investors to projects. Many sites of this nature violate federal and state law. Consequently, you may find they are not in business long.

LSA AXIOM: Raising capital is relatively simple in today's world...but it is never "easy."

TIMING IS EVERYTHING...If you have zero capital:

- Create a Magic Folder
- Include documents as advised by your attorney
- Create a Founder Offering
- Develop a Capital Team
- Create Founder capital this week and next, or as soon as possible
- Do not stop until your founder offering is completed
- Follow-up with a second stage private placement
- Raise all the capital your business plan requires

CAUTION: Do not start your business operationally until your complete raising all the capital your project plan calls for as your JOB 1... avoided distraction. Early stage ventures should avoid debt if possible.

REORGANIZE if you are stuck.

Expert coaches can help you reorganize.

LSA AXIOM: You are one Idea--just ONE in moving from stuck to bucks.

Return to CEO Space/IBI Free Weekend Networking sessions and work with experts to get unstuck.

Use www.CEOspace.biz to get advice sooner than later.

WHY WAIT?

CHECK LIST

Our process works about as well as you work. If you think that the process is not working, ask yourself:

yes / no Did you complete a written business plan with a team of one or two and software? If not, why not? Remember:

***YOUR IDEA IS PERFECT
AND YOUR PLAN SOON WILL BE.....***

yes / no Did you work with an attorney to prepare capital offering terms and documents? If not, why not? Did you obtain the advice and structure you need at a Free Forum weekend?

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yes / no Did you prepare a founder offering and develop first stage capital?

yes / no If you are stuck, did you ask for help online with www.CEOspace.BIZ?

yes / no Did you ask for support in free weekly online networking meetings?

yes / no Did you use your Forum Directory to contact coaches and mentors by email--noting you were stuck?

yes / no Did you attend free weekly live trainings (Over 1,000 CEO Space/IBI trainings nationally each year) to get help fast?

NO?

Then you did not pass the checklist. Your mind always makes you “right.” In effect, you are saying....”I did none of the follow-up work and the program simply does not workfor me.”

You will “KNOW” your mind made you right. :

In fact, you failed to work the program---which always works as well as you DO.

SUCCESS IS A STATE OF MIND.

THREE AND YOU ARE FREE

Investors do not ask about your Magic Folder. In fact, except for the detail minded, many investors will not study your folder in any way deserving of the effort you put forth to create it.

Investors, however, will ask **“WHO IS ON YOUR TEAM?”**

If you have three of the best resumes for the job, you are free financially speaking.




If you have five, you thrive.

If you have seven, you are IN Heaven.

If you have more than seven, it is a COMMITTEE, and no one can run anything effectively with a committee.

Teams make the Dreams work--

Use all the resources you have been taught to secure teams by having:

-  job descriptions first
-  team descriptions second
-  written agreements with each teammate:

If you do not know how, or when, to pay your team, ask experts. (Generally, up-front money is reserved for professional work that must be done, such as legal compliance, and nothing else until all your capital is raised).

Hold the mindset... I CAN DO this part.....

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CAUTION: Avoid firms that offer to raise capital for you in exchange for front-end cost. Such offers are almost always scams. Also, avoid any offshore deals, as most of them are also Frauds. Call your regulatory agencies to check on such firms before you act.

Define time lines for your team performance on each task.

If the teammate agrees to the timeline and fails to perform, nicely replace him or her.

Engage team that performs... **AND ONLY TEAM THAT PERFORM.**

You do not want relationships. You do not seek more approval or love. You **SEEK** one thing--**PERFORMANCE.**

If you are unclear in your execution, your results will be unclear.

If you are fragmented in your thinking, your results will be fragmented.

If you are focused in your thinking and clear in your task planning, your **PERFORMANCE = will always EXPAND!**

MEETINGS MAKE MONEY

Investor relationships are like family. Overnight deliveries and phone discussions do not, typically, create relationship sufficient for investment.

Plan to meet your qualified investors.

Master Capital Team Building (using *Super Rush Seed Capital*).

CAUTION: Venture Companies tend to invest by-and-large in more mature opportunities with several years of profits, moving to more advance funding. Venture firms seldom provide “Proof-of-Concept” capital and may require terms you find you must turn down as entrepreneur unfriendly. Venture capital is competition rather than cooperation capital.

