

Upcoming Chapter Events

A key value proposition of membership is the Networking opportunities offered to enrich your M&A network, increase dealmaking, and advance your career. AM&AA offers Chapter events throughout the year that are held in-person or virtually. These events include expert speakers or panelists and are organized by local Chapter leaders.

[Register For The Next Chapter Event Near You Or Online!](#)

March 15, 2022

8:00–10:00 a.m. ET
Tampa Bay Chapter – Unifying Business Communities in Florida
Feat. Mark Wilson, Florida Chamber of Commerce

March 17, 2022

6:00–8:00 p.m. ET
South Florida Chapter– Networking Social

March 23, 2022

7:30–9:00 a.m. MT
Arizona Chapter Event – A Process for Assessing & Growing A Culture of Accountability



AM&AA MidMarkettalk

BROUGHT TO YOU BY THE ALLIANCE OF M&A ADVISORS

WINTER 2022

Note from Chris Blees.

The AM&AA went through a transition of leadership a little over two years ago, and I was asked to serve as the first Chair of the new Advisory Council. We held our winter conference in Scottsdale, Arizona in January 2020, led by David Asmus as your Conference Chair. At the time, we didn't know that might be the last in-person conference most of us would attend for over a year. Since then, I'm sure many of us can point to disappointing transaction failures and delays. But hopefully many of us can also point to unprecedented rebounds, activity, and successes as the capital markets have proven to be resilient. Today all the stats indicate we are more active than ever.

We head into 2022 with renewed hope and with most M&A measurements at record levels. Private capital is ready to deploy. Business owners are seeking exits. Public markets have not only re-bounded but are also setting records. There may not be a better time to be an M&A Advisor!

I hope that those of you who attended the 2022 Winter Conference in Charleston were able to meet many of the more than 300 M&A leaders that scheduled over 900 meetings. We celebrated past successes and made plans for a prosperous 2022. It was a great time to network, learn from industry leaders, and make new friends. My 2-year term as Advisory Council Chair has just concluded. David Asmus has begun his term as my successor and is ready to take the organization to the next level.

I look forward to seeing you at the Summer Conference!

Thank you,

Chris Blees

Chair Emeritus, AM&AA Advisory Council
President & CEO, BiggsKofford
AM&AA Member Since 2003



DEAL CORNER

Deal Sourcing

AM&AA members have access to deal sourcing through the Deal Corner platform. Deal Corner offers AM&AA members buy and sell side deal listing exchanges through a circulation of over 40,000 M&A professionals.

[Promote your deal opportunities and view the latest listings in Deal Corner.](#)

Organizational Alignment & Succession Planning in the Great Upgrade Era

By Megan McIver

It is no secret that companies continue to face an ever-evolving challenge of addressing the needs of retaining and recruiting talent. Movements like the great-upgrade (formally known as the

Continued on page 7

Are Generic Storage Solutions safe for secure file storage?

By Kathy Olson

Our industry has seen an unprecedented number of transactions in the past year. Coupled with the fact that many of us are now working remotely and virtually, you might be wondering if online file storage sites like Google Drive are safe for your

Continued on page 11



Is Now Virtual

May 3 – June 2, 2022



May 3, 2022

How Deals Get Done

(CPE: 4 Specialized Knowledge)
9:00 a.m.–1:30 p.m. CT

May 5, 2022

M&A Process & Best Practices

(CPE: 4 Specialized Knowledge)
9:00 a.m.–1:30 p.m. CT

May 10, 2022

Strategic Buyer Process

(CPE: 4 Specialized Knowledge)
9:00 a.m.–1:30 p.m. CT

May 12, 2022

Financing: Growth & Acquisition

(CPE: 4 Finance)
9:00 a.m.–1:30 p.m. CT

May 17, 2022

Business Valuation for M&A

(CPE: 4 Specialized Knowledge)
9:00 a.m.–1:30 p.m. CT

May 19, 2022

Financial Analysis, Transaction Structuring, and Relationship to Transaction Pricing

(CPE: 4 Specialized Knowledge)
9:00 a.m.–1:30 p.m. CT

May 24, 2022

M&A Legal Issues

(CPE: 4 Taxes)
9:00 a.m.–1:30 p.m. CT

May 26, 2022

M&A Tax Considerations

(CPE: 4 Business Law)
9:00 a.m.–1:30 p.m. CT
March 22, 2022

May 31, 2022

Due Diligence in M&A

(CPE: 4 Specialized Knowledge)
9:00 a.m.–1:30 p.m. CT

June 2, 2022

Investment Banking Structuring Techniques

(CPE: 4 Specialized Knowledge)
9:00 a.m.–1:30 p.m. CT



www.amaaonline.com/cmaa/

Contact Kat Hoke at khoke@amaaonline.com or 312.856.9590

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New Member Highlights

AM&AA is proud to have the following M&A professionals join our community.
[Update your member profile and include your photo and bio to be included in future member highlights.](#)



