

## PRIVATE EQUITY FUNDAMENTALS COURSE 2010

This comprehensive training course is designed for those wishing to increase their knowledge of core fundamentals of private equity and venture capital. The course also refreshes and upgrades the skill set of professionals in the industry.

The modules are led by highly experienced top-tier industry practitioners and experts engaged in years of deal-making, structuring, value-creation in companies and exits. Instructors will draw on real cases to illustrate and share their lessons learnt through trial and error over the years.

The course provides in-depth technical and practical know how on venture capital and private equity.

Date : Module 1 - 23 February 2010 (Tue)      Module 2 - 26 February 2010 (Fri)  
          Module 3 - 2 March 2010 (Tue)        Module 4 - 4 March 2010 (Thu)

Time : 6:00 – 9:00 pm

Venue : The Joint Professional Center, G/F The Center,  
          99 Queen's Road Central, Hong Kong

CPT Points (SFC) : 3 (Per Module) 12 (Full Course)

CPD Points (Law Society) : 3 (Per Module) 12 (Full Course)



### Module 1: PE Basics

Feb 23, 2010 (Tue) 6:00 – 9:00 pm

#### Introduction to Private Equity

- a. What is private equity (asset class/business model)?
- b. Types of PE transaction – VC, MBO, LBO, PTP
- c. Types of PE funds (seed stage, growth/expansion stage, pre-IPO, buyout, mezzanine, distressed)
- d. Differences between PE and hedge funds
- e. The role of the fund principal sponsor/general partner/investment advisers
- f. Fund economics (capital contributions, carried interest, distributions, fees)

#### Private Equity in Asia

- a. Developments and trends
- b. Overview of China market
- c. Other Asia markets

#### Establishing PE funds

- a. Use of offshore domiciles
- b. Fund structures (limited partnerships/investment companies)
- c. Fund documents
- d. Functionaries (fund administrator, custodian)
- e. Regulatory issues on fund formation (licensing, securities laws, anti-money laundering issues)
- f. Tax issues (LP and fund level)
- g. Marketing funds

#### Principal China Regulatory Issues

- a. M&A Rules
- b. RMB funds
- c. Onshore/Offshore issues

### Module 2: The Investment Decision – Due Diligence, Pricing and Structure

Feb 26, 2010 (Fri) 6:00 – 9:00 pm

#### Deal Sourcing / Preliminary Assessment of a Potential Deal

- a. Right management?
- b. Right industry?
- c. Right company?

#### Due Diligence

- a. Financial (historical and projections, financial modeling), legal and operational
- b. Due diligence procedures

#### Valuation Issues

#### Deal Financing

- a. Equity finance for acquisition vehicle
- b. Debt finance for acquisition vehicle

#### “High Level” Tax Issues

#### Investment Committee Proposal

### Deal Protection and Risk Allocation Issues

- a. Protecting the deal via exclusivity arrangements and break / termination fees.
- b. Allocating risks via warranties, indemnities, disclosures and other contract provisions.

### Non-leveraged Transactions/VC Transactions

- a. Termsheet
- b. Articles of Association of target company: terms of shares/anti-dilution issues/transfers procedures
- c. Investment/Subscription Agreement and Shareholders Agreement: information rights, board representation, investor protection covenants
- d. Management carrots and sticks: milestones, ratchets, options, warrants, terms of service agreements/non-competes
- e. Other documents

### Buyouts

- a. Termsheets
- b. Acquisition Agreement
- c. Other documents
- d. Financial and security documentation

## Module 4: Post Investment (PE)

### Management of Portfolio Companies

- a. Aligning interests of investors and management
- b. Value creation
- c. Corporate governance
- d. Monitoring reports
- e. Board/shareholders' meetings

### Exit Strategies

- a. How to prepare for Exits
- b. IPOs
- c. Secondary buyouts
- d. Trade sales

## List of instructors

**Craig Murphy**, *Managing Director*, Amicorp Hong Kong Ltd

**Stephen Wozencroft**, *Partner*, Arthur Marriott & Associates in association with Dewey & LeBoeuf LLP

**David Bussmann**, *Partner*, Asia Mezzanine Capital Group

**Conrad Tsang**, *Managing Director*, Baring Private Equity Asia (Hong Kong) Ltd

**Josephine Price**, *Managing Director and Chief Investment Advisor*, Chepstow Capital Advisors Ltd

**Luke Gannon**, *Partner*, DLA Piper

**K O Chia**, *President*, HKVCA

**Arthur Dicker**, *Attorney*, Morrison & Foerster

**John Lange**, *Partner*, Paul, Weiss, Rifkind, Wharton & Garrison

**Nick Dignan**, *Partner*, Tax Services, PricewaterhouseCoopers

**Phoebe Lee**, *Director*, Corporate Finance Valuations Group, PricewaterhouseCoopers

**Boris Bong**, *Managing Director*, Squadron Capital Advisors Ltd

**Allan Homeming**, *Advisor*, SVG Capital

### Accreditation

- 1) SFC: Licensed individuals may claim CPT points on the courses taken which their employers consider those courses as relevant to the functions to be performed by them.
- 2) The Law Society accreditation applied for.

**HKVCA Private Equity Fundamentals Course 2010**  
**Registration Form**

**To: Hong Kong Venture Capital and Private Equity Association**

Room 801, Dina House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong

Attn : Ms. Lilia Chin      Tel: (852) 2845 6100 / 2147 9540      Fax: (852) 2537 0086

Email: [lchin@hkvca.com.hk](mailto:lchin@hkvca.com.hk)

**Registration**

1. Company Name: \_\_\_\_\_

Name (Mr./Ms.): \_\_\_\_\_ Position: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

2. Company Name: \_\_\_\_\_

Name (Mr./Ms.): \_\_\_\_\_ Position: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

**Contact Person**

Name: \_\_\_\_\_ Tel: \_\_\_\_\_ Email: \_\_\_\_\_

**Payment** (Pls tick as appropriate)

	HKVCA Member (HK\$)	Non-Member (HK\$)
Module 1 February 23, 2010	<input type="checkbox"/> \$1,100 x ____	<input type="checkbox"/> \$2,200 x ____
Module 2 February 26, 2010	<input type="checkbox"/> \$1,100 x ____	<input type="checkbox"/> \$2,200 x ____
Module 3 March 2, 2010	<input type="checkbox"/> \$1,100 x ____	<input type="checkbox"/> \$2,200 x ____
Module 4 March 4, 2010	<input type="checkbox"/> \$1,100 x ____	<input type="checkbox"/> \$2,200 x ____
Full course (Module 1-4)	<input type="checkbox"/> \$3,500 x ____	<input type="checkbox"/> \$7,000 x ____

I want to deduct HK\$1,000 from my HKVCA Membership Credit.

Total Amount: HK\$ \_\_\_\_\_

**Notes:**

1. Please complete the reservation form and fax to (852) 2537 0086. Reservations must be followed by payment to secure your place.
2. Registration will be confirmed upon receipt of payment. The payment deadline is February 19.
3. Please make check payable to "**Hong Kong Venture Capital and Private Equity Association Ltd**". Should you require an invoice or details for bank transfer, please contact us.
4. HKVCA Membership Credit will be offered to members who renewed for membership 2010 before February 26. It is redeemable at any HKVCA events throughout 2010.
5. Cancellation must be made in writing at least 5 working days prior to the event. No refund will be made thereafter.
6. No show will be charged.