



Guidelines, Procedures and Application to host

Master Class Presentation – “How to Buy a Company As A Corporate Growth Strategy”

Revised: 9/19/08

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Introduction

The M&A Source, the largest organization of its kind that is made up exclusively of M&A intermediaries, designed this program. In May of 2005, the M&A Source launched a new series of one-day conferences to promote the M&A Source, its members and the intermediary profession to the business community in strategic local and regional markets. The first such event was held in the Chicago (Oakbrook) area on May 2, 2005. Over 260 professionals in financial services, banking, capital venture, private equity and business owners as well as member intermediaries attended this event. Since then we have held 8 more events across the United States.

The M&A Source leadership have agreed to provide additional such conferences on the regional local level; in strategic important business locations that draw a large enough audience to sustain the cost associated with organizing, marketing and managing such an event.

The M&A Source is seeking applications for local hosts for these conferences from our members. What follows is an outline of the key points to consider in developing such a program, some guidelines and terms of condition in order for the event to meet the stated goals and also to be financially self supporting.

A committee of M&A Source members has been established to review all submissions and make a recommendation to the M&A Source for acceptance of any application.

1.0 Conference Purpose

The purpose of the program is twofold.

- First, to provide the attendees with the necessary blueprint for skill sets and resources required to complete a corporate acquisition as part of a corporate growth strategy.
- And second, to promote the M&A Source within the business and professional community of the venue, to demonstrate its resources and skill-sets and to attract new members.

2.0 Conference Host

The M&A Source

3.0 Conference Description

This master class is a unique and informative presentation marketed primarily to owners of lower middle-market companies and corporate development executives, but also to legal, financial and M&A related advisors within a targeted geographic market. This compelling and relevant program has been successfully executed in several major metropolitan markets and located at prestigious venues.

The speakers for this program include senior executives from the banking, accounting, legal and private equity communities. In addition, experienced intermediaries from the M&A Source are also participants in the program.

The subject matter by design is focused on acquisition as a strategic corporate growth option. The discussion panels are arranged to mirror the deal making phases involved in completing an acquisition. The panels will cover in detail the following points of interest:

Developing and executing the acquisition strategy

Valuation and legal issues involved
Managing the due diligence process
Financing options available
Partnering with private equity groups
Making the acquisition successful

A program highlight provides the opportunity for the speakers to share their experiences and real-world insights in dealing with the challenges of: finding attractive opportunities, successfully structuring the deal, effectively managing the acquisition process, and a variety of other related timely issues.

4.0 Schedule of Events

The conference begins at 7:30 with a continental breakfast and registration. Then the educational panels begin at 8:20 and run through 5:00 p.m. There is a morning break and an afternoon break as well as a full lunch built into the program.

The panel presentations are held in one room (seating capacity approx 200-300) and the break area with sponsor tables is set up in an adjacent room (standing room approx 200-300). This provides the best traffic flow for the event. Having the breaks and the sponsor tables in an adjacent room allows attendees the opportunity to network with the sponsors during breaks without interrupting the flow of the panel presentations.

The typical schedule for the day broken down into the following events:

7:30 - 8:20 am	Registration/Continental Breakfast
8:20 am	Welcome - Opening Remarks
8:30 - 9:15 am	Developing a Corporate Acquisition Strategy
9:15 - 10:00 am	Executing the Acquisition Strategy
10:00 - 10:15 am	Break
10:15 - 11:00 am	Acquisition Valuation Issues – How Much To Pay?
11:00 - 12:00 pm	Legal Issues Involved In Buying a Company
12:00 - 1:30 pm	Lunch Sponsored by M&A Source
1:30 – 2:15 pm	Managing the Due Diligence Process
2:15 - 3:15 pm	Financing The “Deal” – The Options Available
3:15 - 3:30 pm	Break
3:30-4:15 pm	How to Partner with Private Equity Groups
4:15 - 5:00 pm	Making the Acquisition Successful – A Summary of Pre and Post Closing Issues

5.0 Program Content (Panel Descriptions)

Developing a Corporate Acquisition Strategy

This panel will discuss the key elements involved in developing an acquisition initiative that will meet corporate growth objectives. The speakers will share their thoughts on fine-tuning an acquisition strategy that will increase the probability of creating shareholder value.

Executing the Acquisition Strategy

Finding attractive “right-fit” buying opportunities is a challenge. This panel will discuss a variety of issues, including developing the acquisition team, finding potential companies to acquire, conducting an effective search campaign, screening candidates and analyzing the causes of the high failure rate of acquisition efforts. The speakers will also discuss common problems they have encountered and the solutions they have used.

Acquisition Valuation Issues – How Much To Pay?

This panel will discuss issues dealing with the pricing of the acquisition target.

