



Insider's Guide to Hiring the Right Lawyer for your M&A Deal

Lawyers can be the biggest risk to your M&A deal. Hire the right one and life is good. Hire the wrong one and your deal could blow up - and you'll still end up paying a big legal bill.

Here are my best recommendations on how to find the right lawyer for your deal.

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Find a Lawyer Who Likes to Teach

Lawyers seem to come in two types. One type treats legal knowledge like a rare commodity that they need to hoard. They rarely give out free info, and are poor communicators. The other type loves to teach and help business owners become more sophisticated legal consumers. They freely share content and resources, and are great communicators. You will have a much better experience working with a lawyer who likes to teach.

- ☐ Review your prospect's website and social media
- ☐ See if they like to share useful free content and you like their communication style
- ☐ What you see is what you should expect in your working relationship

Hire a Flat Rate Lawyer

I'm frankly offended that the legal profession is still so in love with hourly billing. Let's face it: hourly billing rewards lawyers for being inefficient, doing unnecessary work, and for taking longer than necessary. Is that what you want from your lawyer? I didn't think so. A specialized M&A lawyer should be able to flat-rate most if not all of your deal. Hourly fee agreements are just like a blank check (with your name on the signature line).

- ☐ Hire a flat rate lawyer
- ☐ Hourly fees are just stupid
- ☐ If the lawyer can't flat rate a pretty straight forward M&A deal it's likely they don't do them much

Ask About Deal Experience

In addition to checking reviews, get more social proof by getting info about the lawyer's past deal experience. This is also a great way to see if, in fact, the lawyer is a specialized M&A lawyer. Obviously you can't get details but you should at least be able to see info about deal types, sizes, industry, etc.

- ☐ Past deal experience helps you determine whether lawyer is a good fit and whether they are specialized in M&A
- ☐ Expect to get info on basics only (deal size, type, industry, etc)
- ☐ If lawyer can't or won't share this, then this is a red flag

You want a Strategic Advisor

Even amongst M&A lawyers, you will find that they fit one of two types. One type is what I call a paper pusher. They will take your deal parameters (usually in your LOI) and draft the needed documents to help you close the deal. Period. They won't be able to advise on strategic issues like deal structure, negotiation tactics, tax issues etc. The other type is a strategic advisor (usually with some business savvy).

These lawyers can advise on many of the more nuanced and strategic issues of your deal including structure, negotiation, dealing with problems that come up, and bringing in other professionals to help. You want a strategic advisor.

- ☐ Paper pushers will just put together deal docs based on what you ask for - sometimes not much more
- ☐ Strategic advisors can help you strategic and nuanced aspects of negotiating, structuring, and dealing with problems.
- ☐ Strategic advisors can also help you with hurdles you face when you start operating your acquisition
- ☐ Hire a strategic advisor, not a paper pusher

Tech Stack & Security

Sadly, the legal profession is one of the few where it's still acceptable to use fax machines on a regular basis. Yes, pretty low-tech. When it comes to your M&A deal, having a low tech lawyer can be a huge problem. At the very least this can be very inconvenient (like when they ask you to show up to the office to sign docs). At worst, it can create legal problems for you (like when they try to have you email them documents that are protected under NDA which you are required to share only in a secure manner).

- ☐ Learn about the lawyer's tech stack and make sure it belongs in the 21st century
- ☐ At the very least it should include electronic signature, client portal, and secure dataroom for due diligence docs
- ☐ Have a poor tech stack goes beyond inconvenience. It can create legal problems for you
- ☐ Red flag: when lawyer asks you to send confidential and sensitive docs to them by email

A close-up photograph of a person's hand holding a black smartphone. The hand is wearing a black leather wristband. In the background, a laptop screen is visible, showing a dark, possibly black, screen. The overall scene suggests a professional or business context.

Get the right lawyer for your deal and make your life easier!

Thanks for reading this legal guide. I hope it was useful and will help you find the right lawyer for your next deal. This has been a free guide from FTA Resources, LLC, the publisher of Freedom Through Acquisition Newsletter.

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