

FOR IMMEDIATE RELEASE

Contacts:

Michael Tharp, Cimarron Capital – 501.223.3284

Gene Eagle, ADFA – 501.682.5905

Kathy Harris, Noro-Moseley – 404.364.6678

Arkansas Institutional Fund Invests \$4M in Fulcrum Growth Fund II

December 31, 2012 / Little Rock, AR -- The Arkansas Development Finance Authority (ADFA) announced today that the Arkansas Institutional Fund (AIF) has committed \$4 million to the second fund of Atlanta-based venture capital fund manager Fulcrum. The AIF is managed by Cimarron Capital Partners.

Fulcrum Growth Fund II QP, LLC (“Fulcrum”) is a growth equity limited liability company located in Atlanta, Georgia. The fund is focused on private equity investments in small U.S. businesses that are ready to accelerate growth by putting money to work in sales and acquisitions. The fund expects to participate with other investors, usually as the lead. The most likely targets for investment are healthcare, information technology and tech enabled companies that have reached the threshold of proven products and satisfied customers. Initial transaction sizes are expected to be between \$1 million and \$5 million.

The \$93 million, 10-year fund is managed by Jeffrey S. Muir, Frank X. Dalton, and Thomas L. Greer. The managers anticipate taking an active role in the growth and development of the investee companies, including board representation. The fund anticipates investing in an aggregate of approximately 20 companies. The fund states it will invest in companies primarily in the southeastern U.S., which includes an active market focus in Arkansas, although it will consider investments outside of the region.

Fulcrum will consider all credible deals coming out of Arkansas that fit within its investment parameters. During the investment period, the Fund intends to source investment opportunities in Arkansas through targeted events, research, and outreach. In general, each Fulcrum principal will participate in at least one trip to Arkansas within the aggregate of 24 person-days in state each year. In addition, the team has agreed to spend 12 person-days per year in home office-based deal sourcing efforts focused on Arkansas. These efforts include routine network calls with deal intermediaries, research, email marketing, cold-calling prospective investee companies, business plan review, and initial conference calls. The fund has employed Jeff Amerine of NW Arkansas on a part time basis to serve as their representative and help generate investment opportunities.

About the Arkansas Development Finance Authority

The Arkansas Development Finance Authority is committed to responding to the changing needs of Arkansas’ growing, increasingly diverse population and

business community. Since its creation in 1985, ADFA has become the state's largest source of low-cost financing for low-to-moderate income housing development, small industries, government, education, agricultural business enterprises and healthcare. Through the issuance of taxable and tax-exempt bonds and notes, the administration of private and public grants and partnerships with state and federal agencies, ADFA gives Arkansans the most cost-effective financing choices possible. In 2001, bond guaranty legislation was modified to allow ADFA to utilize credit enhancement and state tax credits to finance "fund of funds" venture capital investments. At this time the \$70 million Arkansas Institutional Fund (AIF) was created.

About the Arkansas Institutional Fund

In an effort to strengthen the venture capital network in Arkansas and promote economic growth within the State, the Arkansas Institutional Fund (AIF) is authorized to invest in professionally managed venture capital funds that in turn make risk capital more accessible to promising Arkansas firms.

About Cimarron Capital Partners

Cimarron is a leading national investment management firm specializing in regional private equity. The firm serves as fund manager for the Arkansas Institutional Fund (AIF).