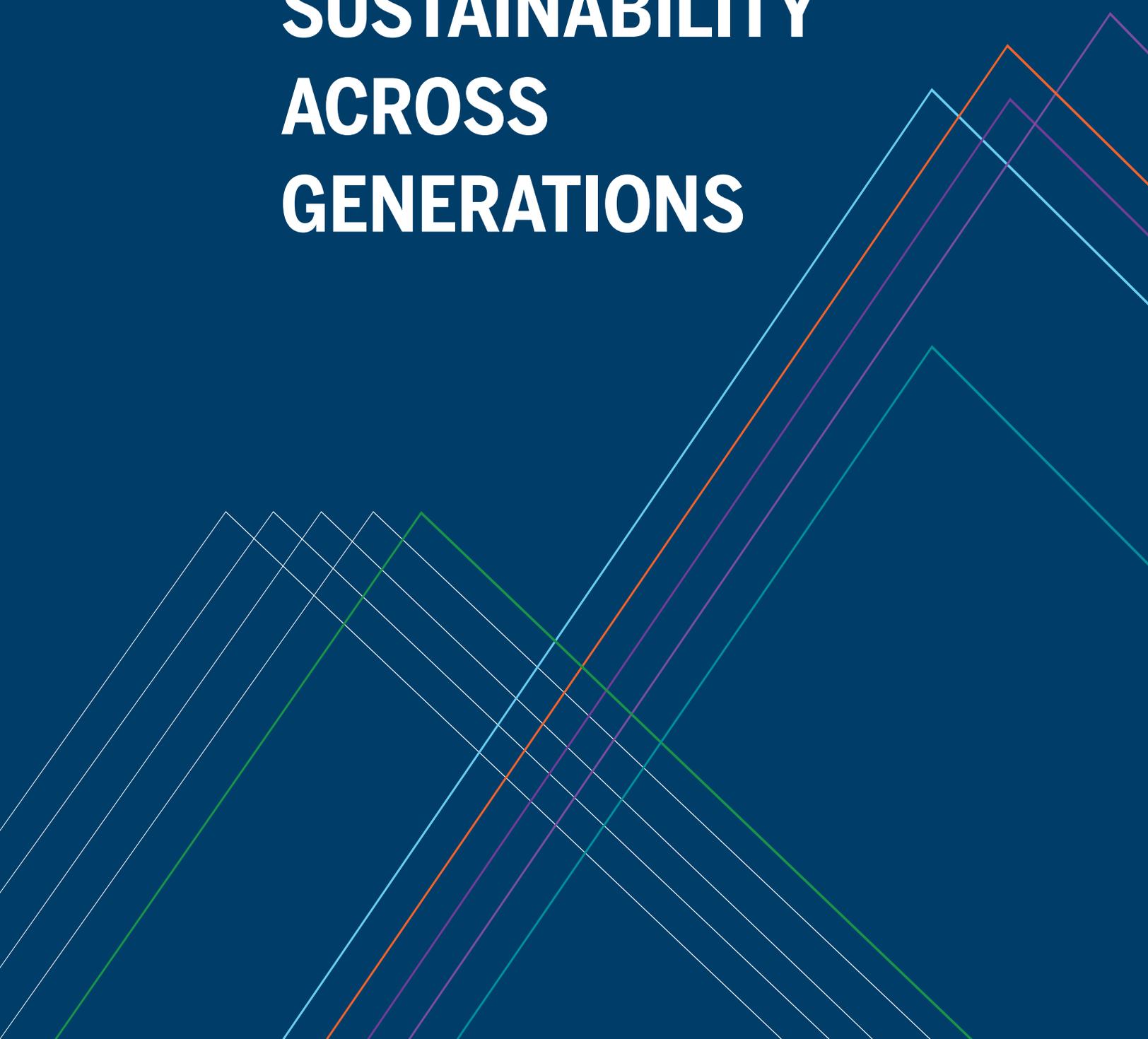


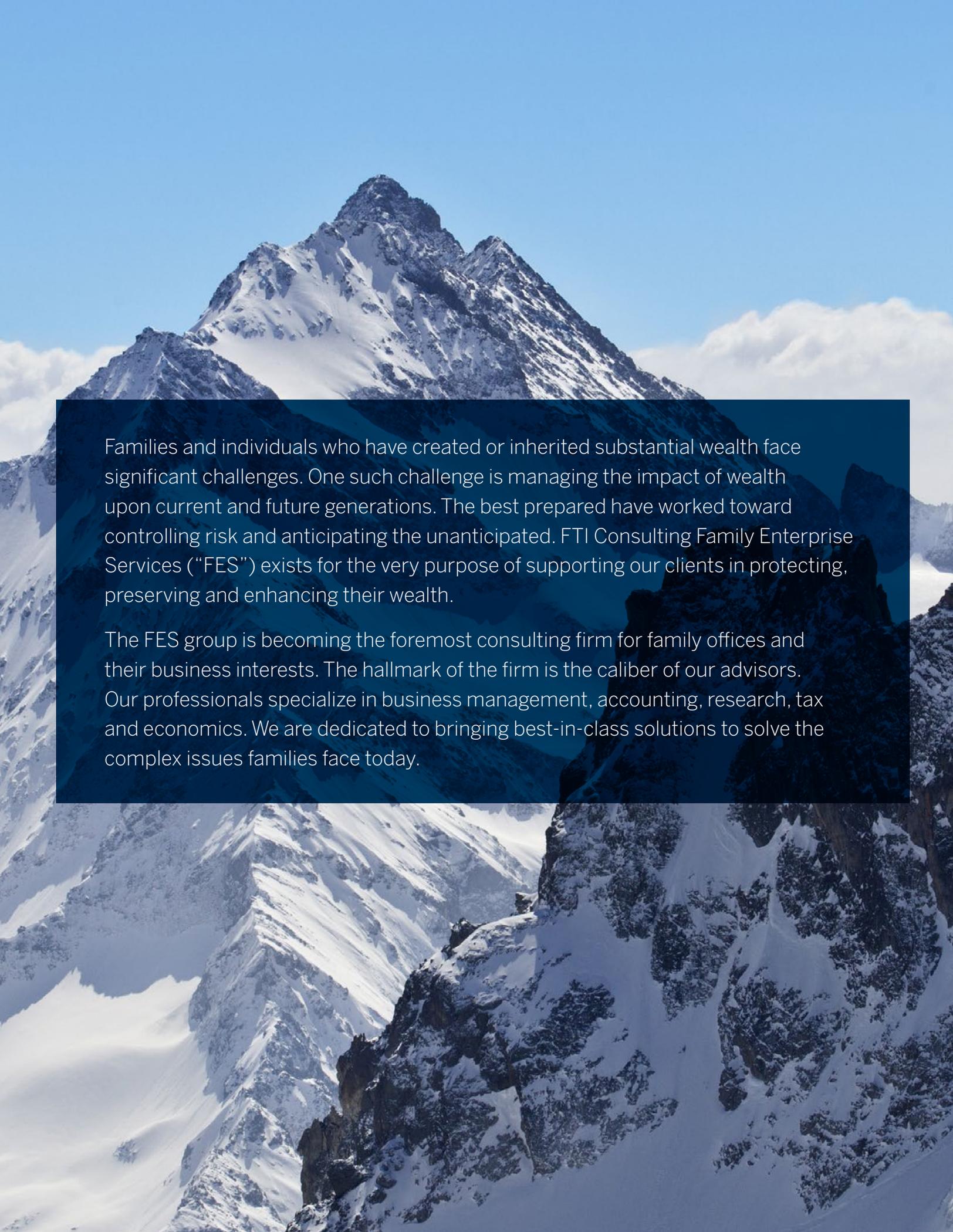


# FAMILY ENTERPRISE SERVICES

EXPERTS WITH IMPACT™

# **SUPPORTING SUSTAINABILITY ACROSS GENERATIONS**



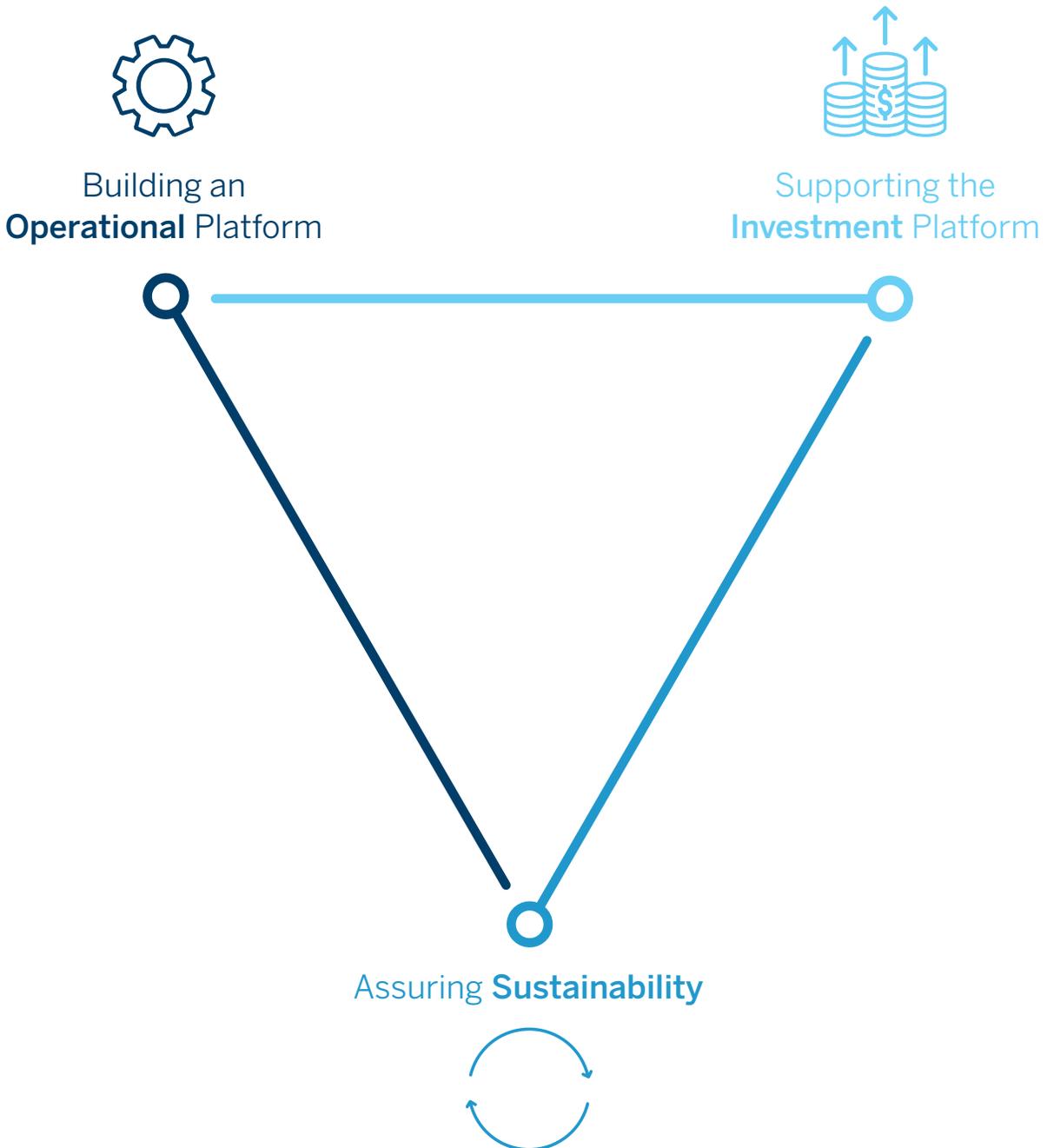


Families and individuals who have created or inherited substantial wealth face significant challenges. One such challenge is managing the impact of wealth upon current and future generations. The best prepared have worked toward controlling risk and anticipating the unanticipated. FTI Consulting Family Enterprise Services (“FES”) exists for the very purpose of supporting our clients in protecting, preserving and enhancing their wealth.

The FES group is becoming the foremost consulting firm for family offices and their business interests. The hallmark of the firm is the caliber of our advisors. Our professionals specialize in business management, accounting, research, tax and economics. We are dedicated to bringing best-in-class solutions to solve the complex issues families face today.

