ECHELON PARTNERS

The 2018 ECHELON RIA M&A Deal Report™

INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

to the Wealth and Investment Management Industries

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Executive Summary

Dear Deal Makers,

We know how much you love high-powered research and analysis on mergers, acquisitions, capital raising and valuation. With that in mind, we have been working diligently to assemble valuable deal intelligence and resources in this report just for you.

As part of this introduction, we would like to highlight several of the key takeaways and trends that we found most impactful in our analysis of deal making in 2018.

I. **Wealth Management Deal Activity**: The competitive reality of the wealth management industry in 2018 means scale matters more than ever. Larger firms benefit from cost savings, can afford cutting-edge technology, and are capable of hiring and retaining elite management talent. Deal activity amongst wealth managers reflected this desire to consolidate in 2018, achieving a record-high deal count for a sixth straight year. The 181 deals consummated represented a 8% YOY increase over the 168 witnessed in 2017. Transactions involving sellers with greater than $1 BN AUM also continued to climb, reaching a total of 32, up 10% over last year's total of 29. As the M&A market enjoys sustained access to financing and increased interest from private equity firms and consolidators, sellers of established businesses have continued to fit their acquisition criteria. Most often these opportunities come in the form of wealth managers with scale exceeding $1 BN AUM.

II. **Breakaway Deal Activity**: Several key industry factors have been attributed to the heightened breakaway activity in 2018. These include the expiration of forgivable loans issued to advisors in the hopes of retention during the 2008 financial crisis, as well as the aftermath of dissipating fears related to several wirehouses removing themselves from the longstanding broker protocol. There were 537 breakaways recorded in 2018, topping the once insurmountable 400 level for the fourth straight year. Breakaways increased YOY for the first time since 2015, climbing 27% from the 423 achieved in 2017. The biggest winners in terms of assets gained from breakaways included UBS Financial Services ($30,900 MM gained) and Raymond James ($16,277 MM gained). Conversely, the firms losing the most assets via breakaways included JPMorgan Chase & Co. ($39,674 MM lost) and Wells Fargo Advisors ($32,540 lost).

III. **WealthTECH Deal Activity**: The WealthTECH sector continues to flourish as RIAs strive to offer their advisors cutting-edge technology to provide industry-leading service. M&A activity once again surged in 2018, hitting a record high of 27 transactions in the period. This count solidifies an ongoing uptrend in deal activity since hitting a six-year low of 8 transactions in 2014, rising in each consecutive year following that low. The sector continues to benefit from increased deal making and capital flows to FinTech. The promise of FinTech companies to fundamentally disrupt the biggest players in finance has attracted private equity and venture capital firms. 2018 saw FinTech investment reach $52 BN, a record year that saw many mega transactions from private equity behemoths such as Blackstone and Francisco Partners.

The Drivers of Increased Industry Deal Activity

Based on our investment banking and consulting advisory assignments, ECHELON Partners has identified the following five drivers for the recent increase in deal activity:

I. **Increased Availability of Financing**: A general lack of deal financing plagued the wealth management industry for decades as traditional lenders balked at the risk associated with this industry's lack of assets to foreclose on in the event of a default. In the process, they overlooked the attractive recurring revenue streams that alternative finance companies have felt comfortable with for many years. In the past four years, however, more savvy, cash-flow-appreciating lenders have entered our industry. While ECHELON has identified several sources of deal financing, most of the activity is conducted by a few key players, each looking to do $100 MM to $200 MM in loans per year, with an average loan size of approximately $1 MM.

II. **Increased Number of Peer-to-Peer Deals**: As the industry matures and more advisors join study groups and attend conferences, there is a simple result: more advisors know each other. That means when it comes time to do a deal, advisors can sometimes turn to someone with whom they already have a trusting relationship. In such cases, due diligence progresses faster and with fewer complications, resulting in a greater probability of the deal getting done and staying together. ECHELON is seeing more of these situations and helping friendly peers with the complicated issues of valuation, deal structuring, financing, and governance.

III. **Market Cycle Timing**: Given that we are currently in the second-longest expansion in over 100 years, the odds are high that a turn in the cycle is just quarters away. Contrarians argue that given the slow growth of this recent cycle, expansion will be able to continue a while longer, and that it is crazy to think one can "top tick" the market cycle with the sale of one's company, considering that it usually takes close to a year to consummate a deal. On net, we believe more older advisors are factoring market cycles into timing their exit strategies.

