

Emerge Capital Corp.  
Form DEF 14C  
October 27, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**SCHEDULE 14C INFORMATION**

**Information Statement Pursuant to Section 14(c)  
of the Securities Exchange Act of 1934, as amended**

Check the appropriate box:

- Preliminary Information Statement       Confidential, for use of the  
Commission only  
(as permitted by Rule 14c-5(d)(2))
- Definitive Information Statement

**EMERGE CAPITAL CORP.**

(Name of Registrant as Specified in Its Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.
- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

**WE ARE NOT ASKING YOU FOR A PROXY  
AND YOU ARE REQUESTED NOT TO SEND US A PROXY.**

**EMERGE CAPITAL CORP.  
109 North Post Oak Lane, Suite 422  
Houston, Texas 77024**

**INFORMATION STATEMENT**

This Information Statement (this "Information Statement") is being furnished to all holders of shares of common stock, par value \$0.001 per share ("Common Stock") and Series B convertible preferred stock, par value \$0.01 per share, of record at the close of business on October 23, 2006 (collectively, the "Stockholders") of Emerge Capital Corp., a Delaware corporation (the "Company"), with respect to certain corporate actions of the Company. This Information Statement is first being provided to the Stockholders on or about October 27, 2006.

The corporate actions involve three (3) proposals (collectively, the "Proposals") providing for the following:

1. To approve a name change of the Company to Turnaround Partners, Inc.;
2. To approve the migration of the Company from a Delaware corporation to a Nevada corporation; and
3. To approve an increase of the number of authorized shares of Common Stock of the Company from Nine Hundred Million (900,000,000) to Five Billion (5,000,000,000) shares.

ONLY THE STOCKHOLDERS OF RECORD AT THE CLOSE OF BUSINESS ON OCTOBER 23, 2006 ARE ENTITLED TO NOTICE OF THE PROPOSALS. PRINCIPAL STOCKHOLDERS WHO COLLECTIVELY HOLD IN EXCESS OF FIFTY PERCENT (50%) OF THE COMPANY'S SHARES OF VOTING CAPITAL STOCK ENTITLED TO VOTE ON THE PROPOSALS HAVE INDICATED THEIR INTENTION TO VOTE IN FAVOR OF THE PROPOSALS. AS A RESULT, THE PROPOSALS WILL BE APPROVED WITHOUT THE AFFIRMATIVE VOTE OF ANY OTHER STOCKHOLDERS OF THE COMPANY. THIS ACTION IS EXPECTED TO BE TAKEN NOT LESS THAN TWENTY (20) DAYS FROM THE MAILING OF THIS INFORMATION STATEMENT, BUT AS SOON THEREAFTER AS PRACTICABLE.

**BY ORDER OF THE BOARD OF DIRECTORS**

/s/Timothy J. Connolly  
Timothy J. Connolly, Chief Executive Officer

Houston, Texas  
October 27, 2006

**TABLE OF CONTENTS**

	<b><u>PAGE NO.</u></b>
<b>ABOUT THE INFORMATION STATEMENT</b>	<b>1</b>
What Is The Purpose Of The Information Statement?	1
Who Is Entitled To Notice?	1
Who Are The Principal Stockholders And How Many Votes Are They Entitled to Cast?	1
What Corporate Matters Will The Principal Stockholders Vote For And How Will They Vote?	1
What Are The Recommendations of the Board of Directors?	2
What Vote Is Required To Approve Each Proposal?	2
<b>PRINCIPAL STOCKHOLDERS</b>	<b>4</b>
(A) Security Ownership of Certain Beneficial Owners	4
(B) Security Ownership of Management	5
<b>PROPOSALS BY SECURITY HOLDERS</b>	<b>7</b>
<b>DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS</b>	<b>8</b>
<b>EXECUTIVE COMPENSATION</b>	<b>9</b>
<b>SUMMARY COMPENSATION TABLE</b>	<b>9</b>
Stock Options	9
Employment Agreements	9
<b>DESCRIPTION OF SECURITIES</b>	<b>10</b>
Common Stock	10
Preferred Stock	10
Options	10
Warrants	11
Convertible Debentures	11
Anti-Takeover Effects Of Provisions Of The Certificate Of Incorporation (As Amended), Bylaws And Delaware Law	13
<b>INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON</b>	<b>13</b>
<b>ADDITIONAL INFORMATION</b>	<b>13</b>
<b>PROPOSAL 1 - CHANGE THE COMPANY'S NAME TO TURNAROUND PARTNERS, INC.</b>	<b>14</b>
Purpose of Changing the Name of the Company to Corporate Strategies, Inc.	14
Articles of Incorporation and Articles of Conversion	14
Recommendation Of The Board of Directors	14
No Voting Of Stockholders Required	14
<b>PROPOSAL 2 - MIGRATION FROM A DELAWARE CORPORATION TO A NEVADA CORPORATION</b>	<b>15</b>
Purpose of Migrating the Company to the State of Nevada	15
Articles Of Incorporation and Articles of Conversion	15
Recommendation Of The Board of Directors	16
No Voting Of Stockholders Required	16
<b>PROPOSAL 3 - INCREASING THE COMPANY'S AUTHORIZED COMMON STOCK</b>	<b>17</b>
Purpose Of Increasing Number Of Authorized Shares Of Common Stock	17

Advantages And Disadvantages Of Increasing Authorized Shares	17
Recommendation Of The Board Of Directors	18
No Voting Of Stockholders Required	18
DELIVERY OF DOCUMENTS TO SECURITY HOLDERS SHARING AN ADDRESS	19

**EMERGE CAPITAL CORP.**  
**109 North Post Oak Lane, Suite 422**  
**Houston, Texas 77024**

---

**INFORMATION STATEMENT**

---

This Information Statement (this "Information Statement") contains information related to certain corporate actions of Emerge Capital Corp., a Delaware corporation (the "Company"), and is expected to be mailed on or about October 27, 2006 to all holders of the voting capital stock of the Company, which includes all holders of common stock, par value \$0.001 per share ("Common Stock") and all holders of Series B convertible preferred stock, par value \$0.01 per share ("Series B Preferred") of record at the close of business on October 23, 2006 (collectively, the "Stockholders").

**ABOUT THE INFORMATION STATEMENT**

**What Is The Purpose Of The Information Statement?**

This Information Statement is being provided pursuant to Section 14 of the Securities Exchange Act of 1934, as amended, to notify the Stockholders, as of the close of business on October 23, 2006 (the "Record Date"), of the corporate actions expected to be taken pursuant to the written consent of certain principal stockholders. Specifically, holders of our Series B Preferred are expected to act upon certain corporate matters outlined in this Information Statement, which action is expected to take place on October 30, 2006, consisting of: (i) the approval to change the Company's name to Turnaround Partners, Inc., (ii) the approval of the migration of the Company from a Delaware corporation to a Nevada corporation and (iii) the approval to increase the authorized Common Stock of the Company from Nine Hundred Million (900,000,000) to Five Billion (5,000,000,000) shares (collectively, the "Proposals" and, each, a "Proposal").

**Who Is Entitled To Notice?**

All holders of shares of Common Stock and Series B Preferred of record on the close of business on the Record Date will be entitled to notice of each matter to be voted upon by the principal stockholders pursuant to the written consent of the principal stockholders. Specifically, the Series B Preferred stockholders have indicated they will vote, as a class, in favor of the Proposals on October 30, 2006. Under Delaware corporate law, all the activities requiring stockholder approval may be taken by obtaining the written consent and approval of more than fifty percent (50%) of the holders of voting stock in lieu of a meeting of the stockholders. Because the Series B Preferred stockholders are entitled to cast up to 210,575,576 shares (which such shares are equal to 89.15% of the total issued and outstanding voting capital stock of the Company), no action by the minority stockholders in connection with the Proposals set forth herein is required.

**Who Are The Principal Stockholders And How Many Votes Are They Entitled to Cast?**

Certain principal stockholders who are the holders of one hundred percent (100%) of the Series B Preferred are entitled to cast, as a class, a number of votes equal to ninety-five percent (95%) of the 22,710,816 issued and outstanding shares of voting capital stock multiplied by ten (10) as of the date of that certain Merger, by and among the Company, Strategies Acquisition Corp. and Corporate Strategies, Inc. Therefore, as of August 31, 2005 (the "Merger Date"), the principal stockholders are entitled to cast 210,575,576 shares on all matters submitted to the Stockholders for approval, including the Proposals set forth herein, which such number entitles the principal stockholders to cast 89.15% of the total issued and outstanding voting capital stock as of the Record Date.

**What Corporate Matters Will The Principal Stockholders Vote For And How Will They Vote?**

The principal stockholders that hold all of the shares of Series B Preferred, or 89.15% of the total issued and outstanding voting capital stock of the Company, hold a majority of the issued and outstanding voting capital stock required to vote on each matter. They have indicated that they will vote for the following matters:

- **For** the approval to change the name of the Company to Turnaround Partners, Inc. (see page 14 herein);

- *For* the approval of the migration of the Company from a Delaware corporation to a Nevada corporation (see page 15 herein); and
- *For* the approval to increase the authorized Common Stock of the Company from Nine Hundred Million (900,000,000) to Five Billion (5,000,000,000) shares (see page 17 herein).

### **What Are The Recommendations of the Board of Directors?**

The recommendations of our Board of Directors (the “Board”) are set forth below together with the description of each item in this Information Statement. In summary, the Board recommends a vote:

- *For* the approval to change the name of the Company to Turnaround Partners, Inc. (see page 14 herein);
- *For* the approval of the migration of the Company from a Delaware corporation to a Nevada corporation (see page 15 herein); and
  - *For the* approval to increase the authorized Common Stock of the Company from Nine Hundred Million (900,000,000) to Five Billion (5,000,000,000) shares (see page 17 herein).

