CFA NextStep is a systematic, team-driven program which guides business owners through the process of extracting both themselves and their wealth from the business.

**Systematic**

CFA approaches exit planning in a systematic way, working as part of a team of advisors to ensure that the process addresses all options and is focused on clarifying and pursuing the goals and objectives established by the business owner.

**Client-Centric and Goal-Oriented**

CFA NextStep serves the business owner. The objective is to extract both the business owner and the wealth from the business within the time, value and risk parameters set. Business wealth is often a major component of the total wealth portfolio to be served by the financial, tax and estate plans. We work with the wealth management or financial planning partner to clarify the goals which will depend on the successful transfer of the business wealth.

- Protection of Family and Others – what if?
- Legacy Goals – contribution made?
- Lifestyle and Life-after-Business Goals – next phase?
- Estate Planning Goals – tax efficient transfer?

These expectations result in the establishment of the Exit Strategy Goals expressed as a transfer of wealth measured in value, time and risk.

**Team-Driven**

We assemble and coordinate a team, including existing advisors where applicable, that will ensure that the business owner:

- Has access to all appropriate options and opportunities
- Is fully informed as to the merits and demerits of proposed strategies
- Has expert counsel and representation

The team brings the necessary knowledge, skills and experience in all applicable disciplines including mergers & acquisitions, corporate law, taxation and financial planning/wealth management. It may also include specialists in ESOPs, insurance, personnel and business consulting disciplines.

**Phase-Managed**

The process is managed through five primary phases:

- A Business Valuation and Marketability Report – which establishes the expected wealth transfer
- A Wealth Management Plan – which establishes the targeted wealth transfer
A Business Exit Plan – which reconciles the Expected with the Targeted Wealth Transfer
Execution of identified Positioning Strategies – which enhance the Expected Wealth Transfer
Execution of the selected Exit Strategy – which extracts the business owner and the wealth

Optimized

Positioning Strategies are identified and selected for their ability to bridge the gap between the Expected and Targeted Wealth Transfer values. They seek to optimize the value of the transferred business wealth by focusing on value, timing and risk.

The team identifies ways to enhance the corporate structure and business value, and to make the business more marketable. Selected strategies may include multi-step or phased exits which fall within the time and value parameters set. They include tax strategies and risk-mitigation strategies, and address the need to ensure a strong go-forward management team. They may involve changes to the business model or market positioning, and/or mergers, acquisitions and divestitures to be executed in advance of the exit.

Executed

The business owner makes the selection of an exit strategy with counsel from the advisory team. The process is intended to provide the context and understanding necessary to select between:

- Selling the business to Partners, Strategic Buyers, Investors, Competitors, or the Public
- Recapitalizing the business for Partial Liquidity
- Merging the business to achieve enhanced valuation and/or marketability

Transferring the business to Family, Management or Employees
Gifting the business to meet personal and/or tax planning goals
Liquidating or Partially Liquidating the business
Holding the business for a later sale, transfer or liquidation

Beneficial

Employment of a team of professionals to engage in a systematic process will result in:

- A higher probability of success, and
- An optimal result

About Corporate Finance Associates

Corporate Finance Associates is a major investment banking services firm, providing middle-market companies with a wide range of financial advisory services in support of mergers, acquisitions, divestitures, capital sourcing, and corporate restructuring. From project inception to completion a senior principal guides clients through every challenge, advocates on their behalf, and leverages CFA’s experience and extensive resources. CFA has over 20 offices in United States, three in Canada, three in India and 16 partner offices in Brazil, China and throughout Europe. More information about options to reallocate the wealth invested in your business is available via the Internet at www.corporatefinanceassociates.com.

Corporate Finance Associates
24461 Ridge Route Drive, Suite A200
Laguna Hills, CA 92653
T/ 949.305.6710
F/ 949.305.6713
W/ www.corporatefinanceassociates.com