



NEW ENGLAND ANGEL EDUCATION WORKSHOP

MONDAY, FEB. 24, 2014

1:00 PM TO 5:00PM
(networking reception to follow)

KPMG LLP, ONE BROADWAY (15TH FL), CAMBRIDGE, MA

The **New England regional member groups of the Angel Capital Association (ACA)** host the ACA and Angel Resource Institute (ARI) educational workshops focused on the specific needs of angel groups in New England and purposed to help existing and prospective angel investors improve their investment knowledge and expertise — and add value to their role as business angels — as members of an angel group or as individual investors. This winter, the Angel Education Series workshop will be held on the afternoon of Monday, Feb. 24th. Following the workshop, we'll head off to a nearby bar (Firebrand Saints, on the first floor of One Broadway) for some **networking**. The first round of drinks will be on us!

AGENDA

- 1:00pm – Check-In
- 1:15pm – **Investment Process & Due Diligence**
- 2:30pm – Break
- 2:40pm – **Valuing an Early Stage Company**
- 3:40pm – Break
- 3:50pm – **Deal Terms**
- 5:00pm – **Networking** (downstairs at Firebrand Saints – the first round is on us!)

REGISTRATION OPTIONS

	Member of ACA-Member Angel Groups	All Others
Workshops:	\$ 65	\$ 90

Advanced online registration is **REQUIRED**. For more information and event details, please visit: www.ne-angels.com.

COURSE DESCRIPTIONS

Investment Process & Due Diligence. This session will provide an overview of the process by which Angel investment groups find companies for potential investment, from initial screening through due diligence, on the way to negotiation of deal terms and closing. Screening is the primary means of finding the one deal in a hundred that appears to be attractive to the angels – and can be a candidate for deeper examination, i.e., due diligence. Angel investors use a variety of due diligence methods – some more rigorous than others – before making an investment decision. We will describe the different due diligence models that local angels and angel groups go through prior to making an investment. Experienced angels and angel group managers will give examples of their due diligence, and several due diligence templates will be available for participants as resources. This session will also provide an overview of the terms of a typical angel investment, including valuation; the mechanics of term sheets; drafting the deal documents; and closing. The session will also touch on the ongoing process of monitoring the investment, both as an individual investor and as the person designated to be the investor group's representative on the company's Board of Directors. It will conclude with a discussion of exits, both good and bad.

Valuing an Early Stage Company. Determining the likely funding requirements of an early stage company can help ensure that a deal is structured properly and that the projected company valuation has a good chance of being attractive to next stage funders. There are numerous ways to calculate valuations - revenue, income, cash flow and even Black-Sholes but in early stage investing is usually based on comparables and desired investor return requirements. Senior angels around the country have built some interesting “valuation methods”. This session will allow time to review these approaches.

Deal Terms. This course reviews key concepts of private preferred stock equity investment deals. Each key term that defines an angel’s ownership position will be reviewed. These include those defining the economics of the deal, including pre-money valuation, option pool size, liquidation preferences, anti-dilution and dividends will be examined. In addition, the other key terms affecting investor control, governance, monitoring the investment, maintaining ownership, and management rights will also be reviewed. Norms for term sheets designed to be ‘friendly’ for Angels will be covered.

ACA / ARI New England Education Series workshops are led by seasoned angel investors who have volunteered their time to give back to the angel investing community. Information on ACA / ARI New England Angel Education Series instructors can be found at the Angel Education Series web site: <http://ne-angels.com/course-instructors/>.

WORKSHOP LOCATION / DIRECTIONS

KPMG LLP
 One Broadway, 15th Fl
 Cambridge, MA 02142
 Tel: 617.475.4701



Directions using the subway (the “T”):

- Take the Red Line to the Kendall Square / MIT stop
- Exit the T and walk towards the Charles River / Memorial Drive
- One Broadway is the tall gray cement building on your left
- KPMG is on the 15th floor

Driving Directions from Points North:

- Take Route 93 South to Exit 26 to Storrow Drive / North Station
- Follow signs for Storrow Drive and take Gov’t Center / Kendall Sq. exit
- Take right off ramp and go over Longfellow Bridge onto Main St.
- Main St. becomes Broadway shortly after the end of the bridge
- One Broadway will be on your right; KPMG is on the 15th floor
- Note: the building parking garage entrance is on 3rd St, off Broadway

Driving Directions From Points South:

- Take Route 93 North to Exit 26 (Storrow Drive / North Station)
- Stay on left lane toward Storrow Drive
- Take exit on left (Gov’t Center / Kendall Square)
- Take right off ramp and go over Longfellow Bridge onto Main St.
- Main St. becomes Broadway shortly after the end of the bridge
- One Broadway will be on your right; KPMG is on the 15th floor
- Note: the building parking garage entrance is on 3rd St, off Broadway

PROGRAM SPONSORS AND SUPPORTERS

The ACA/ARI Angel Education Series is grateful for the support of Foley Hoag LLP, an ACA Sponsor, and KPMG LLP, for the use of their meeting facilities at One Broadway.



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