



SCIPPIO<sup>TM</sup>

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CAPITAL ADVISORS

Unlocking liquidity through luxury.

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This presentation is intended solely for accredited investors and is offered under Rule 506(c) of Regulation D. Scipio Capital Advisors is not offering securities to the public.

The funds and management entity are Florida-formed LLCs. All fund investments carry risk. This is not an offer to sell or a solicitation of an offer to buy securities.

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# Florida Filing Notice

**We are pleased to share that our fund is incorporated in Florida, a decision made strategically to align with both our investment model and regulatory framework.**

Scipio Capital's **primary business activity** involves the **underwriting and investment in pawn loans**, including the direct operation of pawn-related financial services. As a **state-licensed pawnbroker in Florida**, it is both practical and compliant for us to structure our fund within the same jurisdiction where our lending activity is regulated and where we maintain operational control.

Florida offers an ideal incorporation environment for our business due to the following advantages:

- **No state personal income tax**, improving the tax efficiency of distributions to qualifying investors;
- **Lower filing and compliance costs**, allowing for greater capital deployment toward income-producing assets;
- A **streamlined regulatory framework** that supports fast-moving lending and asset-backed investment operations;
- **Strong privacy protections** for members and managers.

While Delaware is often selected by venture and private equity firms for its well-developed corporate law system, we believe **Florida is the optimal choice for Scipio Capital**, given our licensure, local lending infrastructure, and investor base.

We remain committed to operating with full regulatory compliance, sound governance, and fiduciary discipline. Should you wish to review our licensing credentials, corporate documentation, or legal rationale in more detail, we are happy to provide that upon request.

# Investment Opportunity

# SCIPPIO™



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## CAPITAL ADVISORS

## The Alpha Funds

A Paired Investment Strategy for Generating Cash Flow and Capturing Equity Upside

# The Alpha Funds

## Overview

Scipio Capital Advisors offers a paired fund structure targeting both income and equity from luxury and commercial asset-backed opportunities.

Both funds are synergistically managed by a single GP—Scipio Capital GP, LLC, offering investors operational efficiencies and an exclusive deal flow pipeline.

- **SCA Principal Alpha Fund:** Monthly/quarterly income from collateralized loans.
- **SCA Equity Alpha Fund:** Opportunistic equity in defaulted or distressed collateral.

One team. Two vehicles. Multiple return paths.

# The Alpha Funds

## Overview

The SCA paired fund model transforms collateral-based lending into high-yield, real-asset-backed income—and leverages default and distress events into discounted equity positions.

- Fixed monthly or quarterly income with downside protection.
- Long-term equity upside from foreclosed or distressed assets.
- Unified management ensures aligned execution.

# Investment Thesis

Pawn and asset-secured lending is a \$40B+ U.S. market. Yet, high-value borrowers—owners of watches, cars, jewelry, and licenses—are underserved.

SCA capitalizes on this liquidity gap with luxury-focused underwriting and accelerated asset recovery protocols.

# Investment Thesis

**SCA Principal Alpha Fund** originates high-yield, short-term loans backed by luxury and commercial assets.

## Loan paths:

- **Redeemed** → Interest income to Principal Fund.
- **Defaulted** → Asset acquisition by Equity Fund.

Assets are liquidated via retail, auction, and dealer networks.

# Investment Thesis

## SCA Principal Alpha Fund

- Funds used to underwrite loans collateralized on premium assets
- Investors earn 1.5% monthly interest payments –or– 4.5% quarterly interest payments (18% annualized).
- Florida LLC structure, 506(c) exempt offering.
- No management fees.
- 3-year term with two optional 1-year extensions.
- No equity dilution or conversion risk.
- Ideal for income-seeking, conservative LPs.

# Investment Thesis

## SCA Equity Alpha Fund

- Funds used to acquire high-margin distressed or defaulted premium assets encountered in the administration of the SCA Principal Alpha Fund.
- Traditional private equity 2/20 management structure (2% annual management fee, 20% carried interest).
- Targets high-margin acquisitions of foreclosed luxury assets.
- 7-year term, extendable up to 3 additional years.
- Assets include watches, handbags, cars, real estate, and more.
- Distributions made pro rata to LPs upon liquidation.

# Investment Thesis

## Sample Investment

A borrower defaults on a \$50K collateralized loan secured by a luxury watch.

- Principal Alpha Fund has already earned 18% yield.
- Equity Alpha Fund acquires the asset below FMV.
- Resells for \$80K.
- LPs benefit from both income and capital gain.

# Investment Thesis

## Key Risk Mitigants

- Loans fully collateralized with real, high-value assets.
- Downside protected by redemption rates and resale margins.
- Recession-resistant borrower base.
- Regulatory stability in Florida.
- Shared GP ensures disciplined, unified execution.

# Investment Thesis

## Principal Alpha Fund

- Used for loan origination, capital reserves, and servicing.
- 1.5% monthly or 4.5% quarterly interest (18% annualized).
- No equity exposure.

## Equity Alpha Fund

- Targets high-margin recovery of defaulted or distressed assets.
- Covers storage, logistics, resale, and repositioning.
- Target IRR: 20–30%+ from asset sales.
- LPs participate in upside from defaults turned into equity wins.

Combined structure allows compounding of income and equity.

**Together: comprehensive capital lifecycle coverage.**

# The Pawn Industry

Pawn shops provide short-term, collateral-based loans. Customers leave items of value (e.g., jewelry, electronics, firearms, luxury goods) in exchange for a cash loan. If the loan is repaid (plus fees), the item is returned. If not, the pawnshop sells the item to recover its money.

