



# WBAF Business School

## Master Classes & Workshops

[www.wbaforum.org](http://www.wbaforum.org)

An affiliated partner of the G20 Global Partnership for Financial Inclusion (GPII)



## Chairman's Statement

In the past, inventions were important for the economic development of societies. In the 21st century, however, it is not invention but innovation that counts.

In those earlier times, entrepreneurial skills were not needed to get an invention to the market because it was a seller's economy, where customers were ready to buy anything new. Times have changed, and the rules of the game have changed. Today's inventors need more than just a clever idea. They need a complex set of skills to move their innovative idea into the market and to ensure it succeeds.

Ours is the age of the entrepreneur (the buzz word of our century). The current, highly competitive economic environment means that scaling up businesses demands special skills of entrepreneurs, who are obliged to secure financing as quickly as possible. Yet finance alone is not sufficient to create global success stories. The entrepreneur needs not simply finance, but the best finance.

### What is 'the best finance'?

The best finance is a miracle that happens when one is able to combine money, know-how, mentorship and networking. This is perhaps better termed smart finance.

Consider the various sources of finance available to entrepreneurs: Beyond basic bootstrapping, there are corporate ventures, angel investors, crowdfunding platforms, accelerators, VCs, banks, public grants, co-investment funds, business plan competitions, technology transfer offices, family offices, private equity investors and stock exchanges. With the notable exception of angel investors, all these sources provide only money, nothing more.

The only true sources of smart finance are angel investors, who are able to influence a country's economic development by providing more than just money to entrepreneurs and SMEs. They contribute their own know-how, provide mentorship, and share their own networks in contributing to the businesses they invest in. They are thus the main drivers of innovation and the natural leaders of the world's early-stage investment markets and global startup economy.

In 2018, more than 300,000 angel investors invested more than \$26 billion in startups in the US, and more than 310,000 angel investors invested more than 9 billion Euro in Europe. The estimated total global market size of angel investment is over \$50 billion every year.

It is rewarding to see that governments around the world have understood the importance of angel investment for boosting their economies. During the Presidential Summit on Entrepreneurship in 2010, President Obama's response to concerns I expressed about making available public grants for entrepreneurs was promising. In a special meeting with me, he agreed with and supported my position on the importance of angel investors in terms of converting public money to 'smart money', that is, cash that is invested by parties who are experienced, well-informed, and well connected.

Your efforts to convert the world economy to a smart economy in cooperation with the World Business Angels Investment Forum will be highly valued.

Yours sincerely,



Baybars Altuntas  
Chairman of the Board of Directors,  
World Business Angels Investment Forum  
Baybars.Altuntas@wbaforum.org

## WBAF Business School

It is the position of the WBAF Business School that when investors have had the advantage of training in the best practices of negotiating deals for early-stage investment, they are in a better position to ensure good returns on their investment. With this in mind, the WBAF Business School offers a wide variety of training programmes using a range of input (case studies, panel discussions, and presentations, to name a few), all of which encourage active participation and interaction on the part of those attending.

The WBAF Business School implements all its training programmes, educational webinars and certification programs through 48 international faculty members from 26 countries. Each comes from a successful international entrepreneurial background and brings field knowledge to the classroom, both online and offline.

### Attendance Certificates

- 22 course programmes
- 6 masterclasses
- 18 workshops
- 7 institutional trainings
- 22 educational webinars

### Certification of Qualifications

- QBAC+ Angel Investor Course & Bootcamp
- Proficiency Test for Angel Investors

### Faculty Members

- 48 international faculty members

The WBAF Business School serves not just business angels; all types of stakeholders are welcomed, ranging from entrepreneurs and SMEs to banks and stock exchanges to incubation and acceleration centres. The ultimate goal is to contribute to the development of skills and expertise and to foster the kind of creative thinking that leads to innovation and eventual success in the ever-changing market environment of the 21st century.

### Who are these WBAF Business School programmes for?

WBAF Business School programmes are suitable for professionals (including CEOs) from listed companies and anyone with an entrepreneurial background, directors of business angel networks, acceleration and incubation centres and techno parks, and individuals who want to set up a business angel network or create a business angel investment group, and entrepreneurs / startups / scaleups / SMEs.

They are also of interest to corporate executives who manage innovation and corporate ventures, early-stage capital fund managers, M&A and business development executives, family office investment managers, entrepreneurs who are raising capital or planning exit strategies, successful entrepreneurs interested in becoming an investor or advisor, members of boards of directors, policymakers wishing to encourage the creation of clusters of innovation in their region, and service providers such as attorneys, accountants, and consultants.