IV. **Greater Motivation to Breakaway**: The ongoing expiration of forgivable loans have spurred and ignited breakaway activity. Additionally, in a somewhat recent development, fears of an impending end to the broker protocol have begun to come to fruition, with large wirehouses such as Morgan Stanley taking steps to cease their involvement in the program. For advisors pondering the flight to independence, the threat of increased legal liability seems to have provided the impetus for many to take action. ECHELON sees this trend continuing to develop in 2019 as other wirehouses take similar steps.

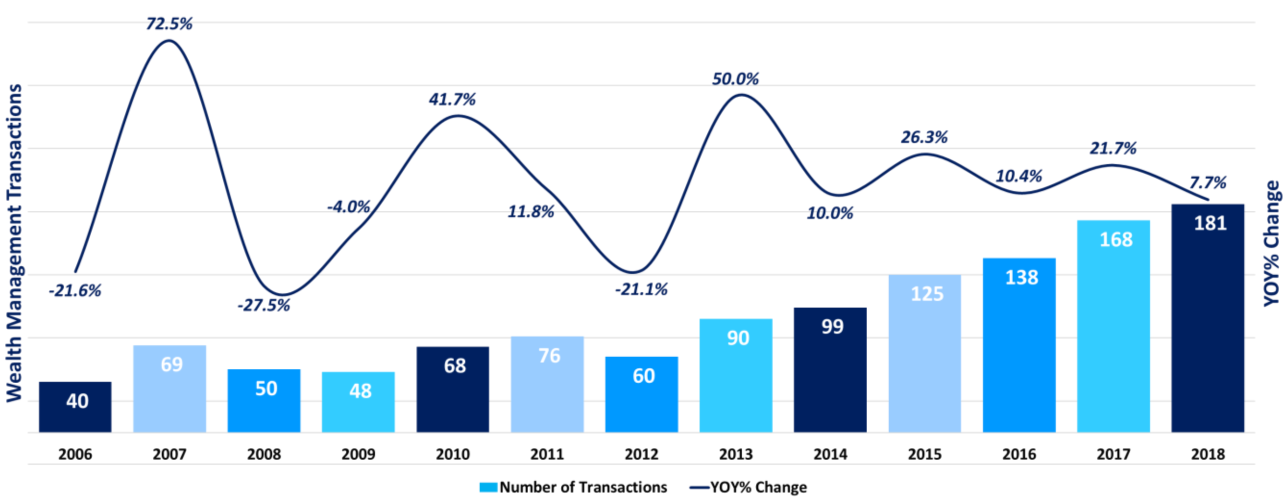
V. **Greater Private Equity Interest**: The heightened deal activity of 2018 has coincided with a revitalized interest from consolidators and private equity buyers. These firms are increasingly seeking and finding established businesses that fit their investment criteria. This criteria most often being well established $1 BN+ businesses that possess streamlined corporate structures, a strategic opportunity for further growth, and a proven track record of success. This activity has been marked by several mega-transactions, including Hellman & Friedman's $3 BN purchase of Financial Engine's $169 BN of AUM. Given wealth managers' ability to generate consistent cash flows and high rates of growth, private equity's interest in the industry appears here to stay and should continue to drive large scale M&A activity and consolidation.

Section 1. Wealth Management Deal Activity

Reported M&A deal volume rises to record highs, tripling 2012 levels

In 2018, M&A activity in the wealth management industry hit an all-time record high of 181 transactions, or roughly 15 deals per month. This represents an 8% increase over last year's record level and a 15.9% compound annual growth rate since the business cycle trough in 2009. M&A activity has increased in seven of the eight years leading up to 2018's record level. Trend-level growth would suggest M&A activity of approximately 210 deals in 2019, or approximately 18 per month. As shown in **Exhibit 1**, large swings in growth were experienced from 2005 to 2013, but the past five years have exhibited more stable, albeit lower, levels of growth.

