

EDISON'S EXPANDING VALUE-ADD...

Edison organizes educational programs which are designed for portfolio company executives to share best practices and network with peers and experts.

Edison introduces new monthly educational webinars.

Monthly Educational Webinars

Leading experts from our service provider community will highlight trends and issues facing emerging growth companies. Exclusive to Edison portfolio company employees, these webcasts will be held second week of each month.

Tim Foster, Business Development Manager organized the first webinar held on February 12th. Chris Sugden, Managing Partner, served as moderator. Topics included International Taxation with Jim Alajbegu, Partner of Amper Politzner & Mattia, and Preparing for a Sale or M&A transaction, with Ryan Naftulin, Partner of Cooley Godward & Kronish. Feedback was positive for this well attended event. Both presenters offered practical advice actionable by many companies.

Ryan Naftulin discussed top 5 cardinal rules in preparing for M&A transaction. Be prepared to communicate a thoughtful and coherent "theory of the deal". Other rules included getting advice early. Deals are like battleships - once they start heading in a direction changing course is difficult.

(continued next page)

NEW INVESTMENTS

Edison Venture Fund completed \$6.4 million investment in Hoboken, NJ-based ClearPoint Learning Systems. Edison is the sole institutional investor in this rapidly growing corporate education provider. Proceeds will be used to expand sales, marketing, development and staffing.

ClearPoint provides sales training, marketing automation and healthcare professional education. The company utilizes advanced instructional methodology and media tools. Their solutions are delivered worldwide utilizing domain expertise from United States, Europe and India.

John Martinson serves on ClearPoint's Board with Edison Director Network member, Nastasha Giordano, and Lenard Marcus, Investment Manager. Tom Vander Schaaff led Edison's due diligence.

www.clearpointlearning.com



Edison completed \$5 million investment in Jersey City, NJ-based SANpulse Technologies, Inc. Edison is the sole institutional investor in this rapidly growing software business. Proceeds will expand sales, marketing and development.

SANpulse offers enterprise infrastructure software and services that facilitate rapid and automated discovery, migration and optimization of the world's largest SAN environments. SANpulse has partnered with EMC and other OEM storage vendors to move customers to higher price-performance storage systems while minimizing application downtime.

Joe Allegra, General Partner, serves on SANpulse's Board of Directors with Edison Director Network member, Jim Kanir, VP Sales, M5 Networks. Rob Finn led Edison's due diligence.

www.sanpulse.com



FOLLOW-ON INVESTMENTS

Edison completed \$1.8 million follow-on investment in Woburn, MA-based Inmagic. Edison's cumulative investment totals \$6.8 million. Use of proceeds will expand sales, marketing, customer support and product development.

Inmagic solutions enable non-technical business users to create and manage Social Knowledge Networks. Over 5,000 companies in 100 countries use Inmagic solutions. Social Knowledge Networks bring together content, people and tools for information access to address business process.

Michael Balmuth, General Partner, serves on the Board of Directors along with Chris Randles, Edison Director Network Member and former CEO of Edison success, MathSoft. Orlando Mendoza participated in Edison's diligence process.

www.inmagic.com



Edison completed \$1.3 million follow-on investment in NY-based TraderTools. The total financing of \$2.3 million included existing investors. The use of proceeds will expand sales, marketing, services and product development.

TraderTools provides business solutions, software and services to financial institutions trading foreign currency. The Liquidity Management Platform is the only system to integrate the four disciplines of electronic FX trading: pricing, dealing, order management and execution. Clients include: Dresdner Bank, MF Global, Natixis, SunGard and TD Securities

Chris Sugden, Managing Partner, serves on the Board of Directors along with Mark Galant, Edison Director Network member. Mark is Founder and Chairman of Edison success, Gain Capital (Forex.com), a global leader in retail FX trading. John Geraci, former Advent Software sales executive and Edison Director Network member joined the board. Tom Vander Schaaff, VP Analysis, conducted Edison's due diligence.

www.tradertools.com



(continued from previous page)

Adnan Islam provided an insightful look at how US companies can navigate complex international taxation system. Highlights included discussions of Transfer Pricing, Subpart F, Check-the-Box Rules and proposed Legislation.

Future meeting topics will span marketing, sales, PR, development, operations and financing. Please contact Tim Foster, tfoster@edisonventure.com, with topic recommendations that would interest our management teams. Service providers are encouraged to volunteer speakers who are experts emerging growth challenges.

Our educational events are a continuation of Edison's value-added approach to company building. Other Edison peer groups include CFO, CTO and Marketing & Sales. They are designed to provide practical information and insight to achieve long term business success. Visit edisonventure.com for information about all Edison Value Added services including industry specialty, regional sharing, financing programs and social events.

