



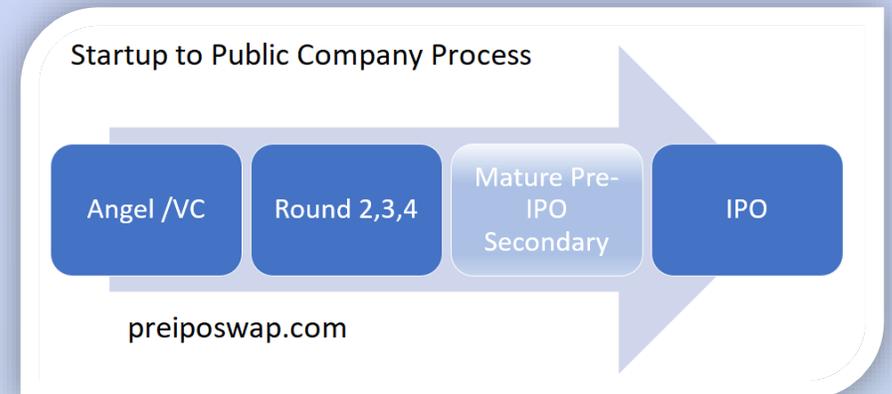
**Pre IPO Swap**

**[www.preiposwap.com](http://www.preiposwap.com)**

# The Problem

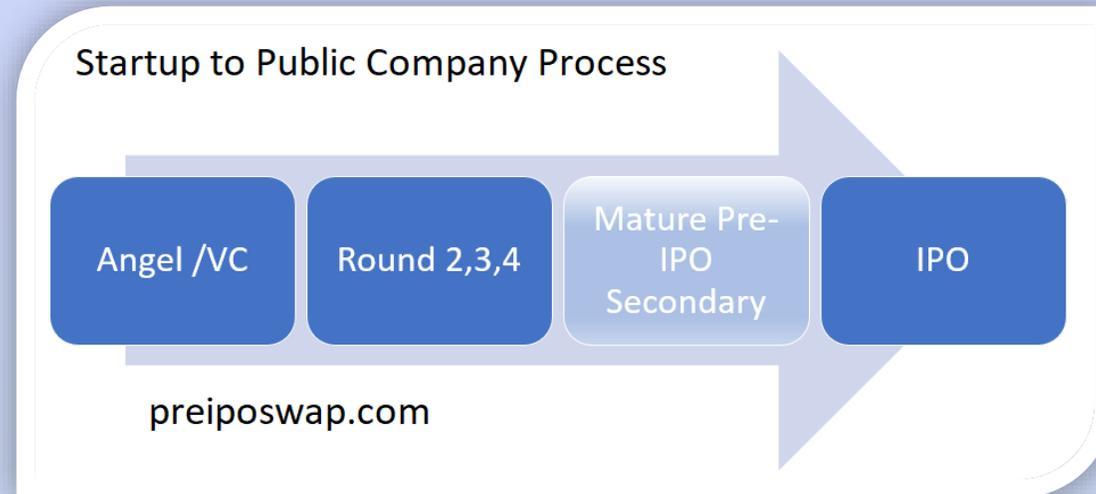
- Traditional stock investing has limited returns (indexes average 10% /year if you're lucky) which forces many into 'stock picking' to find individual stocks that will overperform the market, and thus lies the paradox how to find the next "Amazon"
- Alternatives to stock investing such as managed accounts (CTA programs), Hedge Funds, etc. don't perform much better. Those that do, like Renaissance, are closed and still only make 40% /year
- Those seeking double and triple digit returns for real wealth building must invest in Startups – but that's risky as 9/10 startups fail

Buying stock on the IPO returns on average 12.5% /year  
([according to 2017 figures](#))



# Our Solution

- Late Stage Pre IPO companies show the best promise for high yield with less risk than startups
- We are able to source shares from early investors such as Angels, VCs, and employees who are paid in stock
- We provide real liquidity in a private transaction system that allows all of our investors the ability to both buy and sell, which means no lockups, no restrictions
- All of this is for a reasonable post trade commission, no up front fees, no monthly fees.



# For Investors

- This is for accredited investors ONLY
- Generally a minimum of \$100,000 is required for an individual transaction. Deal maximum varies by deal but there are limits to what inventory is available.

## Accredited Investor Process (Buyers) @ preiposwap.com



# For Shareholders

- Shareholders we work with include individual employees, retirement and benefit plans (group), early VC investors, and later stage investors.

