

Transaction Advisor Intermediary Program

Have an Exciting & Lucrative Career as a Transaction Advisory Intermediary (TAI)



The highest paying career for a small investment in your professional career.

Name one career where it is possible to clear \$ 1 million in your first year. That is exactly what you can do, and more, as a Transaction Advisory Intermediary.

If you have the fundamental base skills, aptitude, one week of time to invest in initial training and can

pay the program fee of \$28,500, you could join the ranks of others in the very lucrative Mergers & Acquisitions business by matching buyers and sellers and managing that entire process.

Selling and Buying Companies. Businesses, small and large, are sold every day, just as houses, cars and other items of value are sold. There is an industry for the process of buying and selling businesses, just as there is one for real estate, automobiles, commodities, and other items of value. But unlike those other sectors, the industry focused on buying and selling companies, generally referred to as the Mergers & Acquisitions industry, is one of the least regulated. This could be viewed as a negative, but mostly it is quite a positive. It does not limit who can work in it, how much they can charge in fees and have the freedom to structure deals in very creative manners that helps the client, as well as the TAI.

A TAI is not a business broker. Due to the lack of regulation which defines nomenclature and process, it can be easy to confuse the difference in business brokers, transaction advisors/business intermediaries and investment banks. They all have the common denominator of being involved in the selling and buying of companies, but that is where the similarities end.

Business Brokers, which account for 85%+ of all players in M & A, are primarily focused on the “main street” type of businesses. That is generally characterized by those with annual revenues under \$3 million, 2-20 employees and deal mostly with individual buyers, owner operators and local banks with SBA financing. The engagement and selling process is much akin to having a listing and selling a house where you hope it sells and if so, the agent and broker will split a 5-7% commission. Just like selling a house, the business broker will list the opportunity, screen the buyers, provide them with a confidential booklet with the details and let the buyer and seller interact and hope there will be an offer and a closing. Most such brokers do a good job considering the risk they take with only a commission upon closing and the relatively small project sizes. But business brokers do not manage the entire process. TAI’s do. With brokers, buyers and sellers are on their own for the most part to get a deal done. Only about 35% of

transactions make it to closing in brokered transactions, whereas approximately 80% do when engaging the services of a TAI. And finally, business brokers do not provide professional market valuations or complex transaction structuring. TAIs do.

Transaction Advisory Intermediary, sometimes referred to as a *Business Intermediary* or *Transaction Advisor*, is not at all a Business Broker or an Investment Banker. TAIs provide something more akin to a professional dating and marriage matching service. As the word, *Intermediary*, suggests, a TAI is in the middle of the transaction helping both seller and buyer complete a multi-pronged investigation leading to a transaction. They start with a comprehensive audit of the company operations to uncover issues, continuing to gather all the financial materials to recast them into a structure that buyers want to see, and providing a professional market valuation. Then, rather than adding a client to a “listing” on a website or buying advertising on *Businesses for Sale* sites, a TAI custom design a very rifle shot marketing program aimed at finding the right buyer and negotiates all the financial and operational aspects of the transaction. The TAI manages the due diligence process and coordinates activities with both parties. And finally, a professional TAI stays with the client past closing to assist them through the sometimes very sensitive operational transition.

The other aspect that separates a TAI from a business broker is the usual size of the transaction. A TAI will work with larger companies, which can sometimes have somewhat more complex deal structures. Most TAIs work with clients from as small as \$3-5 million in revenue to about \$200 million. The average size client that The Engenuity Group engages, is from \$20-50 million in revenue but covers a large spectrum. This is the sector that a new TAI would focus on after getting its feet wet with perhaps somewhat smaller, simpler projects.

Investment Banks are similar to a TAI firm but with two differences: First, they usually work with larger, sometimes publicly traded firms, and second, they usually broker some or all the transaction financing. TAIs can assist in helping the client find financing, but it does not run directly through TAI.



Franchises and Such. Do not confuse this with the many canned “*how to be a business broker*” seminars, webinars and franchises, which will take in anyone who can breathe and write a check for the fee., and in most cases, then you are out on your own with no lifeline. There are many so called Business Broker training/certification programs and franchises available to almost anyone. All those programs are focused on training you to be a cookie cutter business broker, and like a real estate agent, to sell small laundromats, bridal boutiques and restaurants. If that is what you would like to do it can be a possible career, but this program then is not for you.

