



In partnership with:



## New England Angel Education Series Workshop

Monday, May 14, 2012

1:00 pm to 4:45pm

(networking reception to follow)

Cambridge Innovation Center, Cambridge, MA

One Broadway – in Kendall Square

WORKSHOP: Havana Room (5<sup>th</sup> Floor)

RECEPTION: Charles Room (14<sup>th</sup> Floor)

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.

On Monday, May 14<sup>th</sup>, we will hold an Angel Education Series workshop at the Cambridge Innovation Center (CIC) in Kendall Square, providing attendees the opportunity to see the environment that hosts some of the area’s most promising startups. The workshop will **have three educational sessions followed by an evening networking reception**. During the reception, we will have a 20-minute segment where a few entrepreneurs will deliver elevator pitches about their startups to workshop attendees. See below for details on the workshop agenda, registration information, and session (course) descriptions.

### AGENDA

- 1:00pm – Check-In – at the Havana Room (5<sup>th</sup> Floor)
- 1:15pm – **What It Takes to be an Angel & The Angel Investment Process**
- 2:15pm – Break
- 2:30pm – **Valuing an Early Stage Company & Structuring the Deal**
- 3:30pm – Break
- 3:45pm – **Due Diligence Process and Goals Alignment**
- 4:45pm – **Tour of the CIC**
- 5:30pm – **Networking Reception – at the Charles Room (14<sup>th</sup> Floor)**  
(Note: ~20 minutes will be devoted to **Startup Elevator Pitches** during the reception)

### REGISTRATION OPTIONS

	Member of ACA-Member Angel Groups	All Others
Workshop	60	100
Reception	FREE	FREE

Advanced online registration is **REQUIRED**. For more information and event details, please visit: [www.ne-angels.com](http://www.ne-angels.com).

## COURSE DESCRIPTIONS

**What it Takes to be an Angel & The Angel Investment Process.** This session starts with a brief review of the principles of angel investing and then opens up the panel discussion led by representatives from Boston area angel groups who will describe and discuss the differences (and similarities) in their approaches to investing. Discussions will also explore finding your fit in an angel group, i.e.: what to look for and how to assess the risk tolerance and return goals as you check out various groups. This session will also 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. 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.

**Due Diligence Process and Goals Alignment.** 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 to ensure alignment with investment goals and expectations. Experienced angels and angel group managers will give examples of their due diligence methods for achieving goals alignment.

**Valuing an Early Stage Company & Structuring the Deal.** 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-Scholes but in early stage investing is usually based on comparables and desired investor return requirements. Some interesting "valuation methods" used by senior Angel investors around the country will also be reviewed. The second part of this session 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. We will also discuss what's important when thinking ahead to the next round of financing.

*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

### Workshop / Reception Location:



Cambridge Innovation Center  
One Broadway, 5<sup>th</sup> Floor\*  
Cambridge, MA  
<http://www.cictr.com/>

\* **Workshop: Havana Room (5<sup>th</sup> Floor)**  
**Reception: Charles Room (14<sup>th</sup> Floor)**

### Sponsored by:



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