



The University of Texas School of Law and
The Association of Insolvency & Restructuring Advisors (AIRA)
present



VALCON:

LEGAL AND FINANCIAL PERSPECTIVES ON BUSINESS VALUATIONS & RESTRUCTURING

12.25 Hrs of CLE Credit Including .5 Hr of Ethics

Credit for Accountants and Financial Advisors: 15.0 Hrs of Credit Including .5 Hr of Ethics



March 3–4, 2005
Four Seasons Hotel Las Vegas
Las Vegas, Nevada

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THURSDAY MORNING, MARCH 3, 2005

Presiding Officer:

Professor Grant W. Newton,
Pepperdine University, Medford, Oregon

7:30 a.m. Registration Opens

Includes continental breakfast.

8:20 a.m. Welcoming Remarks

Kaaran E. Thomas and Grant W. Newton

8:30 a.m. .83 hr

Real Options, Valuation and Chapter 11: New Frontiers

Traditional valuation approaches are often difficult to apply to the valuation of the equity of financially distressed firms. This presentation describes how, by recognizing that the equity of a firm is an option on its assets, we can obtain useful insights regarding the value of equity claims and how a firm might be restructured to increase the value of the equity. It will illustrate the use of real options, that modify the payouts to debt and equity, as a means of valuing the claims on the cash flows for a firm operating under Chapter 11.

Tom Copeland, Monitor Group,
Cambridge, MA

9:20 a.m. .5 hr

Valuation Expert and Legal Counsel: What Each Needs to Know About Each Other's Discipline

A discussion of the factors that will provide for effective representation by the valuation expert and counsel in dealing with business valuation issues.

Professor Grant W. Newton, Pepperdine
University, Medford, OR
Evelyn H. Biery, Fulbright & Jaworski L.L.P.,
Houston, TX

9:50 a.m. .67 hr

Valuing and Rating Distressed Debt—Part 1

This two-part panel discussion covers the valuation of the debt in a troubled operating company, including the perspectives of the rating agency; the perspective and strategies of purchasers of distressed debt; issues relating to distressed debt secured by real property, including related valuation and environmental issues; and special legal and restructuring considerations.

Moderator: Jay Krasoff, Chiron Financial Group,
Houston, TX

Ben Barnett, Deloitte & Touche LLP,
Dallas, TX

Donald F. Barrickman, Republic Financial
Corporation, Aurora, CO

William H. Chew, Standard & Poor's Credit
Market Services, New York, NY

Stephen M. Pezanosky, Haynes and
Boone, LLP, Ft. Worth, TX

10:30 a.m. Break

10:45 a.m. .5 hr

Valuing and Rating Distressed Debt—Part 2

Continuation of distressed debt panel discussion.

11:15 a.m. 1.0 hr

Advising the Board In the Zone of Insolvency

A panel discussion of what advice management should receive from counsel when companies enter the "Zone of Insolvency."

Richard G. Mason, Wachtell, Lipton, Rosen &
Katz, New York, NY

Hon. Bruce A. Markell, United States Bankruptcy
Court, District of Nevada, Las Vegas, NV

**M
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This course has been approved for Minimum Continuing Legal Education credit by the State Bar of Texas Committee on MCLE in the amount of 12.25 hours, of which .5 credit hour will apply to legal ethics/professional responsibility credit. MCLE credit available nationwide. CPE credit available for accountants and financial advisors.

THURSDAY AFTERNOON

12:15 p.m. Buffet opens

1:00 p.m. .5 hr

Please select on registration form.

Sponsored Thursday Luncheon Presentation: The Emerging Economic Environment for Bankruptcy

Dr. Carl E. Steidtmann, Deloitte Research,
New York, NY

1:30 p.m. Break

2:00 p.m. - 3:45 p.m. CONCURRENT SESSIONS

Track A: Legal Perspectives

2:00 p.m. .5 hr

Valuing Intangibles

A discussion of the current factors considered by courts in valuing various types of general intangibles.

David E. Leta, Snell & Wilmer L.L.P.,
Salt Lake City, UT

Bryan Benoit, Standard & Poor's Corporate
Value Consulting, Houston, TX

2:30 p.m. .5 hr

A Lawyer's Guide to "Cost of Capital" and Its Application To Bankruptcy

A primer on the meaning and calculation of "cost of capital" and its use and misuse in Chapter 11 cases.

Michael H. Goldstein, Stutman, Treister &
Glatt, P.C., Los Angeles, CA

3:00 p.m. .75 hr

Comparing Apples and Oranges: Buying and Selling Companies—Monetizing Elements of Different Asset Purchase Agreements

A discussion of methods used to quantify and negotiate the "intangible" benefits of a contract.

