

IACVA®

The International Association of Consultants, Valuers and Analysts

The Association



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The International Association of Consultants, Valuers and Analysts (IACVA)

WORLDWIDE BUSINESS VALUATION SUPPORT

The International Association of Consultants, Valuers and Analysts (IACVA) is the first and only international association established to provide worldwide support to professionals who perform business valuations and valuations of intangible property of all kinds. IACVA, an affiliate company to the National Association of Certified Valuation Analysts (NACVA), was formed to facilitate the proliferation of enterprises similar to NACVA throughout the world by establishing Charters in various countries who, like NACVA, provide services to support the valuation community.

The National Association of Certified Valuation Analysts (NACVA) is the largest accrediting and educational association in the United States for business valuation professionals. IACVA's affiliation to NACVA gives it the ability to organize and support the international valuation community due to the wealth of experience and resources the association brings to the table. Over the last fifteen years, the National Association of Certified Valuation Analysts has been organizing the U.S. valuation community through the development of:

1. Certification programs—NACVA's most widely known credential is the Certified Valuation Analyst (CVA). Of their 6000 members, 4500 have obtained this designation.
2. Educational programs—NACVA currently offers over 60 courses on different valuation topics through a subsidiary known as the Consultants' Training Institute (CTI), where NACVA members are also able to take training in litigation support, intellectual property valuation, economic modeling, and fraud prevention/detection from leading U.S. consultants and organizations with whom the CTI partners.
3. Research services—Through another subsidiary known as the Center for Economic & Industry Research, LLC[®] (formerly the CEIR), NACVA is able to provide a wealth of information and databases to members to assist in their research needs.

The Center conducts topical as well as economic research that includes producing industry, metropolitan, country-specific and comparable company studies for inclusion by valuers and business consultants in their reports.

4. A network of information—NACVA has harnessed under one roof most of the resources a valuer would rely upon to efficiently produce more complete and thorough valuation reports. These resources include having identified and made available (where feasible): software, books, articles, independent and government studies, white papers, exposés, court case law, databases, software, topical and industry experts, and essentially all the necessary resources to support quality in your performance.
5. Networking opportunities—IACVA Charters have created an incorporated into their curriculum country-specific information about valuation practices and methodologies. Charters also enjoy a unique opportunity to network amongst each other worldwide.

BENEFITS OF IACVA MEMBERSHIP

NACVA's substantial experience and depth supporting valuation practitioners provides the backbone to create an association such as IACVA. Drawing from the respective and complementary strengths of seven Charters worldwide, including NACVA, IACVA offers individuals and organizations an association affiliation assured of providing value to enhance opportunities in the valuation arena. Membership in IACVA is available to individuals through our Charters.

Certification Program

Besides providing substantial technical resources and a network of professionals—mentors—helpful in building member's practices, IACVA offers many other benefits to members—most particularly IACVA's credentialing program, leading to the designation of Certified Valuation Analyst (CVA). To earn the credential one must meet certain prerequisite requirements, complete a prescribed training program and pass a rigorous certification exam. To carry the credential, CVAs must maintain membership in IACVA and fulfill periodic recertification requirements. The CVA credential is a statement to the users of your services that you meet the minimum requirements for competency and professionalism, as established by IACVA—an international accrediting body. Membership in IACVA,

along with your certification, is an attestation of your commitment to quality in the performance of valuation services and adherence to ethical and professional standards as set forth by the Association.

Bimonthly Magazine

In addition to certification, another benefit of membership in IACVA is an annual subscription (bimonthly) to *The Value Examiner*® magazine (published by NACVA) to be used for professional development. The *Examiner* features substantive articles worthy of adding to your library. Each issue features four to six articles usually drawn from the following categories:

- Business Valuation Theory and Practice
- Valuation of Intangible and Intellectual Property
- Litigation Matters
- Valuation Court Case Law
- International Valuation Issues
- Marketing/Practice Development
- Valuation Industry News
- New Areas of Opportunity for the Consultant:
 - How to Leverage into Other Services
 - Fraud Prevention and Detection
 - Strategies for Building Company Value

Support Services

Other Association benefits, some of which require a fee, include:

