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## The Leading Investor in Expanding Mid-Atlantic Information Technology Companies

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### Edison Venture Fund Invests in New York Based Pinnacle Taxx Continues Focus on Financial Services

**LAWRENCEVILLE, NJ, December 13, 2004** -- Edison Venture Fund announced a \$4.5 million investment in Pinnacle Taxx Advisors, headquartered in White Plains, NY. New York-based Ovation Capital Partners co-invested in this \$6.0 million financing led by Edison. The proceeds will be used to expand marketing initiatives and fund acquisitions.

Pinnacle Taxx provides tax preparation and financial planning services to middle income consumers. The company operates 30 offices in 10 states with 20,000 clients.

“Tax preparation services for the middle class is an underserved, growing opportunity in the US,” remarked Chris Sugden, an Edison Principal. “The proliferation of self-directed investment vehicles and reduction of social security benefits has increased demand for Pinnacle’s financial and retirement planning services. The integration of these offerings with the company’s tax planning practice creates compelling and unique value for customers”

“Pinnacle’s future success is enhanced through Edison’s value added services. Edison brings invaluable business and management counsel coupled with strong domain expertise,” stated Tom Povinelli, CEO of Pinnacle Taxx. Chris Sugden along with Bruce Haislip, CFO of Taratec and an Edison Director Network member, joined Pinnacle’s Board of Directors.

Edison’s investments in financial services include CoreStar, CorrectNet, DPM, Gain Capital, Incurrent, IPP, Liberty Tax Service, Longview Solutions and Princeton Financial Systems.

Edison is actively making new investments. In addition to growth capital, Edison finances management buyouts and corporate spinouts. Edison also purchases secondary stock from shareholders needing liquidity.

#### **About Edison Venture Fund**

Established in 1986, Edison Venture Fund partners with entrepreneurs, service providers and other financing sources to build successful companies. Edison provides capital and value-added services to expansion stage (\$5 to 20 million revenue), information technology businesses located in the Mid-Atlantic region. Initial investments range from \$3 to 5 million. Edison typically serves as a sole or lead

investor. In addition to providing expansion capital, Edison funds management buyouts, spinouts and secondary stock purchases.

Edison's 17 investment professionals are based in three offices: Lawrenceville, NJ, Bala Cynwyd, PA, and McLean, VA. Industry specialties include application software, financial services, pharmaceutical IT and electronics. Edison's successes include Best Software, BTG, ACT!, Dendrite, E-Transport, Fiberlink, InSoft, Marcam, POMS, Visual Networks, Vocus, and many information technology leaders, which have a combined market value exceeding \$5 billion. Edison currently has \$420 million under management and is actively making new investments. [www.edisonventure.com](http://www.edisonventure.com)

### **About Pinnacle Taxx Advisors**

Pinnacle Taxx Advisors deliver professional tax preparation services and personal financial planning strategies to help create wealth and long-term financial stability for 20,000 clients served by 30 offices in 10 states. The founders pioneered strategies to reduce taxes and maximize personal wealth through sound financial planning. As shareholders, Pinnacle's office managers are dedicated to serving each client with integrity, respect and quality service. [www.pinnacletaxx.com](http://www.pinnacletaxx.com)

### **About Ovation Capital Partners**

Based in New York City, Ovation's mission is to create long-term value and liquidity by helping management and entrepreneurs build outstanding companies and access capital markets. Ovation invests in venture capital transactions as well as expansion financings, management buyouts and leveraged buyouts for companies with annual revenues of up to \$30 million. Ovation's buyout and expansion finance practice enhance company performance by improving capital structure, increase operational efficiency, source and finance acquisitions, and develop new distribution channels or products when appropriate. Ovation is typically the first institutional round, and either leads or co-invests with other top-tier firms. Ovation Managing Partner, Greg Frank, will also join Pinnacle's Board of Directors. [www.ovationcapital.com](http://www.ovationcapital.com)

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