Joel R. Ohlgren, Sheppard, Mullin, Richter
& Hampton LLP

2:00 p.m. - 3:45 p.m. CONCURRENT SESSIONS

Track B: Financial Perspectives

2:00 p.m. .5 hr

Cost of Capital

A discussion of recent research and issues and how alternative models are affected.

Roger Grabowski, Standard & Poor's
Corporate Value Consulting, Chicago, IL

2:30 p.m. 1.25 hr

Evaluating Risk Factors on Emergence from Bankruptcy

A panel discussion of how execution, operational, liquidity, business cycle, and small company risks, as well as the risk associated with high operational or financial leverage are captured in the valuation of a company emerging from Chapter 11.

G.R. Christon, FTI Consulting, Dallas, TX
Tracy Gopal, Giuliani Capital Advisors LLC,
Atlanta, GA
Jim Langdon, Moore & Van Allen PLLC,
Charlotte, NC
Bernard Pump, Deloitte & Touche LLP,
Chicago, IL

3:45 p.m. Break

4:05 p.m. 1.5 hr

Accessing Capital Markets: How to Find Sources of Capital for Troubled Companies

The panel will discuss the current trends and markets for debt and equity for distressed assets and companies with an emphasis on the perceived valuation, valuation risks and opportunities. Included in this session will be a comparison of lending and investment practices between healthy and distressed situations, capital sources available in different circumstances, and surveys of capital providers to distressed and Chapter 11 debtors.

How important are valuation reports and under which circumstances? What valuation methodologies fit which investment or lending situation? What type of lenders/investors fit best into distressed situations and industries?

Moderator: Robert E. Ogle, Huron Consulting Group, Houston, TX
Kevin F. Cross, Cerberus Capital Management, Los Angeles, CA
James D. Decker, Houlihan Lokey Howard & Zukin, Atlanta, GA
Mitchell Drucker, CIT Group, Inc., New York, NY

5:35 p.m. Adjourn to Reception

FRIDAY MORNING, MARCH 4, 2005

Presiding Officer: Kaaran E. Thomas,
Beckley Singleton, Chtd., Las Vegas, NV

7:30 a.m. Registration Opens

Includes continental breakfast.

8:00 a.m. 1.0 hr

Emerging Valuation Issues and Their Practical Application in Court

The effect of current accounting/SEC changes on cash flow and market multiples; cost of capital; terminal value; troubled companies; reorganization value; and premiums and discounts.

Thomas Blake, Charles River Associates, Inc., Boston, MA
Professor Richard Ruback, Harvard University, Boston, MA

9:00 a.m. Break

9:10 a.m. .5 hr

Till and its Ramifications for Valuing A Payment Stream In Cramdowns

A discussion of the recent Supreme Court Case, *Till v. SCS Credit Corporation*, 124 S.Ct. 1951, 158 L.Ed.2d 787, (2004) by Eric Brunstad, head of the team of attorneys representing the lender.

G. Eric Brunstad, Jr., Bingham McCutchen LLP, Hartford, CT

9:40 a.m. 1.25 hr

Current Developments and Future Prospects: Assessing the Airline Industry's Wager on its Future—A Roundtable Discussion

As the brochure for VALCON II went to press at Thanksgiving 2004, ATA, United and US Airways were in Chapter 11 reorganization with uncertain future prospects; Delta was attempting to avoid bankruptcy; Air Trans, America West and Southwest were embroiled in a distressed M&A battle to consolidate control of Chicago Midway; and the entire industry was bracing for an uncertain winter marked by continuing high fuel costs, unprecedented reductions in revenue streams for trophy routes and increased competition from low-cost carriers.

Moderator Jack Butler leads a star cast of financial advisors and investment bankers advising the airline industry in a recap of the developments of 2004 and the first quarter of 2005, followed by discussion of the "prosper or perish" wagers laid on the line by legacy and low-cost carriers alike. (continued)

9:40 a.m. Panel:

Moderator: John Wm. ("Jack") Butler, Jr., Skadden, Arps, Slate, Meagher & Flom LLP, Chicago, IL
Thomas J. Allison, Corporate Advisory Services, Huron Consulting Group LLC, Chicago, IL
Timothy R. Coleman, The Blackstone Group, New York, NY
David S. Kurtz, Lazard Freres & Co. LLC, Chicago, IL
John E. Luth, The Seabury Group LLC, New York, NY
Daniel G. Montgomery, Kroll Zolfo Cooper LLC, Roseland, NJ
Jonathan Rosenthal, Saybrook Capital, LLC, Santa Monica, CA
Todd R. Snyder, Rothschild, Inc., New York, NY

10:55 a.m. Morning Break—full breakfast buffet

11:15 a.m. .75 hr

What really is a "Comparable" Company?