# Supporting Sustainability Across Generations

Family Enterprise Services (“FES”) offers a suite of services that supports the organization, oversight and evolution of a family’s personal and business interests. As a firm, FTI Consulting is unmatched in the depth and breadth of expertise, allowing us to better understand and serve our clients.



# Building an Operational Platform

## How We Can Help

- Optimize a tax-efficient operational structure
- Review technology needs and implement best-in-class systems, including cybersecurity
- Develop a clear reporting dashboard
- Assist with hiring and related background investigations
- Develop operational, human resource and legal compliance policies
- Periodically assess internal controls and operational effectiveness
- Provide interim personnel to implement systems

## SITUATION

A family office reached out to FTI Consulting to better understand the income and estate tax efficiency of their current holdings, as well as to consider the impact of recent rulings and tax law changes.

## OUR APPROACH

FTI Consulting's Private Client Tax advisors reviewed prior-year income tax returns, estate plans and related documents. In addition to diagramming the ownership structures and financial flows over time, in preliminary discussions with family office leadership, we had opportunities to review family office operations and reporting mechanisms.

## OUR IMPACT

At the end of the review, FTI Consulting submitted a report with detailed recommendations that included amending a prior-year tax return for a refund and restructuring the family office and private equity investments for tax efficiency going forward. In addition, the report recommended adopting human resources procedures, which resulted in additional savings; migrating to new reporting software that produced a weekly management dashboard for senior management benchmarking; and creating an investment advisory board.