Jordyn Arons

National Practice Director, Private Equity and M&A
IMA Financial

Jordyn joined IMA in October 2021 as National Practice Director, Private Equity and M&A. Jordyn's role represents IMA's commitment to helping Private Equity clients by providing deep industry knowledge and expertise, unique solutions, and strategic advice to meet their specific needs. Jordyn has more than 12 years of experience in the insurance industry and has worked extensively within the Private Equity space. Before joining IMA in 2021, Jordyn was a Senior Account Executive with Willis Towers Watson's M&A team based out of Dallas. Jordyn began her career as an International Underwriter for CNA based out of New York City.

www.imacorp.com

Jordyn.Arons@imacorp.com



Vincent Cirel

Managing Director
Pivotal Technologies, LLC

Respected C-suite technology, engineering, and operations executive with 20+ years experience in multiple sectors, large global public corporations, and private equity portfolios. Accountable for operational turnarounds, mergers & acquisitions, IPO preparation, leadership development, strategic planning, information security, and financial optimization for \$12B+ organizations. Advisory board member for graduate MBA / MIS programs and frequent guest lecturer for UNLV and other organizations/events.

Intentionally Left Blank
vincent@pivotaltech.tech



Ronald L. Edmonds

Managing Member
Principium Capital, LLC

Merger & Acquisition advisory focused on the lawn, landscape, tree care, snow removal, vegetation management and facility services sectors. We serve clients throughout the United States and, occasionally, internationally. We closely track private equity investment in our vertical markets.

<https://principiumgroup.com>

redmonds@principiumgroup.com



Jeff Escuder

CEO
Third Hat Consulting

Third Hat Consulting is a deal advisory firm for Investment Banks, Business Brokers, and Private Businesses specializing in maximizing value in Mergers & Acquisitions engagements, processes and transactions. Our services cover the entire corporate finance engagement lifecycle with a focus on engagement structuring and negotiation, go-to-market NDA processing, fee disputes, payoff letters, and middle-market focused risk advisory consultative services. Our focus allows us to move clients through engagement negotiations faster and often on better financial terms than achieved by consulting with other traditional advisors with a broader focus. Our level of experience in this niche allows us to, typically, provide services on a fixed fee basis. Our fixed fee NDA AutoPilot service provides outsourcing of go-to-market NDAs; relieving the burden on both corporate finance advisor and transaction counsel typically associated with reviews, revisions, and resolutions of NDAs.
www.thirdhatconsulting.com
jescuder@thirdhatconsulting.com



Elyse Gonzales

VP
Live Oak Bank

I have been in SBA lending for 10+ years but recently moved to Live Oak bank which will allow me to provide M&A financing above the SBA \$5MM maximum.

www.liveoakbank.com

elyse.gonzales@liveoak.bank



Jennifer Hurst

Chief Operating Officer
Adonis Partners

Jennifer has over 20 years of professional experience, spanning corporate functions such as Information Technology, Product Development, and Operations. Currently, Jennifer is the COO for Adonis Partners, a management consultancy helping organizations create value through business excellence. In her 12-year tenure at Nielsen, Jennifer led global teams at Nielsen responsible for driving Performance Excellence, including Business Process Improvement, Program and Change Management, Performance Metrics, Learning, Organizational Effectiveness, and Product Development in Emerging Technologies. In these roles, Jennifer partnered closely with Nielsen's global leadership team to drive a unified focus on critical priorities with a consistent approach to drive operational and organizational excellence, delivering an annual ROI exceeding 10X.

www.adonispartners.com

jennifer@adonispartners.com



Ram Jeyaraman

CTO
DataCaliper

Ram Jeyaraman has over two decades of experience building and managing large enterprise IT applications. Ram founded DataCaliper in 2008 and has built several innovative products of which a few have been acquired. He's currently the Chief Technology Officer at DataCaliper where he's leading technology projects for its customers and has helped DataCaliper receive consecutive business awards the last four years. Ram is passionate about software and technology and loves to help customers.

www.datacaliper.com

ram.jeyaraman@datacaliper.com



Michael Kabiri

Managing Member
Transworld Business Advisors

I own Transworld Business Advisors in the South East and Central South Carolina. Our business goal is to be community-minded and offer best in class service to our clients. These services include valuation and accurate pricing of a business, an extensive amount of advertising, personal contact with each buyer, referring financing partners and options if the buyer needs it, and managing and staying engaged from the listing of the business to closing the sale. All of this is done with complete confidentiality for our listing clients.

www.lowcountrybusinessbrokers.com

mkabiri@tworld.com

New Member Highlights (continued)



Terry Keating

Managing Partner
DJKS Holdings

Corporate Director/Professional Board member, consulting, and advisory services. Currently serving as Director of a private equity owned commercial finance company and Senior Advisor to independent private equity sponsor focused on the aerospace sector. Over 30 years of strong leadership and operational knowledge and expertise developing "best practices" necessary for success serving as the leader | advisor in the financial services sector. Known for ability to build networks and develop market presence. Grows businesses through strategic development, enhanced market presence and internal team building. Speaks frequently at industry conferences, webinars, and seminars, has been frequently quoted by the media and written numerous articles related to the financial services industry. Served as an expert witness and provided testimony in criminal and civil matters.

