

Mergers & Acquisitions Master Class Education Series Course Outline

Presented by Barnes Dennig and NKU Center for Innovation and Entrepreneurship

This unique master class from renowned expert and MBA finance professor Dino Lucarelli, CPA contains a series of lectures and Q&A sessions on buying or selling a company, providing specific detailed instruction and 'how to' guidance. It encompasses lectures and interactive Q&A to help participants understand the theory, application, and implementation of techniques for a buy or sell transaction.

Each session will run about 60 minutes, to be held on six consecutive Tuesdays at 1:30 PM, with the first session on Tuesday, October 27, 2020. Session recordings will be available on-demand through the Barnes Dennig website.

1. Deal Process:

- a. Preparing to buy or sell
 - i. Attributes on which sellers should focus
 - ii. What buyers look for in a high value company
- b. Buy-side and Sell-side action items and milestones
 - i. Buy side process
 - ii. Sell side process
 - iii. Building your team

2. Deal Structures

- a. Stock vs Asset deal
 - i. Legal, practical, and tax issues
 - ii. Other Considerations: contracts, vendors, customers, employees
- b. Warranties and representations
- c. Escrows, earn outs, seller financing

3. Cost of Capital, and Net Present Value Analysis

- a. Free Cash Flow: how to calculate
- b. Understanding Expected Return on Invested Capital: Weighted Average Cost of Capital
- c. Building your model
 - i. Projections
 - ii. WACC
- d. When to say Yes or No to a deal

4. Valuation methodologies

- a. Economic Income Method
- b. Guideline Publicly Traded Company Method
- c. Dividend Growth Model Valuation

5. Obtaining Financing

- a. Senior
- b. Subordinated
- c. Convertible
- d. Seller Financing
- e. Conventional vs. SBA

6. Due Diligence / Quality of Earnings Analysis

- a. Validation of Projections
- b. Validation of representations and historical financial statements
- c. Review of safety and regulatory compliance matters
- d. Legal review
- e. Technology review
- f. HR review
- g. Benchmarking vs Industry