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Turnkey Deal Support

Helping buyers and sellers with turnkey M&A consulting and contracts for external and internal practice sales

Deal Making Made Easier

Newly Updated
For 2023!

Objective third-party support for both buyer and seller ensures a better deal for everyone - including the advisor's clients

Better Outcomes

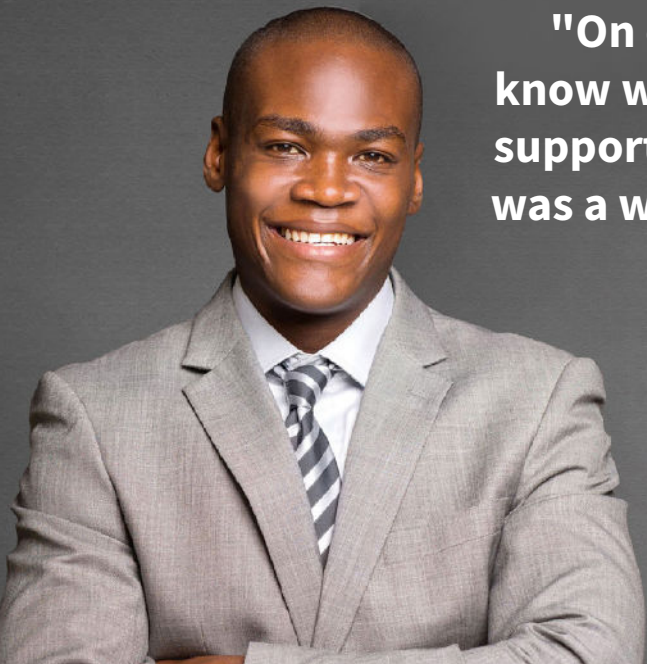
A successful transaction requires that the buyer, the seller, and the clients are all extremely satisfied - we make those deals happen!

With a combined 150 years of experience, our team has handled hundreds of practice sales. We provide both buyers and sellers with the insight, structure, and best practices necessary to ensure better outcomes for one of the most important transactions you can make. We also offer options for both internal and external successions, depending on how much support you need - and provide clear, upfront pricing.

Team of Professionals

Our team consists of professionals with deep expertise in key areas of M&A transactions. Depending on which level of service you select this may include:

- A **Business Analyst** who will conduct a valuation of the practice
- An **M&A Expert** who will help negotiate the deal terms
- An **Executive Coach** who will help construct a transition plan
- A **Business Attorney** who will draft an enforceable agreement between parties
- Help navigating **bank financing**, if needed



"On our own, we didn't know where to start. Getting support from Advisor Legacy was a win-win for everyone."



Right Size Solution

Whether you have an external buyer or an internal successor, we've got the right solution for any deal.

After completing hundreds of deals, we've developed three comprehensive packages designed to meet the needs of the most common straight asset purchase deals we see.

Internal Successor NextGen Deal Support

For Advisors Who Have An Associate/
Junior Advisor They Wish To Phase Into
Ownership.

Our Turnkey NextGen Deal Support service lets you design a succession with a trusted internal advisor. We provide you with the flexibility to sell in tranches or through a single transaction.

External Successor Turnkey Deal Support

For Advisors Who Have An External Buyer
Who May Or May Not Require Additional
Assistance With Negotiations and
Transitions.

For advisors working with an external buyer, we have two options based on the level of support you need negotiating the deal and transitioning the practice.

"Having never gone through this process before, the knowledge and professionalism Advisor Legacy displayed was invaluable. They helped us really understand the process and the value drivers of the practice so we could design a deal that worked for everyone. We wouldn't have been able to figure this out on our own. They were always responsive and gave us undivided attention during meetings. They even helped us with finding lenders for financing and legal support."

- Internal Succession, Ameriprise

Details for Each Service On The Following Pages

Internal Sale

For advisors selling to an associate advisor within the practice, we've designed a flat fee service to support you and your successor.