- CEOs or other professionals from listed companies
- Directors of business angel networks
- Professionals in technoparks and acceleration and incubation centres
- Any individual or institution that wants to create a business angel investment group by using their own network
- Investors and entrepreneurs who wish to learn the best practices of global VC and venture development
- Anyone who wants become a professional business angel network manager/executive

### Proficiency Test for Angel Investors

WBAF Business School delivers the world's only proficiency test for angel investors. The 100-minute test includes 100 multiple choice questions, 50 true/false items, and 2 company valuation maths problems. Candidates who score 70 points and above are certified as Qualified Angel Investors. The test is administered twice a year, generally immediately after a QBAC+ Qualified Angel Investor Course.

### Master Class 1

How to structure a co-investment fund to attract finance from the EIF  
European Investment Fund

---

4 hours  
empowered by case study

by Cyril Gouiffès, Impact Investment Manager @ European Investment Fund, Luxembourg

The Global Impact Investing Network (GIIN) estimates a market of US\$114 billion in impact investing assets, US\$22.1 billion of which was committed in 2016. The expected growth in commitment in 2017 is 25.9%. The supply of impact capital is expected to rise, but so far, impact investment's share in global financial markets is estimated to be only around 0.2% of global wealth. If this share rises to 2%, it could mean over US\$2 trillion invested in impact-driven assets. Some 1,500 asset managers, with combined assets of over US\$62 trillion, have signed on for the six United Nations Principles for Responsible Investment, while the larger definition of sustainable investment encompasses an estimated total of US\$21.4 trillion.

The European Investment Fund (EIF) is going to deliver a special master class on how investors can develop co-investment funds to attract European Investment Fund (EIF) finance. The master class will be given by Cyril Gouiffès, Impact Investment Manager at the European Investment Fund in Luxembourg. It will include a real case study from Croatia. At the end of the master class, Renata Brkic and her team will share their experience raising EIF finance for their social impact fund. Brkic raised €15 million for the social impact fund she and her team are launching in 2019. Brkic leads the Global Impact Investors Committee of the World Business Angels Investment Forum and chairs the Impact Investment Summit at the World Congress of Angel Investors. EIF-managed financial products for social impact investing will be presented, specifically, (i) the Social Impact Accelerator (SIA) and (ii) EFSI social impact instruments:

(i) SIA is a vintage 2013 social impact fund-of-funds of EUR 243m with 11 investments in its portfolio to date.

(ii) EFSI social impact instruments are part of the European Union growth plan to foster social innovation in the EU by financially supporting social SMEs through accelerators and incubators, social impact bond schemes and co-investments with business angels.

### Master Class 2

New Methodologies to Pick Winners When Angel Investing in Blockchain Powered Projects

---

4 hours  
empowered by case study

by Brad Bulent Yasar, Founder of the Global Blockchain Consortium, USA

This master class is designed to share best practices in early-stage investing in startups in the blockchain and cryptocurrencies. Master Class will cover best practices on conducting due diligence on the business model, legal issues, founders, technology and growth strategies of blockchain projects to reduce investment risks. The master class will allow participants to become more confident with doing an initial assessment of blockchain projects and better understand the red flags to watch for.

### Master Class 3

Developing a Co-investment Structure for Government Agencies to Convert Public Finance to Smart Finance

---

4 hours  
empowered by case study

by Baybars Altuntas, Chairman of the World Business Angels Investment Forum, Turkey

Promoting innovation and invention requires easy access to finance and financial services that facilitate investment. Latest research shows that there are more than 400 million formal and informal micro, medium, and small enterprises worldwide generating more than 40% of world's GDP. According to the World Bank Enterprise Surveys, many of these companies emphasize that limited access to finance is one of their main constraints to growth. Angel investments, as an innovative source of finance (according to G20 from July 2018), are recognized as a sustainable measure for innovation and the entrepreneurship ecosystem. How can EU countries include more public money to early stage investment markets? What would be the best pathway to connect know-how, mentorship, and the network of angel investors to support financial freedom for start-ups, scale-ups and high-growth businesses? How can we convert the public finance to smart finance in co-operation with angel investors?