The speakers will share their opinions on key value drivers, quantifying and justifying synergistic acquisition value, practical valuation techniques, best sources for valuation statistics for sold companies and other informative points of interest that will assist in preventing overpaying for a company.

Legal Issues Involved In Buying a Company

This most informative panel is made up experienced M&A attorneys that are actively involved in acquisition transactions. The speakers will present various legal issues that are typically encountered by buyers of companies. Among the topics presented will include; ways of structuring the transaction, drafting an effective Letter of Intent (LOI), issues dealing with representations and warranties, employment/consulting and non-compete agreements, and a variety of other deal related issues that can become subjects of spirited negotiations between the parties. In addition, the group will share their thoughts on how buyers can best utilize the use of an M&A attorney in a transaction.

Managing the Due Diligence Process

The panel will discuss pertinent aspects of M&A due diligence challenges. The speakers will present ideas on managing this process, effectively analyzing the financial information, legal issues involved, quickly spotting “deal” killers and a variety of other buyer pitfalls and traps.

Financing The “Deal” – The Options Available

This knowledgeable panel of Bankers and M&A professionals will discuss the various options available for financing the acquisition. The speakers will share their ideas on various debt and equity solutions. Particular attention will focus on finding the appropriate debt and equity sources, dealing with bankers and private equity sources, using mezzanine funds as part of the financing structure, choosing a financial partner, and other relevant information that will enhance the probability of financing the deal.

How to Partner with Private Equity Groups

Current market conditions indicate that there are tremendous amount of private equity capital that is available for investment in privately owned companies. A significant portion of those funds are controlled by Private Equity Groups (PEG). The focus of this panel is to discuss why a company that is interested in seeking acquisitions may want to consider a PEG as a financial partner for this type of initiative.

Making the Acquisition Successful – A Summary of Pre and Post Closing Issues

The speakers will provide an enlightening discussion on what it takes to close the “deal” and the important steps required to integrate the acquisition into the buyer’s operation. The presentation will spotlight the key elements in effectively managing the deal making process, business and cultural challenges, dealing with post-closing management, “do’s and don’ts” in the first 100 days, and various other practical information that will assist in making the acquisition successful.

6.0 Conference Chairman

The conference can have no more than two (2) Co-Chairmen. Each must be an M&A Source member. There can only be two names listed as co-chairmen on the 1-page welcome letter that goes into the attendee handbook. The conference Chairman(men) will be given complimentary registrations, and will be allowed two (2) *additional* comp registrations for members of their firm.

7.0 Conference Sponsorship

In order to finance the program it is suggested that the following sponsorship requirements are considered:

1. Platinum is \$5000
2. Gold \$3000
3. Silver \$1500
4. In kind” (i.e., university that will promote the program, local news paper or a business magazine that will promote the event)(These sponsorships can be negotiated)(M&A Source staff will negotiate the promotional trade-out with the Business Journal)

<u>Sponsorship Participation Program</u>			
Sponsor Benefits:	Platinum	Gold	Silver
Maximum Number of Sponsors:	5	6	8
1 – Conference Venue	√	√	√
2- Exclusivity for firm type or company in this level (Reference List at bottom of page for firm types)	√		
3- Exclusivity for firm type or company logo on front page of the brochure and conference program (Reference List at bottom of page for firm types)	√		
4 – Conference Brochure mailed to approx. 10,000 business owners of privately held companies in the metropolitan area with revenue between 5 and 150 million dollars.	√	√	√
5 - Logo and company or firm description inside pages of the brochure	√	√	√
6- Business Journal Inserts – Conference brochure inserted 2-3 times in the local Business Journal to its subscription base.	√	√	√
7- Participant program guide: bio with picture and company or firm description	√	√	√
8- Number of panel participants with bios in the program *	3	2	1
9 - Sponsor Presentations and/or Articles: Branded, printed, presentation and/or article related to the panel topic, included in Panel Tab in attendee take-away booklet.	3	2	1
10- Sponsor Table/Booth Display at Conference venue	√	√	√
11- Attendee List: Receive a list of attendees from host upon request	√	√	√
Sponsorship Cost	\$5,000	\$3,000	\$1,500

*Maximum number of panel participants 32 (any vacancies on panels can be filled by moderators)

Sponsorship Categories (Firm Type):

- Lenders – Commercial/Asset Based
- Lenders – Non-traditional
- Accounting firms
- Private Equity Groups
- Law Firms
- Business Journal
- University/College
- Wealth Advisors
- Insurance Related
- Consulting Firms
- Valuation/Appraisal Firms
- Providers of other Services that market to our Target Attendee Database, i.e. staffing companies etc
- Other

To finance the event it is suggested that the paying sponsorship be made up of the following:

- Platinum (a minimum of 3, ideally 4 or 5 (Should include a Law Firm, Accounting Firm, Lender, PEG, etc)
- Gold
- Silver

Total sponsorship minimum revenue target should be \$43,000!