Exhibit 1: M&A Activity Reaches Record High for the Sixth Straight Year



Sources: Company Reports, SEC IARD, ECHELON Partners Analysis

A Note on Deal Reporting in the Wealth and Investment Management Industries

It should be noted that tracking deal activity in the wealth management industry is still largely an imprecise science for the following reasons:

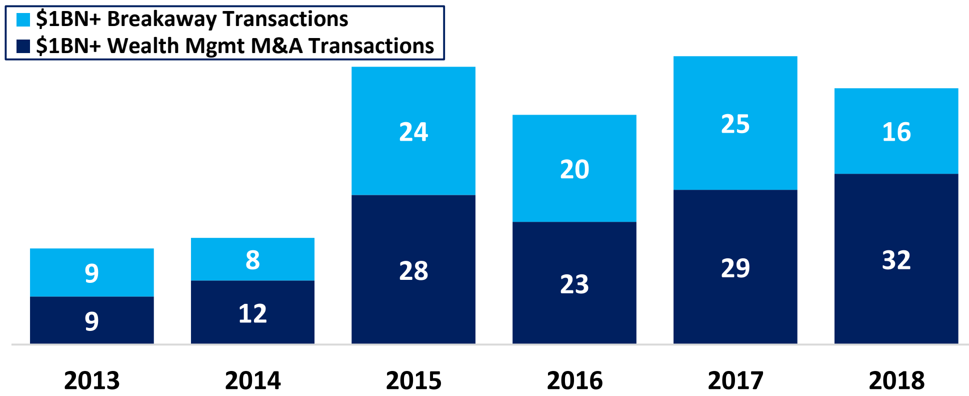
1. **Smaller Deals:** Most deals involving firms with less than $100 MM in AUM go unreported and therefore are very difficult to identify.
2. **Internal Deals:** Deals inside a firm between partners also often go unreported and would likely need to involve a material amount of equity changing hands to have a chance of being officially recognized.
3. **Hybrid Deals:** Deals that are part recruiting and part equity sharing fall into this category and present an issue as to whether they should be included or not. They too are often not reported.
4. **Breakaway Deals:** With the definition of "breakaway" broadening to include more than only those instances in which an advisor is leaving a wirehouse, there is a blurring of what constitutes a breakaway and what doesn't. Also at play is how much equity has to change hands for a breakaway to become more of an M&A transaction.
5. **Data Definition Rules:** The general lack of clear deal categorization and data category definitions creates an issue regarding what truly constitutes a deal.
6. **Data Consistency Over Time:** As data series contents change over time, it is difficult to go back to prior years and add or delete deals that don't fit enhanced data definitions.

As a result of the above, we believe reported deal activity is likely one-third to one-fourth of the true deal activity. Therefore we would encourage you to remain cognizant of these facts while you take the above information.

2015 represented a paradigm shift in the number of M&A deals and breakaways transactions involving $1 BN+ wealth managers. The rate of these deals in the past two years has remained accelerated, more than doubling the volume observed in 2013 and 2014.

Exhibit 2: $1 BN+ Transactions Continue to Surge

Deals for $1 BN+ wealth managers continued their surge in 2018



Source: Company Reports, SEC IARD, Investment News and ECHELON Partners Analysis

Given the ten-year expansion of equity markets and enterprise values since the market downturn in 2008, coupled with the increased number of advisors over age 60, more entrepreneurs have been motivated to solidify their succession solutions and secure their liquidity events.

With more than 500 wealth managers over the $1 BN in AUM threshold, the deal volumes of recent years would suggest that close to 10% of the firms have conducted a transaction. We believe this 10% rate is a more accurate representation of industry-wide deal volume, considering the high frequency of reporting of larger deals involving over $1 BN AUM. This 10% deal volume number is 3-4x the level observed in the broader market, which squares with ECHELON's estimate of the magnitude of unreported deals.

It should be noted that there is much more buyer interest in these $1 BN+ AUM targets than in smaller firms, for the following reasons:

1. **They Are Ideal Platforms**: Those seeking to make multiple acquisitions in the RIA space almost always need to start with a platform: a firm that has everything they need to get started. This includes the people, processes, and technology. Most firms with $1 BN in AUM or more are believed to possess the ideal mix of size and development.
2. **They Are Small Businesses:** Firms over $1 BN in AUM often have more infrastructure, systems, management, protective redundancy, and financial wherewithal. Together, that means these targets have lower risk and more durability across this business cycle. Said another way, if a key client or team member leaves the firm, it is likely to be more sustainable and to experience less disruption.
3. **Most Have Over $3 MM in EBITDA:** Most professional investors require that the firms they invest in have at least $3 MM in EBITDA. They seek this as a cushion above breakeven financial performance.

