

# Equity Structure Workshop Seminar

## May 15, 2012

# Equity Structure Workshop Seminar

## Seminar Speakers:

- § **Jeff Sellner**, Partner, CliftonLarsonAllen LLP \*Moderator
- § **Dick Sommerstad**, Owner, The Network Connect
- § **Doug Ramler**, Principal, Gray Plant Mooty
- § **Jeff Saunders**, Attorney, Dorsey Whitney
- § **Frank Prendergast**, MD, Mayo Clinic
- § **Scott Rosenow**, Attorney, Vice President of the International Medica Foundation



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## Founders Shares – Family & Friends

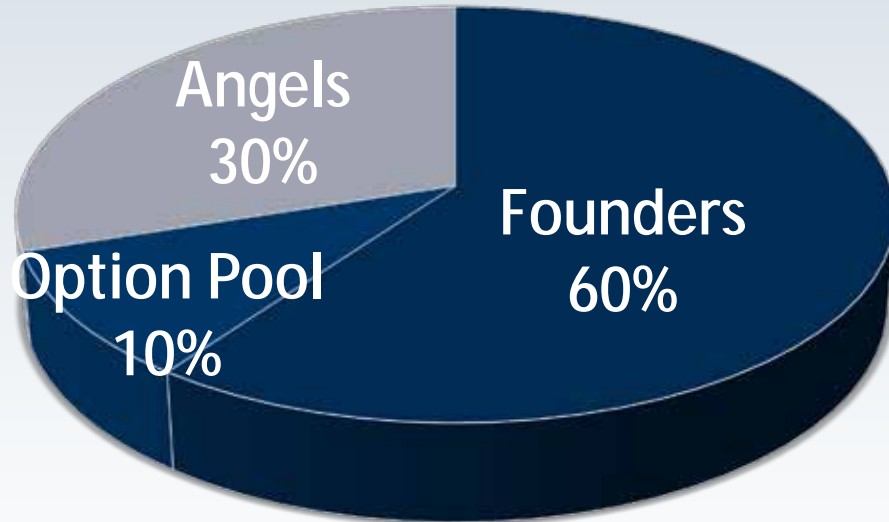


### Things To Consider:

- ü How much equity should the founders get?
- ü How much control should founder expect?
- ü How should I structure the entity?
  - Delaware vs. MN
  - Entity Selection
- ü When should I start planning my equity structure?
  - # of Shares
  - Option Pool

