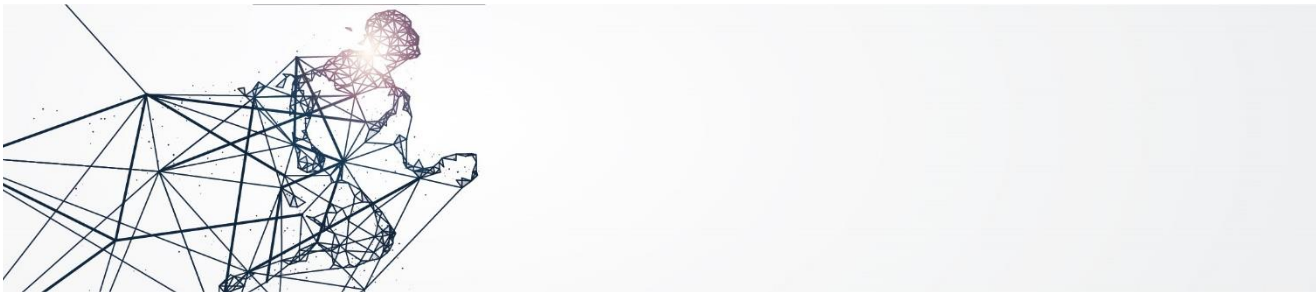

CEO-PRENEURSHIP SUMMIT 2018 I *Global CEO Alliance Club*

CEO of Today & Angel Investor of Tomorrow: Transitioning CEOs to angel investors to fuel economic development

20 February 2018, Istanbul

The World Business Angels Investment Forum (WBAF) has launched a Global CEO Alliance Club to prepare CEOs as qualified angel investors. WBAF believes that if we can give CEOs an opportunity to learn the basic principles of angel investing, the world economy will benefit greatly. A CEO-turned-angel investor can contribute to economic development by investing in start-ups, thus helping create new jobs, social justice and new wealth for economies — even after they retire.

In this context, WBAF sees filling the know-how gap of CEOs as an important social responsibility and invites CEOs join our global efforts to ease access to finance by becoming a member of the Global CEO Alliance Club. The World Business Angels Investment Forum is taking the initiative to create an international platform to support the transitioning of today's CEOs to tomorrow's qualified angel investors.

As a first step in this mission, WBAF is hosting the first CEO-Preneurship Summit on 20 February 2018 at the Swissotel The Bosphorus in Istanbul.

Only full members of the Global CEO Alliance Club Members are eligible to attend. Members will have a special code for free registration. You will also receive a free 2-day pass to attend other events at the World Business Angels Investment Forum Annual Conference 2018.

15 **The CEO debate: How relevant is a CEO background in starting a business?**

Starting a new business and managing a business require different skills. CEOs of multi-million-dollar companies have excellent experience in managing businesses. But what is the relevance of their management skills when it is time to invest in a start-up? How can they benefit from their CEO background to make the right decisions when investing in start-ups? How can they unlock the power of their networking to accelerate the start-up businesses they invest in? In this session, CEOs will attempt to define the pros and cons of their professional background for early stage investment markets.

16 Challenges and opportunities of turning CEOs into angel investors

CEOs are human power with a good collection of management skills and a wide network. Entrepreneurs too are human power, but their strengths are in creative thinking and an independent working style. The two different mindsets will come together with a common goal: scaling a business and creating a global success story. Assuming that most start-ups have no management background, what obstacles are waiting for CEOs? How can you create a common language with a start-up? What should you expect from entrepreneurs once you have invested in their business? What opportunities present themselves when you invest in a start-up as a former CEO? This session will discuss the challenges and opportunities waiting for CEOs-turned-investors. Given the importance of corporate venture capital (CVC) for scaling up new businesses, what sort of opportunities are there for former CEOs to help connect star-ups with CVC?

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17 How can CEOs benefit from changing public policy? Supporting the supporters of entrepreneurs vs supporting entrepreneurs directly

It is rewarding to see that governments around the world have understood the importance of angel investment for boosting their economies. During the Presidential Summit on Entrepreneurship in 2010, then-President Obama's response to concerns raised by WBAF about making available public grants for entrepreneurs was promising. Many governments, particularly in Europe, offer generous tax incentives for angel investors. The UK and Turkey have already passed angel investment legislation to support such a system. A number of Middle East countries, particularly in the GCC, have discovered the angel investment system and are keen to pursue it because, among other key reasons, it is 100% compatible with Islamic investment principles. In fact, in May 2016, the Islamic Development Bank included angel investment on its list of recommendations for consideration at its annual conference in Jakarta that year. The public policy trend in the world today is about supporting 'supporters of entrepreneurs', instead of directly supporting entrepreneurs. Public policy wants to benefit from the know-how, the network, and the mentorship that angel investors can provide for its start-up citizens. In this session, in addition to hearing more about the global public policy trends in angel investment, you will hear about the official angel investor accreditation system in Turkey from the General Director of the Turkish Treasury. CEOs will discover how they can benefit from the tax incentives if they invest in start-ups in Turkey and how they can be eligible for accreditation as a Qualified Angel Investor by the government.

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18 The CEO perspective: Investing in the right team or invested by the right team?

Angel investors often make the mistake of 'picking the jockey, not the horse' when making decisions about where to invest. The issue is more complex than a simple binary choice. Hear a panel of successful angels compare their strategies for evaluating ABC teams and making decisions. In this session, CEOs who have already become angel investors will address questions such as the following: When a CEO considers an angel investment, how important is the background and personality of the CEO? What processes do CEOs favour for learning about the founder and the key team members? What percentage of the typical diligence effort should you spend on getting to know and evaluating the team? What kind of third party validation of the team should you seek, if any? They will also relate personal experiences, such as when a key member turned out to be different from what diligence indicated, such as what processes they have used post-investment for managing particular issues and opportunities with the team, and what plans they have for trying new processes or methodologies for pre- or post-investment management of team evaluation or coaching.

