AREAS FOR CONTINUING PROFESSIONAL EDUCATION*

1. **Cash Flow Valuation**
   - Analyze the Historical Performance of the Business
   - Forecast Future Performance
   - Estimate the Cost of Capital
   - Estimate the Continuing Value
   - Calculate and Interpret the Results

2. **Specialized Valuation Skills and Training**
   - Security Market Options
   - Research Techniques and Research Tools
   - Company, Industry, and Economic Data Analysis
   - Valuation Calculations and Conclusions
   - Engagement Reporting
   - Code of Professional Conduct and Professional Standards

3. **Analysis of Financial Information**
   - Linkage between Purpose for the Valuation, Standard of Value, Ownership
   - Characteristics, and Normalized Earnings
   - Normalizing Earnings
   - Sources and Uses of Industry Financial and Operating Data

4. **Financial Forecasting**
   - Statistical Techniques: Simple and Multiple Regression, Time Series Analysis,
   - Exponential Smoothing
   - AICPA Prospective Financial Reporting Guidelines
   - Determining and Documenting Significant Forecast Assumptions
   - Company and Industry Data
   - Sources and Uses of Economic Data

5. **Estimating Cost of Capital (Discount and Capitalization Rates)**
   - Understanding the Sources and Limitations of Data
   - Security Market Line
   - Market Efficiency
   - Theoretical Underpinning of Discount and Capitalization Rates:
   - Capital Asset Pricing Model
   - Multi-Factor Models
   - Difference and Similarities of CAPM and the Build-Up Method
   - Sources of Small-Firm Risk Premiums, Firm-Specific Risk Premium and
   - Other Adjustments to Cost of Capital - When and How
   - Beta:
   - Understanding the Sources and Calculations, R-squared and Other Potential
   - Limitations
• Estimating Beta for Privately Owned Company, including Guideline Companies'
  • Levered Beta (bL) and Guideline Companies' Proxy Unlevered Beta (bu)

6. Selecting and Evaluating Guideline Company Data
• Screening and Selection Process
• Goodness of Fit Issues
• Guideline Companies: Data to Use and the Proper Use of the Data
• Linkages between the Standard of Value, Purpose for the Valuation,
  • Selection of Guideline Companies and Specific Data
• Court Cases Involving Acceptance and Rejection of Guideline Company

7. Determining the Proper Valuation Discounts or Premiums
• Reasons for Discounts and Premiums such as Marketability and Control
  • Standard of Value, Purpose for the Valuation, Ownership Issues, and
   • Proper Usage of Discounts
• The Sources for Estimating Discounts such as: Identifying and
  • the Empirical Research of Liquidity and Control Issues
• Methods used to Select and Apply Proper Discounts

8. Linkages between Approaches, Standards of Value, Purpose of
Valuation, and Discounts
• Income Methods
• Market Methods
• Asset Based Methods
• Liquidity and Marketability Issues
• Control and Minority Ownership Positions
• Fair Market Value, Investment Value, Fair Value

9. Entity and Specialized Industry Issues
• ESOP Companies
• Family Limited Partnerships
• Medical Practices
• Professional Service Business
• Other Service Businesses
• Start-Up, Research and Development (R&D), or Technology-Based Businesses
• Initial Public Offering (IPO) Candidates
• Merger and Acquisition (M&A) Valuation Engagements
• Real Estate or other Holding Companies
• Specialized Industries (Construction, Retail, Restaurants, etc.)
10. **Report Preparation and Engagement Administration**
   - USPAP Reporting Standards
   - Proper Documentation of Research
   - Presentation of and Support for the Valuation Conclusion
   - Sufficient and Competent Evidential Matter
   - Guidelines for Work paper and Supporting Documentation
   - Engagement Letters and Letters of Representation

11. **Litigation and Dispute Resolution Services**
    - Rules of Evidence
    - Qualification of Experts
    - The Role of the Consulting Expert and Testifying Expert
    - Depositions and Court Testimony

12. **Attendance at Annual AICPA Conferences and Conferences of Other Professional Organizations Containing Valuation-related Topics.**

    *Note: This is not an all inclusive list nor specific titles, but subject areas that may be offered through the AICPA, State Societies, or other appraisal organizations.*