How do we define comparable companies? What adjustments should be made? What should you know about this approach before you rely on a valuation?

Thomas E. Lumsden, FTI Consulting, Inc., San Francisco, CA
Paul S. Aronzon, Milbank, Tweed, Hadley & McCloy LLP, Los Angeles, CA

12:00 p.m. .5 hr ethics

Current Issues for Legal and Financial Professionals—Retention, Indemnification, Privilege and Other Topics

A discussion of important issues that financial professionals engaged by a bankruptcy estate must take into account in anticipation of or during the representation.

Shai Y. Waisman, Weil, Gotshal & Manges LLP, New York, NY
Marcia L. Goldstein, Weil, Gotshal & Manges LLP, New York, NY

12:30 p.m. 1.0 hr

Merging and Acquiring Troubled Companies

The panel will discuss legal and financial issues involved in the decision to merge or acquire troubled companies.

Marcia L. Goldstein, Weil, Gotshal & Manges LLP, New York, NY
Harvey R. Miller, Greenhill & Co., LLC, New York, NY
Robert Parrino, The University of Texas at Austin, Austin, TX

1:30 p.m. Adjourn

HOW TO REGISTER

The University of Texas
School of Law
Attn: CLE – VA05
P.O. Box 7759
Austin, TX 78713-7759

WEB: www.utcle.org

FAX: 512-475-6876

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Course Binders

Conference registration includes a course binder of articles, sample forms and planning strategies—a resource guide you'll refer to all year.

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The VALCON Conference presentations are available on CD. Listen to the entire conference or individual sessions at your convenience.

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Group CLE

Would your firm like to run an in-house version of this conference, with full participatory MCLE credit? Order Group CLE and we'll accredit the course for you; we'll also provide an Audio CD Set for the group and a Course Binder for each participant.

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REGISTRATION FOR VA05

Mail this registration form to:

The University of Texas School of Law, attn. VA05
P.O. Box 7759, Austin, TX 78713-7759
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REGISTRATION

Includes Course Binder.

☐ Early Registration Fee due by Wed., Feb. 16, 2005 \$595.00

☐ Registration Fee after Wed., Feb. 16, 2005 \$695.00

ADD LUNCH:

☐ Sponsored Thursday Luncheon with Carl Steidtman \$5.00

CONFERENCE PUBLICATIONS AND MEDIA

Allow 2-4 weeks from the conference date for delivery.

☐ Course Binder \$250.00

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☐ Audio CD Set \$225.00

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Top Ten Reasons to Attend VALCON:

10. The Venue: The Four Seasons Las Vegas offers first-class business amenities and sits atop the Mandalay Bay Resort—steps away from the best in Las Vegas nightlife.

9. The Weather: High and dry (that's OUTSIDE the casinos). The humidity averages a low 22%, and even on very hot days there is usually a breeze.

8. The Entertainment: Sample the finest shows befitting the name "entertainment capital of the world." Be sure to call early to get tickets for your favorite entertainer or show.

7. The Shopping: More people visit Las Vegas to shop than for any other purpose. Las Vegas is a premier shopping destination with magnificent shopping centers just a few blocks from the Four Seasons Hotel.

6. The Location: If you're the outdoor type, rent a car and spend the weekend at Death Valley, the Grand Canyon or Yosemite—all just a few hours drive. Or ski at the Mount Charleston Ski Resort, which is 45 minutes from the strip.

5. The Food: The finest restaurants in the world are within a three-mile radius!

4. The Materials: Conference materials will be provided or reviewed by Fellows of the American College of Bankruptcy and the Association of Insolvency and Restructuring Accountants.

3. The Education: You will learn the latest valuation issues and techniques from the country's leading experts.

2. The Faculty: The best and brightest from around the country.

1. The Networking: A unique opportunity to meet and get to know some of the best professionals in the business—lawyers, judges, restructuring accountants, financial consultants and appraisers—in a relaxed, fun and intimate setting.

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LAS VEGAS

March 3-4, 2005

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(subject to availability)

Overnight Parking \$11.00

KEY DATES

Registration and Cancellation

February 16, 2005, 5 p.m. • last day for early registration
add \$50 for registrations received after this time

February 25, 2005, 5 p.m. • last day for full refund

February 28, 2005, 5 p.m. • last day for partial refunds
\$50 processing fee applied

March 3, 2005, 8:30 a.m. • conference begins

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The Association of Insolvency & Restructuring Advisors

The Association of Insolvency and Restructuring Advisors (AIRA) is a nationwide not-for-profit organization serving the needs of business turnaround, restructuring and bankruptcy practitioners. Membership consists of accountants, financial advisors, attorneys, workout consultants, trustees and others involved in insolvency and bankruptcy matters. The Association of Insolvency and Restructuring Advisors is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit.

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