LPL M&A SOLUTIONS

VALUATION SERVICES

Understand the Value of your Business

Whether you're looking to grow through acquisition, sell your practice, or plan for your long-term succession, it's important to know and understand the value of your business.

OUR METHODOLOGY

M&A Solutions' valuation report provides a preliminary indication of value based on a personalized weighting of two valuation methodologies:

- **Income Approach** – We determine the present value of your practice's future cash flows by considering your firm's growth potential, cost structure, and qualitative metrics such as the average age, asset concentration, and size of book.

- **Transaction Approach** – Based on your firm's size and level of recurring revenue, we leverage our proprietary database of approximately 350 M&A transactions among LPL advisors to determine a subset of comparable transactions from which we calculate an estimated valuation multiple.

VALUATION PROCESS STEPS

To facilitate a smooth valuation process, please review the Valuation Process outlined below.

Step	Task
Step 1	☐ Reach out to M&A Solutions (ma.solutions@lplfinancial.com) with your Valuation Inquiry.
Step 2	☐ Complete the Valuation Letter of Engagement (LOE) in DocuSign*
Step 3	☐ Complete LPL's Valuation Questionnaire in Excel.
Step 4	☐ Provide your prior year or YTD profit and loss statement.
Step 5	☐ Provide a list of accounts to be excluded for each REP ID (if applicable)
Step 6	☐ Team will start working on the Valuation as soon as **ALL** the documents are submitted/signed.
Step 7	☐ M&A Team Member will return your completed Valuation Report in 7-10 business days.
Step 8	☐ Follow-up questions can be emailed to the M&A team as needed. Analyst will set up a meeting to discuss.

**Fees to be applied via engaging advisor's commissions the following month after signing the LOE*

VALUATION DISCLAIMER

LPL's M&A Solutions Valuations are not Appraisals and are limited to the calculation of values using selected methods. The presentation of the results of those methods are for your consideration. The scope of the analysis is limited in that it does not include an in-depth analysis of all factors generally included in the Appraisal process and should not in any way be construed as our opinion of Fair Market Value.

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