# iiBV Online Advanced BV Topic Courses

In addition to the 4-hour online course, iiBV 201 - International Business Valuation Standards and Ethics, the iiBV now has 4 new online courses covering advanced topics.

Each course consists of approximately 100 minutes of video, divided into 5-15 minute video modules, a participant manual, slides from the presentations and quiz questions to test comprehension. Each course will cost $299 US and the four courses bundled together cost $999 US.

Successful completion of the four courses – iiBV 210, iiBV 211, iiBV 212 and iiBV 213 – will enable a person to take the iiBV 104 exam. Attaining a passing grade on the exam will entitle the person to receive full credit for iiBV 104.

A 5th advanced topic course, the iiBV 214 – A Valuers Guide to the Black Scholes Model will join the iiBV online course library in the near future.

The video trailer providing an overview of the courses is available at IIBV ADVANCE ONLINE COURSES

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# iiBV 210 – Valuing Minority Interests

## Outline

1. Introduction
2. Measuring the Control Premium and Discount for Lack of Control
3. Measuring the Discount for Lack of Marketability (DLOM)
4. Review Questions

## Learning Objectives

A. What is a minority Interest and why is this important in business valuations?

B. Measuring Control Premiums and Discounts for Lack of Control:

   (1) When to apply and the shortcomings of supporting data

   (2) Differences between control and synergistic levels of value

C. Measuring the Discount for Lack of Marketability (DLoM):

   (1) Understand the levels of value

   (2) Differentiate between the DLOC and the DLOM

   (3) Understand the empirically-based databases and mathematically-based models which are used to quantify and support the discounts.

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# iiBV 211 – Valuing Early-Stage Companies

## Outline

1. Introduction
2. Stages of Company Development
3. Characteristics of Early-Stage Companies
4. Estimating Equity Value for Early-Stage Companies
5. Modelling Complex Capital Structures
6. Review Questions

## Learning Objectives

A. Understand the differences between early-stage companies and operating companies and the valuation challenges inherent in valuing early-stage companies;

B. Understand and be able to deploy the common models for valuing the securities of early-stage companies including:

   (1) The current value method (CVM)

   (2) The option pricing model (OPM)

   (3) The probability weighted expected return method (PWERM)

   (4) The Hybrid Method

C. Understand the source data required for each model, its availability;

D. Understand the shortcomings of each model in terms of its ability to capture the systematic and unsystematic risk in a subject company.

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# iiBV 212 – Valuing Intangible Assets

## Outline

1. Introduction
2. Identification of Intangible Assets
3. Valuation Methodologies for Intangible Assets
4. Case Study – Wahmi Limited
5. Review Questions

## Learning Objectives

A. Understand the difference between tangible and intangible assets;

B. Learn the major categories of intangible assets and specific types of intangible assets within each category;

C. Understand the common models used to value different types of intangible assets;

D. Understand the financial reporting context in which intangible assets are most often valued which includes the purchase price allocation process;

E. Appreciate how and why the firm's weighted average cost of capital, its weighted average return on assets, and internal rate of return should approximate each other.

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# iiBV 213 – International Cost of Capital

## Outline

1. Introduction
2. Review
3. Relative Volatility Model (RVM)
4. Erb-Harvey-Viskanta Country Credit Rating Model
5. Country Yield Spread Model
6. The Damodoran Model
7. Special Topics
8. Review Questions

## Learning Objectives

A. Know the commonly applied models used to develop international cost of capital

B. Understand the source data required for each model, its availability

C. Understand the shortcomings of each model in terms of its ability to capture the systematic and unsystematic risk in a subject company

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# iiBV 214 – A Valuers Guide to the Black Scholes Option Model

## Outline

1. Introduction
2. The Language of Options
3. The Assumptions within the Black Scholes Model
4. Some of the Intellectual Heritage Behind the Model
5. The Structure of an Option Model Ignoring Risk
6. Euler's Constant or the Exponential Number and Natural Logarithms
7. Continuous Compounding and Discounting
8. Application to the Black Scholes Model
9. Volatility
10. Volatility and Returns
11. The Risk-Free Rate and Dynamic Hedging
12. The "N" Function in the Black Scholes Mode;
13. Volatility Applied to the Strike Price
14. The Value of $N(d_1)$
15. Application to Private Companies

## Learning Objectives

At the end of this course you should be familiar with:

A. The Framework of the Black Scholes Option Model

B. Some of the uses of the Model in the public markets

C. The nature of volatility in the Black Scholes model

D. The concepts of continuous compounding and discounting

E. The concept of dynamic hedging

F. The application of the model to the valuation of shares in certain private companies