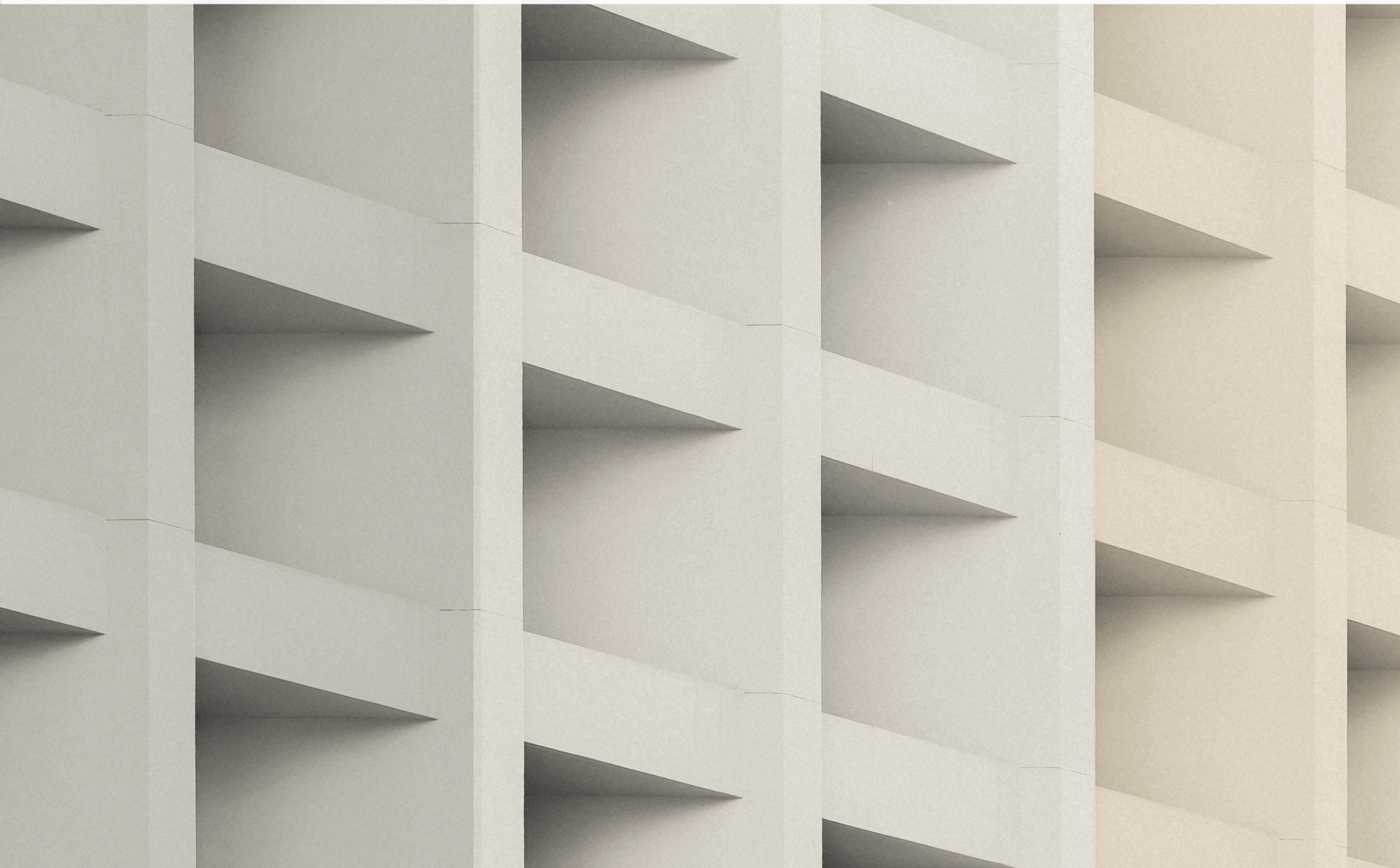
FP TRANSITIONS®

COMPLETE CONSULTING SOLUTIONS

ENTERPRISE GROWTH | M&A | VALUATION | MEMBERSHIP



Enterprise Consulting

Leadership That Understands Your Business

Thriving, growing businesses face many challenges, and solving them requires cutting-edge solutions. Whether your goals include mergers, acquisitions, recruiting, or succession planning, you need to optimize your practice to simultaneously power top-line growth and bottom-line profitability. FP Transitions' Enterprise Consulting will help you take your business to the next level.

