MERGERS & ACQUISITIONS

The Global Mergers & Acquisition market in 2018 was $3.9 trillion according to Thomson Reuters, making it the second strongest annual period for M&A since 1980. The number of U.S. M&A deals in 2018 was 11,870 with an aggregate deal value of $ 1.714 trillion. Forecasts for M&A suggests a 12% year-over-year increase of 9% to 14% through 2023 *(Deloitte).* Technology acquisitions is the number 1 driver of M&A pursuits and dealmakers report using non-spreadsheet-based M&A technology tools to help reduce conflicts, costs, and materials-turnover *(Deloitte).*

Meshing technology *(business systems and information),* budgets and finances are the hardest part of an integration and far-and-away the most problematic areas where the most mistakes are made. It is common for companies to focus on the business transaction and underestimate the complexities involved in integrating the operations after-the-fact. Leaders must understand how merging new technologies and detailed controls may impact internal functions, and what needs to be done to lay the groundwork for a smooth and successful transition. Most M&A experts will agree that significant effort will be placed on people and physical assets. However, very little effort will be placed on treating information and records as an asset. Until Day 1, when suddenly people realize that they don't have the information and records necessary to operate efficiently and effectively. Virtually ALL M&A transactions force adjustment to: Policies and Procedures, File Plans, Retention Schedules, Physical Records Storage Processes, and Content Management Systems.

A successful M&A requires extensive preparation and knowledge transfer. Many traditional mistakes made in an M&A event will only be discovered after the deal has closed and left to the acquiring company to "clean up". The acquiring company inevitably will receive large amounts of paper records that are usually stored in boxes contracted with offsite storage vendors such as Iron Mountain and Recall. A merger, acquisition or divestiture will test all aspects of information management. Every weakness is quickly exposed, often without enough time for corrective action. Early involvement with respect to records is critical for mitigating the impact of risk. Properly preparing your organization for physical records ingestion activities should be a collaborative effort involving many disciplines ranging from preparing the physical space, cross-platform/cross-system migration and reconciliation. In medium to large volume transactions this may include multiple offsite storage locations using a variety of methodologies that complicate the effort. The risk(s) and cost overrun(s) will likely not be realized until well beyond pre-planning predictions. Using Radix Data's WIB process, these budget overruns and excessive completion timelines can be avoided. The tactical value of WIB is centered on allowing users to view actual box content from their device and assign or manage actions relevant to their needs. The strategic benefits of using WIB in an M&A project are many. Avoiding unnecessary risks during data migration, rapidly identify business-critical data, accurate planning, and, achieving data-migration/ingestion goals are just some of the benefits that WIB provides in M&A projects.

WHAT'S IN THE BOX (WIB) - DISCOVERY TOOL FOR MERGERS & ACQUISITIONS

What's in the Box takes the technological advantages offered in a digital file room and applies those to the physical records that persist in the records review process today. What's in the Box transforms the review and identification of potentially relevant paper records and the request of said records from off-site storage by presenting a digital photo of the records in a box in off-site storage to those involved in the records discovery process. Reviewers can now access and review physical records in the same convenient method as those records in a digital file room. What's in the Box can deliver a digital representation of a box for 3.5% of the industry average cost of traditional scanning services[1].

