

-BROCHURE

Individual Buy Out

A detailed look at our unique
IBO proposition

Fairstone 
ACQUIRING SUSTAINABLE GROWTH





Many independent financial advisers operate across the UK as sole practitioners.

This number is reducing year on year as IFAs face rising operational costs, increasing regulatory pressure and the challenge of growing a business and planning for retirement when working alone.

At Fairstone, we understand the position many individual advisers find themselves in and have developed a unique proposition to enable advisers to join, grow and ultimately retire within the firm.

“Fairstone and the IBO proposition delivers a well-thought out and structured exit strategy for advisers when they choose to retire and crucially provides client security by protecting their interests at all times.”

Mark John Crichton, Independent Financial Adviser

How it works

The Individual Buy Out (IBO) offers an average value of three times recurring income paid over four years

As part of the proposition, advisers integrate with Fairstone over a two-year period and commit to a 12-month handover ahead of retirement.

The integration period allows for full assimilation with our systems and processes and focusses on the growth of your business whilst preparing it for sale. Over the first year we will work in partnership to develop a growth strategy that enables you to optimise the value of your business and achieve your aspirational sale value.

The scheme offers:

- ✓ An initial **42%** of the total consideration paid in year one
- ✓ **60%** of on-going recurring income paid for four years
- ✓ **70%** of the previous 12 months recurring income paid at exit date
- ✓ Attractive **death benefits** for your nominated beneficiary
- ✓ Office space with admin and paraplanning **support***

*within a Fairstone office





Optimising your value

Supporting IFAs to grow their businesses and optimise their value is one of our top priorities.

- As part of the IBO proposition we offer:
- Access to growth funding
- Business development consultancy and growth support
- New opportunities generated by our customer acquisition programme
- A pay-as-you-go paraplanning service
- Adviser and staff development via the Fairstone academy
- Marketing support*

* including access to our TrustPilot and VouchedFor review programmes

How your plan might look

Based on **£200,000** recurring income:

Capital payment (on completion)	£140,000
48 monthly payments totalling	£480,000 (£10k per month)
Total consideration	£620,000

* Received with 10% tax - therefore **£558,000** net of business asset disposal relief

Interested in joining us?

When it comes to partnering with individual IFAs we have a series of minimum requirements and characteristics that we aim to meet.

We have a preference for Chartered individuals with no previous high-risk business and we look for IFAs based within 25 miles of a Fairstone office.

We would love to hear from you if you have:

- ✓ Minimum revenue of **£200,000**
- ✓ Total revenue of between **£200,000** and **£500,000**
- ✓ Minimum **70%** as **recurring income**
- ✓ An average **client portfolio** size **above £250k**

If you don't meet this profile, we would be happy to discuss how we could help your business evolve into a new form.

To discuss your options call
0845 605 0680 or email
joinus@fairstone.co.uk

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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