



ANGEL CAPITAL ASSOCIATION  
THE PROFESSIONAL ALLIANCE OF ANGEL GROUPS

## 1<sup>st</sup> Leaders Workshop

*University of Texas at Dallas  
Richardson, Texas*

### AGENDA

#### Wednesday, November 4

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- 6:00**      ***Opening Reception***  
Network with your colleagues and meet many of Texas' top angel investors.

#### Thursday, November 5

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- 8:00**      ***Welcome and Today's Agenda***

- 8:15**      ***Negotiating Valuations Today***  
It has fallen upon angels to educate entrepreneurs about the realities of compressed valuations in today's economy, especially in light of the very few "up rounds" VCs are supporting. Learn about one approach – Wealth Accumulation Goal – that is working successfully with entrepreneurs, in comparison to the ten traditional valuation models. A computer program, or Capital Access Plan template, will be provided to all attendees.

- 8:45**      ***Evolving Models for Angel Groups (Including Budgets and Sample Documents)***  
In the last year, ACA has noticed a few trends in angel group business models: some groups are moving from member-managed pledge funds to committed capital models, other networks are establishing new sidecar funds, and still others have managed to recruit new members and partners in the middle of the recession. What is behind these trends? Thanks go to a few groups that have volunteered to share their budgets and organizational documents with you.

- 9:30**      ***Syndication and Collaboration***  
As angel groups continue to gain more structure and ultimately seek better returns by investing outside traditional boundaries, the need for enhanced and pre-arranged syndication procedures has become necessary to protect investors. This session will review the use of Treaties and Due Diligence Hold Harmless Agreements throughout ACA regions and how current leaders are actively working together to increase investable dollars around the table for many deals. A panel will share success stories, horror stories and best practices to conduct collaborative due diligence.

- 10:15**      **BREAK**

- 10:30**      **Concurrent Sessions:**

***Roundtable: Most Pressing Issues for ACA Groups***

As angel groups undergo constant change, it's important to check in on the issues that are most important to you on November 5, 2009. The moderator will solicit your

suggestions, take a priority vote, and lead all participants in exploring your ideas for dealing with the issues.

### ***Tax Strategies & Credits to Enhance Returns***

Angels can enhance returns and minimize risk by implementing tax strategies that take advantage of local, state, and federal tax credit programs. Learn the finer points of the updated “Qualified Small Business Stock” investments, in which the effective income tax rate is 7 percent and about a recent court case that may allow investors in LLPs and LLCs to deduct losses against salary and investment income.

### **11:15 *Harnessing Resources to Ensure Sustainability***

As some groups struggle with sustainability, what resources are other angel groups exploiting to build revenues, reduce costs, or gain new members? Explore how groups: engage members in the investment process; leverage community ties to defray administrative expenses; work with universities to get high quality interns; and/or raise new funds or recruit members during the 2009 recession. The panel includes groups that have raised new funds in the last twelve months and will share some of their secrets.

### **12:15 LUNCH**

### **12:45 *Latest Angel Group Investment Statistics & Trends***

The first set of comprehensive angel group investment statistics are in! This is your chance to get a deeper analysis of the new statistics collected by Dow Jones VentureSource than are available in any other forum. Silicon Valley Bank is leading the data analysis, bringing in new insights into valuation, industries, and other topics of interest to ACA leaders.

### **1:15 *What’s New at ACA?***

ACA’s Membership Chair will talk about new benefits available to ACA groups and your members and the ACEF Education Chair will outline a new educational workshop aimed at entrepreneurs – Trends and Advances in Raising Capital – and available soon to you. The workshop explores how market trends affect the needs and behaviors of investors, what angel investors believe are the best (and worst) practices by companies looking for funding, and new developments in pre-money valuation and deal terms.

### **1:30 *Learning From Experienced Groups***

While many ACA groups have experienced all the good, bad, and really, really bad consequences they can think of, it is important to recognize that even the most active groups haven’t seen everything (yet). This session assembles a group of top leaders to answer your questions. For example, what deal terms have changed the most in the past year to take more control of Boards in the case of a catastrophic event? What steps are you taking to maintain members? No question is off-limits.

### **2:15 *Economic Triage***

The recession is rapidly changing the situation for portfolio companies of many of our member groups, which is bringing in new scenarios for you:

- What happens when you have to replace the CEO?
- What are the related liabilities for the angel group, your member investors, and particularly the angels on the Board?
- If you have to decide to continue funding some portfolio companies and not others, how does the group decide? What are some good criteria?
- Are there new insights groups should know about that mitigate risk or provide new growth opportunities?

### **3:15 *Wrap-up & Adjourn***

We believe this workshop leads to a special corps of ACA leaders who have new insights and tools to thrive in any economic environment. Hear about plans to continue discussions on many of today’s sessions and receive many helpful tools and documents to dive more deeply into the issues of greatest importance to you.