### Master Class 4

Setting up an Angel Investment Fund for Startups and Scaleups

---

4 hours  
empowered by case study

by Baybars Altuntas, Chairman of the World Business Angels Investment Forum, Turkey

This master class is designed to explain how an angel investment group can set up a fund so that the angel investors can invest collectively into a group of portfolio companies. It covers the different fund structures that can be used, as well as regulation, legal issues, the financial model and tax considerations. It also explains how to manage a fund including the roles involved, managing the deal pipeline and portfolio and how to resolve problems that arise. It also discusses the difference in returns that an angel investor should expect from investing in a fund versus investing directly in companies.

What is the next big thing in angel investing? The answer to that is already clear. Angel investors are taking on the behaviours of the other major grouping of professional investors in private companies, namely venture capitalists. This master class will explain how angel investment groups, syndicates and even individuals are now developing angel investment funds as vehicles through which they can pool monies to invest.

- Structuring the Fund
- Preparing Executive Summary for Investors
- Commitment Letters
- Fundraising process for the Fund
- Preparing LP Agreement
- Launching the Fund
- Administration of the Fund
- Processing the return of investment to fund investors
- Closing the Fund

## Master Class 5

New Roles for Banks in Boosting Innovation and Startup Economy:  
Developing Co-investment Structures with Angel Investors

---

4 hours  
empowered by case study

by Baybars Altuntas, Chairman of the World Business Angels Investment Forum, Turkey

Governments are increasingly interested in entrepreneurship because of its key role in driving business innovation. While entrepreneurs face several common challenges, including developing business and making connections with experts and mentors, often their greatest challenge is raising capital. Entrepreneurs' emerging technologies are frequently viewed as too risky for banks, private equity firms and venture capitalists, yet many fledgling companies require more investment to grow than can be raised from friends and family. The most important problem for banks is that they are being squeezed by having to keep pace with changes in customer (entrepreneurial) behaviour. What is the exact place of banks in start-up economy? How can banks as risk averse institutions support innovation? Are angels competing with banks in funding entrepreneurs?

## Master Class 6

Setting up an angel investment group  
empowered by case study

---

4 hours  
empowered by case study

by Baybars Altuntas, Chairman of the World Business Angels Investment Forum, Turkey

This master class is designed to address the issues relating to setting up an angel investment group. It explains why angel investors are usually better to invest in a group including the evolution of angel investment groups. It describes the angel investment ecosystem, including its different elements and the issues that arise when setting up a group. It covers how to set up a group, including setting the business plan and how to fund the group. Issues covered include finding screening, showing and managing deals. It also discusses other activities angel investment groups undertake such as angel investor and entrepreneur training.

It is designed both for angel investors and for organisations such as government agencies, we cover all the aspects around angel investment groups, as well as how the desire for angel investors to form into groups tends to emerge. It includes a useful section on the angel investment ecosystem, including its different elements, the types of group that can be created (including suggested structures) and the issues that arise when setting up a group. It addresses issues such as identifying the capacity for angel investment which will underpin how much demand there is for groups and syndicates.

This master class gives practical advice on how to set up, including setting the business plan and how to fund the group, as well as running it day to day. Issues covered include finding screening, showing and managing deals. It also discusses other activities angel investment groups undertake such as angel investor and entrepreneur training. By the time you have absorbed the information in this webinar you will be able to both set up a group but also convince other angel investors to join you and have a strategy for funding it so it is commercially viable.

- Statistics on raising investment
- Forming a group - advantages and disadvantages of the different options

- Organisational structure of an angel group / Angel Investor Members
  - BAN Manager / Lead Investor
- Budgeting a BAN
- Work flow of an angel group: From deal screening to investment
- Understanding the legal frameworks
- Setting syndicate rules
- Creating the deal pipeline
- Showing deals to investors
- Post commitment follow up

## Workshop 1

Making big returns investing in small businesses: An entrepreneurial approach to investing

---

2 hours

Investors complain there are not enough good deals. Entrepreneurs complain that there is not enough money. The current investment structures are keeping the two parties apart.

50% of the World's GDP comes from small to medium enterprises, yet most of it is off limits to sophisticated investors. Learn how adopting an entrepreneurial approach with a fixation on liquidity can allow all investors to make big returns investing in small business.

## Workshop 2

Combining the best of angel investing and venture capital

---

2 hours

According to the latest EBAN figures, the average investment for an angel investor in a single business in 2017 was EUR 25,000, and EUR 182,000 for an angel network. At the same time, venture capital investment starts with significantly larger numbers. Businesses looking to raise \$500K to \$2M often struggle. It's the valley of death.