Rush to investor meetings. Delay everything else.

See your job as “creating” investor meetings.

Avoid busy work that does not create investor meetings.

Meetings make Money and nothing else does.

Not the phone.

Not the overnight delivery service.

Not the Web

Not anything.

CAUTION: Offering to investors via the web typically violates a number of state and Federal security laws. Avoid any mailing, telemarketing or outreach that is not approved by your legal expert before you plan or act.

MEETINGS MAKE MONEY & NOTHING ELSE DOES.

Some say *No*.

Some say **YES**

Do not feel you are rejected when a person says NO.

Learn to speak **CAPITAL** at your meetings. Avoid speaking Product or Service. Help investors make a financial, rather than an emotional decision.

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TIP: Early ventures are all super high risk with potentially large returns. There are no safe high-return, low risk investments. Low-risk, high return investment offers are in fact, frauds. All high return investment offers are high risk Early safe offers are super high risk. Always tell the investors because they already know... and it is the law.

Speak to the investors' Money. Speak as a professional or have a teammate who can and does.

Learn Capital.

Learn Financial Ease.

Speaking Capital is a more important new adult language than is Spanish or French. Everyone can learn to speak Capital.

Everyone should have learned to Speak Capital in school.

Entrepreneur training is the MASTER Adult Skill Set in the new Global economy.

LEARN-- EARN & RETURN.

BABY STEP YOUR FOLDER. Your Magic Folder is the stage upon which you perform.

Your Magic Folder is the vessel that holds your plan. Is your vessel worthy of its cargo? If you are shipping valuable cargo, make sure your vessel protects and safeguards your treasure.

Your Magic Folder holds your offer.

IF YOU ARE WAITING FOR YOUR SHIP TO Come IN

ASK

DID I SEND ANY SHIP OUT?

Your Magic Folder is ready when you are--

As You grow your Magic Folder, your Magic Folder grows YOU--

Create a team of one or two to help YOU.

Complete your Magic Folder one checklist item at a time. BABYSTEP your way to VICTORY.

Faster than you know, all the steps are done. Your Magic Folder is a Money Magnet. If you wish to attract capital, ASK, "What magnets have I planted in my garden to attract capital?"

List Five Key Magnets you have to attract Capital or soon will have:

1. _____

2. _____

3. _____

4. _____

5. _____

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List three to five profit centers that will drive profits into your business over 36 months:

1. _____

2. _____

3. _____

4. _____

5. _____

List five risk reducers you have established in your plan that work to reduce venture capital risk.

1. _____

2. _____

3. _____

4. _____

5. _____

Make these items important in your plan and capital offering documents. Make sure your attorney understands each of these items.

To speed things up, download a draft of an offering document you like or forms you find which match your needs. Change the terms and project name to match yours....and give a DRAFT of your business plan and your offering document to your attorney. You will have substantially lowered your cost and your TIME to capital.

Have a clear term agreement with your lawyer. Make sure you understand the agreement and ask that it be short and include.

1. The cost and the payment schedule as capital is raised over time.
2. The basic blue-sky state compliance work is included in your cost agreement and any additional work must be approved by you in advance.
3. That the agreement does not include stock in your company unless you choose to provide it.
4. If your attorney will not provide a clear, easy-to-read engagement agreement for your relationship, shop for another attorney.
5. If you are still unsure, have another attorney review your engagement agreement to make sure it is what you want. Then sign it.

Use family, friends, and FUND BUSTING to secure sufficient capital to pay your lawyers' initial fee to gain legal compliance to raise first capital. Make sure Fund Busting efforts meet your attorney's approval, as they want to be paid, and should help you to secure necessary capital to pay their fee. If they will not, shop for another attorney.

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Work with an attorney who makes you feel positive about yourself and your project. Avoid old model attorneys who scare you with constant warnings and fear, and then charge you to provide solutions. Engage attorneys who are like-minded teammates who create positive educational environments for winning--the new economy lawyers.

Set a time to start creating your Magic Folder.

With the right one or two, you are through in 72 hours.

With the wrong team, it can take weeks and months.

Use low-cost software like BizPlan Builder (including capital offering templates) from www.jian.com.

Give and receive.

