

How does Avallon complete investments with VDR?

OUR CUSTOMER

Avallon Private Equity Fund, a pioneer on the management buyout market in Poland

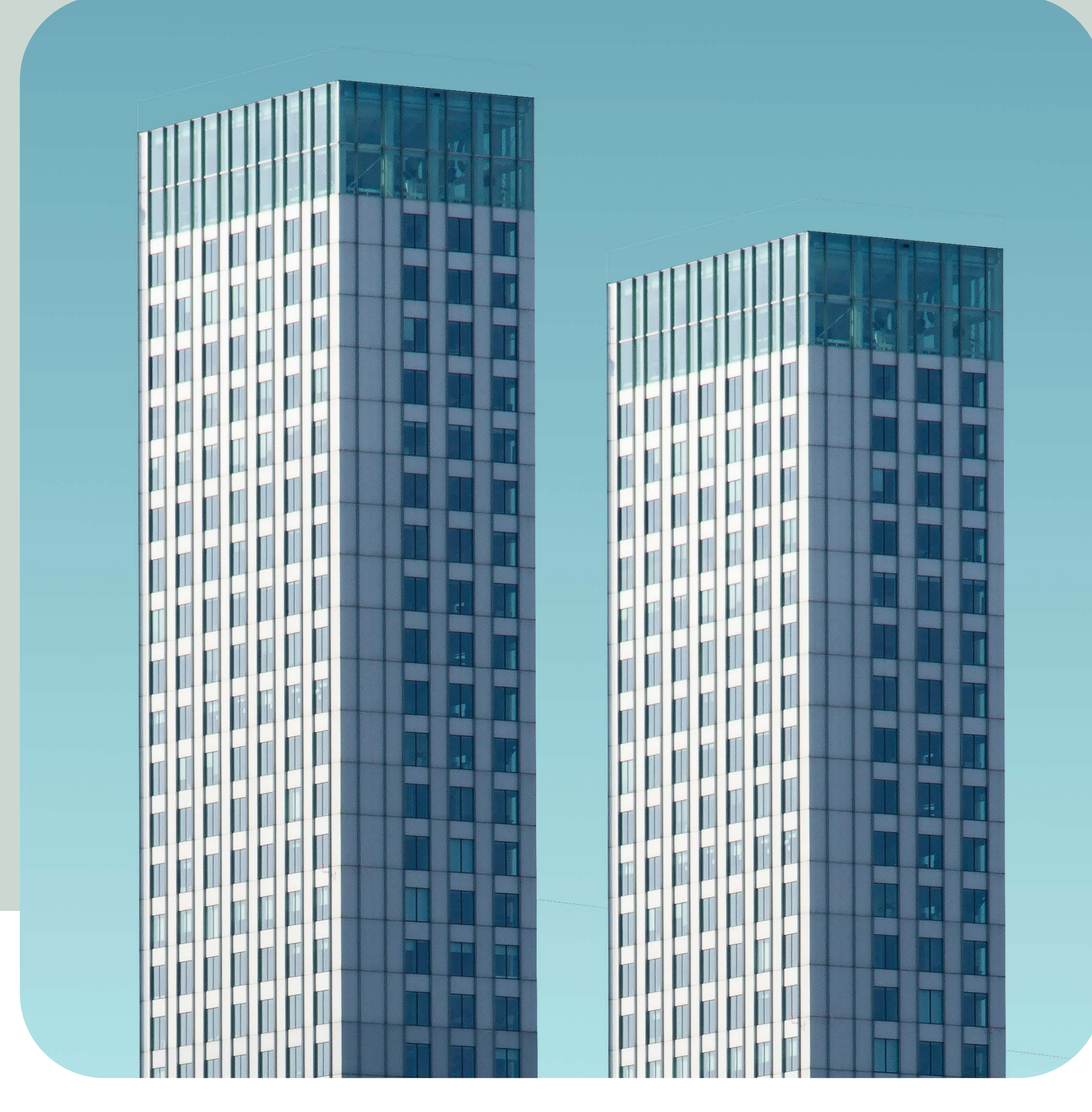
COOPERATION

A few transactions on the Polish market since 2010

TRANSACTIONS

MBO and LMBO investments (including Novo Tech, MPS Holding, Norlys)

Divestments (including the sale of Good Food to the Resource Partners fund)

