



**RUSH
STREET
CAPITAL**

SOLUTIONS FOR THE MIDDLE MARKET

Project Lake: Working Capital Line of Credit & Equipment Loan

Executive Summary & Request

Rush Street Capital has been engaged on a new debt private placement to raise a \$5,000,000 working capital line of credit and a \$700,000 equipment term loan for additional liquidity. Project Lake is a Midwest-based pharmaceutical manufacturer and distributor of consumer products to the outdoor recreation, first-aid and over-the-counter (OTC) personal care and hygiene markets.

The working capital line of credit will be fully collateralized by eligible accounts receivable and inventory. The line of credit will also conform to a monthly borrowing base. The equipment loan will be fully collateralized by the company's existing machinery and equipment.

Management at Project Lake has experience working with senior lenders and producing financial reports customary for asset-based lenders. Project Lake has a number of Blue-Chip customers in the retail and pharmaceutical space. The Company is on favorable payment terms with its customers and receives timely payment.

Background Information & Description of Business

Project Lake is a Midwest based FDA and EPA approved pharmaceutical manufacturer and distributor with over 100 years of operating history. Current management has been leading the company since 2003 and has been instrumental in bringing in a number of larger customer accounts and expanding product offerings.

The company manufactures outdoor health & safety products, such as insect repellents and water purifiers and recreation products such as fish attractants. Project Lake's personal health and hygiene products are targeted towards OTC products for skincare, ear/nose/throat care and feminine care. Its products are sold and licensed through some of the largest U.S. retailers in the pharmacy and consumer goods industries.

Key initiatives and growth strategies

- Acquisition of Bag-on-valve (BOV) manufacturer completed, which will introduce the company to new markets and bring new product capabilities
- Continuing to drive sales of highest product SKU's
- Expanding product footprint to new retailers in the healthcare and consumer goods space

Project Lake is seeking a lender that can partner with the company, to provide a flexible working capital as the company enters another decade of profitability and growth.