Visit *Edison Events Calendar* at www.edisonventure.com for schedule, descriptions and registration.

IT'S BACK TO SCHOOL FOR THE EDISON DIRECTOR NETWORK...

EDISON DIRECTOR COLLEGE 2010

Tuesday, May 18, 2010 ❖ 8:30 am – 4:30 pm



School of Business, New York University
New York, NY

This biennial event assembles business school faculty, experienced Board members and CEOs to share best practices. Over 100 attendees participated in the 2008 Edison Director College at Wharton in Philadelphia, PA and 2006 program at Rothman Entrepreneurship Institute, Fairleigh Dickinson University, Madison, NJ.

All current, prospective and past directors of Edison portfolio companies are welcome.

This full day program will cover actionable topics where NYU Stern is a recognized thought leader including:

- ❖ Evolving Role of Directors across Company Lifecycle
- ❖ Strategic Planning
- ❖ 21st Century Marketing Best Practices
- ❖ Maximizing Company Value at Exit

Seasoned EDN directors and NYU professors will lead stimulating seminars and exercises on BOD governance. Each attendee will be an integral component to the learning experience.

The program will be held at the Berkley Center for Entrepreneurship & Innovation, NYU Stern School of Business, 44 West 4th St., New York, NY 10012.

Previous Edison Director Colleges were oversubscribed; please register early.
Contact Tricia Bradley at (609) 873-9224 or tricia@edisonventure.com to register.

UPCOMING 2010 EDISON EVENTS

2/12 Edison New Educational Web Seminars for Portfolio Company Execs	8/10 Edison Sales & Marketing Workshop, Lawrenceville, NJ
4/20 Edison Healthcare & Pharma IT Executive Meeting, Lawrenceville, NJ	9/16 Edison Annual Meeting, Philadelphia, PA
5/18 Edison Director College, New York University, New York	9/16 Edison Director Network Meeting, Philadelphia, PA
6/2 Edison CFO Network Meeting, Blackwood, NJ	10/14 Edison Revenue Generation/Interactive Marketing Forum, Lawrenceville, NJ
7/15 Edison CTO Executive Meeting - Lawrenceville, NJ	11/9 Edison Regional Sharing Meeting - Virginia, Tower Club, Vienna, VA

* Edison Venture programs are open to portfolio company executives and limited partners.

VISIT EDISON EVENTS CALENDAR AT WWW.EDISONVENTURE.COM

NEWS & EVENTS FOR COMPLETE UPCOMING EVENT SCHEDULE, DESCRIPTION AND REGISTRATION.

PROMOTIONS



**EDISON CONGRATULATES MIKE CICHOWSKI,
SENIOR ASSOCIATE, BUSINESS DEVELOPMENT**

Michael Cichowski joined Edison in early 2007 and was recently promoted. As Senior Associate in the Business Development department, he generates investment opportunities and conducts analysis of emerging information technology companies in Maryland, Virginia and District of Columbia. He specializes in Financial Services, Business Intelligence, IT Security and Government industry sectors.

Michael has sourced and tracked hundreds of opportunities for Edison including Presidium and was actively involved with investments in NSI and TraderTools.

ANNIVERSARY



**EDISON CONGRATULATES BETH MYATOVICH
20TH ANNIVERSARY AT EDISON VENTURE FUND!**

Many faces changed in 20 years at Edison, not Beth's. She joined Edison in 1990 as a receptionist and was shortly promoted to Administrative Assistant. Throughout her tenure she has supported Edison's team and acted as John's right hand. 6 Venture Funds (and counting) later Beth is as dependable as ever. Always the 'go to' person -- one who can get the job done.

Beth has participated in every Annual Meeting, always a familiar face to our longstanding limited partners and service providers. In 2002 Beth completed her education degree at Rider University yet decided that her heart remains with Edison. She hasn't looked back since.



Beth's family has grown right along with Edison . . . married in 1995 to husband Paul. They are raising two beautiful children (Kiera & Dylan). Paul has attended over 50 Edison social events!

Edison congratulates Beth on a job well-done and looks forward to the next 20 years.

ALL IN THE FAMILY



Jennifer and Orlando Mendoza welcomed baby girl No.5. That's no typo! Alexandra, Madisen, Olivia and Hannah are overjoyed with new sister Kara.



Amy and Michael Kopelman announced the arrival of Samantha Kopelman. Ethan is overjoyed with his holiday present. Congratulations!



