Critical Issues On The Agenda

8:30 a.m. - 9:00 a.m.
I. Current M&A Market Update
— David L. Hallett
- A. Activity Level And Trends
- B. Pricing
- C. Sell-Side Drivers
- D. Buy-Side Drivers

9:00 a.m. - 9:45 a.m.
II. Positioning A Business For Sale – The Team And Process
— David L. Hallett and John C. Levy
- A. Perspective On The Basic Elements Of Value
- B. Three Or More Years Prior To The M&A Process
- C. One Year Prior To The M&A Process
- D. Buyer/Seller Perspective And Approach
- E. Assembling The Team

9:45 a.m. - 10:30 a.m.
III. Beginning The M&A Process And Preliminary Documentation
— John C. Levy
- A. Whether And When To Hire An Investment Banker Or Broker
- B. Regulatory Preparation
- C. Corporate Clean-Up
- D. How Much Due Diligence And When
- E. Preliminary Documentation

10:30 a.m. - 10:40 a.m.
Break

10:40 a.m. - 11:25 a.m.
IV. Deal Structures And Letters Of Intent
— Richard D. McNeil
- A. Taxable Sale Of Assets By C Corporation
- B. Taxable Sale Of Assets By S Corp, LLC Or Partnership
- C. Taxable Sale Of Stock
- D. Taxable Merger (Direct Or Triangular, Forward Or Reverse)
- E. Tax-Free Reorganization
- F. Section 351 Transaction
- G. Letters Of Intent

11:25 a.m. - 12:00 p.m.
V. Due Diligence
— Todd Taylor
- A. Due Diligence Is Insurance For Both Parties
- B. Process
- C. Information Requested
  1. Corporate Documents
  2. Financial Information
  3. Business Information

12:00 p.m. - 1:00 p.m.
Lunch (On Your Own)

1:00 p.m. - 1:25 p.m.
V. Due Diligence (Continued)
— Todd Taylor

1:25 p.m. - 2:30 p.m.
VI. Definitive Agreements
— John C. Levy, Richard D. McNeil and Todd Taylor
- A. Types Of Agreements
  1. Asset Purchase Agreement
  2. Stock Purchase Agreement
  3. Merger Agreement
  4. Incorporation Agreement
- B. Representations And Warranties
  1. More Insurance For Buyer And Seller By Locking Each Into Statements About The Condition Of Each Party At Closing
  2. If Not Accurate, Buyer May Be Able To Terminate Prior To Closing And Seek Indemnification Post-Closing
  3. Knowledge Qualifiers: "No" vs. "To Seller's Knowledge, No"
  4. From Seller
  5. From Buyer

2:30 p.m. - 2:40 p.m.
Break

2:40 p.m. - 3:15 p.m.
VI. Definitive Agreements (Continued)
— John C. Levy, Richard D. McNeil and Todd Taylor
- C. Indemnification
  1. Baskets And Caps
  2. Thresholds And Deductibles
  3. Materiality And Knowledge Qualifiers
  4. Survival Periods And Exceptions
  5. Recourse; Sources Of Payment (Escrows, Insurance, Prior Owners)

3:15 p.m. - 4:00 p.m.
VII. Financing
— David L. Hallett and Richard D. McNeil
- A. Senior Financing
- B. Mezzanine Financing
- C. Seller Financing
- D. Earn-Out Provisions
- E. Credit Market

4:00 p.m. - 4:30 p.m.
VIII. Frequent Mistakes
— David L. Hallett, John C. Levy, Richard D. McNeil and Todd Taylor
- A. Frequent Mistakes By Sellers
  1. Waiting For Next Year's Earnings
  2. Waiting Until Management Is Ready To Retire
  3. Approaching Only The Most Likely Buyers
  4. Not Getting Competition When Dealing With An Unsolicited Offerer
  5. Communicating An "Asking Price"
- B. Frequent Mistakes By Buyers
  1. Unanticipated Liabilities
  2. Conflicts/Poor Integration With Existing Business
  3. Unachieved Or Unachievable Synergies
  4. Loss Of Key Employees
  5. IP Problems (Not Getting The Expected IP, Infringement)

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Our Distinguished Faculty

David L. Hallett is managing director and partner at Goldsmith Agio Helms (www.agio.com). He has 20 years of experience executing merger and acquisition transactions in a wide range of industries. Mr. Hallett serves on the advisory board of Marquette Capital Partners, a provider of mezzanine finance. He currently is a member of the board of directors of American Automobile Association Minneapolis and serves on its Finance and Audit Committees. Prior to joining Goldsmith Agio Helms, Mr. Hallett was a partner at the Lindquist & Vennum law firm in Minneapolis. He provided clients with legal counsel in the areas of corporate and tax law in connection with mergers and acquisitions. Before graduating from law school, he worked as a tax specialist at Peat, Marwick, Mitchell, & Co. and at Touche Ross & Co. Mr. Hallett holds a B.S. degree in accounting, with honors, from the University of Wyoming; a J.D. degree, *magna cum laude*, from Gonzaga University School of Law; and a Master of Laws degree in taxation from the New York University School of Law.

John C. Levy is a shareholder with Henson & Efron, P.A. (www.hensonefron.com). He has over 20 years of experience as a transactional and corporate lawyer. Having started his career at a large Wall Street firm, Mr. Levy now focuses on mergers and acquisitions, securities and corporate law, advising public and privately held companies and their boards, owners and management on a wide range of business issues including M&A, public and private equity and debt financings, 34 Act compliance, venture capital, corporate governance, executive compensation and going private transactions. Mr. Levy holds a B.A. degree from the University of Vermont and a J.D. degree from Emory University School of Law.

Richard D. McNeil is a partner with Lindquist & Vennum PLLP (www.lindquist.com). He has been legal counsel to numerous sellers, buyers, lenders and investors in M&A transactions over the past 25 years. His experience includes many small and mid-size private transactions, and a number of public company negotiated and hostile acquisitions. Mr. McNeil is the head of the M&A practice group at the Lindquist & Vennum law firm in Minneapolis. He is a *summa cum laude* graduate of the University of Minnesota, and he holds a J.D. degree from the University of Wisconsin-Madison and an LL.M. degree in international law from Cambridge University in Cambridge, England.

Todd Taylor is a senior associate with Leonard, O'Brien, Spencer, Gale & Sayre, Ltd. (www.lowsg.com). He has represented a wide range of clients on transactional and corporate matters. He focuses on working with entrepreneurial and fast-growth companies in corporate and securities law, mergers and acquisitions, and general business law advice on all aspects of their business. Mr. Taylor is a graduate of the University of St. Thomas and received his J.D. degree from the William Mitchell College of Law.

General Information

Bloomington, MN • September 29, 2005

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Registration: 8:00 a.m. - 8:30 a.m. • Session: 8:30 a.m. - 4:30 p.m.
Lunch Break: 12:00 p.m. - 1:00 p.m. (On Your Own)

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Fundamentals Of Acquisition Transactions In Minnesota

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Bloomington, MN
September 29, 2005

David L. Hallett
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Todd Taylor
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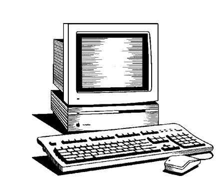

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