# Supporting the Investment Platform

## How We Can Help

- Articulate the family's approach to investing
- Perform industry and financial due diligence
- Clarify the role of impact
- Deal sourcing through FTI Capital Advisors ("FTICA"), a registered broker dealer
- Identify co-investor and direct investing opportunities
- Manage reputation and partnership relations
- Involve FTICA, whose leaders can:
  - Access public or private capital and debt markets
  - Prepare investments for capital raising activities
  - Test quality of earnings

## SITUATION

A family office created after a health care biotech founder's liquidity event asked FTI Consulting for assistance in creating a platform for funding health care companies with significant upside potential. At the time of engagement, a potential target was in their sights.

## OUR APPROACH

Our Transaction Services group identified a team with deep health care expertise, whose consultants performed comprehensive due diligence, including quality of earnings, working capital requirements, current industry drivers and financial and HR risk factors. FTI Consulting's tax advisors assisted with identifying the most advantageous tax structures as well as regulatory and compliance issues.

## OUR IMPACT

The client successfully negotiated and closed the transaction. As a result of advising the client during the acquisition, we were able to identify and recommend best practices in building a platform going forward, including treasury, accounting, HR and other functions.

# Assuring Sustainability

## How We Can Help

- Create overarching governing principles
- Assist a family in defining its mission, vision and statement of values
- Engage stakeholders and initiate next-generation involvement
- Develop a “Next-Generation Education and Communication Plan”
- Assess compliance with legal and regulatory requirements
- Mediate conflict and build consensus
- Define family charitable desires

## SITUATION

A privately held real estate management company with ownership and carried interest participation in residential holdings throughout the Northeast sought FTI Consulting’s advice on how to monetize its holdings while contemplating an expansion of its expertise. FTI Consulting was retained by the owners to assess the value of both the assets held as well as the management platform.

## OUR APPROACH

We initially valued all company holdings, including the carried interests, and developed a model for long-term expansion of the platform. Working closely with the ownership group, we explored and clarified their individual interests, including their desire to continue to co-invest in the event of sale. FTI Consulting served as the company’s financial advisor and represented the company in negotiations with potential acquirers.

## OUR IMPACT

The real estate holdings and the management company were sold in a tax-efficient manner for the owners. FTI Consulting’s Executive Compensation team worked with acquiring REIT’s counsel to develop contracts with meaningful incentives for retention. Upon consummation of the sale, several of the owners formed a family office to enable long term family involvement and wealth preservation.

# About FTI Consulting

FTI Consulting is an independent global advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes.



**76**

Offices in 76 cities around the globe.

**53**

53 of Global 100 corporations are clients

**FCN**

Publicly traded

**96**

Advisor to 96 of the world's top 100 law firms

**8/10**

Advisor to 8 of world's top 10 bank holding companies

**\$2.8 Billion**

Equity market capitalization<sup>(1)</sup>



Named to America's Best Management Consulting Firms List for **3rd Consecutive Year**

<sup>(1)</sup>Number of total shares outstanding as of October 18, 2018, times the closing share price as of October 25, 2018.

# Definitive Expertise

We understand that every client has unique financial objectives. Accordingly, we tailor our strategies to meet those specific needs and interests. Our comprehensive approach and understanding of the relationships among various disciplines help us to develop strategies that enhance and sustain wealth and achieve your financial goals.



## Global Team

With professionals and offices in 28 countries, our breadth and depth extend across every major social, political and economic hub across the globe.



## Trusted Advisor

We are a trusted advisor serving clients globally with diverse expertise and exceptional credentials.



## Industry Expertise

We combine unparalleled expertise and industry knowledge to address critical challenges in both event-driven and long-term scenarios.

### U.S. Strategy and Consulting Firm of the Year

*M&A Atlas Awards*  
(2017-2018)

### ALM Vanguard Status™ Achieved for Transaction Services

*ALM Intelligence*  
(2016)

### Top Intellectual Property Litigation Consulting Services Provider

*American Lawyer*  
(2016-2017)

### Global Turnaround Consulting Firm of the Year

*Global M&A Network*  
(2015-2018)

### Arbitration Expert and Competition Economist Firm of the Year

*Who's Who Legal*  
(2015-2016)

### Top Service Provider in the Legal Industry (#1 Provider for Crisis Management, Litigation Valuation, Case Management Software and Corporate Investigations Support)

*Corporate Counsel*  
(2016)

### #1 Restructuring Adviser for 11 Consecutive Years

*The Deal*  
(2007-2018)



# **EXPERTS WITH IMPACT™**

FTI Consulting would like to bring its deep expertise, tenacious culture, breadth of services and practical industry experience to your organization to have a meaningful impact on the issues you face across the globe.

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**EXPERTS WITH IMPACT™**

#### About FTI Consulting

FTI Consulting is an independent global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities.

FTI Consulting, Inc., including its subsidiaries and affiliates, is a consulting firm and is not a certified public accounting firm or a law firm.

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