Limited Partner Communications

Edison's team builds long-term working relationships with each of our Limited Partners. Edison greatly values investors and regularly communicates, both formally and individually. We understand the importance of timely transparent reporting.

Our Limited Partners may access specific fund information via our web-based Investment Center, including comprehensive quarterly reports, portfolio reference guides, diligence guides, annual audit and upcoming events. Edison frequently sends newsletters and key event announcements.

Please contact Sandi Barber, VP Limited Partner Relations at sbarber@edisonventure.com or 609-873-9222 to schedule a meeting, phone conference or access to the LP Investment Center. Edison will respond promptly to special information requests.



EDISON OFFICES

- NEW JERSEY (HQ): 1009 LENOX DRIVE #4, LAWRENCEVILLE, NJ 08648
- NEW YORK: ONE PENN PLAZA, SUITE 4115, NEW YORK, NY 10119
- VIRGINIA: 8405 GREENSBORO DRIVE, SUITE 210, MCLEAN, VA 22102
- NEW ENGLAND: 117 KENDRICK STREET, SUITE 200, NEEDHAM, MA 02494

MORE THAN CAPITAL...

MANAGEMENT & FINANCIAL COUNSEL

Edison is readily available as a continuing source of counsel and support to the entrepreneur. We are your sounding board... always ready to discuss initiatives and share concerns. Edison realizes that all businesses encounter difficult periods. Our two directors generate ideas, offer private constructive advice and suggest practical alternatives. We anticipate problems and work closely with management to achieve solutions.

Our investment professionals guide companies on all aspects of fundraising including equity, lending and leasing sources, customer collections, government grants, distributions, licensing and royalty issues. We are especially effective at shaping growth initiatives, recruiting executives, key employees and service providers.

Edison's Limited Partners include commercial banks which provide credit facilities for venture-backed growth companies. With Edison's equity investment strengthening the balance sheet, banks provide credit lines for accounts receivable and inventory, term loans and equipment leasing. Several Limited Partners, both finance companies and insurance firms, provide subordinated term loans. Equity investors include insurance, pension and strategic corporate limited partners.

Actively involved with individual companies for three to ten years, Edison will refer investment banking firms to underwrite an initial public offering. Alternatively, Edison assists management with a business sale or merger. Often equity capital can be leveraged over time through alternative sources of financing that mitigate ownership dilution of both founders and investors. Edison also refers financing sources and professional service providers which effectively serve emerging growth companies

WWW.EDISONVENTURE.COM

OPERATIONS

John Martinson, Managing Partner & Founder
JMartinson@edisonventure.com

Chris Sugden, Managing Partner
CSugden@edisonventure.com

Ross Martinson, Partner/Exit Specialist
RMartinson@edisonventure.com

Darry Oliver, CFO
DOliver@edisonventure.com

Sandi Barber, VP Limited Partner Relations
SBarber@edisonventure.com

ANALYSIS TEAM

Tom Vander Schaaff, VP Analysis
TVanderSchaaff@edisonventure.com

Rob Finn, Associate
RFinn@edisonventure.com

Joy Whitney, Research Analyst
JWhitney@edisonventure.com

BUSINESS DEVELOPMENT TEAM

Donna Usiskin, VP Business Development
DUsiskin@edisonventure.com

Tricia Bradley, Marketing Manager
TBradley@edisonventure.com

Tim Foster, BD Manager
TFoster@edisonventure.com

Dahlia Kang, BD Associate (NJ/NY)
DKang@edisonventure.com

Mike Cichowski, Senior Associate, BD (VA/MD/DC)
MCichowski@edisonventure.com

David Nevas, BD Associate (PA/DE)
DNevas@edisonventure.com

MA TEAM

Michael Balmuth, General Partner
MBalmuth@edisonventure.com

Orlando Mendoza, Principal
OMendoza@edisonventure.com

NJ/NY TEAM

Joe Allegra, General Partner
JAllegra@edisonventure.com

Ryan Ziegler, Principal
RZiegler@edisonventure.com

PA/DE TEAM

Michael Kopelman, Principal
MKopelman@edisonventure.com

VA/MD/DC TEAM:

Gary Golding, General Partner
GGolding@edisonventure.com

Sever Totia, Principal
STotia@edisonventure.com

Lenard Marcus, Investment Manager
LMarcus@edisonventure.com

609-896-1900



Edison Venture Fund
1009 Lenox Drive #4
Lawrenceville, NJ 08648
(609) 896-1900

www.edisonventure.com

PRSR STD
U.S. Postage
PAID
New Brunswick, NJ
Permit No. 1