

International JV Formation Negotiation Exercise

Post-Exercise Discussions

Topics for Discussion

- Smart Money vs. Dumb Money
 - Whose money was smart and whose money was dumb?
- Which parties were critical to the formation of NewCo?
- Which parties are critical to the ongoing success of NewCo?

Review Cap Table Outcomes

JV Participant	Investments & Contributions	Equity	Royalty
Portuguese University			
American Private Equity Group			
3D Vision, Inc.			
Portuguese Angel Investment Group			
Professor (Inventor)			
International Theater Association			

Pre-Money Valuation: _____

Post-Money Valuation: _____

Lessons Learned

- Delay valuation discussions and events by using convertible debt, if possible
- Determine whose money is smarter and value it accordingly
- Valuations in early rounds may become obstacles in later rounds
- Minimize the amount of capital raised