

JACOBS CAPITAL SPRING M&A INTERNSHIP OVERVIEW

M&A Assignments

John Doe will be staffed on sell-side M&A engagements in multiple industries, namely an experiential marketing and event design agency, a clinical research organization (CRO), and/or other deals not yet determined. These M&A deal responsibilities will account for the majority of his work. Depending on the stage of the M&A process at which Jacobs Capital finds itself, John Doe will work on some or all of the following tasks:

- Industry research
 - Summarize industry trends and forecasts (*potential deliverables*)
 - Research competitive trends and dynamics, market size and growth, and the most common industry performance and size metrics; and compile data comparing the Company with its competitors with whatever information is publicly available
 - Compile relevant articles from news sources, trade publications, and independent research outlets; read and synthesize those articles, and send them to the deal team (*potential deliverables*)
- Compile lists of potential strategic and financial buyers for the Company (*potential deliverable*)
 - Identify companies that make sense for vertical or horizontal integration
 - Create list from industry research and publications, and screens from databases
 - Identify and find contact information for appropriate point of contact at each company (i.e., head of M&A/corporate development at each company on that list)
 - Identify private equity firms that have a successful track record of investing in the relevant industry and/or that have operating partners with relevant experience
 - Identify and find contact information for whomever at each firm reviews new deals in the relevant industry
- Drafting sections of, and providing content for, a Confidential Information Memorandum (*potential deliverable*)
 - Corporate history
 - Business overview
 - Industry overview
 - Financial tables
 - Charts, graphs, and other visuals for financial and operating metrics
- Create and manage a virtual data room for exchanging information with potential buyers
 - Review, format, and upload files
 - Create, organize, and update a data room table of contents
 - Track buyer information requests and compile missing information
 - Monitor buyers' activity in the data room

- Coordinating communications with potential buyers and other related parties (lawyers, CPAs, etc.).
 - Update buyer contact tracker
 - Track sent/outstanding/received NDAs (non-disclosure agreements)
 - Listen in on conference calls with related parties when possible and take notes
- Prepare for site visits
 - Assist in creating a management presentation for buyers when they visit the Company
 - Continue to coordinate follow-up data requests

Because every sell-side M&A process is dynamic and unique, one or more of the tasks described above may be unnecessary. Further, as a deal can last anywhere from 4 to 12 months or longer, we cannot be certain which stages of each deal John Doe will be exposed to during the Spring semester. However, John Doe will be meaningfully involved in each step of the process as the deals evolve, and witness first-hand how an investment banker manages the deal process.

Business Valuation Assignments

In addition to the tasks mentioned above, John Doe may assist in business valuation work Jacobs Capital does during the spring semester, as well as performing a business valuation exercise developed by the firm specifically for the education of interns. John Doe will be asked to do some or all of the following:

- Data management
 - Organize data requests to the client
 - Organize and manage information received from the client
- Gather data for valuation methodologies (*potential deliverable*)
 - Incorporate financials received from the client into the firm's valuation model
 - Research comparable public companies for valuation metrics
 - Incorporate those public companies' data into the valuation model
 - Research comparable private transactions
 - Incorporate private transaction data into the valuation model
- Draft sections of the valuation report (*potential deliverable*)
 - Business overview
 - Business operations
 - Corporate history
 - Economic overview
 - Create and insert financial tables
 - Create an organizational chart

Marketing

John Doe will be tasked with supporting the marketing efforts of Jacobs Capital and will be expected to assist with some or all of the following activities:

- Creating market/industry one-page memos to be distributed via LinkedIn and/or email marketing services (*potential deliverable*)
- Assisting with conducting research for generating target prospect lists, which will include analyzing whether a company fits in the company's target market, size, ownership profile, and marketability characteristics.
- Conducting ad hoc research for prospect meetings including creating company profiles, researching private and public company valuation comparisons, and creating strengths and weaknesses assessments. (*potential deliverable*)

Final Assignment

In addition to the assignments listed above, John Doe will create a final PowerPoint presentation with no fewer than 20 slides explaining the various concepts he learned about over the course of the semester, and documenting the projects he worked on. John Doe will also be responsible for compiling a representative portfolio of items marked above as "*deliverable*" to be presented to the faculty advisor at the time his final assignment is due.

Reading Assignments

A significant portion of the reading assignment for this internship will be articles and reports related to the four industries, material which John Doe will be tasked with finding himself as part of his industry research (see first bullet point under "M&A Assignments"). In addition to those industry-specific readings, John Doe is expected to read the following:

Week 1 (January 16-19)

"Company Valuation Methods." *Valuation and Common Sense*. Pablo Fernandez. IESE Business School: 2014.

Week 2 (January 22-26)

No required reading.

Week 3 (January 29 – February 2)

"Cash Flow Valuation Methods." *Valuation and Common Sense*. Pablo Fernandez. IESE Business School: 2014.

Week 4 (February 5-9)

"Valuation Using Multiples." *Valuation and Common Sense*. Pablo Fernandez. IESE Business School: 2014.

Week 5 (February 12-16)

No required reading.

Week 6 (February 19-23)

"Do You Know Your Cost of Capital?" *Harvard Business Review*. Anil Shivdasani and Michael Jacobs.

Week 7 (February 26 – March 2)

No required reading.

Week 8 (March 5-9)

No required reading.

Week 9 (March 12-16)

No required reading. UNC spring break.

Week 10 (March 19-23)

“Value of Tax Shields.” *Valuation and Common Sense*. Pablo Fernandez. IESE Business School: 2014.

Week 11 (March 26-30)

No required reading.

Week 12 (April 2-6)

No required reading.

Week 13 (April 9-13)

No required reading.

Week 14 (April 16-20)

No required reading. Final presentation due April 20st.

Term of Program

The internship will coincide with UNC’s Spring semester.

John Doe will devote 10-15 hours per week to the internship, including weekly meetings with Jacobs Capital staff (MD, VP, or Analyst, depending on the current assignment at the time). With the exception of these weekly meetings and some conference calls or other in-person meetings, John Doe’s assignments may be done remotely.