With transaction volume and acquisitions of larger firms at all-time highs, it is only natural to ask: "what types of firms are leading this buying activity?" We have illustrated the answer in **Exhibit 3.**

RIAs: This group was responsible for 28% of RIA transactions in 2018, completing 51 transactions. This is their lowest share in over decade. This decline is likely due to well-capitalized and sophisticated Strategic Buyers or Consolidators aggressively entering the space and winning deals.

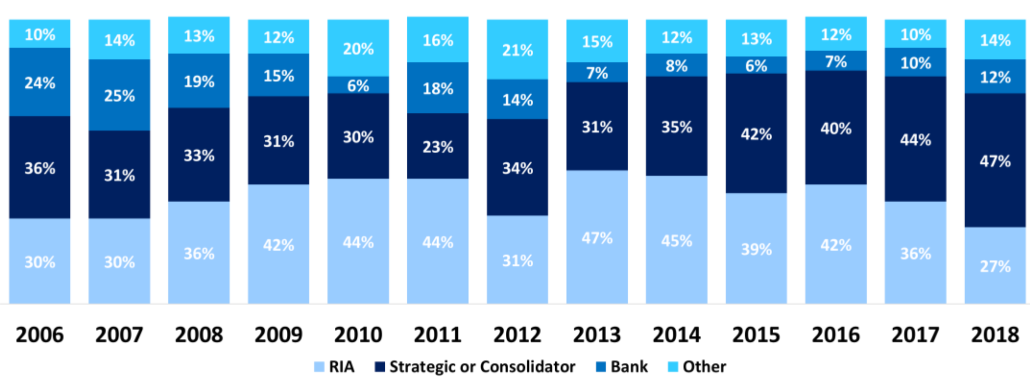
We use this label to describe those firms that have done fewer than three deals, are generally smaller in their strategic reach, and usually have more modest financial resources. Transactions involving "RIA" acquirers have continued to decline in market share in recent years, as 2018 figures fell below the previous 5 year average of 51 consummated deals per year from 2013 to 2017.

Strategic Buyers or Consolidators: In 2018, these buyers have accounted for 47% of wealth management transactions with a deal count of 85, doubling the total deals of 2014, when they were involved in 34 transactions.

From 2006 to 2011, strategic buyers and/or consolidators accounted for an average of 30% of the industry's reported deal activity. However, market share of this buyer group has reached, or exceeded, 40% of industry M&A. It is worth noting that this group is not all rollup firms. Instead it primarily represents firms that a) already have a platform, b) have considerable industry knowledge, and c) have done more than a couple of M&A transactions.

Exhibit 3: Strategic Acquirers and Consolidators Outpace RIAs in Transaction Volume

Strategic Acquirers/ Consolidators continue to increase their share of deal activity



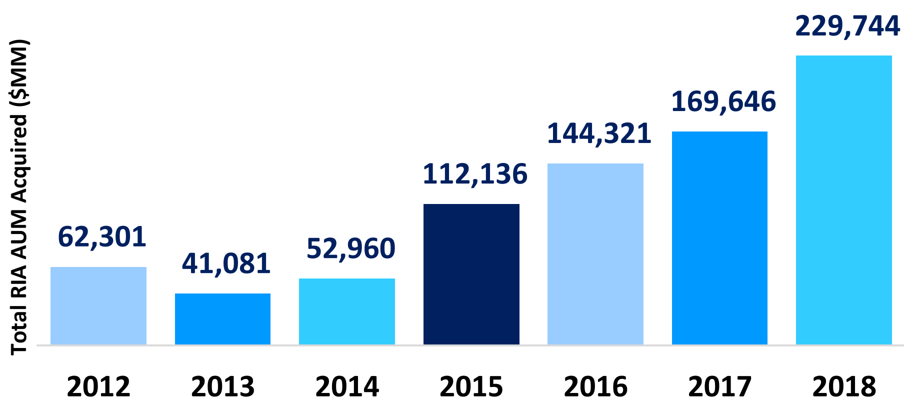
Sources: Company Reports, SEC IARD, ECHELON Partners Analysis

Banks: In 2018, bank acquirers brought their market share to the highest since 2012. Furthermore, in Q4 2018 they were responsible for three of the largest RIA M&A transactions recorded.

Exhibit 4 highlights that the aggregate AUM of acquired RIAs in 2018 was 4.4x the average rate experienced in the 2012-2014 time period. This figure includes recorded $1 BN+ deals but not mega transactions ($20BN and above in AUM) seen in **Exhibit 2**. 2018 represented a record high in the amount of AUM acquired and saw a 35% increase over the record levels experienced in 2017.