This workshop explains how, by leading investment rounds from \$500K to \$2M, and increasingly leading follow-ons, whilst bringing a global ecosystem of advisors and relationships usually available only at large VCs, an angel investor can combine the best of what angel investors and venture capital can offer.

## Workshop 3

How to steal like Steve Jobs - Learn to create the next unicorn - Learn how to think like a great artist, inventor, creator and innovator.

---

2 hours

This workshop will show you how the great artists, scientists, musicians, movie makers, innovators and business creators all have one thing in common – THEY STEAL! You'll learn how others create, how to develop your own creative mindset, how to learn from others and how to create like the best. You'll learn the tools you need to start thinking like Picasso and Steve Jobs. Creating and innovating isn't just for geniuses – it's something that can be learned. And, once you've learned how to 'Steal like Steve Jobs', you'll be on your way to creating something spectacular. Even if you don't create the next unicorn, you'll learn how to come up with winning products, services and designs that give you a competitive edge.

Whether you're an investor, a corporate innovator or an entrepreneur, this workshop will teach you something that you can use every day.

#### Workshop 4

7 steps to scale your start-up. How to invest early and add value to smart teams to get great returns

---

2 hours

An interactive session for (1) Start-ups through Series A/B, (2) angel investors to evaluate and select scalability and (3) corporate partners seeking to work with and support great scale-ups

Great teams are built with a shared vision and an ability to execute it. Testing the team is the primary go/no-go decision for any investor or partner. How to do this will be explored in the workshop. There is a close linkage between the mindsets of great sporting teams and great start-up and scaling teams. Scaling is little understood and is often mixed up with the start-up process. Team selection by psychological methods and a focus on key step(s) are critical for scaling. This forces team restructuring, role definition and sometimes early failure to create pivots. Customer and channel commitment via partnerships and leveraging data will be explored alongside RoT (return on time) and lifetime gross margin by customer, channel, product and R&D phases. Investors can, by early application of these techniques, identify great investments via funds, accelerators and business angel syndicates. Corporations can, through partnering and proof of concept or pilot funding, get a first look at new technology or disruptive products or processes.

#### Workshop 5

Converting yourself to an angel investor: What should you know to be a qualified angel investor

---

2 hours

For anyone new to angel investing, this is an invaluable workshop that covers the most important topics of investing as an angel and tips on how to avoid the many pitfalls new angel investors often encounter. Marcel Dridje will outline of basic milestones of becoming a qualified angel investor. In this workshop, you will have an idea of what skills you should develop to be a startup-friendly angel investor.

This workshop is for corporate executives that manage innovation and corporate ventures, early-stage capital fund managers, M&A and business development executives, family office investment managers, entrepreneurs who are raising capital or planning exit strategies, successful entrepreneurs interested in becoming an investor or advisor, members of boards of directors, policymakers wishing to encourage the creation of clusters of innovation in their region, and service providers: attorneys, accountants, and consultants.

#### Workshop 6

Assessment of Startups to Determine Investment Viability

---

2 hours

Prior to making an investment decision, we have to make sure that the investment opportunity makes sense from different aspects.(strategically, financially and technically). In this workshop we'll take a deep look at startups DNA, lifecycle and characteristics in each stage. Also we'll review what are the important key performance indicators(KPIs) in each stage of startup's growth stage. We'll present the structured framework to help investors make sure they are investing in the right venture.

#### Workshop 7

Investment Readiness for Startups and Scaleups

---

2 hours

This workshop has been designed for startups looking for early stage investment from angel investors and other early stage investment funds. It will provide you with the required information to approach investors with the information they need to evaluate your opportunity. You'll also get the chance to practice your pitching to a panel of angel investors and business funding advisors who will provide quality feedback.

#### Workshop 8

Investing in the FinTech r-evolution

---

2 hours

Financial Services are facing a perfect storm: margins squeeze due to zero to negative interest rates in Europe, Japan and US, reputational damage in the aftermath of the Global Financial Crisis, increasing capital charges, skyrocketing compliance costs, generational shifts towards mobile oriented Millennials, progressive disintermediation by technology enabled startups (AI, blockchain, digital, mobile payments, robo-investing). FinTech companies have grabbed the opportunity globally to create transformational compelling propositions that can ultimately replace or revolutionize the operating models of incumbent institutions. Yet, innovation is not an easy journey and requires venture funding, transferable competences, entrepreneurial talent, educational humus and legal easiness. Proactive financial centers and forward looking regulators in New York, London, Hong Kong, Shanghai and Singapore (to name a few) have started to flex their muscles in the attempt to gain a competitive international advantage by helping FinTech innovation to find its ways and promoting sound transformation of banking, asset management and insurance industries. FinServ marketplace has never been so competitive creating threats for incumbents and opportunities for innovators. This master class will help identify key trends globally, strengths and weaknesses of new technology shaping the FinTech r-evolution.