For our Turnkey NextGen Deal Support Service, we work directly with the selling advisor and their associate advisor(s) who is already working within the practice. With this service you receive:

Practice Valuation

Our award-winning practice valuation is used both as a basis for negotiating a deal and for securing bank financing.

M&A Consulting

Support with one of our M&A coaches to help the advisor and their successor develop a term sheet and review the deal earnings model. Includes **four meetings with the M&A expert**, supported by email communications.

Legal Agreements

Once the term sheet is developed, an attorney will create the formal legal agreements.

Transition Planning

Two meetings with an Executive Coach to discuss transition planning considerations.

Total Flat Fee - \$12,995*

**Client pays 65% of the fee at the time of purchase. Initial payment is non-refundable once the service has commenced. The balance is invoiced when the term sheet is signed and the attorney is engaged. The invoice for the second payment is cancelled if the term sheet is not signed and the deal discontinued.*



Purchase NextGen Deal Support Now
<https://advisorlegacy.com/deal-support>

External Buyer

For deals with an external buyer, we offer two options, depending on how much support you need to complete the transaction.

\$5,995

Flat Fee*

Turnkey Deal Support

For Advisors Who Have Completed a Valuation and the Negotiation of Deal Terms, But Still Require the Completion of Legal Agreements for an Asset Purchase.

We work directly with our client only (who purchases the service) and not with the other party. Our initial expert review of your negotiated terms is to identify any gaps or make suggestions based on our experience and best practices; prior to our attorney starting the agreements. Service includes:

Term Sheet

One meeting with an M&A coach, supported by email communications to create a deal Term Sheet, on which both the buyer and seller will sign off.

Formal Legal Agreement

The Term Sheet is then provided to an attorney to complete the formal legal agreements.

This service is ideal for the buyer and seller who have established rapport and have already completed a recent valuation.

Client can upgrade at anytime to include support with negotiations and transition planning.

**See website for full service details and payment requirements.*

\$5,995

Plus 1%**

Turnkey Deal Support Plus

For Advisors Who Need Expert Deal Negotiations And Transition Planning For A Straight Asset Purchase.

Business Valuation

Our award-winning valuation that arrives at a calculation of value and provides a certified deliverable needed for financing.

M&A Consulting

Four to six meetings with an M&A coach, supported with email communications to negotiate and arrive at deal terms. A Term Sheet is then created on which the buyer and seller will sign off.

Formal Legal Agreements

The Term Sheet is then provided to an attorney to complete the formal legal agreements.

Transition Planning

One meeting with an Executive Coach to discuss transition planning considerations.

***Success Fee of 1% of the sale price. See website for full details and payment requirements.*

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Key Deliverables

Know the true market value for your practice, arrive at clear terms, and get guidance through the entire transition of the practice.

Practice Valuation

Our award winning valuation is included in our Turnkey Deal Support Plus and Turnkey NextGen Deal Support services. Our valuation was recognized by key industry leaders as a valuable tool empowering advisor growth and deal making. We deliver a calculation of value that integrates the industry specific market-based approach with the more established M&A practice of using a “discounted earnings” method. The integration of the two methods balances the views of buyer and seller.

The valuation includes a range of value, feedback on where the practice stands for each of the key drivers of value, industry benchmarks, and our proprietary MaxVal Predictor™. As a result, our valuation is not only a valuable tool for M&A transactions, but also serves as a guide for the purchasing advisor to direct activities and

Business Valuation

Prepared Exclusively For:
Advisor Sample

Tuesday, October 27, 2020

EFFICIENCY

Revenue of: \$1,0-\$1,0M

	On Per	On Per
OPERATING EXPENSES	45.7%	39.8%
OPERATING PROFIT	54.3%	60.2%

	IS	ADM	REVENUE
Revenue	Professional	Non-Comp & Fees	Professional & Fees
76	\$780,000	\$30,719,882	\$76,123
82	\$80,000,000	\$30,000,000	\$81,133
112	-\$1,000,000	\$2,200,110	-\$21,779