## Primary Revenue Streams

- Loan interest and fees: Typically 12.5% to 25% *monthly*
- Retail sales: Forfeited or outright-purchased goods, sold at 30%–50% margins

# The Pawn Industry

- ✓ Recession-Resilient
- ✓ Cash Flow-Positive
- ✓ Collateral-Backed Risk
- ✓ High Customer Retention
- ✓ Regulatory Clarity

# The Pawn Industry

## ✓ **Recession-Resilient**

- Economic stress increases demand for pawn services due to limited access to traditional credit.

## ✓ **Cash Flow-Positive**

## ✓ **Collateral-Backed Risk**

## ✓ **High Customer Retention**

## ✓ **Regulatory Clarity**

# The Pawn Industry

✓ Recession-Resilient

✓ **Cash Flow-Positive**

- Loans and retail sales generate immediate and recurring cash flow.

✓ Collateral-Backed Risk

✓ High Customer Retention

✓ Regulatory Clarity

# The Pawn Industry

✓ Recession-Resilient

✓ Cash Flow-Positive

✓ **Collateral-Backed Risk**

- Loans are asset-backed, reducing default exposure and increasing recoverability.

✓ High Customer Retention

✓ Regulatory Clarity

# The Pawn Industry

- ✓ Recession-Resilient
- ✓ Cash Flow-Positive
- ✓ Collateral-Backed Risk

- ✓ **High Customer Retention**

- Redemption rates average ~70–80%, with many repeat users relying on pawnshops regularly.

- ✓ Regulatory Clarity

# The Pawn Industry

- ✓ Recession-Resilient
- ✓ Cash Flow-Positive
- ✓ Collateral-Backed Risk
- ✓ High Customer Retention
- ✓ **Regulatory Clarity**
  - Operates under well-defined state and federal laws offering stability and predictability

# The Pawn Industry

**U.S. Industry Revenue (2024):** ~\$40 billion

**Market Composition:** Mostly independent operators with increasing consolidation

## Growth Opportunities

- Luxury Goods Lending: Expanding appeal among high-net-worth clients
- Fintech Integration: Online applications, digital valuations, and e-commerce resale platforms (eBay, OfferUp)
- Vertical Integration: Services such as authentication, repair, and insured storage
- Franchise & Roll-up Potential: Consolidation of mom-and-pop shops under unified branding and operations

# The Pawn Industry

## Risks & Considerations

- Reputation Management: Combatting negative public perceptions with branding and customer service
- Inventory Risk: Requires expertise in pricing, turnover, and fraud prevention
- Compliance: Strict local and federal regulations (esp. around lending and firearms)
- Security: Physical and operational safeguards are critical due to cash-heavy nature

—> EXPERIENCE MATTERS!

# The Pawn Industry

## **Florida offers—**

- High asset density: watches, cars, luxury goods.
- Favorable pawn and lending regulations.
- High volumes of commercial licenses and distressed assets.

## **SCA's operational footprint is optimized for this geography:**

Since 2018, Scipio's management has originated over 1,700 loans totaling \$13.5M:

- 77–78% redemption rate.
- 36–38% profit margins on forfeited inventory.
- Active acquisition pipeline for South Florida storefronts.
- Proprietary underwriting and resale channels developed in-house.

# The Pawn Industry

## Takeaways

The pawn market offers a unique blend of recession-resilience, high margins, and asset-backed lending. With modernization and strategic expansion—particularly in digital interfaces and luxury asset lending—it represents a scalable and lucrative business opportunity for investors and entrepreneurs.

# Management

## **Will Panter, *Founder***

Real estate broker and pawn lending operator

## **Peri Silber, *CEO***

Operations leader with background in project delivery and design

Scipio's team combines decades of retail, lending, and resale experience into a vertically integrated operation.

# Traction

- 1,702 loans
- \$13.5M balance
- 77–78% redemption rate
- 38% margin on forfeited items
- Active acquisitions



# Potential Risks

Scipio Capital Advisors' offerings involve inherent risk. While designed for income and collateral-backed security, investors should be aware of the following:

- **Regulatory Risk**  
Changes in state or federal laws (especially around pawn lending or asset-backed lending) could materially impact operations and profitability.
- **Economic Volatility**  
A sustained downturn could affect redemption rates, asset resale values, and overall demand for pawn and secured loans.
- **Collateral Valuation Risk**  
If loan collateral is misvalued, recovery through resale may result in losses.
- **Geographic Concentration**  
With operations based primarily in Florida, localized disruptions (e.g., hurricanes, regional economic downturns) may have outsized impact.
- **Liquidity Limitations**  
Investments are illiquid. Units cannot be freely transferred or resold, and investors must be prepared to hold their interest for the full term.
- **Competition**  
Increased competition from fintechs, banks, and other lenders could pressure margins or market share.
- **Operational & Management Risk**  
The fund's success depends heavily on the continued leadership and expertise of its executive team.

⚠️ Investors must be accredited and prepared to bear the risk of loss. Please review the PPM in full, including the "Risk Factors" section (Item 9), before making any investment decisions.

# Key Terms

## **Principal Alpha Fund**

- \$50M target raise | \$100K min commitment (\$25K at GP discretion)
- 1.5% monthly –or– 4.5% quarterly income
- Minimum payout 24 months
- 3-year term (+2 optional 1-year extensions)

## **Equity Alpha Fund**

- \$50M target raise | 2% mgmt fee + 20% carry
- 7-year term (+3 optional 1-year extensions)
- LPs receive net proceeds or equity share

# Subscription

## How to Subscribe

Step 1: Complete Investor Questionnaire

Step 2: Sign Subscription Agreement & Operating Agreement(s)

Step 3: Verify investor accreditation via InvestReady

Step 4: Wire transfer to fund account

Support provided throughout by Scipio Capital Advisors.

## Now accepting subscriptions.

Priority allocation for investors in both funds.

Turn income into equity and foreclosures into fortune.

## Contact Us

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