Exhibit 4: Total Deal AUM Hits Record High for Fourth Year in a Row

Cumulative AUM transacted intensified after 2015

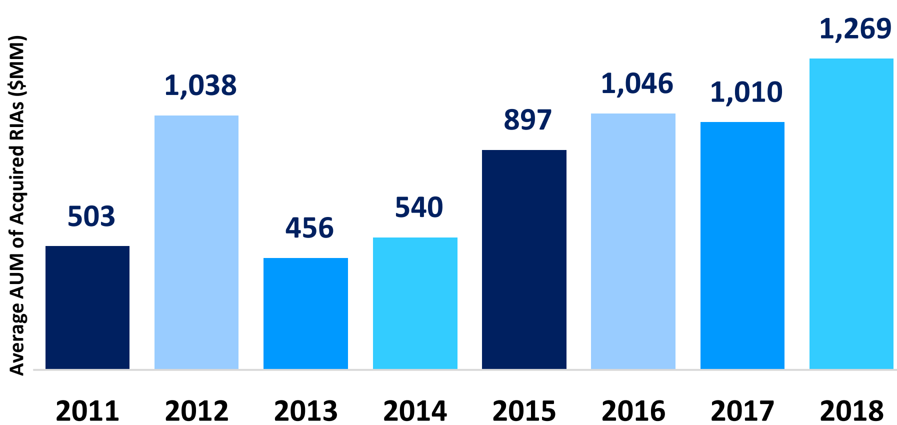


Sources: Company Reports, SEC IARD, ECHELON Partners Analysis

Exhibit 5 showcases average AUM per M&A transaction surpassing again $1 BN in 2018. This represents the fourth time in the past seven years that the average deal size has exceeded $1 BN in AUM. If trend-level growth rates continue, deal volume could reach 210 in 2019 and average deal size would exceed $1.4 BN, translating to more than $295 BN in AUM changing hands.

Exhibit 5: Average AUM per Transaction Surpasses $1 BN Again, Reaching Record High

Average AUM per reported deal tops $1.0 BN for the third straight year



Sources: Company Reports, SEC IARD, ECHELON Partners Analysis

Exhibit 6 outlines the top 25 $1 BN+ wealth managers that have been purchased in the past two years. During this time there were 16 deals of $10 BN or greater, including 11 deals of $20 BN or greater. The remaining 14 deals were wealth managers with $1 to $19 BN in AUM. It should be noted that this list does not include breakaway deals, which constitute approximately one-half of these larger-scale transactions.

Exhibit 6: The 25 Top $1 BN+ in AUM Transactions from 2017 and 2018

Seller	Buyer	Buyer Type	Seller AUM	Date
Cetera Financial Group	Genstar Capital	Private Equity	224,500,000,000	7/17/2018
Financial Engines	Hellman & Friedman/Edelman Financial Services	Strategic Acquirer	169,400,000,000	4/30/2018
National Planning Holdings	LPL Financial	IBD	120,000,000,000	8/15/2017
Focus Financial Partners	KKR & Co.	Private Equity	100,000,000,000	4/18/2017
Mid Atlantic Capital Group	Parthenon Capital Partners	Strategic Acquirer	90,000,000,000	3/14/2018
Signator Investors	Advisor Group	Strategic Acquirer	50,000,000,000	6/21/2018
Hilliard Lyons	Robert W. Baird & Co.	Other	50,000,000,000	11/27/2018
MD Financial Management	Scotiabank/Canadian Medical Association	Bank	49,000,000,000	5/31/2018
Fiduciary Network	Emigrant Bank	Bank	40,000,000,000	11/8/2018
CUSO Financial Services/Sorrento Pacific Financial	Atria Wealth Solutions	Strategic or Consolidator	30,000,000,000	8/2/2017
Cadaret Grant & Co.	Atria Wealth Solutions	Strategic or Consolidator	23,000,000,000	4/29/2018
CapTrust Advisors	CAPTRUST Financial Advisors	RIA	19,000,000,000	8/22/2017
Loring Ward	Focus Financial/Buckingham Family	Strategic or Consolidator	17,000,000,000	9/28/2018
SCS Capital Management	Focus Financial	Strategic or Consolidator	16,500,000,000	5/15/2017
Forbes Family Trust/MAI Capital Mgmt/EP Wealth Advisors	Wealth Partners Capital Group	Strategic or Consolidator	11,000,000,000	7/10/2017
Capital One Investing	Woodbury Financial Services	IBD	10,000,000,000	4/19/2018
Emigrant Bank/HPM Partners	Lightyear Capital	Private Equity	9,000,000,000	1/16/2018
Geneva Advisors	Canadian Imperial Bank of Commerce/Atlantic Trust	Bank	8,400,000,000	7/10/2017
Investment Professionals	Ameriprise	IBD	8,000,000,000	4/24/2017
Clarfield Financial Advisors	Citizens Financial	Bank	7,500,000,000	11/5/2018
Denver Investment Advisors	Segall, Bryant & Hamill	Strategic or Consolidator	7,200,000,000	1/10/2018
Ronald Blue & Co.	Thrivent Financial	IBD	7,000,000,000	8/2/2017
Williams Financial Group	National Holdings Corp.	IBD	6,500,000,000	3/13/2017
WealthTrust	HighTower Advisors	Strategic or Consolidator	6,400,000,000	4/1/2017
Northeast Securities	Global Investor Services	IBD	5,500,000,000	2/2/2017