- A program of professional development made available through seminars (live and online), conferences, symposiums, and self-study courses
- Guidance on standards of professional practice
- Valuation referral services where names, addresses and phone numbers of certified members are provided to prospective clients seeking services and facilitated through an online membership directory
- Information, consulting, library and research services available through the Center for Economic and Industry Research, LLC, at www.KeyValueData.com and as provided by our 250-member Mentor Support Group (MSG)
- Seminars for members to use in presentations to attorneys, business owners and professionals in their community
- Online services designed to assist members in their research and provide quick access to various exclusive databases and support services
- An advocate and promotional program to identify and respond to members' professional interests and bring greater awareness of the Association and its credentialed members to the

international legal, business and professional communities

- Member surveys taken to provide insight and feedback to all members
- Valuation Reports Library and various other reference materials
- Prepackaged, easily customizable, websites for members' use as collateral support promoting their business valuation services
- Discounts on purchases of training and product offerings of the Association
- Business valuation analytical and report writing software products designed to increase efficiency and thoroughness and improve work product quality
- A compilation of valuation, litigation and fraud books, publications, software and reference sources—the online *Technical Resource Database (TRD)*
- Peer review available through our Quality Enhancement program (QE)—Case Analysis by Phone™, Case Analysis in Person (CAP) or the Quality Enhancement Questionnaire (QEQ)
- Professional networking and affiliation opportunities through an annual conference, an online Chat Room, and a directory of members entitled *Credentialed Member Directory*
- A web-based lecture series on timely topics of high interest to the professional community made available for very reasonable prices, providing easily accessible and quality Continuing Professional Education (CPE)

CRITERIA FOR OBTAINING THE CVA DESIGNATION

To qualify for the Certified Valuation Analyst (CVA) designation, at a minimum* the applicant must:

1. Have a college degree and hold an unrevoked and valid license issued by the legally constituted state or country authority to practice public accounting. The Certified Public Accountant (CPA), Chartered Accountant (CA), and Chartered Public Accountant (CPA) designations are currently recognized by IACVA and known throughout the international community. There may be other qualified country-specific accounting designations, and we ask that applicants submit to us background information on such designations along with their Application for Certification (which is separate from the Membership Application); or

Alternatively, those who do not meet the above prerequisite requirement can qualify if they: hold a business degree (i.e., management, economics, finance, marketing, accounting, or other business field), MBA (Masters in Business Administration), or higher business degree from an accredited university, or hold a Chartered Financial Analyst (CFA), Certified International Investment Analyst (CIIA), Certified European Financial Analyst (CEFA) designation, and can demonstrate with business references or attestations from previous employers and/or partners substantial experience in business valuation. For this purpose, “substantial” means:

- a. Two years or more full-time or equivalent experience in business valuation and related disciplines (such as merger and acquisition work, securities analyst for a major brokerage concern, economic loss analysis, etc.); or
 - b. Having performed ten or more business valuations in which the applicant’s role was significant enough to be referenced in the valuation report or a signatory on the report; or
 - c. Being able to demonstrate substantial knowledge of business valuation concepts having: published works on the subject, completed graduate work in the field, or obtained accreditation from another recognized business valuation accrediting organization.
2. Be a member in good standing with IACVA;
 3. Recommended only: Complete a five-day training program and course of study as prescribed by the Association;
 4. Submit three personal and three business references;
 5. Pass an eight-hour comprehensive two-part proctored examination. Part I is a four-hour proctored exam that consists of multiple choice questions designed to test participants on concepts taught during the five-day program and in the recommended reading materials. Part II is a four-hour proctored exam using a case study (provided by IACVA) that requires answering questions centered around the performance of a valuation. Both exams can be taken in one sitting or separately and are administered in your community, using an independent exam proctor located near you (contact IACVA headquarters for details). Both exams must be taken within a 12-month period of time. Through 2006, applicants have two alternative options to taking Part II of the exam. The first option is to submit for grading an actual sanitized (so as to protect yours

and your client’s identity) valuation report prepared in the last 12 months. The second option is drafting a valuation report based on a sample case study provided by the Association. The first option will remain available through 2007, after which all applicants must take both Parts I and II of the proctored exam.

To hold an active CVA designation, individuals must maintain current membership with IACVA. CVAs who allow their membership to lapse will lose their certification and must reapply to become certified if they later choose to reinstate their membership.

