



EACVA

CVA Training and Certification Information CVA Candidate Handbook

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Introduction / About EACVA

European Association of Certified Valuators and Analysts ([EACVA](#)) is the largest business valuation association in Europe with more than 17 years of experience supporting the business valuation profession. EACVA is a VPO Member of the International Valuation Standards Council ([IVSC](#)) and the European Chapter of the National Association of Certified Valuators and Analysts ([NACVA](#)). EACVA has about 900 individual members from 15 European countries, having qualified over 1,000 business valuation professionals in Europe at the trainings for the most widely recognized and globally renowned business valuation credential CVA since 2005.

The Certified Valuation Analyst (CVA) designation serves to advise other professionals, prospective clients, and the community at large that the certificant has satisfied the Association's rigorous standards of professionalism, expertise, objectivity, and integrity in the field of business valuation.

Purpose of Certification

The examination and recertification process are designed to ensure a valuation practitioner who earns the CVA has the requisite skills and ethics to uphold the highest standard for competent practice in the business valuation profession. CVA's use established standards to estimate the economic value of businesses for purposes related to business purchases and sales, as well as disputes related to divorce litigation, taxes, partners' ownership interests, contested estates, and other purposes.

Benefits

The CVA training program delivers the most comprehensive and complete foundational training teaching to the international [The Core Body of Knowledge for Business Valuations](#) on how to value private & public business enterprises and prepares attendees to pass the CVA exam.

After completing this course, attendees will be able to

- identify the fundamental steps to valuing a business from beginning to end,
- identify an appropriate valuation method within the valuation approaches based on the specific purpose of value,
- recognize the differences in the various standards of value for businesses and the nuances of their application in a business valuation engagement, etc.

By achieving a CVA certification, you will gain credibility in the business community and will be able to demonstrate competency as a valuation professional. CVA credential will put you in a stronger position to better serve your clients.

Who Should Attend

Business valuation professionals, auditors, corporate finance consultants, investment managers, controllers, financial analysts and consultants, M&A consultants, lawyers, tax consultants, employees of companies whose business plan includes growth/change via acquisitions and/or divestitures; and anyone else who deals with business value in the course of his or her work.



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Schweinfurter Weg 58a • 60599 Frankfurt am Main • Germany

Web: www.EACVA.com • www.ValuationConference.de

Tel.: +49 (0)69 247 487 911 • Fax: +49 (0)69 247 487 912 • E-mail: info@cacva.de

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The Pathway to Achieve the CVA Designation in Europe

1. Study of the **Business Valuation Body of Knowledge** through attendance of the **live classroom or live online training**. The CVA training delivers the most comprehensive and complete foundational training, teaching to the international [The Core Body of Knowledge for Business Valuations](#) on how to value business enterprises:

- Business valuation methodologies, approaches, and case studies
- Professional standards and ethics
- Specialty areas of valuation practice

Understanding and applying the generally accepted business valuation methodologies and approaches and adhering to professional standards that govern the business valuation profession will put you in a stronger position to better serve your clients.

2. Pass the **CVA Proctored Exam** (multiple choice test) as an on-site exam following an EACVA training course or schedule an exam administration at a testing center in your region or live remote proctoring.
3. Successfully demonstrate that applicant meets EACVA/NACVA's **Experience Threshold** by completing a sample **Case Study** or submitting a signed (real life) valuation report in English language prepared in the last 12 months, for peer review.
4. Maintain annual **Practitioner Membership** with EACVA/NACVA.





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CVA Training Overview

The training is a five-day live classroom training or a five-and-half-day live online training program with an experienced team of renowned instructors who prepare attendees to pass the CVA exam. Training delivers the most comprehensive and complete foundational training, teaching to the international [The Core Body of Knowledge for Business Valuations](#) (BOK), which is *not* dependent on U.S. tax or case law but is global in application to business valuation methodologies and approaches.