Sell Side Process

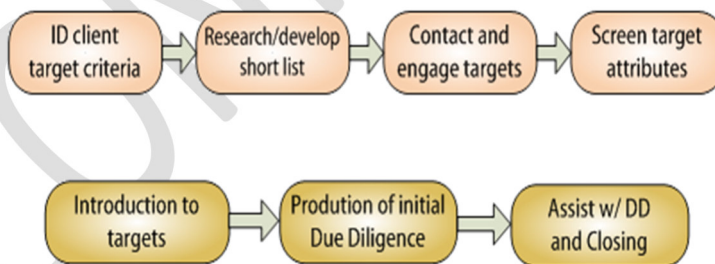
There are numerous steps and components to matching a buyer and seller and processing that activity to closing. The following is a general flow of the macro steps:



Many of these components run in parallel, depending on the project. You will learn this process inside out. You will experience part of the process during the real project simulations during your training. You will be challenged, and you will learn from practice and making mistakes.

Buy Side Process

When a company or investment group hire you to source and secure a particular type of company for their acquisition goals, the following are the general steps and components:



What is this Program?

This is a comprehensive one-year program designed to take an individual who possesses the basic education and skills and transform him/her into an independent Transaction Advisory Intermediary. The founder and his team have spent over 40 years buying, selling, negotiating, and closing numerous transactions. From those 40 years, they possess large databases of companies; hundreds of forms and models needed to be successful. But more importantly, they possess the knowledge and experience to transfer to the fresh recruit.

Unlike the many canned courses most all geared to the business broker sector, training is only part of the package. It is important to have a face to face, in person boot camp to learn from this award-winning M & A entrepreneur and his team. That is why the initial training is not by webinar or Zoom, but in a physical seminar setting in Kansas City. If you have what it takes, you could be off to a very professional and financially rewarding career.

This program should be titled, *“What They Don’t Teach You in Business School.”*

Specifically, it is comprised of:

1. **Application & Interview**, evaluation to assess your aptitude to be a successful TAI.
2. **Initial 5-day, 40+ hour face to face education week** to learn not only the hard metrical aspects of being a successful TAI, but the softer, more anecdotal “secrets of the trade” learning in a soft, interactive, seminar environment.

No, this is not a canned lecture with you in your classroom seats taking notes as the business broker courses are structured. This is planned to be a seminar styled environment, with the first three (3) days in presentation and group interaction/discussion; refresher Q & A each morning, and the last two (2) days doing hands on simulation of an actual buy and sell side projects as a group and then individually on the final day. This is intended to be a “boot camp” of sorts meant to transfer 40 years of learning compressed into 40 hours. It will be challenging and not for the faint of heart. There will be homework for each of the first 4 nights. Above all, the plan is to learn by presentation, discussion, Q & A, debate, brainstorming new ideas and challenging you to be ready to leave after only one week and get started.

Training is planned for November 11-15, 2023, in Kansas City.

3. **Monthly post training scheduled video group sessions** to go over issues, problems, ideas, and guidance.

You will be overwhelmed by the time you take your flight home. It will feel like you have been fed with a firehose. That is natural and expected. As with any real learning experience, you don’t learn it in a block of time, but over time interacting and doing. So, each month you will have a 2–3-hour group follow on training session by Zoom, in addition to the time with your mentor.

4. **Block of the principals’ time** for one-on-one discussions, zoom meetings with potential clients and assistance with the processing of the sell or buy side activities.

You will be provided with a block of hours by the founder and other principals geared toward helping you with your first few projects. This includes helping sell the engagement to your target client and execution of the project once you have engaged.

5. **Refresher/advance in person onsite training** at 6 months and then at 12 months post initial training.

Video conferencing is fine, but it is not the same as face to face in person interaction. That is why we plan to have a 2–3-day update training/interaction after the first 6 months. After one year in the program, we will have a 2-3 day in person session to go over advanced techniques, but most of all to share their experiences in a learning environment.

6. **M & A Toolbox** with templates, samples, models, and other administrative tools you will need to set up and run a home or office based TAI practice. (See below)

Application. Download it at <https://tai.eenginuity.com/tai-intro.html>. It is self-explanatory. Send it to TAI@eenginuity.com and Enginuity will contact you for an interview slot.

Qualifications

Entry into this program is by application and interview. Not all will be admitted. You must possess the skills and aptitude necessary to be successful to be accepted. We do not want to waste our time, or yours, if you don't have what it takes. But, if you do, you will enter a world that is highly selective, open to only a few, and geared to help you become an M & A professional and to earn a million in your first 12-18 months. If we don't think you will make that mark, you will not be accepted into the program. Why? The program is limited to only those who possess such skills for part of the program components is that Mr. Kimbrell and his associates will be dedicating so much of their time to you and your practice. If you don't have what it takes, that is wasted time for both of us, with no fees generated.