* With approval from IACVA, Charters may impose additional prerequisite criteria as deemed appropriate given demands and expectations of practitioners in a specific country as driven by the users of valuation services therein.

CVA—RECERTIFICATION REQUIREMENTS

CVA designees are required to obtain 60 hours of professional education in each five-year period in business valuation or valuation-related applications starting with the first full calendar year after the year the designation was received.

Evidence of compliance means attesting to which courses—or parts of courses taken—meet the requirement. IACVA has not defined specific approved courses, but any course or conference with business valuation, valuation, litigation or appraisal in its title would clearly apply. There will be gray areas, i.e., courses having some application to business valuation or related applications. We ask members to use their best judgement to determine compliance and the applicable hours to report. IACVA reserves the right to request more specific proof or evidence of course attendance and content, upon which a full determination can be made as to actual compliance with our professional education requirement.

Recommended CVA Training Requirements

Business Valuations: Fundamentals, Techniques & Theory (FT&T) is the cornerstone of IACVA’s training and certification program. This two-day curriculum has been the foundation for valuation professionals worldwide (over 12,000 to date) for fifteen years and provides the framework which future professional development can be built. FT&T offers insight into every facet of valuation theory, taking you from the fundamentals of the valuation process through the advanced techniques in current use. Many participants say as a stand-alone course, it surpasses all their previous business valuation training combined.

Some topics covered include: constructing and analyzing economic/normalized financial statements, performing a comparative analysis, comparing IAS and U.S. GAAP standards, selecting proper income, estimating future earnings, distinguishing and converting pre-tax and after-tax rates (because taxes apply in many nations), allocating components of value, selecting and applying the proper valuation method, how and when to select marketability and minority discounts, and preparing a business valuation. An important component of the FT&T course is coverage of one of the more challenging aspects of the valuation process—the development of capitalization and discount rates in a global environment. This part of the course will show you how to avoid common pitfalls in determining these rates. Though many consider capitalization/discount rates an art, you will learn it is rapidly evolving into a science.

In addition, it is highly recommended candidates take three other courses that build upon the concepts taught in FT&T, they are:

One Day

- Business Valuations: Applications and Calculations of the Income and Asset Approaches

One Day—Two Parts

- Business Valuations: Case Analysis—The Market Method
- Business Valuations: Case Analysis—Application of Discounts and Premiums

One Day—Two Parts

- Case Study: Facts to Conclusion
- Corporate Valuation—Theory and Application

Excellent training for valuers of all levels of experience, IACVA's CVA training is a one-of-a-kind program that will show you the range of options when approaching the valuation process, including how and when the various combinations of methodologies should be applied. This program will enlighten you to the complexities surrounding the process, help you understand the issues related to empirical evidence, or the lack thereof, and give you a solid appreciation of the strengths and weaknesses of the various approaches. A laptop computer is recommended.

Other Recommended Reading

It is also suggested that applicants read “Quantifying Marketability Discounts” by Z. Christopher Mercer, and “Intangible Assets—Valuation and Economic Benefit,” by Jeffrey A. Cohen.

Establishment of Charters

IACVA will only confer its CVA designation upon candidates who are members of their respective country Charter. In the event that a Charter has not

been established in the applicant's country of residence, NACVA has agreed to confer the successful candidate with its U.S. specific AVA or CVA designation pending the establishment of a Charter in the member's country. Until then, the accredited member will comply with NACVA Standards. Upon establishment of the Charter, the designee will tender NACVA's AVA or CVA designation, whichever is awarded, for the IACVA CVA designation and abide by the terms and conditions established by their country-specific Charter.

Country-Specific Training

Candidates who pass the two-part exam are expected to take, or participate in, as part of their continuing education requirement within the first three years of their five-year recertification cycle, a course, or process, addressing aspects of the valuation process that are driven by influential and authoritative bodies or groups within the applicant's country. These authorities can be governmental agencies, federal or state courts, or self regulating bodies such as the Financial Accounting Standards Board (FASB) in the U.S. Each country will likely have country or state-specific elements that affect one's approach in valuing a local enterprise or component parts of an enterprise. These elements are critical in the valuation process. If a country-specific training course is not available, one alternative could be to have the applicant perform personal research in this area and present to the Charter a 750 to 1500-word essay showing the results of such research and the impact of local influence on the valuation process. Each Charter defines the specific process in which their members should participate which could be one of the processes above or another process as the Charter determines.