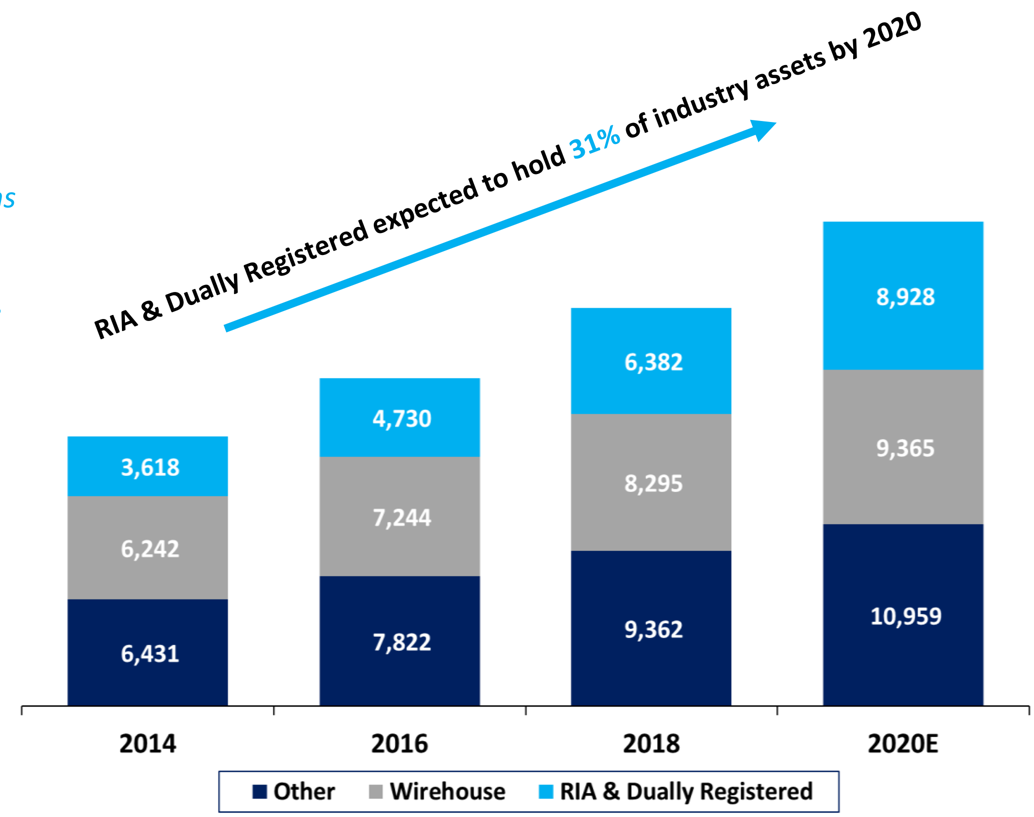
Source: Company Reports, SEC IARD Website, ECHELON Partners Analysis

Exhibit 7 shows the growth in assets of several industry sectors from 2014 to a projected 2020 level. RIAs & Dually Registered firms are projected to reach 31% of the total industry market share by 2020. This represents a CAGR of 16% over the time horizon, which is more than double the growth expected of the Wirehouse segment in the projection period (7%).

Wirehouses are expected to decline to 32% of the market by 2020, down from 38% in 2014.