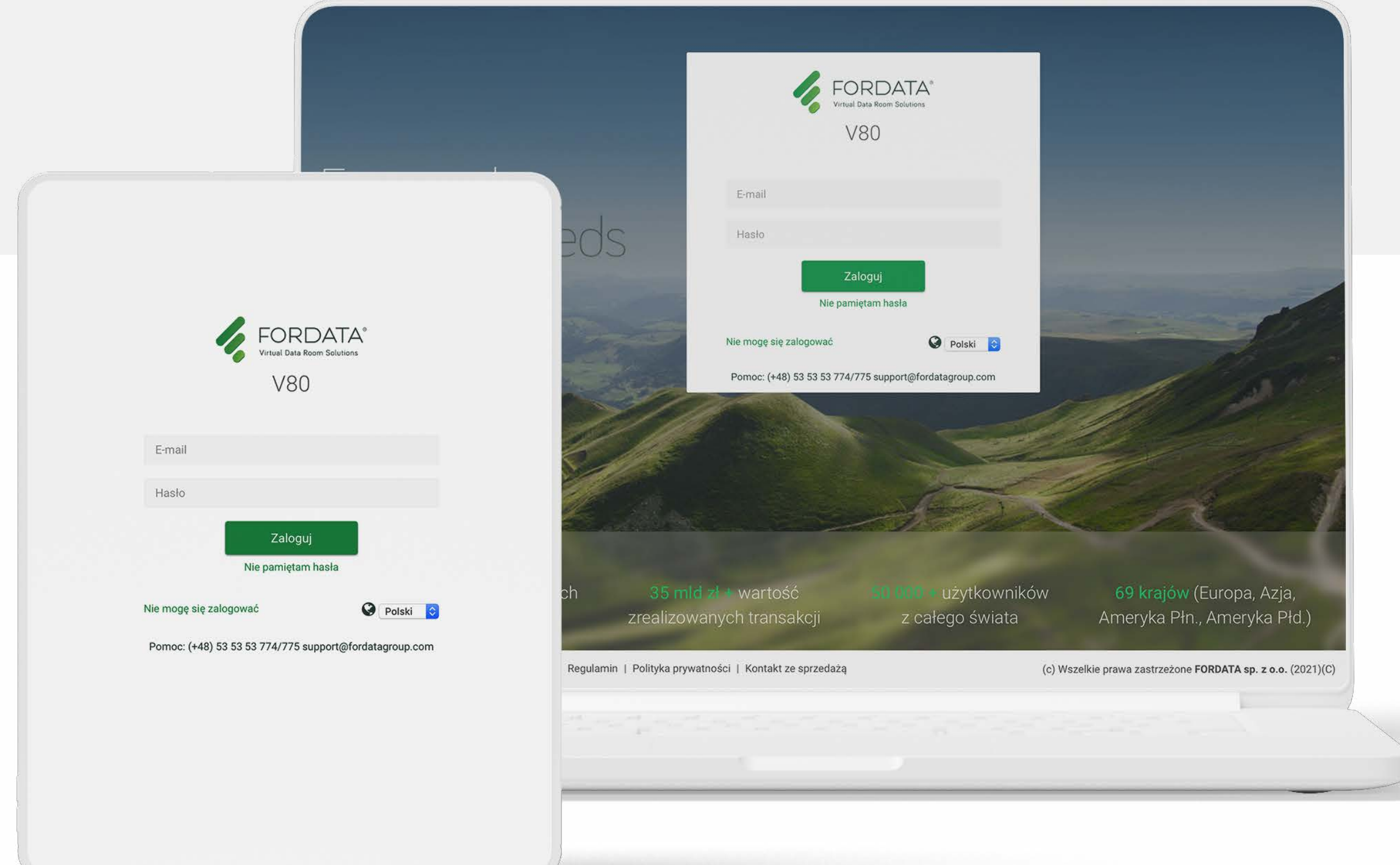


In its twenty-year history, Avallon fund has carried out over 100 management buyouts. The company is primarily involved in projects initiated by managers, focusing on effectively increasing the value of their companies. The fund helps all parties achieve transactional success - as a result, owners can count on leaving their companies in good hands, and the new managers take over a business they know really well. **Both in part of the investment processes (including MBO, LMBO) and divestments, the fund uses the FORDATA Virtual Data Room system.** How do we help Avallon conduct these processes more efficiently?

