Upon completion of this lesson, candidates should be able to:

Demonstrate knowledge of venture capital.Including:

Define venture capital opportunities and venture capitalists.

Identify securities and goals used in venture capital.

Discuss the option-like payout of venture capital.

Discuss the history of venture capital.

Explain angel investing and other early stages of venture capital.

Explain first stage, start-up, and other early stage venture capital.

Explain second and later stages of venture capital.

Interpret the j-curve for private equity projects.

Discuss and apply the valuation of VC companies based on operating income.

Understand the economic rationale for the high discount rates used by venture capitalists.

Differentiate between pre-money valuation and post-money valuation.

Discuss venture capital business plans.