

-BROCHURE

Downstream Buy Out

A detailed look at our unique
DBO proposition

How it works



Planning your future

Fairstone's DBO proposition is aimed at forward thinking IFA businesses that are looking to secure a premium valuation and plan for the future without compromising their clients and staff.



Fixed formula

We provide a profit based fixed formula.



Future based value

The valuation formula is fixed at the outset and applies to future financial performance, ensuring that you benefit from all growth in profits and maximise your sale value.



Opportunity for growth

We offer growth funding support and recruitment provisions to help maximise your growth potential.



Never shoehorn your clients

We won't compromise your independence and we'll never ask you to shoehorn your clients.



Premium offer

We offer a premium valuation for a fully integrated business, representing the highest value from a national IFA.



Capital & income

Business owners have the opportunity to realise a premium value for their business while receiving an on-going income for as long as they chose to remain within the business.



Flexibility

Business owners have further flexibility over the timescales of the deal. While we maintain a minimum integration period of two years, this can be deferred by those firms that want to further maximise their business growth and subsequent share value.



Tax efficient

We offer a tax efficient share purchase model that enables shareholders to benefit from Entrepreneur's Relief.



Stay involved

We encourage business owners to sell and stay within the business.

Integration is the key to any successful transaction...for both parties.

Fairstone's Downstream Buy Out (DBO) is a market leading acquisition model aimed at the owners of successful IFA practices. It enables shareholders to create a tax efficient premium capital event while also securing attractive on-going earnings at no detriment to their clients, advisers and staff.

By joining Fairstone you become part of one of the UK's fastest growing and most innovative financial services organisations. With an abundance of additional support services, centralised resource and new business opportunities to utilise, you can focus on growing and streamlining your business in preparation for future sale.

As one of the UK's largest Chartered financial planning firms, we understand that your clients are your main priority.

We won't compromise your independence and will never ask you to shoehorn your clients, leaving you secure in the knowledge that your clients have access to the highest quality and best value advice.



The Fairstone Downstream Buy Out (DBO) model turns the traditional acquisition process on its head.

Integration

- Operate within a Corporate Chartered framework
- Retain ownership of clients and revenue
- PI and Regulatory costs absorbed at group level
- Continue to provide independent financial advice
- Utilise industry leading technology
- Operate within sensible and robust compliance standards
- File checking, case audits and pre-approval reviews handled by Fairstone
- Retain company name and branding
- High quality client facing marketing material
- Adviser training, supervision and on-going CPD support
- Centralised fee collection and reconciliation
- Access to enhanced fees via leading mortgage clubs and protection panels
- Dedicated integration team supporting client novation
- Investment committee providing market wide research and on-going fund due diligence
- All incoming post scanned and allocated