Course Agenda

I. Business Valuation Fundamentals, Techniques & Theory (2 days)

- Introduction to Business Valuation
- Financial Statement Analysis and Calculation of Financial Ratios
- Generating Economic/Normalized Financial Statements
- Defining and Estimating the Future Benefit Stream
- Capitalization/Discount Rates
- Commonly Used Methods of Valuation
- Valuation Discounts and Premiums
- Professional Standards
- Defining the Valuation Engagement and Obtaining the Necessary Information
- Search for Adjustments
- Practice Case – Workshop

II. The Market Approach – Completed Transactions Method (½ day)

- Understanding and Applying the Market Approach to Valuation
- Data Sources Commonly Used for the Completed Transactions Method

III. The Market Approach – Guideline Public Company Method (½ day)

- Multiple-Based Valuation: Basics
- Valuation Process
- Assocs and Joint Ventures
- Enterprise Value Multiples
- Disentangling Multiples
- Equity-Multiples
- Forward vs. Trailing Multiples
- Regression Analysis
- Measuring and Splitting Performance of PE Investments
- Case Study





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IV. Applications of the Income Approaches: DCF in Depth (1.5 days)

– DCF Case Study: Valuation & Reporting of a European Mid-Market Company –

- Standards Comparison incl. the IVS (International Valuation Standards)
- Business- and Peer-Group Analysis
- Integrated Financial Planning as the Backbone of Each DCF Model (P&L, Balance Sheet, Cash Flow Statement, Tax Planning)
- Scenario Analysis, Simulation
- Terminal Value, Different Approaches, and Assumptions, Competitive Advantage Period, Steady State, Convergence
- Details on Cost of Capital:
 - CAPM: Beta in depth for the use in practice
 - Debt-Beta
 - Unlevering and relevering formulas depending on different assumptions regarding tax shields and debt-beta
 - Circular problems and the solutions in practice
 - Modifications of CAPM: e.g. Size Premia in Europe
- DCF-Methods:
 - Entity Methods: WACC, APV, Total Cash Flow-WACC
 - Net-Debt
 - Equity Method: Flow to Equity
- Special Valuation Issues:
 - Cash flows in different currencies
 - Local CAPM vs. Global CAPM
 - Country Specific Risk

V. Valuation of Intangible Assets (1/2 day)

- Fundamentals of the Valuation of Intangible Assets
- Identification of Intangible Assets
- Valuation Approaches:
 - Overview
 - Valuation of Assembled Workforce
 - Valuation of Technology
 - Valuation of Trademarks and Other Marketing Related Assets
 - Valuation of Customer and Order Backlog
 - Tax Amortization Benefit
- Asset Specific Cost of Capital
- IFRS 3 and Fair Value Measurement Framework (IFRS 13)
- Impairment Test (IAS 36)
- Summary of Assumptions for Fair Value and Value in Use

VI. Exam Preparation – CVA Proctored Exam and Business Valuation Report (Case Study)





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Instructors Team

- **WOLFGANG KNIEST, DIPL.-KFM. CVA**, founder and managing director of the European Association of Certified Valuators and Analysts ([EACVA](#)), member of the editorial board for the journal *BewertungsPraktiker*, Independent corporate valuation consultant, Member of NACVA's Valuation Credentialing Board (VCB).
- **LARI MASTEN, MSA, CPA, ABV, CFF, CVA, CPVA ABAR, MAFF**, founder and managing director of [Masten Valuation](#), LLC and National Business Advisors, LLC, Chairman of the editorial board for *The Value Examiner*, adjunct professor at the University of Denver.
- **PROF. DR. MATTHIAS MEITNER, CFA**, Managing Partner at [VALUESQUE](#), Professor for Finance, Accounting & Business Valuation & Chair of the Centre for Business Values at the International School of Management (ISM), Heading the Expert Network "Equity Valuation and Analysis" of the CFA Society Germany.
- **PROF. DR. ULRICH MOSER, WP, STB, CVA**, Chair of Business Administration, in particular taxation, finance, and accounting at the [University of Applied Science Erfurt](#), one of the co-founders of EACVA.
- **PROF. DR. BERNHARD SCHWETZLER, CVA**, Chair of Financial Management [HHL Leipzig Graduate School of Management](#), Chairman of the expert groups "Fairness Opinion" and "Corporate Transaction and Valuation" of the Society of Investment Professionals in Germany (DVFA), one of the co-founders and member of the board of EACVA.