Enterprise Consulting is designed to adapt to your needs, your time frame, and your budget to provide effective and cost-efficient solutions. As an advisor, you know the importance of offering tailored and informed advice to each client who walks through your door, and we do, too.

Together we'll explore your immediate objectives, your growth targets, and your long-term goals. We'll identify the challenges and opportunities in front of you, and develop an end-to-end plan complete with a timeline and an accurate cost projection to reach your specific objectives. We listen first in order to offer an informed solution, then we plot the course forward—together.

TRANSFORM YOUR BUSINESS WITH THESE INTEGRATED SERVICES

RECRUITMENT

Compensation Structuring
Cash Flow Modeling
Talent Retention

ACQUISITIONS

Open-Market & Private Listings
Financing Strategies
Mergers

TRANSACTION SUPPORT

Non-Advocacy Support
Deal Structuring Techniques
Industry-Specific Contracts
Tax Allocations

1. Strategic Assessment

We begin with a thorough analysis of your practice to determine what you've built and how you've built it. We identify its strengths and weaknesses, then work with you to create a customized plan of action. Together, we create a clear vision of where you've been in order to get your business where it needs to be. At the end of this stage, you are provided with a detailed roadmap of next steps, ready for you to implement.

2. Transform Your Business

Next, we bring together an integrated and focused team of lawyers, analysts, appraisers, and strategy consultants—all under one roof—to ensure you have the necessary resources and the right tools in place as we execute your plan.

3. Maintain Your Enterprise

As your business evolves, a dedicated and experienced plan manager will help guide your team and make any necessary adjustments to your plan over time.

SUCCESSION

Continuity Planning
Ownership Transfer
Exit Planning
Compensation Strategies

ENTERPRISE DESIGN

Entity Structuring
Membership Reorganization
Platform Analysis
Corporate Governance

VALUATION SERVICES

Market-Based Valuation
Certified Business Appraisal
Litigation Support
Appraisal Review

Integrated Solutions

Growth & Profitability

Business growth means different things to different business owners. For one owner it may mean increasing revenue, while for another it means maximizing efficiency. Whether you are a single owner growing a lifestyle practice or an executive building an enduring team, our consultants can help you identify your preferred growth strategy and support your journey with analytics, benchmarking, and valuation to help you track your results.

As the business achieves your growth goals, our team can review your cash flow and expense structure to ensure your business produces a profit. In many ways, profit is the fuel that powers growth; profit is an essential component of acquisition readiness, recruiting and retaining the next generation of talent, or simply increasing your business value.

For most advisory firms, compensation is the single largest expense to the business. If your compensation strategy is not designed to support profit, it may also be depleting your business value. The most important question with regard to compensation is often not “How much?” but simply “How?” to pay your advisors. Our team will review your compensation strategy to ensure it not only supports business value and profit but also enhances alignment amongst all professionals.

Talent Retention

The battle for talent is here. As the age of the average advisor continues to climb, the scarcity of qualified young professionals means that business owners who want to retain suitable candidates must create an attractive career opportunity to keep them. Young advisors are seeking an appropriate salary and a path to ownership. Our analytics, strategy, and legal consultants will work together to help you attract top talent by designing a competitive professional compensation strategy and creating equity pathways to reward ownership behavior.

Talent retention is not simply an element of succession planning, it is an essential part of creating a sustainable team that can continue to serve clients and grow the business in the absence of the founder. Building a team with the next generation of advisors means you can continue to enjoy the freedom and independence that inspired you to start your business, even as it grows larger and more sophisticated. Our team will help turn your vision into a reality.

CREATING A SUSTAINABLE ENTERPRISE

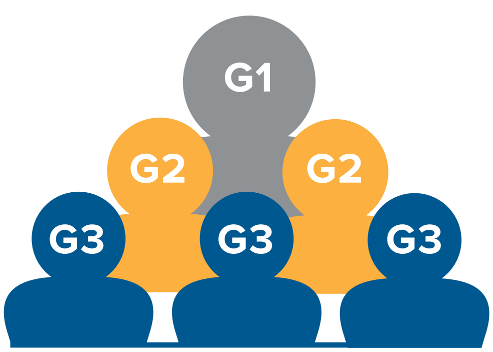
Building a business that will last beyond your lifetime requires a detailed and thoughtful plan—one that looks beyond the founder’s personal endgame strategy. Creating a sustainable enterprise means rolling up your sleeves and building the appropriate structural elements necessary to support the growth and profitability needed to attract, retain, and reward a multi-generational team of owners.