7.1 Benefits of Sponsorship for Sponsors:

Conference sponsorship provides 2 types of benefits:

1) Pre-conference promotion: Direct mail marketing (*est. 50 –55,000 promotional pieces in multiple mailings*) will be the primary tool for sourcing attendees. We enlist a significant promotional effort from the University venue/sponsor in the target area chosen. A common method in which the University sponsors promote the conference is to distribute the brochure to those enrolled in the University's business school or graduate MBA program. In addition, marketing efforts will be enhanced through area "media" type sponsor's participation. We contract to have the program brochure inserted in the chosen publication at least two times. Circulation for these publications can run anywhere from 7,500 to 15,000 or more. This number is not included in the direct mail amount of promotional pieces. The marketing pieces shall utilize a high quality, 4/color design in a 6 panel, 8.5" x 10" brochure. The program brochure will be professionally designed in a manner that would be expected by our target attendees.

2) Day of the Event promotion: All Sponsors shall have the opportunity to provide company marketing material on display tables at the conference, as well as logo exposure on a variety of media at the conference. This on-site activity has been well received by attendees during break and intermission networking opportunities.

8.0 Sponsor & Panelist Participation

In order to maintain the integrity of this program, the Chairman may not be a speaker at the designated conference if they are located in the market place where promotional efforts for the program are initiated.

Sponsors should be allocated the following speaker “slots” on the program. Note maximum panel “slots” 32 (any vacancies from a minimum of three (3) per panel to be filled by moderators)

- Platinum - Up to 3 speakers each (Excluding University or Business Journal Sponsors)
- Gold - Up to 2 speakers each
- Silver – Up to 1 Speaker each

Sponsors should be allocated the following comp registrations in addition to their panel speakers:

- Platinum – Up to 2 additional comp registrations
- Gold – Up to 1 additional comp registration
- Silver – Up to 1 additional comp registration

9.0 M&A Source Moderators (panel participants)

Four (4) M&A Source members are to be imported (outside of the event’s market area) to function as moderators of and/or participants on (if required) the panels. It is suggested that one of the designated moderators reflect a leadership position in the M&A Source and make the introduction on behalf of M&A Source. Each moderator will be responsible for leading 2 of the 8 panels. The moderators will coordinate with the panel members prior to the event by conference call to organize materials and create a game plan for the event.

10.0 Event Application Process

An M&A Source member that is interested in having the conference hosted by the M&A Source should meet the following suggested process:

- The potential locale should have a minimum of 3,000 privately held companies having revenues of \$5 – 150 million
- The database for promotional purposes shall be a minimum 1,500 professional contacts (including accountants, bankers, attorneys, PEGs and related M&A professionals) The total database for mailing purposes should approximate a minimum of 4,500 contacts.
- Submit an “indication of interest letter” to participate from 2 (each) of platinum, gold, and silver sponsors. In addition, a list detailing other potential sponsors should be provided.
- Submit two or three suggested locations for the program
- Other additional information, requirements and requests will be determined on a case-by-case basis.

11.0 Conference Quality Control

The 8 panels and descriptions for this program have proven to be the most effective format for this conference. The M&A Source must approve any changes to the panel formats, sequence or descriptions. The M&A Source staff will coordinate graphic design, printing, mailing and promotion.

12.0 Conference Fee Structure

Suggested Conference fees:

- Early registration: \$195 pp
- Late Registration & Onsite: \$225 pp
- If a University or accredited institution is also a sponsor, graduate students/alumni may also be provided a discount at the time of registration (Recommended discount: \$50.00 off of early registration fee)

13.0 Budget

A sample budget is included in Appendix A. The sample budget has been developed based on the revenue and expense numbers from previous acquisition conferences.

14.0 Responsibilities of the Conference Chairman

Pre event:

- Securing potential sponsors within the necessary time-frame
- Assigning panelists to speak on each panel
- Selecting moderators
- Developing mailing lists
- Writing a welcome letter for inclusion in the attendee booklet
- Coordinating and communicating with association staff on all aspects and progress of the event

Post event:

- Assist in reconciliation of expense (Gathering un-paid sponsorship money)
- Sending out "Thank You notes" and disseminating the attendee list to sponsors
- Post evaluation and recommendations for future conferences

15.0 Responsibility of M&A Source

- Review all submitted applications and make a recommendation(s) to the M&A Source leadership
- Act as a resource and mentor for local Conference Managers
- Authorization/approval of the event

16.0 Responsibility of M&A Source Headquarters

- Coordinating with local fulfillment service and printer/designer
- Contract negotiations with chosen venue & business publications
- All A/P and A/R for the conference
- Final approval of all printed pieces
- Production and dissemination of the promotional materials
- Processing of all registrations
- Audio visual requirements
- Facility specifications
- Arrangements for conference calls of panelists/moderators
- On site management of the conference
- Coordinating of on-site transportation for moderators & staff

Appendix A - Sample Budget:

These estimates are based on the historical data from previous acquisition conferences.