The Eligibility Criteria for Receiving a CVA Designation

To qualify for the CVA designation, the applicant must:

- I. Hold a **business degree** (i.e., management, economics, finance, marketing, accounting, or other business field) and/or a Master of Business Administration (MBA) or higher business degree from an accredited college or university; *or* hold an active, valid, and unrevoked **CPA license** issued by a legally constituted state authority or hold the Chartered Accountant [CA] designation.
- II. Be able to demonstrate **substantial experience in business valuation**. It could mean:
 - a) Two years or more full-time or equivalent experience in business valuation and related disciplines; *or*
 - b) Having performed 10 or more business valuations where 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 theory, methodologies and practices. For example, having a combination of published works on the subject and completed either a PhD in finance or economics or a doctor of business administration (DBA) from an accredited institution of higher education and having some work experience. *Or*, having obtained a certification from another recognized valuation-accrediting organization.
- III. Submit three business and three personal **references** (valuation practices are predominantly learned through on-the-job and post degree training activities. References (e.g. your colleagues, manager/supervisor/employer, etc.) confirm that the applicant has the experience in business consulting necessary to understand valuation theory, methodologies, and practices).
- IV. Attend a **CVA training program**.





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- V. Pass a comprehensive, five-hour, multiple-choice, proctored **CVA examination**.
- VI. And successfully demonstrate that applicant meets EACVA/NACVA's Experience Threshold by completing a sample **Case Study** (a valuation report). Completion of the Case Study demonstrates that the applicant has the ability to apply his or her valuation knowledge in a real-life setting and prepare an acceptable valuation report.

CVA Exam Information

EXAM OVERVIEW:

The certification exam is designed to test the applicant's business valuation knowledge. The five-hour proctored exam is administered either via computer-based testing, live remote proctoring, or paper-and-pencil exam, depending on the test location and modality. Paper-and-pencil exams may be used following training courses. CVA exam consists of 400 multiple-choice questions designed to measure general competency across the nine domains defined in the Body of Knowledge as being necessary for entry-level valuation analysis.

EXAMINATION SITES AND REMOTE PROCTORED TESTING:

The proctored exam is administered at the conclusion of the training program on-site or at one of hundreds of computer-based testing locations NACVA has contracted throughout the U.S. and internationally, for the applicant's convenience, or through live remote proctoring provided by Kryterion. Candidates may choose to take the exam at the conclusion of a training program whether or not they have participated in this training course.

If a testing center is not available where the candidate is located, they may contact EACVA to make alternate testing arrangements.

EXAM DAY (WHAT TO BRING TO AN EXAM SITE):

- Candidates must bring a basic calculator and have their ID (e.g. passport, driver's license, or other state-issued ID) available and ready to show the proctor before starting the session.
- Candidates taking the exam at a Kryterion test center or via live remote proctoring will receive an exam confirmation e-mail with a test authorization code. Test center candidates should bring a copy of their e-mail, two forms of identification (one must be a photo ID), a basic calculator, and the authorization code in the confirmation letter. Live remote proctoring candidates must present a valid photo identification to the web-cam for validation by the proctor during the authentication process. The name and photo on the identification must match the candidate and the authorization provided by NACVA. Candidates should have their ID available and ready to show the proctor before starting the session.
- Examples of acceptable identification include driver's license, passport, or other state-issued ID. Unacceptable identification includes an employment ID, student ID, etc.

LIVE REMOTE PROCTORING (LRP)

LRP is a mode of test administration that allows approved candidates the ability to take the certification exam at a location and time of their choosing using the candidate's own computer. The administration is monitored in real time by a remote proctor who observes the candidate via video and audio and enforces the exam administration rules throughout the exam. LRP exams are also recorded to allow for additional security monitoring. LRP allows candidates the flexibility to select the date, time, and location that is best for them. Pending available appointments, the exam may be taken 24/7 in a candidate's own





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home or office. Note – individuals other than the approved candidate may not be in the same room as the candidate at any point during the exam administration. Therefore, candidates should plan to take the exam in a private room where they will not be disturbed at any point during testing.