01 The challenge

Due Diligence is a necessary stage of every investment process. Its role is to subject the company to an in-depth analysis in order for it to be valued by the investor. Due Diligence involves specialists from many independent companies, often geographically dispersed. In the course of the investigation, the company that is the target of the transaction provides investors with sensitive information that may have an impact on the company's future competitive position. Their protection is thus critical. In turn, efficient organization of the research itself lies in the interest of every person and company involved in it.

Avallon regularly participates in many investment processes (both on the part of the investor and the seller). Usually, twenty up to several dozen specialists from several independent companies are involved in the transactions. In the course of the audit, the company which is the target of the transaction provides investors with sensitive information. The amount of this information is not large, but its protection is critical. Avallon saw these needs over 10 years ago. That is why the fund was looking for a technological partner who would provide a solution to conduct **Due Diligence online in a safe, organized and comfortable way for all its participants**. In addition to a reliable system, it was important for Avallon to find a company that works in accordance with similar **values, based on trust, partnership and honesty**.



After the first transaction carried out with the use of VDR (sale of Good Food to the Resource Partners fund), FORDATA became the technological partner preferred by Avallon. Due to the fact that Avallon plays various roles, **we have signed a contract for VDR each time with the target company**. However, we have used our experience gathered to date to properly determine the size of the VDR or the time needed to close the process.

Avallon was looking for a technological partner who would provide a solution to conduct Due Diligence in a **safe, organized and comfortable manner**.

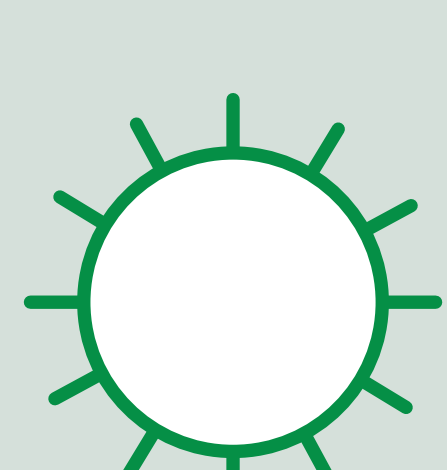
02 The solution

An independent Virtual Data Room is launched for each transaction, in which the target company provides investors and their advisers with documents subject to due diligence. **Access** is possible via the internet 24/7 from anywhere, and it **is strictly regulated and supervised**. Only the persons authorized by the administrator on the part of the owner/managers can view the documents. The target company and the fund (if it is the owner) have full control over the course of the process, using user activity reports.

At the end of each process, we save the entire VDR archive, along with all user activity reports, onto an encrypted medium. In the event of a successful deal, the archive becomes an attachment to the investment agreement.

03 The benefits

Investments (including MBO, LMBO)



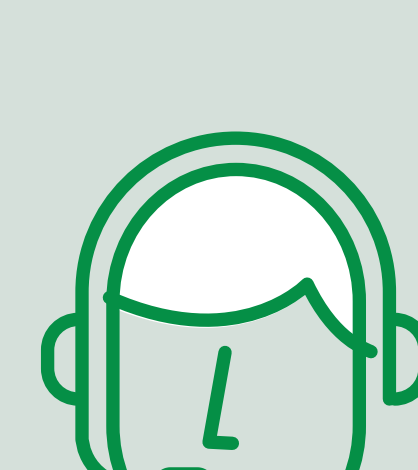
Peace of mind

certainty for the owner that no unauthorized person will ever learn about the ongoing process and that no document will go where it should not.



Convenience

the ability to view documents on any device, transparent structure and simple granting of access permissions



Support

a dedicated project manager, 24/7 availability, responsiveness in 15 minutes (e-mail) and 15 seconds (telephone)

Divestments



Control

that is, the insight into who has viewed which documents, when, for how long and from where. Having granted access, the administrator can revoke it at any time with just one click.



Speed

an efficient VDR system, both technologically and in terms of ease of use, combined with customer support, which allows to shorten the time and costs of the deal



Range

increasing the possibility of reaching more investors, regardless of the time zone

FORDATA provided our company with a comprehensive solution that is convincing with both its **functionality and the ease of use**.

– Avallon

The advantage of the VDR platform is a high level of document security, guaranteed thanks to the **unique system of granting access to files**. We recommend it to anyone who appreciates high quality and is looking for proven, innovative business solutions.

– Avallon