### **What Vote Is Required To Approve Each Proposal?**

**Corporate Name Change.** For the Proposal to change the name of the Company to Turnaround Partners, Inc., a vote of a majority of the voting capital stock is required for approval of the Proposal. As a result, a vote to approve this Proposal by the Series B Preferred stockholders (which vote is equal to 89.15% of the total voting capital stock of the Company), is sufficient to approve the Proposal.

**Migration To Nevada.** For the Proposal to migrate the Company from a Delaware corporation to a Nevada corporation, a vote of a majority of the voting capital stock is required to approve the Proposal. As a result, a vote to approve this Proposal by the Series B Preferred stockholders (which vote is equal to 89.15% of the total voting capital stock of the Company), is sufficient to approve the Proposal.

**Increase of Authorized Common Stock.** For the Proposal to increase the authorized Common Stock of the Company from Nine Hundred Million (900,000,000) to Five Billion (5,000,000,000) shares, a vote of a majority of the voting capital stock is required to approve the Proposal. As a result, a vote to approve this Proposal by the Series B Preferred stockholders (which vote is equal to 89.15% of the total voting capital stock of the Company), is sufficient to approve the Proposal.

The Series B Preferred stockholders have indicated an intention to vote in favor of the Proposals, and the number of shares of Series B Preferred within their voting control as of the Record Date is listed below. The following principal stockholders are entitled to cast 210,575,576 shares, or 89.15% of the shares of voting capital stock as of the Record Date when considered as an independent class and accordingly, have sufficient shares to approve the Proposal:

<b>TITLE OF CLASS</b>	<b>NAME AND ADDRESS</b>	<b>AMOUNT AND NATURE OF OWNERSHIP</b>	<b>PERCENTAGE OF CLASS<sup>(1)</sup></b>
Series B Preferred	Timothy J. Connolly 109 North Post Oak Lane, Suite 422 Houston, Texas 77024	79,331	79.33%
Series B Preferred	Jan Carson Connolly 8602 Pasture View Lane Houston, Texas 77024	14,003	14.00%
Series B Preferred	Michael O. Sutton 10806 Briar Branch Lane Houston, Texas 77024	6,666	6.67%

(1) Applicable percentages of ownership of are based on 100,000 shares of Series B Preferred outstanding on October 23, 2006 for each stockholder. Beneficial ownership is determined in accordance within the rules of the SEC and generally includes voting of investment power with respect to the securities. Shares subject to securities exercisable or convertible into shares of Common Stock that are currently exercisable or exercisable within sixty (60) days of October 23, 2006 are deemed to be beneficially owned by the person holding such options for the purpose of computing the percentage of ownership of such persons, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.



**PRINCIPAL STOCKHOLDERS****SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The tables below set forth information with respect to the beneficial ownership of our Common Stock and Series B Preferred as of October 23, 2006 for (a) any person who we know is the beneficial owner of more than five percent (5%) of our outstanding Common Stock and Series B Preferred, (b) each of our Directors and executive officers and (c) all of our Directors and officers as a group. Other than the persons identified below, no person owned beneficially more than five percent (5%) of each of the Company's Common Stock and Series B Preferred. With the exception of the Company's Two Hundred Fifty-Four (254) non-voting shares of Series C preferred stock, there are no other classes or series of capital stock outstanding. As of October 23, 2006, the Company had 25,635,816 shares of Common Stock and 100,000 shares of Series B Preferred issued and outstanding.

**(A) Security Ownership of Certain Beneficial Owners**

<b>TITLE OF CLASS</b>	<b>NAME AND ADDRESS OF BENEFICIAL OWNER</b>	<b>AMOUNT OF DIRECT OWNERSHIP</b>	<b>AMOUNT AND NATURE OF INDIRECT BENEFICIAL OWNERSHIP</b>	<b>TOTAL OF DIRECT AND BENEFICIAL OWNERSHIPS</b>	<b>PERCENTAGE OF CLASS<sup>(1)</sup></b>
Common	Michael O. Sutton 10806 Briar Branch Lane Houston, Texas 77024	11,500,000	28,981,417 <sup>(2)</sup>	40,481,417	74.39%
Common	Timothy J. Connolly 109 North Post Oak Lane, Suite 422 Houston, Texas 77024	47,500	402,724,087 <sup>(3)</sup>	402,771,587	94.03%
Common	Jan Carson Connolly 8602 Pasture View Lane Houston, Texas 77024	--	402,771,587 <sup>(4)</sup>	402,771,587	94.03%
Common	Gerald Holland 22 Coult Lane Old Lyme, CT 07601	--	6,923,077 <sup>(5)</sup>	6,923,077	21.3%
Common	Cornell Capital Partners, LP 101 Hudson Street, Suite 3701 Jersey City, New Jersey 07302	1,603,642	1,050,000 <sup>(5)</sup>	2,653,642	9.9%
Common	Michael Kesselbrenner 10 Devonshire Road Livingston, New Jersey 07034	--	2,143,769	2,143,769	7.7%



**TITLE OF  
CLASS      NAME AND ADDRESS**