PREPARING FOR THE LIVE REMOTE PROCTORING EXPERIENCE

Visit https://kryterion.force.com/support/s/Videos?language=en_US to view videos that will help you prepare for a live remote proctored exam experience.

Candidates must meet the following technology requirements in order to take the exam via LRP:

- A well-working desktop or laptop computer with a minimum of 50MB available space, and updated with the latest available Operating System through Windows or MAC.
- Tablets, Chromebooks, and cell phones do not meet the requirements.
- A high-speed internet connection. A wired internet connection is recommended as a wireless-internet connection may not offer enough speed.
- A web cam. Any built-in or external, working webcam with 720p resolution (a laptop camera is acceptable).
- Working speakers connected to the computer.
- A microphone connected to the computer (consider a webcam with a built-in microphone).
- Browser compatibility: Internet Explorer 11, Google Chrome, Firefox, or Safari.

How to Test Your Equipment: *To test your current Internet connection speed* open www.kryteriononline.com/systemcheck and follow steps 1-6 to measure your connection speed and compare your results to the required speeds. Kryterion does not permit the use of virtual machines for Online Proctored (OLP) exams. Use of a personal (non-work-related) computer and network are recommended. Office networks and systems frequently employ security settings that interfere with the Kryterion Sentinel software required to conduct secure OLP exams – even for individuals with administrative user accounts. You must disable all software that could interfere with your online proctored exam session. This includes, but is not limited to, pop-up blockers, antivirus software, firewalls, VMWare/Bootcamp, Skype, Photobooth, and TeamViewer.

TEST SECURITY PROVISIONS:

- All examination administrations are monitored by trained proctors. Access to the testing area is strictly monitored. Only authorized personnel are permitted to enter during a test session.
- Candidates should not bring personal items to the examination site. Personal items will not be accessible during a test session. This includes bags, purses, wallets, hats, briefcases, books, beepers, cell phones, computers, and smart watches, with the exception of a simple nonprogrammable calculator, must be stored outside of the testing area
- All cell phones and other electrical equipment should be powered off before being placed in the storage compartment to prevent disruption. Items too large to be stored in the compartment must be stored off the premises.
- The testing area will be observed by a trained proctor whenever testing is in progress.

EXAM GRADING:

Based on expert evaluation and recommendation from NACVA's testing consultant, the VCB establishes the passing score for the exam. The Exam and Grading Committee comprises the SMEs for NACVA and its responsibility to review and make recommendations on grading procedures, answer keys, and the quality of questions on a periodic basis. Its members also have the charge to feed questions and answers and review questions and answers already in or submitted to NACVA's Q&A database and



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assess exam content for balance in addressing all relevant topics. The Committee's primary purpose is to provide added assurance NACVA's examination and grading processes are of the highest integrity.

EXAM RESULTS:

Candidates receive the results of the multiple-choice exam via e-mail and a letter sent from NACVA/EACVA staff within one to two weeks of completing the multiple-choice exam. Failing candidates receive a letter noting areas of weakness. Exam results will not be disclosed to anyone else without written permission from the applicant/candidate/certificant. After passing the exam and completing all eligibility requirements, candidates receive a letter from EACVA/NACVA confirming their certification status.

The exam, if failed, may be retaken for a fee.

Criteria to Maintain the CVA Designation

USE OF THE CVA CERTIFICATION MARK

- Once all certification requirements have been successfully met, candidates will receive written notification of their certification status. Once this notification has been received, designees may use the certification mark as permitted by EACVA and NACVA. Use of the CVA logo is limited to only those individuals holding valid certification. Candidates who pass the examination and meet the Experience Requirements may display the CVA initials after their name, display their certificate, and identify themselves as either a "CVA" or a "Certified Valuation Analyst". The name and logo may be used only in connection with a certified individual and not with any company or group.
- The use of the CVA certification mark, except as permitted by this policy, requires written authorization by EACVA and NACVA. Individuals that fail to maintain certification, or whose certification is suspended or revoked, must immediately discontinue use of the CVA and are prohibited from stating or implying that they hold the certification.
- Certified individuals may not make misleading, deceptive, or confusing statements regarding their certification status. Certificants may not suggest that they have expertise outside of the scope of their professional credentials and training.