Intentionally Left Blank
tkeating@djks Holdings.com



Lynn Lednický

Partner
Newport LLC

C-Suite executive and advisor with extensive Board experience. Twenty-plus years of strategic, commercial, operational and financial expertise with both public and private companies. Extensive interaction with public and private investors, lenders, regulators, and boards of directors. Focused on capturing opportunities at the intersection of economics, engineering/technology, and public policy.

www.newportllc.com
lynn.lednický@newportllc.com



Dylan Loch

Director, Business Development
Paro

Paro connects our network of 1,200+ pre-vetted, US-based consultants with clients in need of additional support. We white-label our talent to professional services firms to solve their utilization crunch and deliver more value to their clients.

www.paro.io
dylan@paro.io



Joel Frederick McGuire

CEO, Managing Partner
McGuire Law Firm, Inc.

Lawyer, investor, and business consultant who performs M&A deals and supports the M&A deals of clients and partners through two businesses utilizing an array of skillsets: (I) McGuire Capital Investments performs private equity and M&A transactions by buying, revitalizing, consolidating, and selling small to medium size businesses, and provides exit-strategy based business consulting and M&A services to business owners to enable them to scale up and profitably exit through private sale. (II) The McGuire Law Firm provides transactional, private equity, and securities law services to business clients and fund managers, helping the former with M&A transactions and the latter with formation and compliance. I have a law degree from Northwestern University School of Law. I'm a certified business consultant through the Value Builder organization founded by John Warrillow and also the Business Made Simple organization founded by Don Miller. I have a leadership and management background through serving in two combat zones in the Middle East and Balkans as a U.S. Army Ranger officer.

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joelm@mcguirelawfirm.net

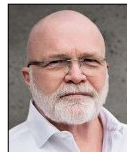


Doreen H. Morgan

CEO and Managing Director
Sunbelt Atlanta

Doreen has been a Sell-side advisor on lower middle market mergers, acquisitions, and main street business sales for more than 15 years. She owns Sunbelt Business Brokers of Atlanta, a Main Street and Lower-Middle Market sell-side advisory firm based in Atlanta, GA. Proactive in strategic positioning with a solid track record as a skilled negotiator, she has closed more than 200 transactions since 2005 and has represented clients in a multitude of industries including B2B Services, Healthcare, Education, Automotive Aftermarket, Security, Construction, Light Manufacturing, Textile Distribution, Restaurant and Retail. Before acquiring Sunbelt Atlanta, Doreen worked with a large International M&A Firm/Investment bank and early in her career, she worked the corporate sell-side for an internationally recognized franchise organization with a portfolio of five QSR food concepts.

www.sunbeltatlanta.com
dmorgan@sunbeltatlanta.com



Russell Murphy

Partner
Flatiron Law Group LLP

I am a partner in the Flatiron Law Group. I have over 30 years' experience in corporate transactions with emphasis on M&A and corporate finance at all transaction sizes.

www.flatiron.legal
rmurphy@flatiron.legal



David Nissen

CEO
Summit Strategic Solutions, LLC

Healthcare consultant and advisor focused on sell side advisory in the behavioral healthcare sector.

www.summitstrategic.biz
david@summitstrategic.biz



Rakesh Parikh

Investment Banker
Pivot Capital LLC

Strategic Advisory background relating to M&A, Investment Banking and Capital Raises. Strong Business valuation, due diligence
www.pivotcapitalllc.com
rakesh@pivotcapitalllc.com

New Member Highlights (continued)



Mike Scheiner

Founder
Scheiner Integrated Brand
Consultants Inc.

Who We Are:

As a strategic brand and digital marketing partner to private equity, financial institutions, intermediaries, family offices, and legal transaction services, we provide solutions for early stage and lower-middle-market B2B and B2C companies that are distressed or have become stagnant in the marketplace by re-energizing their purpose against an actionable strategic brand marketing roadmap with an objective of increasing the value of a transaction by unifying it under one clear voice, vision and mission. How We Do It: We focus on delivering ROI through an integrated digital plan designed to spur long-term growth and to achieve liquidity or an acquisition target. We do this by intertwining strategy with messaging, branding and content that is ownable and actionable in addressing the immediate and long-term business objectives that create momentum and maximize exit strategies.

www.scheinerinc.com
mike@scheinerinc.com



Rod Skidmore

Managing Director
U.S. Bank M&A Escrow

Business development director in Corporate Trust, focused on trustee & escrow related services to M&A, SPACs, P.I.P.E.s, 1031s, 363 bankruptcy and paying agent work.

www.usbank.com/investment-services/global-corporate-trust/escrow-solutions.html
rod.skidmore@usbank.com



Kate Soto

Partner
Mirus Capital Advisors

I'm a partner with Mirus, a middle market investment banking firm in Massachusetts, and have spent most of my career in investment banking. I have closed dozens of deals across technology, industrial, and business services sectors. I work on sell-side, buy-side, financing, and valuation engagements.

www.merger.com
soto@merger.com



Tim Michael Sperling

VP of Business Development,
Corporate Finance
RB Gold & Associates

Team member and Business Development leader, corporate finance division, for boutique M&A firm/multi-family office, RB Gold in Scottsdale. Practiced law in a business law firm for 25 years. Retired member of State Bar of AZ and Law Society of British Columbia. Always do win-win deals and get them over the finish line. Married with 2 adult children and 2 grandkids. Love business and life.

www.rbgold.com
tim@rbgold.com



Gennea Noelle Squire de Torres

Principal Consultant
Cadre Talent Consulting

I work with businesses specifically in talent planning. When new leaders acquire teams and organizations, one of the first needs is to get talent in the right positions to maximize the organization's human capital strengths. I have numerous styles of facilitating and identifying organizational bench strength that are customized to the culture and needs of each organization.

www.cadretalent.com
gennea@cadretalent.com



Mark Tedford

Managing Director
Valley Ridge Investment Partners

Co-founded an independent sponsor to invest in lower middle market family-owned, founder-led industrial products and services companies with \$4 - 12mm in EBITDA. We have two deals under our belts at \$25mm and \$85mm purchase price respectively and have developed a sound network of family offices, PE firms and HNW individual financing partners. We understand and respect the deal process and time lines and work diligently to maximize certainty of close and effect a smooth ownership transition.

<https://valleyridgeip.com/>
mark.tedford@valleyridgeip.com



Anja Timmerman

Founder & Principal Consultant
Agility PMI LLC

Anja founded Agility PMI LLC in 2012 to serve as a force multiplier for growing organizations utilizing her project and program management, client services, and award winning revenue production experience. Agility PMI leverages Anja's diverse career at small startups and Fortune 500 companies in software, technology, healthcare services, and business process outsourcing. We serve as operational partners for our clients providing outsourced project and merger integration management office, audit & compliance, and operational transformation services.

www.agilitypmi.com
anja@agilitypmi.com



Benjamin Tobin

Associate Attorney
Silverman Schermer PLLC

Benjamin is a corporate transactional associate at Silverman Schermer PLLC who's practice is primarily devoted to mergers and acquisitions. Benjamin is a graduate of Florida State University (B.A.) where he studied finance and marketing, and the University of Georgia School of Law (J.D.).

www.silvermanschermer.com
ben@silvermanschermer.com

New Member Highlights (continued)



Jeffrey B. Wiley

Principal
Intyllus Advisors, LLC

Presently performing valuations of privately held, middle market companies for gift and estate planning, divorce proceedings, buy-sell agreements, transactions, and dissident shareholder situations. Also, provide support for both buy-side and sell-side mergers and acquisitions, including, but not limited to: due diligence engagements, negotiation support, financial statement modeling and cash flow forecasting, and valuation determination.

www.intyllus.com
jwiley@intyllus.com



Blake Williams

SBA Relationship Manager
The Bank of Tampa

I've been in banking for almost 10 years, and most recently as an SBA officer here at the Bank of Tampa. As a commercial loan officer, I've previously helped local business owners while at Wells Fargo & Suncoast Credit Union. At TBOT, we specialized in owner managed businesses, with a focus on financing business acquisitions in the Tampa Bay market.

www.bankoftampa.com
bwilliams@bankoftampa.com



Dustin Wing

Vice President
Commerce Street Capital

Dustin Wing is a Vice President in the Corporate Investment Banking group at Commerce Street Capital, LLC. Mr. Wing serves in an execution role for the team on both sell-side and buy-side M&A transactions, and capital raises. He is responsible for running deal processes and executing transactions. Mr. Wing oversees development of marketing materials, identifying and working with potential buyers and sellers, financial analysis and assisting clients with development of projections. Prior to joining Commerce Street, Mr. Wing was President and owner for twelve years of Parts Headquarters which provided heavy-duty and automotive parts to commercial, fleet, and industrial customers

through its locations in the Texas and Oklahoma panhandles and southwest Kansas. Mr. Wing spent eight years at Bank of America and Banc of America Securities, first as an analyst in Healthcare Portfolio Management, then as an associate in Loan Syndications and advancing to Vice President in the Leveraged Acquisition Finance group which was principally focused on providing fully committed financing to private equity firms during leveraged buyouts. Mr. Wing serves as a Director for Bank of the Panhandle in Guymon, OK.

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www.sterlingcommercialcredit.com

karen@sterlingcommercialcredit.com

great resignation), more flexible work-life balance, and shifts in power dynamics between employers and employees are forcing leaders to evaluate and implement human capital practices and policies in creative new ways.

Currently, 46 percent of Middle Market Executives rank talent management as the second most important internal challenge over the next 12 months (Source: The National Center for the Middle Market. "2Q 2021 Middle Market Indicator: An Uneven Recovery as Some Companies Excel While Others Continue to Struggle"). As a management consulting firm, Dietrich Partners has witnessed and worked with clients to address the high priority of key issues including employee turnover, ineffective leadership, inconsistent communication, and skills gaps of current teams. The result is long overdue conversations around the value of Organizational Design, Succession Planning, Understanding the Employee Experience and Change Management.

Organizational Design

"We've been so myopically focused on getting through the pandemic, I'm not sure we have the right people in place to implement a high-velocity growth strategy in certain markets." (CEO, Food Manufacturing Company)

When the pandemic hit, leaders were forced into crisis mode overnight, often requiring an "all hands-on deck" mentality. What was meant as a band-aid solution to address the immediate need, in some cases, has remained the status quo almost two years later leaving executives to question if they have the right people in the right places doing the right things. As we collectively catch our breath and adjust to living life in an endemic state, it is time for executives to firmly evaluate their organization's structure.

By resetting expectations of individual roles, coupled with an evaluation of the skillsets required within each role, companies can better align individual employees to the roles that will best suit their skillsets. Through

this process, leaders are also able to identify areas of deficiencies where they may need to provide additional training or conduct external recruiting to meet a specific need.

Succession Planning

We've all heard stories of leaders who say, "I'll retire in the next 5 years". Yet somehow, that timeline seems to reset each year only extending the timeframe for transition. While properly planning for C-level succession is key, it is a common misconception that succession planning only applies to the person in the corner office. Effective succession planning incorporates all critical roles within the company.

Many companies felt the

skill needed within both current and future leadership.

Understanding the Employee Experience

"I have learned that when you have the right people in your organization, retention isn't just about the money. People want to be paid what they think they are worth, but they also want recognition, they want to see their career path (money, responsibility, titles) laid out for them with crystal clarity, and they want to enjoy coming to work every day, which is a combination of being passionate about they are doing and the relationships they build with people they are doing it with." (Matt Joblon, CEO at BMC Investments)

This sentiment is shared by

Change Management

While change management has historically been viewed as a "nice to have" in the eyes of many executives, leaders are now seeing the value in change management programs. Driven by employees for increased transparency and consistent communication, change management has proven critical to the success of implementing new habits, procedures, and ways of life within an organization.

Over the last 6 months, Dietrich has seen an increased demand for outsourced change management services as executives seek an objective resource to provide a range of tools, training, and communication materials, given it can be difficult for leaders themselves

Leaders should view succession planning as a living, breathing, evolving plan – similar to an effective strategic plan.

effects of poor succession planning as over 3 million retirees left the job market in 2021. This accounts for nearly half of the missing workers in the labor market, leaving companies to scramble to find replacements and ensure transfer of institutional knowledge.

(<https://www.bloomberg.com/news/articles/2021-10-22/covid-early-retirees-top-3-million-in-u-s-fed-research-show>)

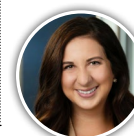
Leaders should view succession planning as a living, breathing, evolving plan – similar to an effective strategic plan. By outlining a course of action for a one (1), three (3), and five (5) year outlook, leaders can guide a conversation around organizational structure that aligns with company growth, internal development needs, and external recruiting needs.

Combining clear succession plans with leadership coaching and development, companies can better address hard and soft

many of Dietrich's clients. Leaders continue to provide competitive compensation packages, but also understand the value of an individual employee's experience. Mapping the life cycle of an employee – from first contact through retirement – provides a detailed understanding of where companies shine and where there are potential areas of improvement. This activity often brings to light aspects, both positive and negative, that would otherwise not be expressed by employees. Items like reducing unnecessary administrative work, updating their workspaces (at home or in-office), providing creative benefits to fuel passions, and implementing "breakfast with the boss" programs are all examples of how companies can elevate the employee experience. The key is to listen to the unique needs of your employees and act on the items that are feasible to implement.

to implement this change given their day-to-day responsibilities of leading the business. These outside resources not only bring best-in-class methodologies from a range of industries, but they also provide the discipline and accountability required for successful delivery.

People make companies who they are. As the world continues to evolve into a "people first" mentality, it will become increasingly important for leaders to be proactive with their strategies, policies, and planning around human capital. Leaning on a combination of internal teams, external consultants, and best practices, leaders are able to create multi-faceted approaches to address the issues at hand in attracting and retaining their talent.



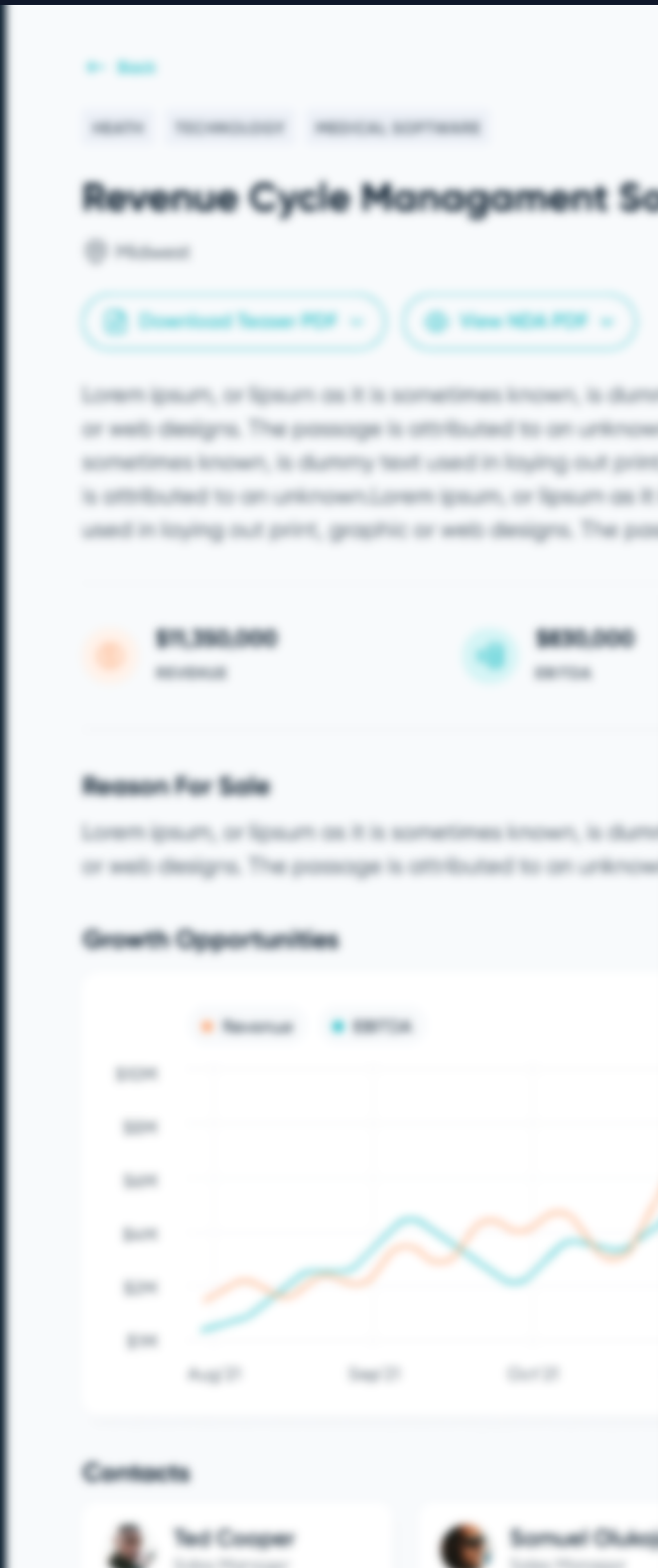
Megan McIver
Director of Client Services
Dietrich Partners

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Email info@amaaonline.com with your interest and topic.



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Web 3.0 M&A: Will it be here sooner than you think?

by Russell Murphy

Imagine yourself, as a trusted advisor assisting a client in selling a company, speaking with a new prospective buyer. They have told you they want to send a letter of intent with an attractive offer to acquire your client. However, there's just one thing: the buyer company uses blockchain (aka "distributed ledger") recordkeeping, decentralized finance, and smart contracts in transactions as much as possible, and they would like to conduct this acquisition using these capabilities. Are you prepared to respond knowledgeably to this request?

Cryptocurrencies, decentralized finance applications, and smart contracts are all part of the category of "Web 3.0" technology innovations that we think will rapidly change how people do business. The cryptocurrency phenomenon is still relatively new, but already the combined value of the top 10 cryptocurrencies is, as of this writing, currently valued at \$2 trillion.ⁱ One exchange has predicted that in 2025 the value of all cryptocurrencies will be \$3 trillion.ⁱⁱ

You might be noticing more frequent media reports that national, state and local government entities, international banking firms, and global investment funds are all building cryptocurrency capabilities. Decentralization is a central tenet of Web 3.0 and is promoted by proponents to eliminate the need for banks and traditional payment systems; however, the reality is more likely that the institutions will adapt to these technologies and thus help facilitate the adoption of a much broader global audience.

To participate in Web 3.0 M&A transactions, professionals need to understand how these capabilities alter our traditional way of managing a transaction. Advantages of smart contracts and cryptocurrency-based corporate transactions will be nearly immediate execution of transactions upon satisfaction of specified conditions written into smart contract code, all recorded to an immutable ledger, with full transparency to the participants.

Preparation of M&A documents involving Web 3.0

technologies will require careful attention to the use of new nomenclature in drafting terms and conditions and the mechanics of closing transactions. Perhaps you will soon be expected to understand how executable code can be merged with a text-based document.ⁱⁱⁱ We expect these methods to become commonplace over time and make permanent changes in our respective professional practices.

Let's look at some of the ways Web 3.0 will start to show up in the M&A process.

Payment and form of consideration.

If it hasn't happened already, I predict that in 2022, an M&A transaction will use cryptocurrency as the specified consideration to be paid. It is hard to argue that the Bitcoin network is not capable of substantial transactions with minimal delay and low transaction costs. For example, a recent Bitcoin transfer of \$850,000,000 took place with a few keyboard clicks and a transaction cost of 93 cents. The funds were immediately available to the recipient.

Planning to receive cryptocurrency in substantial transactions will require preparation for receiving the proceeds and making necessary disbursements after closing. It might not make sense to convert 100% of the proceeds into a fiat currency. Depending on the stakeholders' interests, funds can be retained in the original transmitted form or quickly converted to other cryptocurrencies or into USD or EUR. As a result, major banking entities are introducing cryptocurrency custodial services in partnership with Web 3.0 technology companies.^{iv} We expect these services to begin to be important in M&A transactions.

Documenting cryptocurrency as the transaction consideration will require additional language

in the documents. Generally, parties are free to specify any form of consideration. However, if price volatility concerns either the buyer or seller, the agreement may require Exchange Rate or Dollar/ Currency Equivalent provisions. The language of existing provisions of this type can be repurposed to accommodate a cryptocurrency marketplace that trades 24/7. The parties may also agree to include a predefined trading range or period to allow for a volatility buffer and post-closing adjustments price adjustments.

Another disruptive change to transaction documentation will be substituting a cryptocurrency wallet address in the place of a bank account and wiring instructions. A wallet address will be required as the destination for the transfer of consideration at closing. The highest degree of care will be necessary to assure that the wallet address is accurately stated, most likely through an officer's certificate.

two authorized parties to access. Proof that the wallet address and private keys are linked to the parties to the transaction is possible via several alternatives now. We anticipate that certificates of verification of the wallet address will become as routine as the issuance of an incumbency certificate is today.

Decentralized acquisition financing

Decentralized finance ("DeFi") currently generates great excitement in the cryptocurrency trading and speculation markets. Automating algorithmic transactions through smart contracts and near-instantaneous settlements are feeding an explosion of innovation. Most DeFi lending protocols today are used to facilitate cryptocurrency trading. However, the bridge between financing real-world assets ("RWA") with decentralized finance protocols is taking shape. Recently a bitcoin mining operation raised \$60 million to finance

To participate in Web 3.0 M&A transactions, professionals need to understand how these capabilities alter our traditional way of managing a transaction.

The certificate will be highly confidential and redacted from any disclosures of the Stock Purchase Agreement or Agreement of Merger for security reasons.

It will be incumbent on the lawyers and authorized corporate representatives to verify that the wallet address is accessible only by the appropriate parties. These will be multi-signature wallets, requiring at least

their operations. A German company, Centrifuge GmbH, has teamed up with the AAVE protocol to provide pools of RWA that can be funded through staking AAVE tokens for yield. Some of the current pools include trade finance instruments and revenue share agreements.^v The amount involved, about \$1,000,000 as of December 29, 2021, is relatively modest, but they have only just

launched.vi The critical takeaway is that the connections between RWA and Defi have been made and will only grow from here. As with every financial innovation, once the larger financial institutions get comfortable with the technology and the regulatory framework, it may be only a short time before M&A buyers and sellers begin to accept Defi-based financing in the ordinary course of business.

Blockchain-enabled entity formation

Sometimes in a transaction, an entity needs to be formed to hold assets or facilitate the acquirer's liability containment strategy. The entity may have a limited existence, as in an assignment for the benefit of creditors, or a perpetual one. Where the entity is unlikely to have any changes in ownership, simple LLCs formed on blockchain applications may be used. The ability to quickly create a legal entity, and prove existence with nearly instantaneous effect, can be a handy tool in a closing.

Beginning in 2017, Wyoming began adopting pro-cryptocurrency and blockchain legislation. vii They have amended their LLC

statute to allow crypto wallet addresses to serve in place of a named person as a member. Using crypto wallet addresses will simplify Web 3.0 companies' formation because companies and their lawyers can use smart contracts to create entities customized to facilitate transactions. For example, at least one company has worked with the State of Wyoming to promote the formation of limited liability companies on the blockchain with a decentralized application. The company claims that a legally formed LLC can be created for less than \$40 and in only six seconds.viii

How many creative ways these new entity formation options can be used remains to be seen. But, for lawyers advising clients, these new entities would create new challenges if the entities involved must be the subject of "status, power, and action" opinions, including whether traditional approaches for validating the status, power, and authority for actions for blockchain-based entities are suitable for the task.

What's next?

These are just the beginning of the developments that we

predict will transform the M&A process. Significant sports stars, city mayors, and movie theater chains are announcing their acceptance of cryptocurrency compensation. With institutional capabilities increasing daily, our professions will undoubtedly be seeing announcements from early adopters willing to apply newly developed techniques for transaction management.

The developments described here are just the beginning of changes we will see as M&A dealmakers adopt Web 3.0 technology. With the greater acceptance by corporate finance professionals and corporate transaction use cases, powerful transformations of business processes are possible.