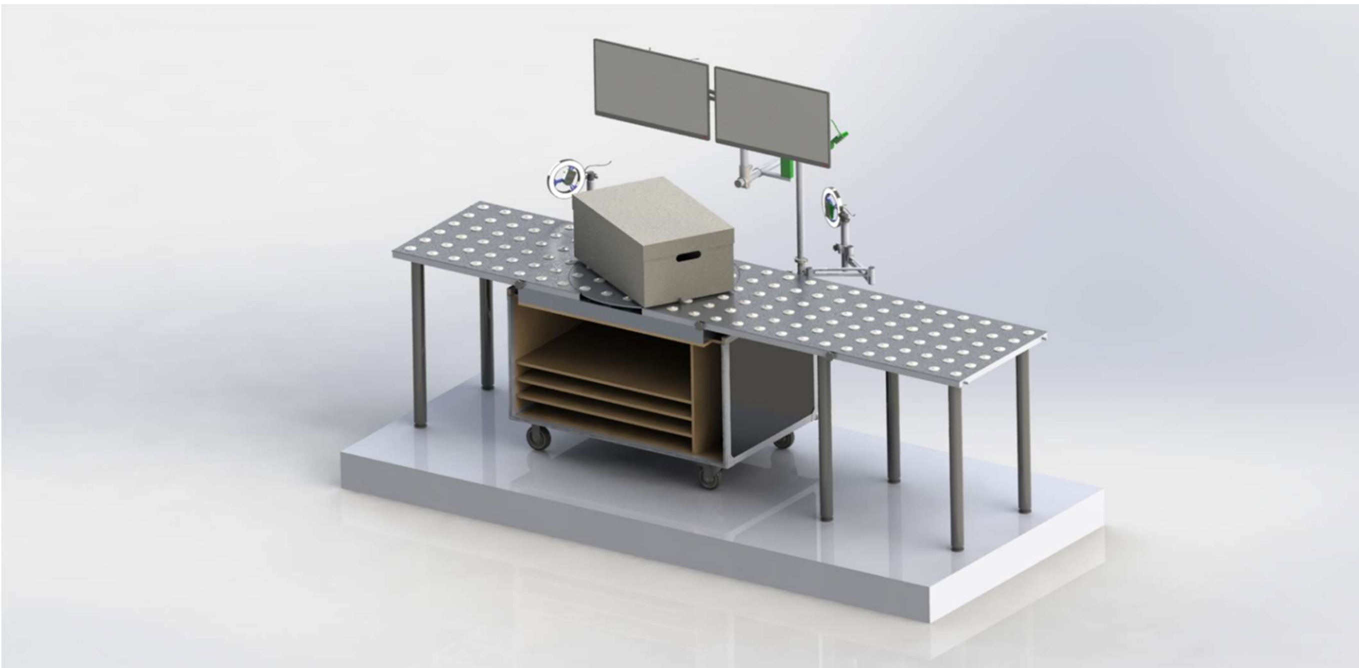

PHOTO CAPTURE OF PHYSICAL RECORDS

- Digital Photo of Box – Five (5) side
- Digital Photo of Content – Aerial, Standard, Stadium and/or each File

DATA EXTRACTION FROM PHOTOS

- OCR file labels – Gives reviewer insight into box content by reviewing file labels
- Term Modeling – Create a list of important terms with the ability to create a relationship to misspellings, stemmed versions of the word, synonyms and acronyms of the term/phrase.
- Term Tagging – Tag boxes containing terms of interest from term model.
- Data Extraction – Perform data extraction utilizing curated lists of record types, a glossary of terms, geolocation data (i.e. country, region, state, county, city, and parish), or any other information related to a case.
- Date Extraction - Confirm the range of records in the box from extracted Dates found on File Labels

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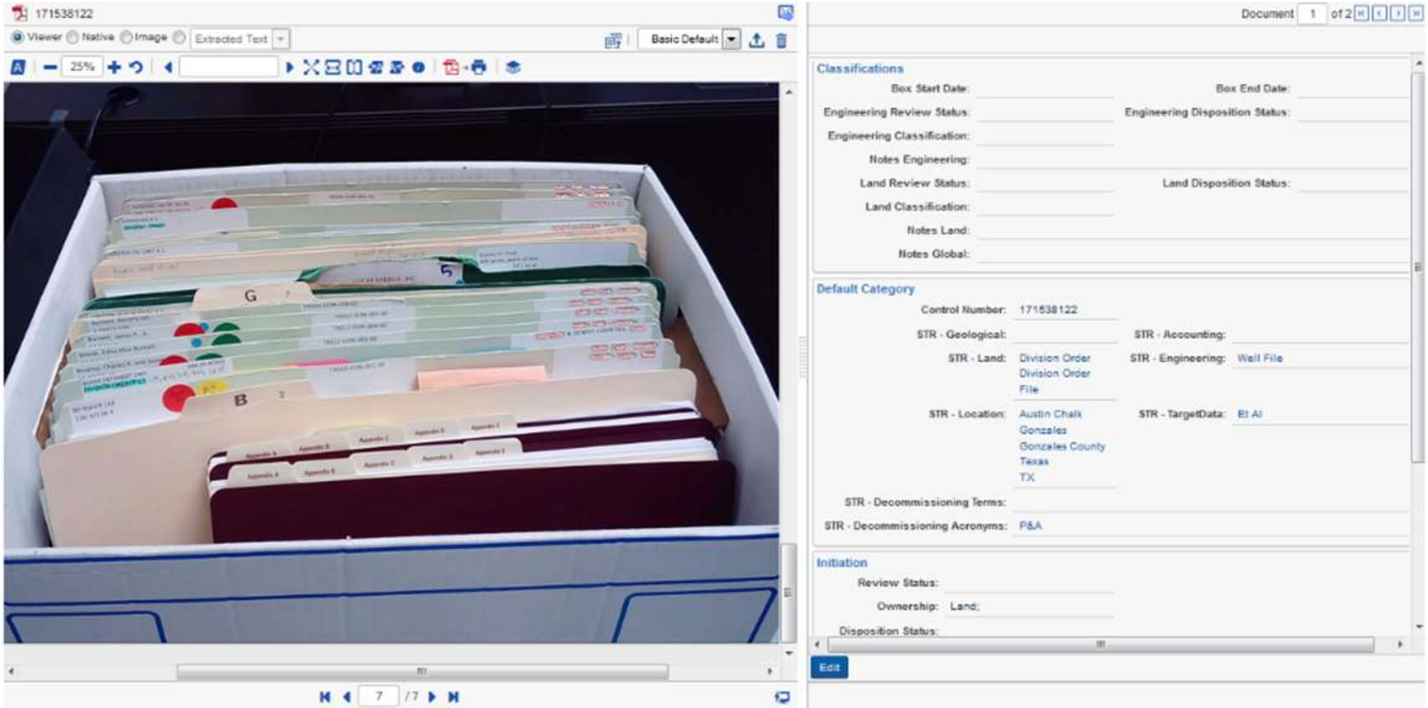
[1] Traditional Scanning Services cost includes the following: retrieval from off-site storage, delivery of the box to a scanning facility, the scanning a standard records box containing 2,500 pages, returning the box to off-site storage and refiling the box.

REVIEW RECORDS AND DATA



- Security for granting access to records.
- Traceability for decisions.
- Central Repository for review.
- Efficient process for reviewing paper legacy records to determine boxes containing high value documents to include in the review.
- Add metadata to extracted terms from review of file labels.
- Create a workflow for pre-review of physical records.
- Reporting provides real time analysis of review status.
- Analytics
  - Visual Data Analytics clusters terms found in OCR data to present groups of relevant boxes.
  - Uncover similarities to create a target list of records
  - Explore patterns of interest.

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