## Shareholder Process (Sellers) @ preiposwap.com



# Our Advantages

- We get exclusive access – Our network on both sides of the transaction is unique.
- We can get better prices
- We charge less fees
- We can get you on the Cap Table
- Bottom line – you make more money
- All this needs to clear ROFR

# Our Matrix – Key companies



# Why didn't I do this before?

- We can't answer that. [Sign up free](#) or Contact us to learn more.

PreIPOSwap.com





Benefits and risks – Pre IPO Investing

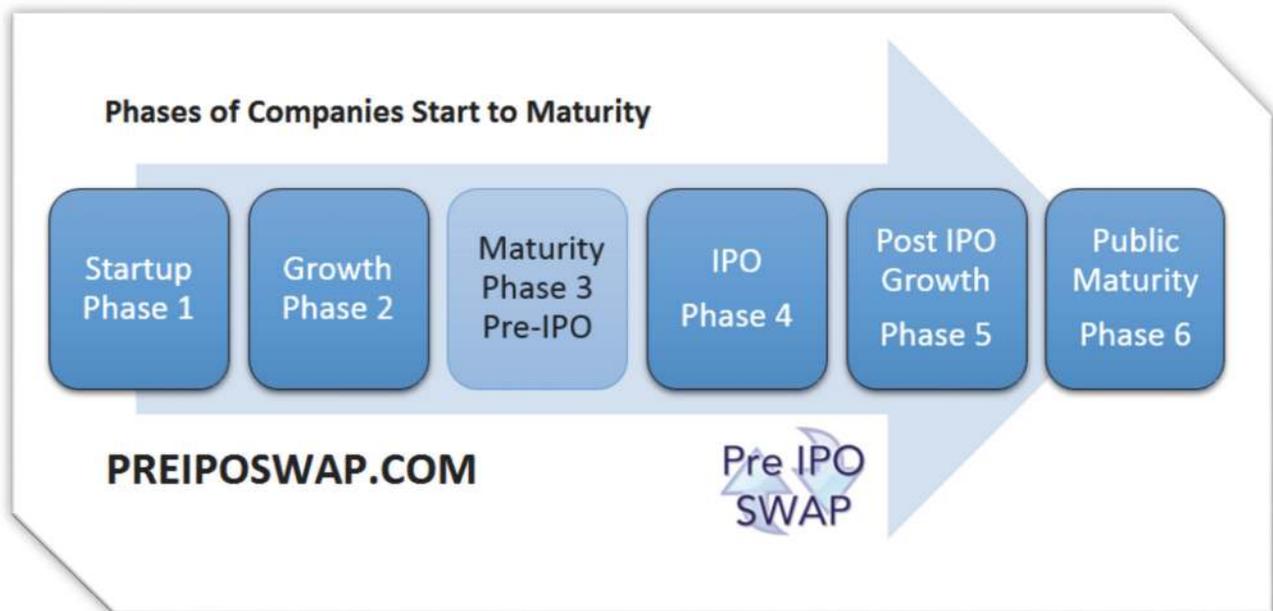
So you want to build wealth? Join the club...

The 3 attributes key to building a Dynasty are (these are not mutually exclusive):

- 1 Ability to make money (in your job, business, or tradecraft)
- 2 Ability to grow your wealth (turning your millions into billions)
- 3 Ability to keep it (not losing your wealth)

For every Bill Gates there are thousands of would be Bill Gates that didn't get to step 1, for a number of reasons. But also, there are many Entrepreneurs who go to step 1 but weren't able to get to step 2. Then there are just as many, who got to step 2 but didn't get to step 3.

We're not going to going to teach you how to be the next Bill Gates this is not a Tony Robbins seminar. This article is about just one of the secret methods the Elite use to grow their wealth – we're only going to focus on step 2. This remains a secret because if everyone did it – it wouldn't be so valuable. It's a secret cash cow that many of the Elite have used to grow their wealth for generations. First we'll explain why this particular method works. We have created a chart outlining the basic 6 phases for any company from startup to maturity:



This flowchart corresponds to a function of decreasing risk and potential returns:



What that means – as the company matures, investors take less risk and the potential return is less. Finally, you get mature companies in the stock market like IBM that are great companies but their stock barely moves. This argument is not anti-blue chip investing – simply we are elaborating that blue chips will never outpace the market indexes by double digit percentages.

On the other side of the spectrum, you have Venture Capital (VC) or Startup investing. Here there is a very high return but very high risk – 90% or more of the deals VCs invest in go sour. So when you look at the individual deal returns – you have to consider the others that were a 100% loss. There are years where probably the portfolio of a VC is net negative. It's not so simple as it seems as we base data analysis on hindsight using the winners (losers are not reported they are written off). Clearly, unless you are a VC – Startup investing is not for most investors. Although crowdfunding platforms have popped up that allow small investors to participate in Startups – the problem isn't access. The problem is knowing which startup will be the next Facebook (FB). VCs don't invest in crap ideas – they are all good. The problem is that many are not economically viable.

