



Structuring & Restructuring LBO's

Advanced Workshop in Private Equity Transactions

Date: Thursday 5 & Friday 6 March 2009

Time: 8.30am to 5.00pm (Day 1)
8.30am to 4.00pm (Day 2)

Presenter: Michael Dance

Michael Dance is the Managing Director of MBO Training International, a company providing training and consultancy services on acquisition finance, leveraged and management buyouts and project finance to clients in the Europe, The Middle East, North America and Africa.

His clients embrace a wide selection of professionals involved in those industries. Over the past few years he has presented in-house programmes to KPMG Corporate Finance, KPMG Transaction Services (Canada, UK, Germany, Finland, Netherlands, Portugal, South Africa, USA), PWC, E&Y (UK & Moscow), Close Brothers, Cinven, Candover, AIB, Morgan Stanley, Barclays Capital, Barclays Bank, CIBC, Deutsche Bank, Glitnir Bank (Iceland), Mizuho, SJ Berwin, Macfarlanes, Bingham McCutchen, Berwin Leighton Paisner, Ogier, Omani Oil Corp., Kleinwort Benson Fiduciary Services, White & Case, National Australia Group (Europe), Lloyds TSB, Rand Merchant Bank, Bank of China, Siemens AG, the Institute of Chartered Accountants in Ireland and the Institute of Chartered Accountants of Scotland.

He has a number of clients whom he has advised on mezzanine and other forms acquisition finance and is on the transaction panel for Royal Bank of Scotland via a joint-venture with SJ Berwin. He was a member of IIR s advisory panel for their Mezzanine Conference in 2006 and 2007 and is the Programme Director at the CASS Business School for Infrastructure Finance for the M Sc. programme in Business Administration and Finance.

Prior to founding MBO Training International, Michael was head of cross border M&A at MiesPierson in London, an Assistant Director at Hoare Govett and an executive at Lazard Brothers. He qualified as a lawyer in South Africa and as a Chartered Accountant with Deloitte. He holds various degrees including BA, LLB, B Compt (Hons), Diploma in Taxation and is a CA (SA). He was involved in the EU Phare programme during which advised the Estonian Government on its privatisation programme.

Who should attend & what it's about:

This is an intensive, practical programme suitable for experienced practitioners involved in private equity, corporate finance and advisory services, lenders of senior, junior debt and entrepreneurs considering buy outs.

The programme will cover the critical aspects of the transaction cycle from structuring the deal to optimise value through to restructuring deals that have gone wrong; topics covered will include structuring the offer effectively, minimising execution risk and value leakage, creating a robust financial structure, negotiating the key commercial terms of the senior, mezzanine and inter-creditor

agreements (from a borrower and lender perspective), addressing the critical issues involving the management team. In light of current market outlook the course will also focus on restructuring, including the restructuring route-map, the restructuring options, the position of directors, management and PE firms and lenders and technical issues such as moving cash around the group and inter-jurisdictional issues.

The programme will also comment on and refer to topical issues in Europe and the US in the context of the New Zealand market.

Case studies will be used during the sessions to reinforce topics covered.

Venue:

Westin Hotel, 21 Viaduct Harbour Avenue, Auckland

Cost:

NZVCA Members - \$2,750 plus GST

Non members - \$3,250 plus GST

Inclusions:

2 day course with catering

Course materials

Dinner with guest speaker and other NZVCA Members and Colleagues (Day 1)

Conditions:

Cancellation Policy: Cancellation is accepted with full refund up until 5pm 30 days prior to the course. A 100% cancellation fee is applicable after this time.

Draft outline of course

Day 1	
Registration	Coffee and introductions
Introduction the Offer, the SPA & Working Capital	<ul style="list-style-type: none"> ▪ Traditional vs. 'New' value creation model ▪ Structuring issues & parameters ▪ Offer structure & the key value drivers Limiting execution risk (use and abuse of sellers & buyers locked box)
Critical aspects affecting the Senior facility	<ul style="list-style-type: none"> ▪ Critical issues affecting Working Capital & RCFs (clean-down, headroom) ▪ Pricing, margin ratchets, Libor floors ▪ Capex Facility - key issues ▪ Problematical issues with cash sweeps
Junior debt	<ul style="list-style-type: none"> ▪ Mezzanine - key issues ▪ 2nd lien summary ▪ Inter-creditor agreement - (the 4 key aspects)
The Lender's perspective & Negotiating issues in the loan agreement	<ul style="list-style-type: none"> ▪ Lender's approach to debt capacity ▪ Financial covenants & guarantor coverage levels ▪ Key negotiating areas in the LFA (Reps, Warranties,

Equity cures, yank the bank, Majorities / super majorities)

- Critical issues for Management
- Management's multifaceted role and duties
 - Key equity documents & their use
 - Conflict with management/PE
 - Issues affecting capital structure (vesting & valuation pre-exit)
 - Aspects in re new equity (pre-emption, carve-outs)
 - Structuring effective ratchets
 - Management's warranties (joint, several, caps)
 - Good/bad leaver issues
 - Creating an effective board

- Fund structure & the Sponsor's perspective
- Generic PE fund structure
 - Typical fund terms - fees, hurdle & carry
 - Topical issues for PE firms (global trends)
 - A template for managing LPs effectively
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Course Dinner

Day 2

- Restructuring issues
- Key Triggers for restructuring
 - Directors duties and dangers of insolvent trading
 - The Restructuring route-map (sticking plaster, stalemate, the real deal)
 - Main barriers to successful restructuring
 - Operational restructuring issues
 - Moving cash around the Group
 - The new Stakeholders and their conflicting agendas
 - Handling the trade-off between Information & Confidentiality (dealing with hostile parties)
 - Significance of the fulcrum capital
 - Inter-creditor issues - Theory vs. Reality (why payments don't always cascade downhill)
 - Restructuring options (new money, debt-for-equity, hamburger strategy, debt buybacks)
 - Formal vs. Informal procedures (Administration, Cram-down)
 - Topical issues (Jurisdiction, COMI, Pensions, Staff)
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