Exhibit 7: Distribution of Industry Assets ($ BN)

RIA & Dually Registered Firms Continue to Grow in Assets at a Rapid Pace while Taking Market Share from Other Sectors

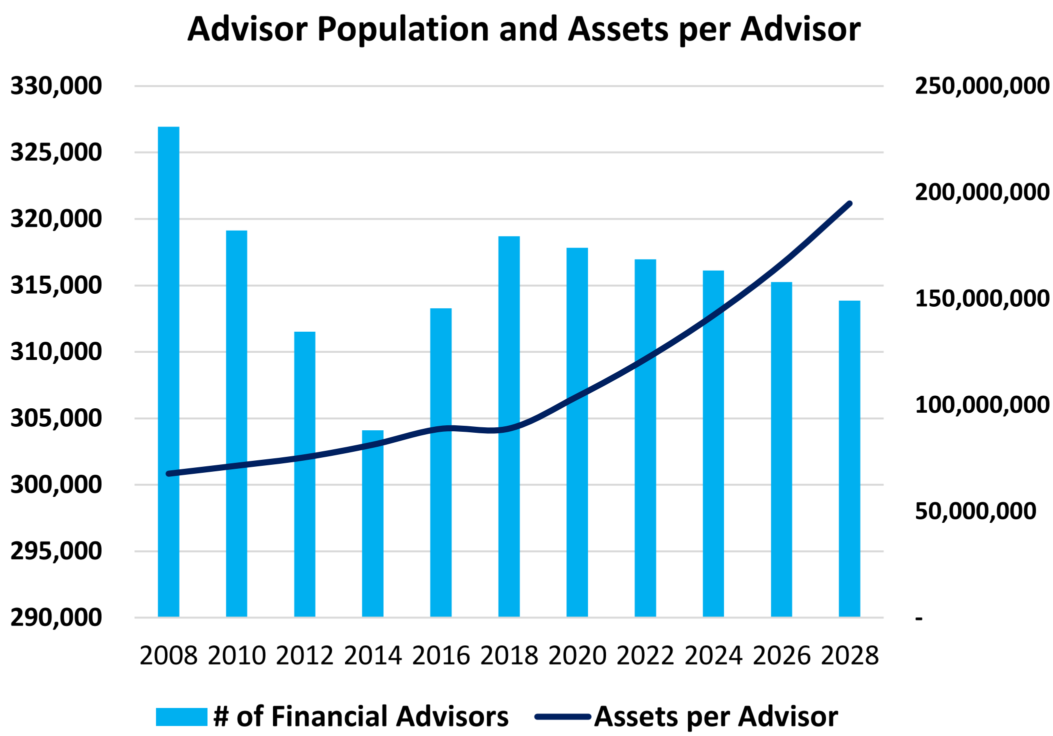


Source: Company Reports, Cerulli Associates, SEC IARD Website, ECHELON Partners Analysis

Exhibit 8 shows a developing trend in the financial advisory industry. As baby boomer generation advisors begin to retire more rapidly, the demand for financial advisory is beginning to outpace the supply of advisors. While retirement for advisors is inevitable, there has been little action throughout the industry regarding succession planning. Hiring, identifying, and developing succession candidates, internally and externally, will be a hot topic for financial advisors throughout the next decade to manage this trend.

Exhibit 8: Advisor Population and Assets per Advisor ($ BN)

As advisor population continues its gradual decline, assets per Advisor are expected to increase. Consolidation trends will contribute to this trend.