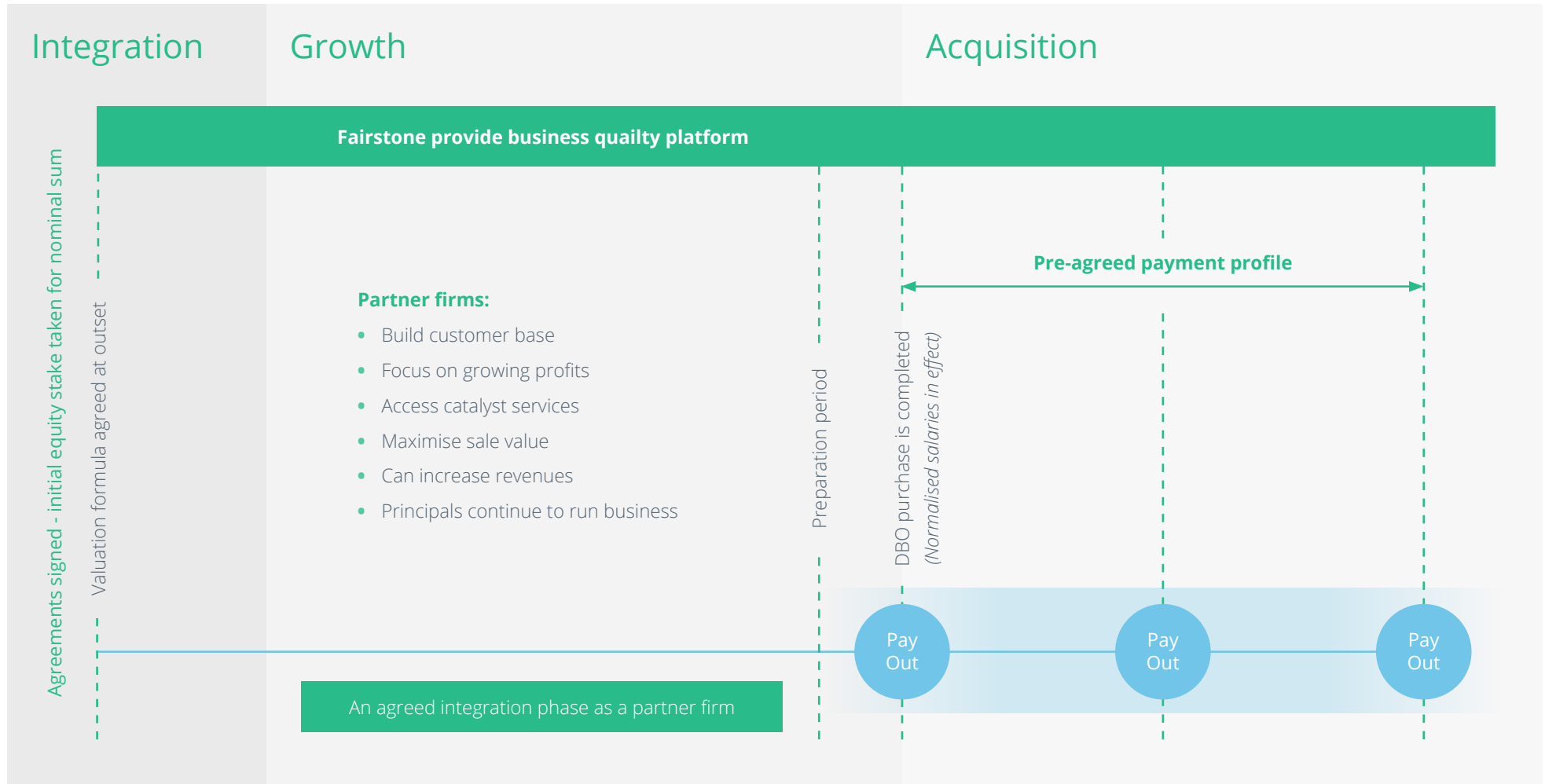
Growth

- Bespoke investment management solutions
- Professional paraplanning service available on a 'pay as you go' basis
- Access to growth funding
- New opportunities generated by our customer acquisition service
- Reactivation of dormant clients
- Recruitment assistance and succession planning .
- Generate additional revenues by referring non-core business to internal specialists
- Adviser and staff development via the Fairstone Academy
- White labelled conveyancing
- Dedicated estate planning channel
- Post sale case management and administration
- Links with tax planning, accountancy and legal firms
- Business development consultancy and growth support

Acquisition

- Ability to further increase sale value post acquisition
- Net free cash can be extracted as part of the sale
- Employee contracts adhere to TUPE rules
- All shareholder contracts remain on consistent terms post sale
- No requirement to move client assets or increase client charges
- Transparent profit-based valuation formula . Pre-agreed acquisition window
- Share purchase model, enabling shareholders to qualify for entrepreneur's tax relief
- Full cash pay-out typically within 24-36 months

The Downstream Buy Out process



Sell the smart way, Fairstone acquisitions consistently achieve **more than 100% of their sale value**

Speak to our Mergers & Acquisitions team to find out more about what Fairstone can do for your business.



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