MEMBERSHIP

To obtain and hold an active Certified Valuation Analyst (CVA) credential it is required to be a **Practitioner Member** of EACVA/NACVA. Practitioner membership is granted to those who have demonstrated through education, experience, and/or other criteria that they meet the qualifications to apply for the designation of Certified Valuation Analyst (CVA). Practitioner Membership carries with it all the rights, privileges, and benefits offered by the Association.

RECERTIFICATION

All CVA's must comply with a tri-annual CVA designation Recertification policies. The recertification requirement is designed to enhance the continued competence of CVA's by ensuring continual training, awareness of recent developments, and being alert to quality issues as described below.

EACVA's/NACVA's recertification process follows a 60-point / 60-CPE (Continuing Professional Designation credits) system, whereby designees must obtain 60 points to comply with recertification. One CPE equals one point. The point system allows for additional (Bonus) points for attendance to training (recommended programs) that EACVA/NACVA considers especially helpful for practitioners to stay



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well-rounded in the performance of their services, increase their awareness of recent industry developments, and be alert to issues that lead to, or contribute to, the quality of one's work product. It also awards points for contributions to industry knowledge upon meeting certain criteria. By obtaining additional points, one can reduce the 60-hour CPE requirement to as low as 36 hours in a three-year cycle.

Based on the frequency of changes and developments in the industry recertification requirements must be completed every three years. This period starts with the first full calendar year after receiving the designation and in three-year cycles thereafter. For example, if the designee certified in July 2019, the recertification cycle begins January 1, 2020, with compliance due by December 31, 2022. CPE must be earned in the years 2020, 2021, and/or 2022. Using the example above, the next compliance due date would be December 31, 2025. CPE earned from programs in your reporting cycle should relate to business valuation, financial litigation/financial forensics, forensic accounting, financial statement analysis, gift and estate planning, professional standards, exit planning, accounting, economics, tax, audit, M&A, fraud, transaction advisory services, healthcare valuation, and ethics qualify towards recertification, etc. Credential holders who do not comply will be placed on Inactive status. Please contact EACVA at : member-service@eacva.de to get more details on the CVA recertification.

INACTIVE STATUS

Certified designee members who wish to defer recertification compliance and reporting due to extended inactivity in business valuation or for other reasons such as unemployment or a medical condition, but do not want to lose their certification, may elect Inactive status for up to five years. Under this election (which is automatically imposed for non-compliance with recertification), the designee *cannot* use his or her CVA designation in any capacity, i.e., on business cards, curriculum vitae, signed reports, firm/company website, company letterhead, yellow pages, other organization websites, social media (LinkedIn, Facebook, etc.), etc.—and will have to fulfill his or her recertification requirements for one reporting period to reactivate.

- If reactivation occurs within one year, the designee will keep his or her original date of certification, and will continue on the original recertification cycle.
- If reactivation occurs within one to three years, the designee's effective date of certification will not be changed, but they will be placed on a new three-year recertification cycle.
- Designees who have gone more than three, but less than five years as Inactive, are required to take at least two Recommended CPE Bonus Point Programs to fulfill part of their CPE recertification requirement. This is to assure they are abreast of recent industry developments. Designee's effective date of certification will not be changed, but they will be placed on a new three-year recertification cycle.
- Five or more years of Inactive status require that one retake either the CVA exam; and if seven or more years, CVAs are also required to submit a sample Case Study or actual valuation report prepared in the last 12 months. Designee's effective date of certification will change to the date designee passes the exam, or the date designee successfully passes the valuation report, and they will be placed on a new three-year recertification cycle.

Designees who want to reestablish their designation may do so, but will be assessed a reactivation fee.