Succession Planning

True succession planning involves more than preparing for the end of your career; it is creating a plan to transition ownership and leadership to the next generation of advisors. When properly executed, succession planning creates a seamless client experience as the founder's role evolves from entrepreneur, to rainmaker, to executive officer, to mentor.

Our dedicated team of industry leaders will provide you with the solutions you need from concept to completion. We will review multiple aspects of your business and redesign where needed to create sustainability and alignment across the company. Our objective is to create a scalable, profitable firm that can continue to grow beyond the career of any one professional.

When everyone works together to support common goals, your business value can grow beyond what's attainable as a sole practitioner. With cash flow and expenses under control, your business can qualify for bank financing or outside investment to expand your toolkit, further accelerating growth and succession.



Your Succession Team

BUILDING YOUR LEGACY

Founding owners often start the succession planning process with the following questions:

- Will the next generation invest in what I've built?
- How many next-generation equity partners do I need?
- How long will this take?
- When should I start?
- What do I look for in a prospective owner and equity partner?
- How do I hire and retain employees with an entrepreneurial mindset?
- Where does the money come from?
- What if I need to accelerate my plan?

Our team of consultants will draw from their decades of combined experience to provide the guidance you need to position yourself for success as you develop and implement your succession plan.

MERGERS: A TOOL FOR GROWTH

Every merger is unique and every merger engagement must be tailored to fit the needs of the business owners and their goals. Our experienced legal team will tackle the nuances of your transaction, and collaborate with our analysts and strategy consultants to help you fully realize your vision.

M&A and Seller Services

Expert Guidance from Start to Finish

Finding the right person to take over your business can feel like an overwhelming endeavor, but our team of experts can help you find the right buyer and provide you with non-advocacy support for the entire process—from the time you decide to sell to the time you sign closing documents.

OPEN-MARKET SEARCH

Our open-market listing service puts your business in front of the industry's largest network of advisors while preserving your confidentiality. Our sellers receive an average of 85 qualified buyers and the full support of our M&A team to help find the right match. We generate the necessary documents to finalize your sale with no up-front cost to you—you only pay when your deal closes.

PRIVATE SEARCH

In a private search, we handpick the best buyer candidates from the large network we've cultivated, but unlike in the open market, your practice details will remain unpublished while we identify a targeted group of qualified buyers. You'll receive the same level of deal support as businesses listed on the open market.

SELLER'S SERVICES

When it comes to selling your life's work and entering into retirement, you only get one chance to do it right. FP Transitions' team can help you evaluate the offers, identify the opportunities and drawbacks, and document a fair transaction. Lean on our experience to have confidence in your exit plan.

BENEFITS OF LISTING ON THE FP TRANSITIONS® OPEN MARKET

- Complete confidentiality—in the industry as well as with your team if necessary
- Customized marketing plan and access to a wide audience of potential acquirers
- Development of detailed criteria based on your unique business to screen inquiries and find the best match
- Average of 85 inquiries, typically within the first week
- Assistance in finding the best match
- Non-advocacy support of deal and financing once a buyer is chosen
- Industry-specific contracts customized to your transaction
- Expert guidance throughout the process, including facilitating contact with qualified buyers, screening offers, facilitating due diligence, and post-closing support and resources

Transaction Support

Non-Advocacy Approach

We don't believe in fighting until the finish; we believe that a buyer and seller should leave a transaction as working partners. As the industry leader for more than two decades, FP Transitions' non-advocacy approach has a proven track record with over 95% deal completion.

The Transaction Support programs are for buyers and sellers who have already found each other and need assistance in completing their transactions. We offer affordable consulting services tailored to the level of support necessary.

BASIC TRANSACTION SUPPORT

Support for smaller transactions of $350,000 or less via cash or seller financing. Does not support bank-financed acquisitions.