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## Round 1: Angels

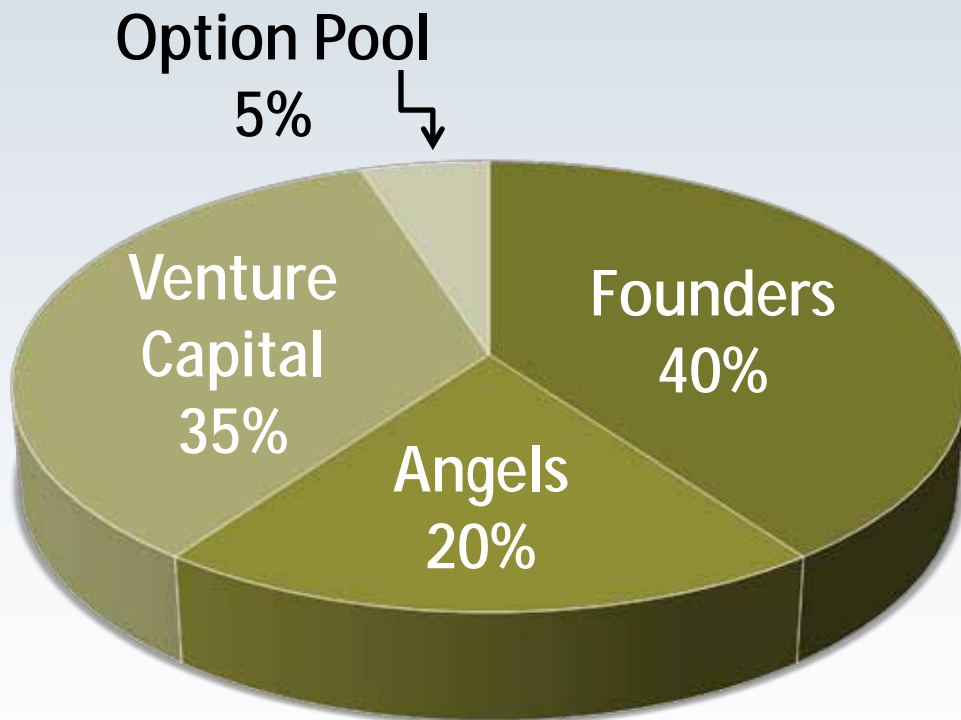


### Things To Consider:

- ü How much should I give up?
- ü How do I price the shares?
- ü How does this relate to valuation?
- ü What ROI expectations do these investors have?
- ü Do I need a BOD?
- ü How do I identify "accredited investors"?

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## Round 2: Venture Capital

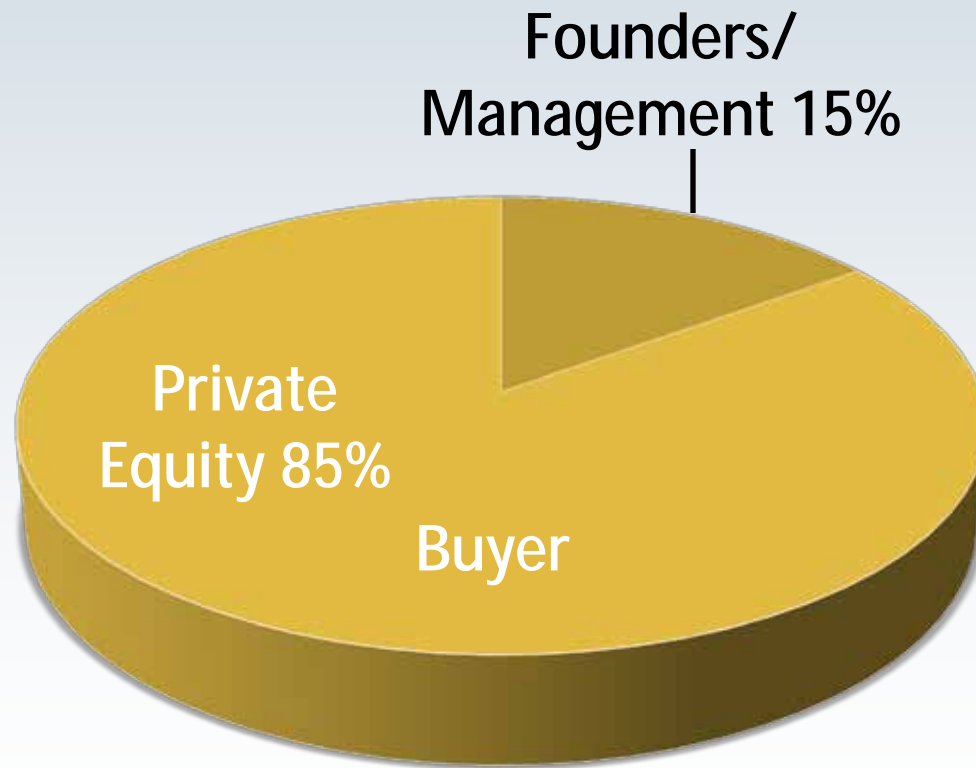


### Things To Consider:

- ü How much should I give up?
- ü How do I price the shares?
- ü How does this relate to valuation?
- ü Do I need/will I be required to have a BOD?
- ü How much control can/should I keep?
- ü Common vs. Preferred Equity

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## Round 3: Exit



### Things To Consider:

- ü When is the right time?
- ü Have I met the investor's expectations?
- ü Who controls the deal?
- ü Type of buyer
  - Financial/Private Equity
  - Strategic