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The Core Body of Knowledge for Business Valuations¹

SUBJECT MATTER	BOK Percentage Emphasis on CVA Exam
I. OVERVIEW	4.0%
A. Purpose for business valuation	0.5%
1. Financial accounting	
2. Tax valuations	
3. Litigation	
4. Merger and acquisition	
B. Standards of value	1.5%
1. Definitions of standards of value, including	
a) Fair market value (U.S. based definition as starting point)	
b) Statutory fair value	
c) Financial reporting fair value	
(1) IFRS	
(2) U.S. GAAP	
d) Investment (strategic) value	
e) Intrinsic (fundamental) value	
2. Relationship between purpose of the valuation and standard of value	
C. Premise of value	0.5%
1. Going concern	
2. Assemblage of assets	
3. Liquidation (orderly or forced)	
D. Principles of value	1.0%
1. Value is determined as of specific point in time	
2. Value reflects prospective cash flow	
3. Value reflects the level of risk into the rate of return	
4. Value is influenced by liquidity	
E. Levels of value	0.5%
1. Lack of control (minority vs. control)	
2. Marketable vs. non-marketable	
3. Strategic and investment value	
II. PROFESSIONAL RESPONSIBILITIES AND STANDARDS	4.5%
A. NACVA Standards	1.5%
B. Ethical considerations	1.0%
C. Communicating and reporting analysis and results	1.0%
D. Roles of the valuation analyst in litigation services	1.0%

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SUBJECT MATTER	BOK Percentage Emphasis on CVA Exam
III. ENGAGEMENT ACCEPTANCE AND PLANNING	3.0%
A. Defining the engagement	1.0%
1. Valuation date and its importance	
2. Structure of the entity	
3. Interest being valued	
4. Purpose and objective of valuation	
5. Standard of value and premise of value	
6. Conflict checks	
B. Engagement Letters	1.0%
1. Purpose	
2. Content	
C. Acceptance	1.0%
1. Experience	
2. Staffing	
3. Expectations	
IV. QUALITATIVE ANALYSIS	9.0%
A. International Sources of Data	1.5%
B. Economic Environment	1.5%
1. Macro-environment	
2. Micro-environment	
3. Relationship of economic activity to the valuation	
C. Industry background	3.0%
1. Economic data	
2. Structure, trends, and life cycle	
3. Market and competitive analysis	
D. Company background	3.0%
1. Company structure and ownership	
2. Site visit and interviews with key personnel	
3. History and nature	
4. Economic data (cost structure, pricing power, marginal analysis)	
5. SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats)	
V. QUANTITATIVE ANALYSIS	15.5%
A. Financial statements	4.5%
1. Source (audited/reviewed/compiled/tax returns/internal)	
2. Number of years to obtain	
3. Common size	
4. Trend analysis	
5. Ratios	
6. Comparative analysis	
a) Specific company	
b) Industry averages	





SUBJECT MATTER	BOK Percentage Emphasis on CVA Exam
B. Adjustments to financial statements	4.5%
1. Normalizing	
a) Control vs. non-control	
b) Discretionary	
c) Reasonable compensation analysis	
d) Extraordinary/non-recurring	
2. Operating vs. non-operating items	
3. Off-balance sheet and unrecorded items	
C. Statistical Analysis	3.0%
1. Measures of central tendency (arithmetic, harmonic, geometric means)	
2. Measures of dispersion (including variance and standard deviation)	
3. Statistical strengths of numerical relationships (including covariance, correlation, coefficient of determination, and coefficient of variation)	
4. Linear regression	
D. Types of benefit streams and selection	3.5%
1. Selection of appropriate time periods (including mid-year convention)	
2. Selection of appropriate type of income/cash flow	
3. Growth assumptions	
a) Trend line projected	
b) Constant	
c) Erratic	
d) Level	
e) Declining growth approaches	
4. Historical vs. projection based on considerations	
5. Relating effects due to economic/industry events and trends	
VI. VALUATION APPROACHES	28%
A. Income approach	10%
1. General theory	
2. Defining applicable income/cash flow	
3. Sources of data	
4. Capitalization vs. discount rates	
5. Commonly used methods	
a) Discounted economic income/cash flow method (DCF) (multi-stage model)	
(1) The method is applied using cash flow available to invested capital	
(2) The method is applied using cash flow available to equity	
b) Capitalized economic income/cash flow method (CCF), including Gordon Growth Model (constant growth model)	
(1) The method is applied using cash flow available to invested capital	
(2) The method is applied using cash flow available to equity	
c) Excess earnings (cash flow) method	
d) Dividend paying capacity	



