



AdvicePay Closes \$2M Crowdfunded Seed Extension Funding Round; Launches Enterprise Version

Innovative “Advisor Crowdfunding” approach provides fee-for-service billing and payments technology platform with capital to fuel enterprise growth; Launches AdvicePay Enterprise for hybrid Broker-Dealers and large RIAs

Bozeman, MT, January 23, 2019 AdvicePay, a leading fee-payment-processing platform designed exclusively for financial advisors, announced today a seed extension funding round of \$2 million that bypassed the traditional venture capital investing route to instead be “crowd funded” from within the advisor community.

Proceeds from this innovative funding approach will be used to power AdvicePay’s growth plans, including the launch of a new Enterprise version to meet strong demand from the hybrid independent broker-dealer and large RIA marketplaces.

“We chose the innovative approach of crowdfunding with advisors versus going the traditional venture capital route to ensure that we would be able to stay focused on serving the needs of our core target market of financial advisors,” said AdvicePay co-founder and veteran financial advisor Michael Kitces. “As a solution built by financial advisors, for financial advisors, we knew the advisor community would immediately understand the need and problem that AdvicePay was built to solve. This approach was more than validated by the high advisor demand we saw from [just one article on the Nerd’s Eye View blog](#), allowing us to get full commitments for the entire funding need in less than 2 months.”

AdvicePay Enterprise, which was built over the past 4 months from AdvicePay’s seed extension funding, includes expanded features, functionality, and dedicated tools built specifically for organizations that support large numbers of advisors and must manage key oversight and compliance protocols. These include a dedicated home office portal enabling firms to centrally manage and control billing and payment processing, while allowing for local flexibility at the advisor level. Additionally, AdvicePay Enterprise meets the specialized compliance and security requirements of larger financial services organizations, as well as provides dedicated relationship managers to facilitate onboarding of new advisors, training and ongoing support.

“As the fee-for-service movement in financial planning gains momentum, more and more advisors are working with clients by directly charging for their advice outside of or alongside an asset management fee for portfolio management,” said AdvicePay Co-Founder and CEO Alan Moore. “However, current billing systems from third-party providers are not built to avoid

triggering SEC custody , and present a number of compliance oversight issues for larger financial institutions that service hundreds or thousands of advisors.”

AdvicePay is an innovative payment processing system that advisors can incorporate to expand their business models to charge minimum advice fees, ongoing monthly, quarterly, or annual retainer fees, along with standalone planning fees – all innovative ways to work with clients and then bill them directly through technology, avoiding paper checks, invoices and manual processes. This new technology solution enables advisors to open up new markets of clients who simply want to pay for financial planning advice directly from a checking account or credit card.

“The interest for an Enterprise version of AdvicePay to meet the specialized needs of larger organizations serving advisors has been tremendous,” noted Moore. “Firms have been looking for a solution to support a fee-for-service model that is compliant and relieves them of the operational nightmares of manual processes for handing a high volume of fee payments. As a result, we are working with some of the largest organizations in the industry, with several in the onboarding process and a very robust pipeline.”

AdvicePay will be exhibiting at the upcoming Technology Tools for Today (T3) conference to be held January 29-February 1, 2019 in Denton, TX as well as at the TD Ameritrade Institutional LINC conference to be held February 6-9, 2019 in San Diego, CA.

###

About AdvicePay

Established by well-known, experienced advisors Michael Kitces and Alan Moore, AdvicePay is a leading payment processing platform for financial advisors designed to help advisors bill their hourly, retainer, subscription, and other financial planning and advice fees while complying with custody regulations, keeping client data secure, and providing efficient ways to manage fee-for-service billing. Users can accept ACH and credit cards, bill one-time payments, and establish recurrent retainer or subscription billing compliantly – all through the AdvicePay system.

Contacts

AdvicePay
Katherine Krause
P: (406) 412-2047
katherine@advicepay.com

Media Inquiries
Timothy Welsh
Nexus Strategy, LLC
415-847-4874
tim@nexus-strategy.com