#### Workshop 9

Sources of deal flow and identifying opportunities – is angel investing all about spotting unicorns?

---

2 hours

This workshop is designed to explain how to find investment opportunities and which ones will be worth investing in, including the different sources of opportunities. It also shows how to get the right deal flow. It also covers the key agreements that you will be presented with in the context of seeing deals including non-disclosure agreements and matchmaking agreements

Arguably there are as many angel investment strategies as there are angel investors, not least because the definition of an angel investor is someone who invests their own money. Finding the right deals is a fundamental aspect of angel investment; poor portfolio selection will guarantee failure and even great selection will only improve the odds. Whether an angel investor is happy to try and spot unicorns, whilst accepting that the majority of their portfolio will fail to deliver any return, or whether they like to mitigate losses to improve overall returns, or any strategy in between, this workshop provides the fundamental understanding required to have the best possible chance of making angel investing activity a success rather than a failure.

This workshop explains how to find investment opportunities and which ones will be worth investing in, including the different sources of those opportunities. It also shows how to get the right deal flow and covers

the key agreements an angel investor will be with when they first see a deal, including non-disclosure agreements and matchmaking agreements.

### Workshop 10

Spotting the deal and analysing the opportunity – “The Pitch”

---

2 hours

This workshop is designed to describe the typical journey an angel investor undertakes in identifying and analysing deals. It explains the different types of investment pitches which an angel investor will see, how to interpret the pitch and what questions to ask. It also helps you to understand how to spot good business models. It has an extensive section on management teams and the issues to understand when making a decision whether or not to back them, including how to think about yourself as a potential member of the team.

Entrepreneurs pitch to angels everywhere – on social media, by letter, email and phone and in more formal situations such as pitch events. And pitches are like buses, they come in a rush and then there may be none for a while. A key skill in successful angel investing is to know how to spot a great investment opportunity and to move through the journey to understanding whether the deal is investible. This starts with the elevator pitch or receiving an executive summary, but the decision not to invest cannot necessarily be made then; deal analysis goes through several stages and at everyone a decision has to be made whether to carry on or stop – right up to the point when the deal is signed.

This workshop describes the typical journey an angel investor undertakes in identifying and analysing deals. It explains the different types of investment pitches which an angel investor will see, how to interpret the pitch and what questions to ask. It also helps you to understand how to spot good business models. Most importantly, it has an extensive Cohort on management teams and the issues to understand when making a decision whether or not to back them, including how to think about yourself as a potential member of the team.

- How to question entrepreneurs after pitching
- Understanding the opportunity
- Understanding the business model
- Understanding the business plan
- Structure of a good business plan
- Contents of each Cohort of a business plan
- Identifying what is missing
- The business plan vs the working papers
- Check list of the angel investor

### Workshop 11

Company valuation – it’s all in the price!

---

2 hours

This workshop is designed to comprise a detailed explanation of everything an angel investor needs to understand in relation to valuing an investment, including how to consider this issue when you do not have perfect information. It explains the different valuation methodologies and covers areas such as valuation and tax incentives, the impact of dividends and the value of voting rights.

The financial purpose of angel investing is to make a return on capital commensurate with the risk undertaken with the money deployed. Whilst experienced angel investors include the enjoyment and fun of investing, plus the opportunity to share experience and help others, in the calculation of the value of their angel activity, at the end of the day,

success is defined by the financial returns achieved from both single investments and from the overall portfolio. As the risks are so high, returns must be exceptional on the successes, not least because so many investments will fail to return anything. Realistic angel investors know that ignoring the price at which you invest must be sensible – invest at too high a valuation and not only will overall returns be reduced, but also that the stake they acquire will be smaller than they deserve. This latter issue will work out badly for them as they will have less influence post investment, but also means that they are in a weaker position when new funding rounds take place. The dreaded dilution impact from these later rounds will also reduce returns.

This workshop comprises a detailed explanation of everything an angel investor needs to understand in relation to valuing an investment, including how to consider this issue when you do not have perfect information. With so many valuation methodologies, potentially providing different answers even the best angel investors can become confused about what the “right” valuation should be. But this workshop not only explains traditional methods; it also describes the simple and effective (“back of the envelope” method used by experienced angels across the world. The workshop also gives context to valuation discussing areas such as tax incentives, the impact of dividends and the value of voting rights.