- Industry-specific contracts customized to your transaction
- Designated personal transaction consultant
- Experienced guidance on deal structuring
- Post-closing transition resources
- A due diligence checklist
- Consulting on standard financing and tax considerations
- Accommodates transactions with some or all seller financing
- Two sets of document revisions*

COMPREHENSIVE TRANSACTION SUPPORT

Support for transactions over $350,000 or transactions with a bank-financing component.

- Industry-specific contracts customized to your transaction
- Designated personal transaction consultant
- Experienced guidance on deal structuring
- Post-closing transition resources
- A due diligence checklist
- Consulting on standard financing and tax considerations
- Financing information and instructions
- Three sets of document revisions*
- Integration and communication with third-party lenders

**Additional document revisions available for each service at an additional cost.*

Valuation Services

Growth Through Knowledge

Performing a formal valuation of your business is the first step for any growth or exit strategy. Business value should inform all important decisions and help you create a path forward with intention, and a successful path should include concrete goals anchored to a clear and accurate starting point.

MARKET-BASED VALUATION

The FP Transitions Comprehensive Valuation Report uses the industry's largest comparable sales database of financial services practices to deliver a neutral and accurate estimate of value. A market-based valuation can be used for the purpose of transferring clients from one business to another, as well as for tracking and monitoring a practice's value over time. A formal, equity-based valuation can be used by all owners of a business—current and prospective—as a business building and planning tool, and to learn what drives value and how it can be increased and improved.

CERTIFIED BUSINESS APPRAISAL

Certain circumstances call for a more in-depth review and analysis. Our team of accredited professionals can provide a valuation report matched to your specific purpose. A custom-tailored certified business appraisal can apply to a variety of purposes including, but not limited to:

- Internal or minority sales
- Divorce
- Mergers
- Legal disputes or dissolutions
- Taxation
- Charitable gifting

LITIGATION SUPPORT

Our certified appraisers are experienced in the litigation process and can support the accuracy of our work in the event of a legal dispute of value. When needed, we provide assistance in a variety of dispute resolution processes including mediation, arbitration, and court proceedings, and can testify as to the validity of a Certified Business Appraisal performed by FP Transitions.

APPRAISAL REVIEW

Our valuation and appraisal team can examine any valuation or value opinion prepared by a party other than FP Transitions. We review the documentation and determination of value to identify any deficiencies that may not withstand the rigors of a legal proceeding. Our analysis will help you determine whether a second opinion of value should be obtained, or if the standing value conclusion is acceptable.

10 REASONS TO PROFESSIONALLY VALUE YOUR BUSINESS

1. Increase value
2. Benchmark reporting
3. Continuity planning
4. Exit planning
5. Acquisition
6. External sale
7. Compensation
8. Internal transfer
9. Mergers
10. Litigation

VALUE. PROTECT. GROW.

Whether you own a small but mighty "lifestyle" practice or an enterprise in growth mode, you can tailor your EMS membership to help you value, protect, grow, and ultimately prepare to transition your practice.

Membership

Equity Management System®

Managing the equity in your financial services practice is an ongoing process. Your business, your staff, and your personal goals change over time. To help manage, protect, and improve your practice according to your unique goals, the Equity Management System® (EMS) offers two levels of resources to support your individual business.

Each EMS path includes two core benefits: a Comprehensive Valuation Report and a Continuity Plan to monitor and protect your practice. Whether you want to manage value or actively grow your business, you can select a membership that fits your needs.

EMS BASIC

Track and protect your value with member-driven resources and coaching when you need it.

COMPREHENSIVE VALUATION + CONTINUITY PLAN

- Annual Comprehensive Valuation Report
- Annual continuity plan with updates
- Priority access to listings + unlimited inquiries
- Member-exclusive resource library access

EMS GROW

Track your value, protect it, and get to work on making it grow.

COMPREHENSIVE VALUATION + CONTINUITY PLAN + BENCHMARKING REPORT

- Annual Comprehensive Valuation Report for your practice
- Additional annual valuation for acquisition
- Continuity plans with updates
- EquityBuilder® Benchmarking Report
- Personalized coaching
- Discounts on additional consulting
- Priority access to listings + unlimited inquiries
- Member-exclusive resource library access
- FP Transitions industry studies

FP TRANSITIONS®

4900 Meadows Rd., Suite 300
Lake Oswego, OR 97035
800.934.3303
fptransitions.com