ADVISOR LEGACY
It's time to plan for you

	REVENUE	DIRECT EXPENSE
On Per	\$1,000	\$1,000
On Per	\$1,000	\$1,000

	OVERHEAD	OVERHEAD (Non-Comp)	DIRECT & OVERHEAD EXP	OPERATING PROFIT
Business	\$100	\$750	\$850	\$150
100 Practice	\$100	\$750	\$850	\$150
1000 Practice	\$100	\$750	\$850	\$150

ADVISOR LEGACY
It's time to plan for you

DEAL TERMS
ADVISOR A & ADVISOR B

January 1, 2022

Subject: Example of Sale

The purpose of this outline is to list the key terms of the proposed "deal" between the parties. The "deal" is the "deal" which is the subject of the sale. The "deal" is the "deal" which is the subject of the sale. The "deal" is the "deal" which is the subject of the sale.

Sale Price

- \$2,000,000
- Down Payment: 20%
- (\$400,000)
- Balance Due: 80%
- (\$1,600,000)
- Includes:

 - Equipment
 - Inventory
 - Accounts Receivable
 - Accounts Payable

Bank Financing

Bank financing is not required for the sale by the seller.

Attorney

Each party will be responsible for the cost of their own attorney. The attorney for the buyer will be responsible for the cost of the attorney for the seller.

Reviewed by: Todd Refrany
ADVISOR LEGACY | 50 Big Beaver, Suite 275, Troy, Michigan, 48064

Term Sheet

Our experienced M&A consultants can represent either the buyer or seller or serve as a neutral third-party for both during internal successions. The term sheet will include all key terms, structure, and important protections for both buyer and seller in order to balance risk and ensure commitment to the success of the deal.

The term sheet serves as a blueprint for the lawyer who will then draw up all necessary legal agreements.

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Turnkey Deal Support At Work

Case Study - Internal Sale

The Scenario

Founding advisor had recruited and groomed a junior advisor 20 years prior with the intention the junior advisor would serve as internal successor. In 2019 the advisors decided to start working toward a formal succession plan and sought referrals for firms to provide a valuation as a starting point for discussions. Advisor Legacy was the only firm out of three to respond in a timely manner and provided both advisors with insight as to how the valuation process would work. Advisor Legacy presented the advisors with the Turnkey Deal Support *PLUS* package, which not only included a valuation but everything the advisors would need to structure an internal succession/straight asset purchase. The advisors engaged Advisor Legacy for the full package, starting with a valuation.

Advisor Legacy was able to instruct the advisors exactly where to go to secure the necessary data and reports from their broker dealer in order to perform the valuation. The valuation helped both buyer and seller determine fair market value. With the guidance of Advisor Legacy, the advisors agreed to a phased succession, with the first tranche sale occurring in 2020. The second and final tranche sale was finalized in March of 2022. The founding advisor will remain on board to provide leadership and client support until such time as they ultimately retire.

Additional Takeaways

The advisors had a strong established relationship and had worked side by side for years. This allowed the Junior Advisor to develop trust and rapport with clients long before the actual transition took place. As the advisors described it, this approach made the transaction “a non-event” for clients who were already working with the successor and other staff members. Advisor Legacy was able to work on behalf of both the buyer and the seller, negating the need for each party to retain their own representation. This further reduced costs and streamlined the deal process.

As part of the valuation, Advisor Legacy delivered a one hour consultation to discuss the analysis and key takeaways. This resulted in the buyer identifying key strategic initiatives to take to improve the value and operations of the practice moving forward. Once the deal terms were negotiated, Advisor Legacy referred both parties to a legal team with experience drafting agreements for advisor M&A transactions. They were also able to refer the buyer to qualified lenders with advisory M&A experience to help finance the deal.



Advisor Legacy can help you through every stage of an acquisition, from the first step to a successful outcome.



BUSINESS
VALUATIONS



CONTINUITY
PLANNING



LENDING &
LEGAL SUPPORT



DEAL
SUPPORT



PRACTICE
SALES



SUCCESSION
PLANNING

Your future is our only priority.

You wouldn't leave your client's legacy to chance. Why leave yours?

CONTACT US



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