CAUTION: It is illegal to solicit capital online in any public way without prior registration with state and federal agencies. Do not pollute your foundation platform by making early stage errors that are so easily avoided. A private placement of capital is PRIVATE, not public in nature.

SUCCESS IS A “LEARNED” BEHAVIOR.

CONCLUSION REVIEW STEPS

I know I need a fixed date to begin and to complete my Magic Folder. I have set the dates for each work area as follows:

Overall.... begin date: ____/____/____

Completion date ____/____/____

____/____/____ Retaining an experienced security attorney to advise and to represent your project throughout the offering term.

____/____/____ Working with your attorney and team to structure your offering

____/____/____ Completing a business plan that includes the terms of your capital offering and your use of proceeds, as required by full-disclosure regulations.

____/____/____ Providing your attorneys with the content they define in their checkoff list for your security offering.

____/____/____ Proof reading your draft of the attorney's private placement memorandum or pre-organization offering materials.

____/____/____ Approving the final content of our Private Placement Memorandum or related materials from your attorney.

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____/____/____

Preparing a financial statement for your project at the time your offering begins.

____/____/____

Preparing projections for the project, typically prepared with accountant help and software provided spreadsheets such as BizPlan Builder Software.

____/____/____

Advising your attorney of individuals you seek to make offers to in each and every state before your capital offer is made to assure proper forms are filed in each state.

____/____/____

Preparing drawings or illustrations of your project including CAD virtual experiences or models when appropriate. Prototypes for inventions are helpful.

____/____/____

Obtaining third party letters from suppliers, customer, potential customer, markets, professional coaches, advisers, and endorsing entities.

____/____/____

Obtaining third party press,if possible.

____/____/____

Creating a video, if possible. (Third party marketing material included in your Magic Folder must be reviewed and approved by your attorney prior to inclusion or use).

____/____/____

Rehearse your offer with your attorney and use your Magic Folder to complete rehearsal for legal compliance. Adjust your presentation to meet your attorney's approval.

____/____/____ Develop third party contracts as possible.

____/____/____ Resumes for all key managers and coaches help (with photos on each one page “display” of your team leaders).

____/____/____ Your attorney will prepare an investor subscription document. Understand this form and its proper use, and ask the attorney questions related to its use.

____/____/____ Ask questions about an “issurer/offerer” of a private security for capital and/or return to the Free Enterprise Forum Training to focus on capital compliance with private meetings with attorney experts.

____/____/____ Follow the sequence presented in your lessons and delay starting until your documents meet all state and federal legal compliance for raising capital.

____/____/____ Obtain a letter from your legal representative outlining the terms by which you can use your Magic Folder as established to any date in time, with clarity on what is included in the folder, so that your use follows guidance from your attorney.

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MOST IMPORTANT: set the date to review, at least twice, your MAGIC FOLDER CDs with a note pad handy of THINGS TO DO, follow-ups, and follow-throughs.

____/____/____ *First Review*

____/____/____ *Second Review*

TIP: Note which CD and the location on the CD, key language may appear to use and to review. Keep in mind, as your Grow your Magic Folder your Magic Folder Grows YOU.

LSA AXIOM: Your Magic Folder is ready when YOU are ready~

The only remaining step is to BEGIN.

With two teammates, what was overwhelming is a scheduled, 72-hour work period. Make a Magic Folder Retreat.

Go to a fun place.

Everyone pays his/her own costs.

Everyone contributes and works hard.

Your Magic Folder is competed by dividing the work with your team.

CEO Space is terrific help for any missing ends.

TIP: Staffing CEO Space is only \$500 and includes meals. Staffing provides HIGH PERFORMANCE TEAM TRAINING unmatched anywhere. One Staff Week at CEO Space and your Magic Folder is on its way. (CEO Space Graduates only may staff.)

Define the team skills you lack and which ones you need most. ‘

Review your Forum Directory for teammates. Be very clear on your time and work requests; have both in writing to email your team.

Make it easy for your team to say YES.

Plant your team magnets as well.

SEND OUT YOUR SHIP AND YOUR SHIP WILL COME IN.

.....YOUR MAGIC FOLDER

.....IS MAGIC WHEN THE MAGIC

.....IS IN YOU!

N
O
T
E
S

BE IN THE SPACE!