

eVest Tech Exposes the Secret World of Private Placement Memorandums

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SAINT AUGUSTINE, FL, USA, November 16, 2021 /EINPresswire.com/ -- eVest Tech Exposes the Secret World of [Private Placement Memorandums](#)



[Capital Raising Platform](#) Helps Eliminate an Entire Cottage Industry

Private Placement Memorandums (PPM's) are legal disclosure documents that are used by small business start-ups and entrepreneurs to raise money through private securities transactions. They are presented to prospective investors during the sale of stock or security in a business. Naturally, private Sponsors would like to pump up their growth without the need of taking on debt or going public.

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Until 2013 when Reg D 506 (c) Title II was introduced, the legal industry was minting serious income from Sponsors just to prepare this copy-paste document. A legal firm had the mandate to draft a PPM due to its descriptive and

persuasive nature. One or two attorneys would be working on the document regardless of the size of the firm and they may not necessarily be trained on matters on private placements, but relatively versed in corporate securities background. Corporate lawyers should be aware that start-up founders do not require a PPM for every capital raise but still they convince their clients of its necessity.

Some start-up entrepreneurs are still misled to believe that a PPM is needed whenever capital is raised, securities issued in a private offering, or early-stage financing and this couldn't be any further from the truth. Registration with the SEC is required whenever securities are issued however an exemption can be used as an alternative. The majority of private offerings are done

according to Reg D Rule 506 (c) of the Securities Act of 1933, which is considered a safe harbor exemption. Compliance with the terms of Reg D Rule 506 (c) is considered a private transaction, and this is important because where it is a public transaction, the process of registering the securities with the SEC before selling would be both expensive and time consuming. Almost all Private Equity funds depend on Rule 506 of the Reg D exemption from registration for their securities offerings. Rule 506 (c) does not officially entail any definite disclosures to the accredited investors such as the traditional PPM. The idea is that accredited investors are sophisticated enough to understand the risk and make a prudent business decision when investing their capital.

eVest Technology is an alternative syndication platform which has been created to offer reprieve to Sponsors who have been misdirected by the legal community. This platform sorts out the issue of filling up the digital document with unnecessary legalese which can be counter-intuitive to raising capital. REG D 506 (c) DOES NOT REQUIRE TRADITIONAL PPM'S. "eVest Technology blew up a cottage industry that attorneys have been getting fat on for decades" offers Daniel Summers, CEO of eVest Technology. "The days of paying \$20,000+ for a template PPM that was created years ago and waiting 4-6 weeks is past-tense" continues Summers.

With the digitization of presentations taking center stage, eVest has positioned its services and its solution to traditional PPM's with its sophisticated digital PPM which is delivered in days and is 95% less expensive. "eVest Technology is where digital converges with deregulation, replacing the antiquated private placement market with our easy-to-use online public offering platform" said Dan Summers, eVest CEO. The features in the PPM data room are tailored to simplify the whole process contrary to the manually exhausting and expensive paper work done by the attorneys. This data room is not only SEC compliant by meeting the information benchmark, but is also digitally designed for mass distribution. It enables video uploads something not possible with traditional PPM's and has a capacity for bulky documents such as operating & subscription agreements also offered by eVest, which are protected and kept confidential.

This digital technology synchronizes seamlessly with deregulation to substitute the now obsolete Private Placement Market. eVest Online Public Offering (OPO) platform presents a modern-day syndication industry, which allows online investing, dividend distribution and is capable of general solicitation while still being Reg D 506 (c) compliant. The replacement of manual tasks with instant technology obviously automates functionality and processes, efficiently eliminates face-to-face meetings and saves time while allowing national deal distribution.

If you are interested in capital syndication, visit <https://bit.ly/3c6x1WH>. eVest's new website will be updated regularly, to include new articles, features and announcements, and company news. Visitors are encouraged to schedule an online demonstration of the product, on the site. If you are interested in learning more, contact us directly through our designated media representative.

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