Revenue:

Acquisition Conference Registration	25,350
Acquisition Conference Sponsorship	43,000.00

The Goal is: is a minimum of 130 paid registrants @ \$195

Total Revenue **68,350.00**

Expenses:

Purchasing the mailing list for the brochure	1,750.00
Postage for mailings	6,000.00
Printing of the Promotional Brochures	10,000.00
Brochure Design Cost	1,800.00
Moderator Hotel Expenses	1,500.00
Moderator Travel Expenses	2,500.00
Promotional Business Journal Inserts	5,000.00
Food & Beverage at Conference	16,000.00
AV at Conference	1,500.00
Conference Site/Facilities Expense	7,000.00
Plastic Badge Holders	200.00
Printing of the Attendee Booklets	2,500.00
Conference Signs (4)	375.00
Pre-Conference Dinner	1,500.00
Staff Travel	750.00
Staff Hotel	750.00
Staff Time for Organizing Hotel and Logistics	2,000.00
M&A Source Coordinator Staff Time	1,500.00
M&A Source Manager Staff Time	1,750.00

Breakfast, Lunch & Coffee Breaks @ \$80 per person. 200 Total Attendees

Moderators, Host & Staff Invited to Pre-Conference Dinner

Total **64,375.00**

Revenue Less Expenses - Gross Margin **3,975**
 (Goal: 5% minimum)

Appendix B – Suggested Conference Timeline

Pre-Conference

Action	Timeframe	Who's Responsible
Submit Application to Host Conference	At least 6-7 months prior to target date	Conference Chairman
Sourcing potential sponsors	As soon as possible	Conference Chairman
Assignment of Panelists for program	As soon as a sponsor is secured a panel slot should be filled with someone from their firm	Conference Chairman
Selection of Moderators	Moderators should be confirmed by 10 weeks out from the conference to make sure we have their info in the brochure	Conference Chairman
Finalize Sponsors/Panelists/Moderators so information can be included in the brochure	Needs to be completed 12 weeks before the target date conference. This is a go or no-go decision point.	Conference Chairman
Developing Mailing List for Brochure Mailing	This needs to be completed at least 8 weeks out from the event date	Conference Chairman
Drafting a welcome letter for inclusion in the attendee booklet	This needs to be completed 2 weeks out from the event date	Conference Chairman
Negotiate trade-out with local business journal	20 weeks out	Staff
Send Panelist, Sponsor and Moderator information to Brochure Graphic Designer	This needs to be completed 11 weeks out from the conference	Staff
Send finished brochure to printer	This needs to be completed 9 weeks out from the conference	Staff
1st Mailing delivered to post office	This needs to be completed 8 weeks out from the conference to be in mailboxes 7 weeks out from the event	Staff
Finalize location for event	13 Weeks Out	Staff
Organize Panel Conference Calls	First calls should be scheduled at 8 weeks out	Staff and Moderators
Completion of Panel ppt presentations and attendee booklet inserts	2 weeks out	Staff
Creation of the Attendee Booklet	2 weeks out	Staff
Invitations to the Pre-Conference Dinner	4 weeks out (will go to host, moderators and staff)	Staff
Registration open on M&A Website	8 weeks out	Staff
Post Conference		
Finalize Attendee List	2 days post conference	Staff
Send out "Thank You" letter to attendees	1 week post conference	Conference Chairman
Disseminate attendee list to sponsors	1 week post conference	Conference Chairman
Provide feedback and recommendations for future conferences	Ongoing/as needed	Conference Chairman



APPLICATION TO CHAIR A
M&A SOURCE ACQUISITION CONFERENCE

I/WE submit our application for consideration as the regional Conference Chair for the M&A Source Successful Acquisitions Conference.

Name: _____

Company: _____

Address: _____

City: _____ State/Province: _____ Zip/Mail Code: _____

Country: _____ Email: _____

Phone: _____ Fax: _____

Proposed Metropolitan Area for the Conference (i.e. Dallas, Atlanta, Toronto, etc.)

Proposed month & year for your conference (Suggested date at least 6-months from the date you submit your application): _____

Potential Sponsors: Please list the firms, organizations, or individuals that are candidates for sponsorship.

Platinum: (Minimum Sponsorship: \$5000)

1. _____

3. _____

2. _____

4. _____

Gold (Minimum: \$3000)

1. _____

3. _____

2. _____

4. _____

Silver (Minimum: \$1500)

1. _____

3. _____

2. _____

4. _____

I/We have read and agree to abide by the guidelines and procedures established for conducting the M&A Source Acquisition Conference.

Signature

Date:

Signature

Date: