

Private Equity

module 5, 2019

Dmitry Alpin
dalpin@nes.ru

Course description

Private Equity (PE) course will explore the issues of a formation and running a PE fund, PE deals execution (companies screening, valuation, due diligence, structuring and closing), ways to create a value to investors that a central to PE industry.

This course would be useful for students pursuing a career in an area of principal investments in private equity fund, venture capital fund, pension fund, corporate, family office or a bank

Course requirements, grading, and attendance policies

Participation

Mandatory and conditional to be graded is a full and timely participation in all classes

There is a strong anticipation that every student will actively participate and make a qualitative contribution to class discussion

Home assignments

Home assignment # 1 should be uploaded to my.nes not later than May 17 16:15

Home assignment # 2 should be uploaded to my.nes not later than May 31 16:15

Home assignment # 3 should be uploaded to my.nes not later than June 14 16:15

Home assignment is delivered individually, maximum 10 points each

Cases

Case #1 should be uploaded to my.nes not later than May 31 16:15

Case #2 should be uploaded to my.nes not later than June 14 16:15

Case solution is delivered in groups, maximum 20 points each

Mini-quizes

15 min mini-quiz in the middle of class 2 and class 3

Mini-quiz is done individually, maximum 5 points each

Final exam

The final exam will be a take-home individual case assignment

The case solution should be upload to my.nes not later than June 23 23:59

Maximum 20 points for short case

A student can receive a maximum of 100 points whereby the eventual grades will be as follows:

Points	Grade
0-30	1
31-49	2
50-55	3-
56-60	3
61-66	3+
67-72	4-

73-77	4
78-83	4+
84-89	5-
90-94	5
95-100	5+

Course contents

Class 1 (May 18, 16:15-20:15)

PE course orientation session

PE players in Russia

Trends in PE industry

Career prospective in PE

PE find structure, Limited Partners (LP), General Partners (GP), PE fundraising,

GP remuneration, PE fund economics, PE fund performance

Class 2 (June 1, 16:15-20:15)

Lecture on a legal aspects of structuring the transaction regarding a new private equity fund formation, joining an existing venture fund, financing the GP and LP's share buyout

The information will be presented by a guest speaker –

Sergey Salikov, Director at M&A Department, Legal Department, Gazprombank.

Principles of the due diligence of a company

Principles of deal structuring and rights protection of private equity investors

Class 3 (June 15, 16:15-20:15)

Ways to create a value in PE

Main valuation techniques used in PE

PE exits

Statistics on a return in PE industry

Description of course methodology

- 1) Individual home assignments
- 2) Cases studies from the leading business schools
- 3) Lectures and problem-solving exercises
- 4) Moderated class discussions

Course materials

Required textbooks and materials

A Note on Valuation in Private Equity (download link will be available at my.nes)

The Basics of Private Equity Funds (download link will be available at my.nes)

Note on Private Equity Fundraising (download link will be available at my.nes)

Private Equity Exits (download link will be available at my.nes)

Primer on Multiples Valuation and Its Use in Private Equity Industry (download link will be available at my.nes)

Optional materials

Inside Private Equity: The Professional Investor's Handbook by James M. Kocis, Bachman IV, James C., et al.

Investment Banking: Valuation, Leveraged Buyouts, and Mergers and Acquisitions by Joshua Rosenbaum, Joshua Pearl, et al.

Breaking Into Wall Street online courses <https://breakingintowallstreet.com>

Financial Modeling by Simon Benninga

Academic integrity policy

Cheating, plagiarism, and any other violations of academic ethics at NES are not tolerated