PRICES FOR IACVA PROGRAMS

Annual Membership Fees*

Professional Membership

(required if you are pursuing the CVA designation)—US \$400

Associate Membership

(not pursuing the CVA designation)—US \$185

Academic Membership

(not pursuing the CVA designation)—US \$95

Charter Membership

Price varies—(call +1-801-486-0600 for details or email IACVA at iacva@iacva.org)

(Organizations, firms or individuals can join IACVA as a Charter Member, allowing them to collect local member's dues at their own established rates and receive many privileges available to Charters through IACVA affiliation. Charter Members dues vary based on certain parameters.)

* Annual dues are subject to change by a vote of the IACVA Board of Directors.

Certification Fee

CVA Exam—both parts—US \$495 (includes grading fees, there may be a separate fee for proctoring services.)

PROGRAMS/PRODUCTS/SERVICES

Center for Economic & Industry Research, LLC[®]
(formerly CEIR) **Annual Subscription Fee to KeyValueData.com**

IACVA Members: US \$275 annually

Non-Members: US \$395 annually

The Value Examiner[®] Annual subscription: US delivery US \$195, International delivery in electronic version only US \$195 (included free with IACVA membership)

Business Valuation Manager[™] Pro Software v2.4—
Single User: US \$795, Multi-User: US \$1275

Business Valuation Manager Pro (BVM Pro) has quickly become the preeminent business valuation software as users have found it far more sophisticated than anything on the market today. Featuring seamless integration with Microsoft[®] Excel, the availability of working trial balance type adjustments, and the capacity to upload a variety of databases (sold separately), BVM Pro has dramatically streamlined the value determination process. With the introduction of version 2.4, users now enjoy a multitude of features unparalleled in other valuation software alternatives. Best of all, BVM Pro v2.4 will interface with NACVA's new business valuation Professional Reports Writer[™] (PRW) (sold separately) that will cut report writing time in half by accessing data from BVM Pro v2.4 and automatically hot linking appropriate text, numbers, tables, and charts into a Word document.

Self-Study Training Program

IACVA's CVA training program is available in self-study. For details and pricing please call IACVA.



Individual Membership Application

Please complete the information below (Print or Type): Name and Address exactly as you wish it to appear in the International Member Directory, on IACVA's website at www.iacva.org, and on your Membership Certificate. **To better serve you, IACVA requests a curriculum vitae be submitted along with your application.**

Sponsoring Charter through which this application is being made (country): _____

Name: _____ Male Female Age: _____

Designations currently hold: _____ Date: _____

Name of Firm/Company: _____

Address: _____ City: _____

State/Province: _____ ZIP/Postal Code: _____ Country: _____

Tel (including area/country code): _____ Fax: _____

E-mail: _____ Position/Title in Firm: _____

Website URL: _____

EDUCATIONAL INFORMATION: *Briefly describe your educational background, focusing on your highest level (include any licenses).*

BUSINESS HISTORY: *Briefly describe your employment history for the past five years.*

BUSINESS VALUATION BACKGROUND: *Briefly describe your business valuation/litigation consulting experience.*

CHECK THE APPLICABLE OPTION: *(Payable by Check or Credit Card) *Annual dues are subject to change*

Professional Membership Dues: US \$400*

Associate Membership Dues: US \$185*

Academic Membership Dues: US \$95*

PAYMENT METHOD: (US dollars only)

Check #: _____ Charge to my: AMEX VISA MasterCard Discover Diners Club

Credit Card Number: _____ Expiration Date: _____

Signature of Applicant[†]: _____ Date: _____

[†] *Your signature will authorize IACVA/NACVA to confirm the above information via e-mail and/or fax, if necessary and authorize IACVA/NACVA to use either medium for future communication. IACVA/NACVA will not disclose or share this information with third parties to secure confidentiality.*

Applicant agrees to abide by the rules governing this Association and its members and agrees to hold IACVA/NACVA harmless from any claims arising from or related to membership.

**RETURN APPLICATION AND APPLICABLE DUES
TO YOUR SPONSORING CHARTER OR TO:**

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