- How to value a project
- How to use a spreadsheets excel with valuation formulas
- Valuation at time of exit and valorisation of the investment
- Pre money - Post Money
- Methods of Valuation

### Workshop 12

Selecting a portfolio of investments – diversification mitigates risk.

---

4 hours

This workshop is designed to help angel investors to contextualise their investment strategy. It discusses the timing issues relating to building an investment portfolio, portfolio investment theory and how and when to use third party advisers.

All investors know it is never a good idea to put all your money on black. How to turn angel investment from gambling to investing in an asset class, makes the difference between a smart and a stupid angel investor. Smart angel investors build a portfolio of investments over time based on a coherent investment strategy. Whether the focus is sector, stage or geography – or a mixture of all three – a good angel investor has a focus and becomes expert in investing in line with this focus. They try not to make the same mistake twice and this is a lot easier if the investment strategy is underpinned by logic. They also understand how to tip the balance in their favour by using clever techniques.

This workshop discusses the timing issues relating to building an investment portfolio, portfolio investment theory and how and when to use third party advisers. Critically it helps investors to set an investment strategy and contextualise in the foundations of reality.

- Portfolio investment theory
- Timing
- Personal involvement
- 3rd party deal managers

## Workshop 13

Due diligence – invest in what you know not a dream

---

2 hours

This workshop is designed to cover all aspects of due diligence in relation to an angel investment. It starts with an explanation of the facts and figures relating to why due diligence matters. It covers planning a due diligence exercise, the different types of due diligence which should be undertaken and what warning signs to look for. There are sections on areas such as commercial, people, financial and IP due diligence. It also covers term sheets and other legal agreements which an angel investor should consider, as well as the issue of entrepreneurs undertaking a due diligence exercise on the investor.

How can you know if whether you have a chance of making money out of an investment if you do not know what you are investing in? The most common mistake that angel investors make is not to undertake sufficient due diligence before they invest. But in this day and age when there is so much information at your fingertips, it is downright unwise not to take due diligence seriously. And angel investors no longer have to do due diligence on their own. Sharing due diligence is one of the best reasons for investing as a group or syndicate. However you look at it though, due diligence is a skilled and time consuming exercise. Weighing the effort with what you will find out that actually helps rather than hinders the investment decision is when it become an art rather than a science.

This comprehensive workshop covers all aspects of due diligence in relation to an angel investment; think of it as a bible that you can return to again and again. There are sections on areas such as commercial, people, financial and IP due diligence. It also covers term sheets and other legal agreements which an angel investor should consider, as well as the issue of entrepreneurs undertaking a due diligence exercise on the investor.

Not to be ignored, the workshop starts with an explanation of the facts and figures showing why due diligence matters. And it takes you step by step through planning a due diligence exercise, identifying the different types of due diligence which should be undertaken and, crucially what warning signs to look for in the due diligence process. Turning a deal down because the due diligence has identified a problem is a better outcome than investing and losing your money. Understanding the business plan and opportunity from a helicopter

Understanding what the pitch does not tell you

Due diligence - commercial

- Understanding the market opportunity
- Competitive environment
- Product price point
- Business terms and conditions

Due diligence - people

- Optimal team types
- Age and experience
- Skills
- Adding new team members
- Motivating and incentivising the team
- Legal - good leaver bad leaver etc
- Your role in the team: short medium and long term

Due diligence - legal

- Different legal frameworks across the world
- Term Sheets
- Shareholders Agreement
- Company books and shareholder certificates

- Different types of shares

Due diligence - IP

- The different types of IP
- IP costs and other issues
- Protecting and managing IP
- Data protection

Due diligence - financial

- Historical financials
- Understanding financial projections - P&L, cashflow, balance sheets
- Dissecting the projections
- Share capital; the ramifications of share options and convertible loans

Due diligence - exit

- Preparing for the exit
- Setting the exit objectives

Due diligence - co-investors

- Understanding venture capitalists
- Understanding lenders
- Understanding government support

Due diligence on you!

Due Diligence Check List

## Workshop 14

Setting the deal terms – the art of the fine detail

---

4 hours

This workshop is designed to discuss the issues relating to setting the deal terms. It covers the term sheet, negotiating the deal and the timetable for the negotiations, as well as issues such as warranties and indemnities, and drag along and tag along rights. It also explains ways of enhancing returns.