- **Minimum Qualifications**

- College degree, BA, BS, MBA, etc
- Sufficient savings/income to devote at least 50% of your business time to this as it takes a while to earn your first closing fee.
- Pass background check
- Basic understanding of Accounting, Finance and corporate structures
- Articulate
- Outgoing personality

- **Additional Preferred Qualifications/Qualities**

- Experience working in the M & A sector as broker, intermediary, analyst, investment banker, financial analyst, etc.
- Owned a company or executive level management of one.
- Experienced in detailed presentations.
- Extroverted, enjoys outreach and interacting with other professionals.
- Out of the box, creative thinker

Financial Rewards

Most TAI professionals make extremely lucrative fees with very little overhead. In fact, not only is the effective hourly rate you earn more than any industry, but you can also operate an entire TAI business out of your home. Clients don't go to you. You go to them. In this post pandemic era, clients don't expect you to physically travel to see them, but conduct a large part of the interaction by video conference (Zoom, Teams, etc) So, unless you are going to hire a lot of staff, which is not necessary (and we show you how/why), why pay that extra overhead? How much you make in your first year, your second year and beyond is pretty much up to you and your skills. Even half time, it can be a very lucrative business, but you will realize a better return if you devote a full-time effort.

You can clear over \$1 million a year with only 3 small projects, or fewer with one or two larger projects. Sounds wild, but it really is that simple because a single small project (selling a \$10,000,000 company), nets you after overhead, \$336,000.

The following demonstrates what you would have to do to net \$1,000,000 in your first year starting with your first engagement:

Deal Size (\$mm)	Commission	Fee (\$000)	Overhead 5.0%	Net Pre Tax	Our* Cut (10%)	Your Net	Time to Close (m)
2	9.0%	\$180	9.00	\$171	\$18	\$153	5.0
5	6.0%	\$300	15.00	\$285	\$30	\$255	6.0
10	4.0%	\$400	20.00	\$380	\$40	\$340	7.0
15	3.3%	\$500	25.00	\$475	\$50	\$425	7.5
20	3.0%	\$600	30.00	\$570	\$60	\$510	8.0
25	2.8%	\$700	35.00	\$665	\$70	\$595	8.5
30	2.7%	\$800	40.00	\$760	\$80	\$680	9.0
35	2.6%	\$900	45.00	\$855	\$90	\$765	9.5
40	2.5%	\$1,000	50.00	\$950	\$100	\$850	10.0
45	2.4%	\$1,100	55.00	\$1,045	\$110	\$935	10.5
50	2.4%	\$1,200	60.00	\$1,140	\$120	\$1,020	11.0

**varies depending on level of assistance you request on projects*

In looking at this chart which represents the average fee you will earn based on the size of the transaction, in millions of dollars in purchase price, you can readily see that \$1,000,000 means that you have one project with a purchase price of \$45 million: two each with a \$20 million purchase price, or three at a \$10 million purchase price each. Of course, your actual experience will vary, but the point of this is to show you how incredibly lucrative this career can be for you.

Program Fees

This mentor style program is geared to give you the tools and know how to work with much larger, more lucrative engagements than the brokers do. The fee for the program is geared to not burden you with a lot of upfront costs, but just enough to insure you have a bit of "skin in the game" and we cover our time and expenses. We know of no program where there is no financial commitment that ever succeeds.

So, the following is what you will pay for the program, our time and mentoring you and helping you process your projects:

1. Training & Toolbox

\$28,995 You are responsible for your travel costs, hotel (we will have a room block at discounted rates) and meals except for lunch each of the five days which is included in that fee.

2. Monthly Administrative Fee

\$1,000

3. Fee Split to cover our time assisting you with your projects.

10% of the total fee on your projects unless you request more involvement from us, in which case, this percentage would be different.

That's it.!

The Team. David Kimbrell and his company, The Enginuity Group (www.eenginuity.com), and its principals have been buying, selling and turning around companies for over 40 years. In fact, the first enterprise he put together became the largest environmental engineering firm in the country in the first decade of that industry. He was honored with a White House Rose Garden ceremony by President Ronald Reagan as US Entrepreneur of the Year and Inc # 9 for its outstanding growth. After selling Hall Kimbrell in, he and his team went on to build other enterprises by M & A and did that for 35 years until the team started providing the same services for paying clients several years ago.

The Enginuity Group specializes in the architecture, engineering, environmental and construction (AEC) sector. You can specialize to your experience, or you can be a generalist. The structure and process are the same for all sectors. The pros and cons of each will be discussed during training.

He and his team possess valuable hard-earned experience from those decades of doing and learning that comes with being in the trenches, making mistakes, learning from them and getting better with each episode. He and his team are now ready to share those 40 years of lessons learned and turn over all of that to a select group of younger, *fire in the belly* entrepreneurs to carry on and be successful as they have been.

Next Steps. If you think that you have what it takes, including the minimum qualifications outlined above, and would like to take the next steps, please contact us at tai@eenginuity.com with two different times and dates you would be available for an introductory phone call and we will get it scheduled.