SUBJECT MATTER	BOK Percentage Emphasis on CVA Exam
<p>B. Market approach</p> <ol style="list-style-type: none"> 1. General theory 2. Commonly used methods <ol style="list-style-type: none"> a) Transactions in subject company's stock b) Transactions/sales of companies similar to subject <ol style="list-style-type: none"> (1) Guideline public companies <ol style="list-style-type: none"> (a) General theory (b) Selecting guideline companies <ol style="list-style-type: none"> i) Sources of data ii) Size adjustments (c) Equity vs. invested capital (including multiples) (d) Selection of appropriate time periods (e) Selection of appropriate multiples <ol style="list-style-type: none"> i) Adjusting for growth, size, and company specific risk (2) Guideline merged and acquired companies <ol style="list-style-type: none"> (a) General theory (b) Sources of data/relevant transactional databases (c) Consideration of the selection of data points 	8.0%
<p>C. Asset Approach</p> <ol style="list-style-type: none"> 1. General theory 2. Sources of data 3. Commonly used methods <ol style="list-style-type: none"> a) Book value b) Net tangible value c) Adjusted net asset method (intangible and tangible assets) d) Excess earnings method e) Liquidation method (forced or orderly) 4. Identifying and valuing intangible assets <ol style="list-style-type: none"> a) Approaches and methods b) Estimated life c) Impairment 5. Off-balance sheet and unrecorded items (including tax issues) 	6.0%
<p>D. Sanity Checks</p> <ol style="list-style-type: none"> 1. General theory 2. Sources of data 3. Commonly used methods <ol style="list-style-type: none"> a) Industry formulas ("Rules of Thumb") b) Justification of purchase 	2.0%
<p>E. Reconciliation of indicated values</p>	2.0%





SUBJECT MATTER	BOK Percentage Emphasis on CVA Exam
VIII. COST OF CAPITAL CONCEPTS AND METHODOLOGY, AND OTHER PRICING MODELS	17.5%
A. Capital asset pricing model (CAPM)	6.0%
1. Risk free rate	
2. Equity risk premium	
3. Beta (β) including un-levered and re-levered	
B. Build-up method and Modified CAPM	5.5%
1. Risk free rate	
2. Equity risk premium	
3. Beta (β) including un-levered and re-levered	
4. Size risk premium	
5. Industry risk premium	
6. Company specific risk	
7. Long-term sustainable growth	
8. Other	
C. Weighted average cost of capital	4.0%
D. Converting after tax risk rates to pre-tax rates	1.0%
E. Other recognized methods (e.g. Gordon Growth, Arbitrage Pricing, Fama-French Three Factor, Market Multiples, Risk Rate Component Model)	1.0%
VIII. DISCOUNTS, PREMIUMS, AND OTHER ADJUSTMENTS	13%
A. Levels of value and effect on discounts and premiums	2.0%
1. Synergistic value	
2. Control value	
3. Non-controlling, marketable value	
4. Non-controlling, non-marketable value	
B. Adjustments for Control Issues	3.5%
1. General theory	
2. Sources of data	
3. Ownership characteristics	
4. Magnitude	
5. Relationship to how benefit stream is defined	
C. Adjustments for Marketability Issues	3.5%
1. General theory	
2. Sources of data	
3. Ownership characteristics	
4. Restrictions on transferability	
5. Magnitude	
6. Models	
D. Discounts and premiums – understanding the empirical studies	2.0%
E. Subsequent events	1.0%
F. Other valuation discounts and adjustments (e.g. Key Person, Blockage, Restrictive Agreement, Lack of Voting, Lack of Liquidity, Contingent Liabilities)	1.0%