Although the lucky angel investor writes a cheque, gets some shares and makes a fortune, most angel investors know that such success stories are flukes. Professional angel investors understand the statistics and know that with so many pitfalls ahead, having the deal cemented in a proper legal agreement will significantly improve the odds. Going through the process of setting the deal terms is part of the due diligence exercise. From the negotiations about the deal investors learn how the entrepreneurs behave in an adult world, whilst the Disclosure Letter written to them just before signing may reveal some surprises not previously anticipated. In this workshop, investors will uncover issues that typically arise when setting the deal terms. It covers the term sheet, negotiating the deal and the timetable for the negotiations, as well as important facets such as the warranties and indemnities, and drag along and tag along rights. To encourage you to read it in depth it also explains ways of enhancing returns, by clever techniques relating to how the precise terms are set.

- Understanding term sheets
- Valuing a company
- Share rights
- Ways to enhance potential returns
- Shareholder Agreements and other documentation
- Warranties and indemnities
- Typical deal structures
- What's negotiable and what is not
- Put and call options.

## Workshop 15

### Negotiating the deal terms

---

2 hours

This workshop is designed to help an angel investor to understand how to conclude a successful negotiation so that an investment is made. It explains the entrepreneur's and the investor's mindsets when they enter into a negotiation for a funding round. It covers how negotiations take place, the most important issues in the negotiation and the obligations which both parties will be entering into post investment. It also discusses the final leg of the negotiations which lead to the investment actually taking place.

Getting the price and terms of the deal correct on the way into an investment is critical to optimising the chances of high returns on exit. The deal terms are not only about price and number of shares acquired; other key terms are around shareholders rights, board rights, the obligations of the entrepreneur and good & bad leaver clauses to name but a few. Achieving a successful outcome to the deal negotiation is of paramount importance too.

This workshop explains how understand the mindset of both the investor and the entrepreneur and how to set a negotiation framework, before going into considerable detail on all aspects that must be agreed to close the deal. As an additional bonus it discusses how investors might like to behave during a competitive auction. Lastly, it takes you through the final leg of the negotiations.

- Understanding the terms of reference - money, involvement
- Approaching the entrepreneur
- What to do in a competitive auction
- Negotiating a successful outcome
- Investment strategies: convertible notes, options, loans
- Shares: Ordinar shares, preferred shares, convertible bond, warrants

## Workshop 16

### Governance and deal monitoring

---

4 hours

This workshop is designed to discuss the issues relevant to an angel investor once the investment has been made. It covers what to expect in terms of the help the company requires from you and what rewards are to be expected from providing this help, including the different roles you may undertake. There is a discussion of how an angel investor should act in relation to board and shareholder meetings as well as other more informal methods of deal monitoring. It describes the importance of the first 100 days of an investment and hitting milestones. It also describes common problems that arise and makes suggestions on how to resolve them.

It takes a brave investor to buy a minority stake in a private company and then forget about it. The point of being an angel investor is to add value, but how you go about it will probably be one of the most important factors to the speed of success (or failure) of the business. Get it right (especially in the first 100 days) and the company will be on an upward trajectory; get it wrong and everyone will be seeing delay or, worst, failure ahead. How should you help? When should you actively not provide any help? What should be looking for post investment? This workshop unwraps the knowledge of experienced venture capitalists and angel investors, so that you can avoid making obvious mistakes and concentrate on doing what is needed to help the entrepreneurs grow their business so you both make money.

The workshop explains the how to deal with your investment from the day you invest until the day you exit. It explains how you can help and

what rewards you should expect. There is an explanation of the different roles you can take so you have influence both inside and outside the board meeting. There is a useful Cohort on how to deal with common problems that arise. Finally it has some useful advice on how to maintain a healthy relationship between the angel investors and the founders.

- Your help post investment and what rewards you should expect
- Hitting milestones
- The role of the board
- Board seat/directorships/observer rights
- Regular reporting - board papers and reports
- Shareholder meetings
- Dealing with common problems
- The relationship between Angel Investor and entrepreneurs
- Role of the lead investor

## Workshop 17

### New funding rounds

---

2 hours

Most companies that raise money from angel investors will go onto raise several more rounds of finance. This workshop discusses the issues relating to both emergency and planned funding rounds after the first angel investment round has completed. Up and down rounds are explained. It describes the different types of investors who invest in these rounds, including explaining what they are looking for. How to set the timetable for a funding round is explained. Reference is also made to more complicated funding structures, such as debt funding and liquidation preference.

