

# LDV CAPITAL MANAGEMENT

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REGISTERED INVESTMENT ADVISORS

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*Financial Advisory • M&A • Fairness Opinions*

## **Fairness Opinions**

LDV Capital Management will compile Fairness Opinion Reports to assist corporate fiduciaries, company directors, investors and shareholders in properly evaluating the facts of a merger or acquisition. The report examines the fairness of the offered acquisition price. LDV Capital Management's reports are thoroughly and comprehensively written to provide insight and guidance to the parties involved in a merger, takeover or acquisition. This could include the shareholders of the company being acquired or the acquiring company itself.

LDV may also issue Fairness Opinions when:

1. There's a management buyout or take-private (a PE firm acquires the company via a leveraged buyout and turns it private).
2. a public company divests one of its divisions.
3. There's a bankruptcy, liquidation, restructuring scenario (less common).
4. There's a hostile takeover – in this case it would be called an "inadequacy opinion" instead and would be used to defend the target by claiming that the offer is not fair.

Fairness opinions can help directors gain clarity into the soundness of a transaction, and underscore their duty of care to shareholders. However, they should not be seen as a good governance panacea and do not absolve directors from considering other factors in their transaction deliberations. Nor are they a substitute for independent business judgment and scrutiny.

Any rendered opinion by LDV Capital Management does not in any manner address the prices of which a company's stock should, would, or will trade. Moreover, LDV expresses no opinion or recommendation as to how the holders of a company's stock should vote at shareholders' meetings. Finally, the Fairness Opinion cannot affirm that upon closing of a transaction, that the acquisition price or amount of money transacted in a said merger will be the range of what is stated in the Fairness Opinion.