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19 The critical role of CEOs in accelerating the growth of new businesses: Connecting start-ups with corporate ventures

This panel discussion will discuss the critical role of CEOs in leveraging early-stage investment markets by positioning corporate ventures as a bridge between angel-backed investments and VCs/stock exchanges. The panel will discuss the benefits of increased involvement of corporate ventures in early-stage investment markets, where start-ups, scale-ups, high-growth businesses and SMEs will find early exit opportunities within their own market. Other challenging questions to be discussed: Which are the better bridges to IPO — corporate ventures or VCs? What do angel investors expect from corporate ventures and vice versa? Are stock exchanges more open to angel investors that are backed by corporate ventures or to corporate ventures backed by angel investors? How can CEOs take a more active role in connecting start-ups with corporate ventures?

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20 The importance of global networking for early exits

The biggest expectation of start-ups from their angel investors is to accelerate the exit process. But exits are the least understood aspect of investing and entrepreneurship. Very little has been written about exits; the emphasis is usually on starting, financing and growing technology companies. Most of the debates on exit strategies are directed towards business owners who want to retire. More recently, there have been a number of discussions and training sessions on exit transactions for venture capitalists. This is not surprising, considering that most venture capital (VC) agreements give the VCs full control to decide when and how all shareholders will benefit from an exit transaction. Exit opportunities have changed dramatically in the past few years, however. Today, it's more likely that a company will be sold without ever having an investment from a venture capitalist. Exits are also happening much earlier than before. Most exit transactions today are in the under $30-million valuation range. These exits are often completed only two or three years after start-up. The goal of this session is to discuss the importance of global networking for achieving more successful, more frequent and more profitable exits. How can CEOs develop a global network that will accelerate the exits of the businesses they invest in? If a CEO has no global network, is it a better strategy to invest as an angel group member, instead of investing individually?

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21 Which is better for CEOs? Investing in start-ups or investing in scale-ups? Putting less with more risk or putting more with less risk?

OECD statistics reveal that only 1.2% of start-ups are able to reach angel finance, and one in every ten scale-ups who has reached angel finance is able to create a success story. So, what could be take-home message from CEOs who are planning to make angel investment? Is it a better idea to focus only on start-ups with an opportunity of putting in less money with a lower success rate or is it a better idea to focus on scale-ups by putting a little bit more money with a higher potential success rate? Putting less with more risk or putting more with less risk? This session will also discuss how CEOs can mitigate risk in their first angel investments.

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22 **What is the value of CEOs in early stage equity markets?**

Most angels see themselves as ‘value-added investors’, meaning that they derive as much personal satisfaction from helping a new business owner as they do from contributing capital to the venture. Many were previously successful business owners. Angels bring with them ‘value added’ benefits including prior industry experience, valuable knowledge about business itself, an ability to mentor, creative ideas, and contacts. Angels who are valued beyond their financial contribution are more likely to assist start-ups in ways never imagined.

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23 **How to bring the CEO of a start-up and the CEO of a multi-million-dollar corporation to the same page**

Founding and growing an industry-transforming company is probably one of the hardest jobs anyone could ever do. There are no fixed rules in start-ups. Their mentors always seem to give them conflicting advice, and the books and blogs are so full of useful tidbits that it is hard to know what to prioritise. Sometimes start-ups find themselves staring into space wondering if they are working on the right things. On the other hand, CEOs of multi-million-dollar corporates do have fixed rules, and they know what they have to do. What, therefore, are the pros and cons of these two different types of CEO joining forces? How can we facilitate a learning process between these two different types of CEO? This session will be a good platform to hear more about important lessons learned by CEOs who have invested in start-ups.

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24 **Virgin investors: What should CEOs expect in their first angel investment?**

An experienced angel investor who was a CEO of a multi-million dollar corporate reported: ‘It turns out to be easier than I expected, and also more interesting. The part I thought was hard, the mechanics of investing, really isn't. You give a start-up money and they give you stock. You'll probably get either preferred stock, which means stock with extra rights like getting your money back first in a sale, or convertible debt, which means (on paper) you're lending the company money, and the debt converts to stock at the next sufficiently big funding round. There are sometimes minor tactical advantages to using one or the other. The paperwork for convertible debt is simpler. But really it doesn't matter much which you use. Don't spend much time worrying about the details of deal terms, especially when you first start angel investing. That's not how you win at this game. When you hear people talking about a successful angel investor, they're not saying "He got a 4x liquidation preference." They're saying "He invested in Google." That's how you win: by investing in the right start-ups. That is so much more important than anything else that I worry I'm misleading you by even talking about other things.’ In this panel discussion, you will hear the reaction to this position from a number CEOs .

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25 **Insights from former CEOs: Navigating opportunities in your new life after you retire**

In their retirement, corporate CEOs have more time to mentor start-ups, scale-ups, high-growth businesses and SMEs. They come with a good financial package and a vast network that they have built over the years. The only thing they may lack is know-how: they need to learn about the principles of investing in start-ups and about founding a company from scratch. By the same token, SME entrepreneurs and founders of start-ups need support in the form of mentorship, know-know, networking, and finance to grow their businesses. In this session, you will hear more about the experiences of former CEOs who have invested in start-ups. How can CEOs prepare themselves to be qualified angel investors in their retirement? How can they go on empowering world economies by investing in start-up businesses? How can they learn to be a qualified angel investor by taking minimum risk?