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SUBJECT MATTER		BOK Percentage Emphasis on CVA Exam
IX.	SPECIAL PURPOSE VALUATION	5.5%
A.	Intangible assets	2.0%
B.	Debt securities	0.5%
C.	Convertible securities	0.5%
D.	Preferred stock	0.5%
E.	Stock options	0.5%
F.	Voting vs. Non-voting stock	0.5%
G.	Professional vs. practice goodwill	0.5%
H.	Other special purpose valuations (e.g. Fair Value, Mergers and Acquisitions, Pension Benefits, Insurance policies)	0.5%
Total		<u>100%</u>





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CVA Candidate Status

Designation applicants, who are seeking to attain the CVA designation and have passed EACVA's/NACVA's proctored Certification Exam and have demonstrated that they meet Experience Threshold, but who *lack the necessary Experience Requirement*, can use the designation; however, the designation applicant must display the qualification "Candidate" after the designation, i.e., *CVA Candidate*. The designation candidate has up to three years to fulfill the applicable Experience Requirement and to attest to such evidence, at which time the qualification of "Candidate" will no longer be required to be displayed with the designation. If such evidence is not produced within three years, the designation applicant will lose the right to use the designation altogether. Candidates must comply with EACVA's/NACVA's recertification requirements.

Fees & Cancellations

The CVA training fee covers:

- Live class five-day training / 45 hours of continuing training credit
- Electronic course materials prior to the training as well as excel models and backup materials
- For on-site classroom courses: Networking dinner/get together on Monday, welcome coffee, morning and afternoon coffee breaks with snacks, luncheons from Monday to Friday, electric power and wireless internet access (WiFi).

The examination fee covers:

- Administration of the proctored CVA Certification Exam the day following training courses or online
- CVA Exam Q&A Study Guide
- For on-site exams (following the training courses): meals and beverages before and during the proctored exam; lunch after the exam
- Correction of multiple choice tests
- The cost to issue and review the Case Study
- Candidates may also pay the exam fee as a package price with a training course.

Cancellations/Reschedule/Refund Policy for Training:

- Cancellations must be sent in writing.
- For cancellations received up to 30 days prior to the first day of training an administration fee of € 150 (19% VAT may apply) will be charged.
- Cancellations received up to 15 days prior to the first day of training will incur a € 500 (19% VAT may apply) cancellation fee.
- Cancellations made less than 14 days prior to the first day or the event and non-attendance or withdrawal on or after the program start date will incur the full participation fee.
- If a participant is unable to attend last minute due to extenuating circumstances and wish to avoid a cancellation charge, he/she can EACVA at info@eacva.de e.g. with a medical note.
- EACVA offers the opportunity to send in a substitute participant at no extra charge or transfer to the next session if you are unable to attend the program, you may name a replacement candidate.
- There is no charge to reschedule a CVA proctored exam.
- There are no exceptions to this policy.



EACVA – European Association of Certified Valuators and Analysts

Schweinfurter Weg 58a • 60599 Frankfurt am Main • Germany

Web: www.EACVA.com • www.ValuationConference.de

Tel.: +49 (0)69 247 487 911 • Fax: +49 (0)69 247 487 912 • E-mail: info@eacva.de



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Instructor Changes

EACVA reserves the right to change instructors at any time should circumstances dictate. Our policy is to screen potential instructors carefully, ensuring that each one chosen possesses substantial field experience as well as a teaching or presenting background. All instructors are evaluated by our attendees, and future teaching assignments are made based upon these evaluations.

Hotel Accommodations

EACVA has negotiated and blocked accommodations at each training location (rooming blocks are limited). Hotel rooms are based on availability. Your registration confirmation will include details for lodging and other specifics, including event time schedule. If your registration falls close to the date of the scheduled event, call the EACVA for hotel information.

Would you like to find out more about the CVA designation, or have questions about EACVA and its services? Please contact our member/client services at:

- *phone: [+49 69 247 487 911](tel:+4969247487911) or*
- *e-mail: info@eacva.de*



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