To people who know the angel investment industry well, it can appear that raising funding becomes seriously addictive for entrepreneurs who have been successful once. It is a rare business that only needs one round of funding. If it is growing fast it will need more cash to exploit the opportunities that have been uncovered; if it is missing milestones, but still shows potential, it will need more working capital to keep going whilst the founders and investors try to prove what the business plan suggested.

This workshop is designed to cover both planned and emergency funding rounds, explaining the new types of investors who will join the angel investors on the shareholder register/cap table as a result of them taking place. It covers debt as well as equity funding. Other areas covered are factors such as share option schemes, the costs of raising funding and a typical funding timetable. Extra sections cover areas such as what later stage investors look for (and what they avoid).

- Up round and down round valuation
- New shareholders - angels, VCs, corporate venturers
- Deal terms
- Timetable considerations
- Pitching to Venture Capital / Corporate Venture / Funds



## Workshop 18

### Successful Exits

---

2 hours

This workshop is designed to focus on the issues relating to an angel investor achieving a positive exit from the investment. It covers how to think about planning the exit, timetable issues and the different types of exit, including trade sale, MBO and IPO. It also discusses issues such as secondary liquidity prior to the final exit and tax planning. It also discusses the issues relating to involuntary exits when the investment has failed.

Whilst part of the point of angel investing is the satisfaction you get from the investment journey, achieving the exit is the point at which you can assess whether it was all worth it. And when the exit is very positive, it is not only the time to celebrate the financial rewards but also all the other ones as well, such as getting technologies to market, establishing a business that has created jobs and generated economic development. Exits through, can be very different from a simple sale on just one date by all the shareholders to someone else. You can have secondary activity before the final exit and exits can come in the form of asset sales, licensing, MBOs, IPOs and trade sales.

This workshop shows you how to plan for an exit and a guideline timetable to follow. It explains the pros and cons of the different exit routes. There is a critical Cohort on how to deal with an involuntary exit as well as a useful exit checklist.

- Planning for the exit
- Secondary markets prior to the exit
- Trade sale
- MBO/MBI
- IPO
- Licensing models
- Closing the company - voluntary
- Closing the company - involuntary
- The Exit Check List



### **About the World Business Angels Investment Forum (WBAF) Business School**

It is the position of the WBAF Business School that when investors have had the advantage of training in the best practices of negotiating deals for early-stage investment, they are in a better position to ensure good returns on their investment. With this in mind, the WBAF Business School offers a wide variety of training programmes using a range of input (case studies, panel discussions, and presentations, to name a few), all of which encourage active participation and interaction on the part of those attending. The WBAF Business School serves not just business angels; all types of stakeholders are welcomed, ranging from entrepreneurs and SMEs to banks and stock exchanges to incubation and acceleration centres. The ultimate goal is to contribute to the development of skills and expertise and to foster the kind of creative thinking that leads to innovation and eventual success in the ever-changing market environment of the 21st century.

[www.businessangel.academy](http://www.businessangel.academy)

### **About the World Business Angels Investment Forum (WBAF)**

An affiliated partner of the G20 Global Partnership for Financial Inclusion (GPFI), the World Business Angels Investment Forum (WBAF) is an international organisation aiming to ease access to finance for businesses from start-up to scale-up, with the ultimate goal of generating more jobs and more social justice worldwide. It is committed to collaborating globally to empower world economic development by creating innovative financial instruments for innovators, start-ups, and SMEs. The Forum interacts with leaders in all areas of society, first and foremost in business and political spheres, to help assess needs and establish goals, bearing in mind that the public interest is of paramount importance. WBAF engages a wide range of institutions, both public and private, local and international, commercial and academic to help shape the global agenda.

[www.wbaforum.org](http://www.wbaforum.org)

### **About G20 Global Partnership for Financial Inclusion (GPFI)**

The Global Partnership for Financial Inclusion (GPFI) is an inclusive platform for all G20 countries, interested non-G20 countries, and relevant stakeholders to carry forward work on financial inclusion, including implementation of the G20 Financial Inclusion Action Plan endorsed at the G20 Summit in Seoul. Queen Maxima of the Netherlands is the Honorary Patron of the GPFI.

[www.gpfi.org](http://www.gpfi.org)

### **Contact us on:**

[Christina.McGimpsey@wbaforum.org](mailto:Christina.McGimpsey@wbaforum.org)  
[@wbaforum.org](http://wbaforum.org)

### **More info:**

[www.wbaforum.org](http://www.wbaforum.org)