In a follow-on post on this topic, I will discuss other disruptive Web 3.0 developments that are likely to begin making appearances in M&A transactions as the technology gains acceptance.

The views expressed herein are solely those of the author. They should not be construed as legal advice, and the suitability of any such matters discussed for a particular transaction should not be assumed without the advice of legal counsel. Any

reference to a company or product is solely for illustrative and informational purposes and is not an endorsement or recommendation of such a company or product. None of the opinions expressed herein should be construed as investment advice. As is regularly stated in writings that are crypto-related, DYOR (Do Your Own Research)!

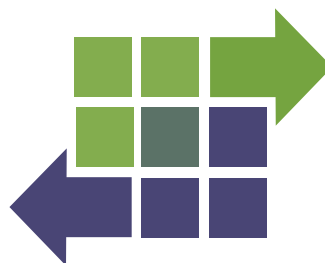


Russell Murphy is a partner in the Flatiron Law Group's Emerging Companies and Venture Capital

practice based in Silicon Valley. Russell brings over thirty years of experience working in private practice and as outside general counsel, advising innovative companies in the software and hardware, wireless/ IoT, and eCommerce spaces through their lifecycle—from formation and launch through critical milestones to exit. Russell supports clients across a broad range of transactions, and he has a focus on the intersection of law, business technology, and data, providing transaction counseling and strategic advice to multidisciplinary founder teams.



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company. Services like Google Drive are secure to some extent, but these sites were developed for convenience and ease of use when it comes to file sharing. Although they are familiar and commonly used, these sites may not be the right fit when it comes to the security of your client data or transaction.

A Virtual Data Room (VDR) is a digital vault that prioritizes security in ways that Google Drive, Dropbox, or other file sharing sites may not. These file-sharing sites may be appropriate for sharing some files related to your transaction, but they don't meet the security standards established by the Financial Industry Regulatory Authority (FINRA). Rather than trying to make a judgment about which documents should be shared securely, you could use a digital vault for all your file-sharing needs. This approach can help ensure you are taking the necessary steps to protect client data and other vital information needed to facilitate your transaction.

A VDR also allows you to control permissions when it comes time for another internal member or an external contractor to review documentation. A virtual data room can provide any level of permissions you could want to utilize for sharing with internal members of your team, or external contractors. As an advisor and fiduciary, a digital vault offers assurance that you are meeting the highest standards for ensuring your client information is protected.

A Virtual Data Room aligned with Customer Relationship Management (CRM) can offer both security and ease of use. This combination can provide secure collaborative spaces in addition to intuitive controls, a customized dashboard, and dynamic lists. An ideal CRM should allow you to safely and securely manage client data.

A robust and effective CRM should also allow you to match your buy-side or sell-side coun-

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terparties, including funding sources. While this kind of integration can result in time saving efficiencies during the transaction, data-security should remain a priority. The VDR can provide two-factor authentication for all authorized users. This provides the highest level of security that prevents the theft of confidential information from you, your employees and clients.

A combined VDR and CRM can save time for all involved in a transaction. For example, authorized users can have a one or two-click reporting solution that makes reporting to limited

partners and clients efficient and secure. Custom templates serve to further increase efficiency through the automation of workflow and processes.

The secure Virtual Data Room Difference — advantages over other file-sharing services:

- Unprecedented Support: At all times, a Data Room with a professional and knowledgeable staff will keep an eye on your content, providing tech support at any time day or night, all by just picking up the phone or chatting with us. Even with the higher echelons of Google Drive ac-

counts, you may not receive that level of support.

- Granular Permissions-Security-FINRA Compliant: On individual files and documents, a user with Vault Rooms can specify what level of security they want to utilize. That means you can watermark a file before sharing it, restrict printing and downloading, or require two-factor authentication for file viewing.
- Onboarding Assistance and Customizations: From a Data room you can make sure that your account is set up to best suit your organization, with customizations and white label branding. As well as a process for Onboarding regarding populating the Data Room and getting Admins up to speed allowing business to move forward.

Vault Rooms Features and Solutions

Vault Rooms leads the secure digital vault industry in ensuring businesses can operate online with the confidence that important documents are safe. There is no limit to which criminals will go to steal your information and harm your business, so shifting into a more secure platform using a secure vault will pay dividends in the long term.

At least some level of remote work is here to stay. At the same time, the risk of a breach of confidential data has never been higher. Falling victim to hacking, phishing, or a leak by an unwitting contractor can be prevented. Take charge of your digital security and fight back against those who wish to act criminally. You can take steps to streamline your transactions and ensure that client files and confidential documents are protected.



Kathy Olson
Director of Sales & Marketing
Vault Rooms

Interested In Sponsoring Opportunities?

Contact Mark Norman at mark.norman@thefivestar.com.

The background of the entire advertisement is a black and white photograph of a business meeting. In the top right corner, a person's hands are visible holding a smartphone over a tablet. In the bottom left corner, a person's hands are typing on a laptop keyboard, with a smartphone and pens resting on the desk nearby. The text is overlaid on this background.

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