



Bulevardi 2-4 A. 7th Floor. 00120 Helsinki, FINLAND.

Phone: +358-9-515225 , Fax: +358-9-515225

Email: info@capitex-int.com

URL: <http://www.capitex-int.com>

THE HAMPTON CAPITAL ACQUISITION METHOD. (SEED CAPITAL)

Introduction.

Seed capital is “planted” in a financial structure, so that it will grow. The structure is the corporation wishing to raise the funds. The seeds are provided by the investors. New or small companies generally have a great deal of difficulty raising capital to finance their growth. The Hampton Capital Acquisition Method places a methodology at the entrepreneur’s disposal, to enable the raising of seed capital, so that the repayment of the principal to the investor is guaranteed! In providing security for an investor’s capital, the greatest difficulty is removed from getting people to invest.

The manner, in which this is accomplished, forms part of a registered intellectual property, owned by the firm Hampton, Broadstone and Oliver Inc., Tulsa, Oklahoma, the United States of America.

Locating the investors is the responsibility of the entrepreneur. If he or she can not do that, even when the investors’ capital is protected, the business is probably worthless and should be abandoned.

Basic requirements.

The company, or corporation, which wishes to use the method of Hampton Capital Acquisition does have to fulfill certain basic administrative and legal / financial requirements and does have to have the financial and administrative means to do so. **Generally these requirements can be met, if the firm is a genuine operating company and its books of account are properly kept.**

The basic requirements are as follows:

1. The US Federal Securities and Exchange Commission and the state regulatory agencies regulate the issue of any private offering. The rules, regulations and corresponding laws have to be followed to the letter and the company wishing to raise seed capital has to comply with these.
2. The principle developed and copyrighted by HBO for raising seed capital works – in principle – under any jurisdiction, the details have only been confirmed for the states of the United States of America. It is therefore highly advisable to establish a US corporation. This can be done very quickly and cheaply.(The most advantageous State is Delaware)
3. **On being established, the company should have at least USD \$50,000. - CR in its account in the United States.** (It is not necessary to have the bank account in Delaware. The company should seriously evaluate the tax consequences and the operating convenience of its banking arrangements. If there are no other considerations, generally it is advantageous to use the same bank in the US, as in the company’s home country.
4. The company should have on its payroll, or have access to a **fully qualified, chartered accountant** of its full confidence and who is completely **familiar with the company’s operations and plans, as well as with accounting practices in the United States.** This is a key professional, who will have to prepare and certify the required documentation. (See Appendix I: THE FOUR ESSENTIAL DOCUMENTS).



Description of the legal / administrative process:

A. PREPARATION OF DOCUMENTATION.

1. **Definition of the use of funds.** The company and its Board of Directors must define, with clarity and precision the application and use of funds. A good quality Business Plan, prepared according to good “software” helps clarify muddy thinking.
2. **Definition of the investment structure.** Stocks and warrants will be issued to the investors, in exchange for their investment. The stocks will be protected as to capital depreciation and the warrants will “hopefully” secure earnings to the investors.
3. **Establishment of the holding company in the United States.** It is necessary to establish a corporation in the United States, in order to have access to the internal financial market. The state most suitable for this purpose is usually found to be Delaware. The initial capital of incorporation should be no less than the \$ 50,000,- mentioned above. (A suitable emission would be six hundred thousand shares at 10 cents each). The costs of incorporation in Delaware are minimum. We provide advice and introductions.
4. **Preparation of the five fundamental documents.** See Appendix I.
5. **Submittal of the five documents, in draft, to HBO, via G&A.**
6. **Correction – if necessary –and certification of the documents by Chartered Accountant.**

B. SIGNATURE OF THE LICENSING AGREEMENT AND PREPARATION FOR THE PLACEMENT OF CORPORATE STOCKS AND WARRANTS.

7. Payment of the honorarium to Hampton Broadstone & Oliver Inc., by certified check, issued by the bank where the corporate account has been established in the United States.
8. Contract signature with Hampton Broadstone & Oliver Inc. in the United States.
9. Appointment of legal firm, experienced in STATE AND FEDERAL SECURITIES LAW.
10. Appointment of Brokerage Firm (may or may not be required, depending on individual circumstances).
11. Signature and execution of the legal documentation required in the United States.



Appendix I.

THE FIVE FUNDAMENTAL DOCUMENTS.

1. A full Business Plan.
2. Certified Balance Sheet for the fiscal year last ended.
3. Origin and application of funds, years 1 to 5.
4. Five year P/L account projections
5. Five year cash-flow projections.

Appendix II.

INDICATION OF INITIAL COSTS.

N. B.

All expenses shown below are estimates. The company should verify through its own means the actual costs of professional services and direct costs indicated.

A. Certified Chartered Accounting Firm

This should be an accounting firm, as opposed to an audit firm, which enjoys the confidence of the board of directors. The firm is needed to prepare the documentation listed in Appendix 1, in accordance with accounting rules and practices in the United States. **Importantly, the firm needs to advise on the tax implications of the proposed transaction!**

B. Hampton, Broadstone & Oliver Inc.

Proprietor of the intellectual property rights to the Hampton Bond methodology, enabling smaller companies to take advantage of the US bond market, generally accessed only by large, multinational firms.

C. Gulya's & Associates B.V.

Representatives of Hampton, Broadstone & Oliver Inc., in Europe, Latin America and Asia.

D. Legal firm experienced in state and federal securities laws in the United States.

We help identify suitable firms, but contracting and fee negotiations are strictly between the law firm and their client.

E. Brokerage Firm.

Capitex International Inc.© Brokers Intermediaries.

Cost estimate. See N.B., above.

A.	Certified chartered accounting firm.	Retained
B.	Hampton Broastone & Oliver Inc.	\$ 30,000.-
C.	Gulya's & Associates B.V.	**
D.	Legal firm in US.	\$ 10 to 15,000.-
E.	Capitex International Inc.©	\$ 1,000.-
F.	Out of pocket expenses, trips, etc.	\$ 5,000.-

**NB If travel or professional work is involved on behalf of a client this needs to be paid in advance and is reconciled against invoices, receipts and expense statements submitted to the client.