The best example is Motorola's Iridium Satellite Phone. Motorola spent billions on a global network of Satellites that would provide service to Iridium phones anywhere on planet Earth. The phone itself cost thousands and so did the yearly service contract. Ultimately, Iridium was a total loss. Although you can still [buy the phones online](#), Motorola greatly underestimated demand (plus they don't work inside of office buildings).



It's a good example because Motorola is a huge company which in this case acted like a VC and failed. So VC investing is clearly not as easy as it seems.

The optimal point on the curve to invest is Phase 3 – Pre IPO. This is where companies usually have revenues (but not necessarily profits) and are ready to go public. Risk is high but not very high – meaning these companies have already proven their models in earlier phases. There is still high risk but not so high like the extreme risk experienced by the VCs. Late stage companies with years of growth and revenues don't usually blow up. At least they are less likely to. Of course we have the example of Enron – but Enron was a publicly traded company when it blew up.

Here are some examples of past performance of companies that went IPO and Pre-IPO investors did really well:



So here's the secret to building wealth – and it's not Crypto! Ironically – the firms that made the most money in the Crypto bubble are the brokers – and they are in our portfolio. To get in on Circle and Coinbase – visit [www.preiposwap.com](http://www.preiposwap.com)

**NOTICE: THIS MARKET IS FOR ACCREDITED INVESTORS ONLY. IF YOU ARE NOT ACCREDITED OR DO NOT KNOW WHAT IT IS, THIS IS NOT FOR YOU.**

Investors want great returns on their money. The Fed creates inflation and then twists the numbers (for example, by excluding food and energy) claiming that inflation is 1% – 3% which we all know is a lie. But you don't feel inflation, like the frog in the slowly boiling pot that gets cooked. The stock market usually goes up but returns are capped, indexes can't really break double digit return barrier. 10% a year is good, 20% is great – 30% is Elite.

Table of IPO returns in percentage, weighted, and in USD value

So how to compensate for additional safe return on investment (ROI) ? The answer is Alternative Investments and Pre-IPO Securities. But the problem with Alternative Investments, such as CTA programs and Hedge Funds, they often don't return much higher than the markets. Certainly they won't return 1,000% like a Pre-IPO investment might. Where there is high yield there is high risk. But the fact remains that only getting in early on Facebook (FB) and other hot IPOs are the only way to achieve high yield returns. But IPO returns, on average – are good but not great (with an exception from the .com boom but that was an anomaly) – returns vary but you can see mostly double digit numbers with the 2001 – 2016 average being about 12.8%



including proceeds weighting. The trick is to get in BEFORE the IPO, which is where you see returns like this:

The solution is to gain access in the 'sweet spot' which is AFTER the first few rounds of financing (this is the risky area, where companies can bust) but BEFORE the IPO.

Gain access to late-stage private investments. That's what we offer at Pre IPO Swap. Not only that, we have unique and exclusive access to many companies with restricted shares. In addition, we offer the ability to not only buy private stock but to later sell it as well – without a lockup (restrictions such as minimum order size may apply, and possibly other limitations). If you want to re-sell your shares we will make it happen.

|                 | VC Raised | Market Cap | Efficiency Multiple |
|-----------------|-----------|------------|---------------------|
| Aggregate       | \$10.2B   | \$566B     | 55X                 |
| Average Startup | \$144M    | \$7.9B     | 55X                 |
| Median Startup  | \$79M     | \$1.8B     | 23X                 |

Market capitalization values from startups that went public between 2011-2015 as of 10/14/16, via Google Finance. Venture capital totals via Crunchbase.

**FOUNDER COLLECTIVE**

Mature, late stage companies with revenues, not startups. Companies like Space X, Uber, AirBnB; and others – have paved the way for a new generation of “Unicorns”. The IPO market is drying up – but part of that is due to the fact that companies are raising funds privately in the private, Pre-IPO market. Just look at this time chart, how the number of Private offerings has increased. Obviously, everyone wants to recreate the success of Uber, Palantir, AirBnB, and others which have origins dating back before 2013.

Now that the space is so crowded, obviously not all of these deals are going to be 10x – 20x returns. But just like with any high yield investing, that's where we come in. We don't have opinions – we have intelligence. We provide market intelligence to our clients – free.

[WWW.PREIPOSWAP.COM](http://WWW.PREIPOSWAP.COM)