Source: ECHELON Partners Analysis

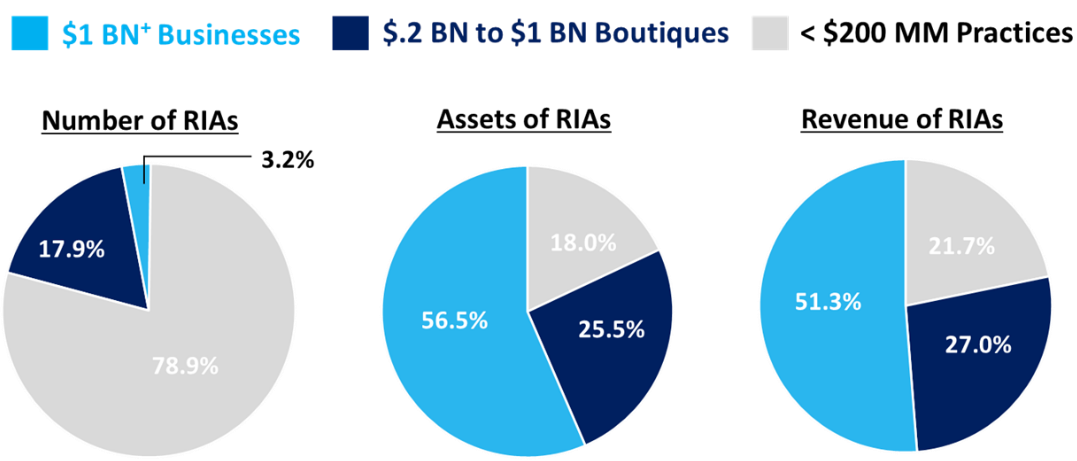
Firms will try to adapt to this aging advisor population trend by hiring younger millennial advisors to avoid succession issues. While there are other issues involved with aging, including obstacles to fulfilling one's fiduciary duties, another concern is the lack of succession planning in the industry. As the advisory population thins, and assets grow on an expected average annual basis, fewer advisors could be responsible for more assets. This means that unless firms actively address these trends, advisors will be overseeing approximately double the assets they presently oversee.

As deal activity remains at all time highs, consolidation throughout the industry has created a more competitive environment than ever. By increasing their scale, firms are able to offer cutting-edge technology and service, while hiring top-tier management executives.

Exhibit 9 shows the many benefits of scale that firms experience once they reach the $1BN+ level of AUM.

Exhibit 9: Quantitative View by Business Model – The Benefits of Scale in 2018

Despite accounting for only 3.2% of RIAs, $1BN+ wealth management businesses produce more than half of the industry's revenue.



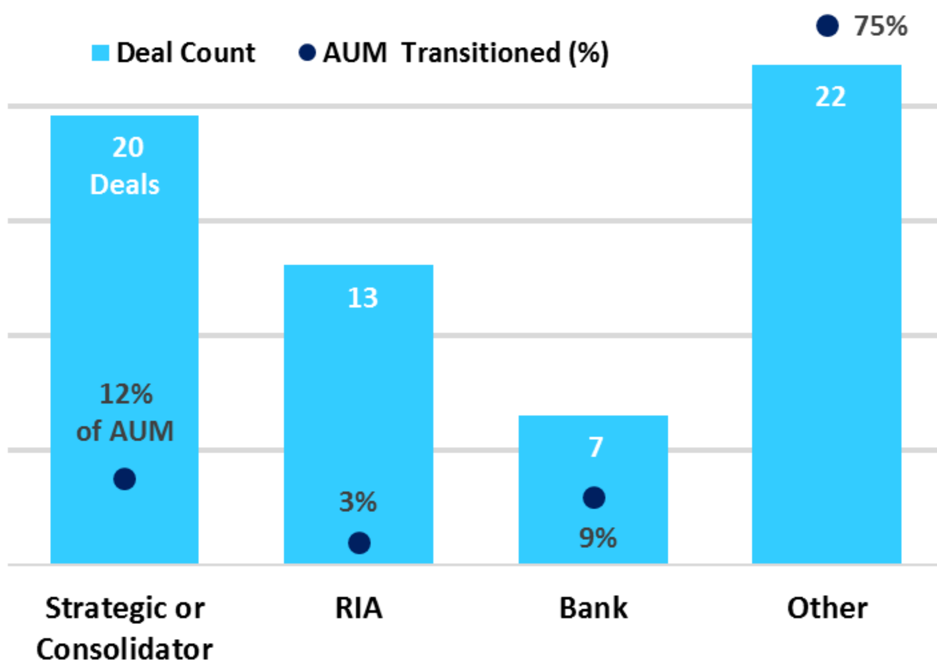
Source: Company Reports, SEC IARD Website, and ECHELON Partners Analysis

As shown in **Exhibit 10**, Private Equity, Independent Broker Dealers, and Diversified Financial Services firms (the "Other" Category) continued to drive M&A activity for $1 BN+ AUM wealth management firms, accounting for 22 deals and 75% of AUM transitioned in 2017 and 2018. The Strategic or Consolidator category accounted for 20 transactions, however their transitioned AUM was only 12% (to be expected as these are usually bolt-on acquisitions to already established platforms and transaction size is smaller).

RIAs were responsible for 13 $1BN+ AUM transactions but their AUM transitioned was only 3%. While banks totaled 7 $1BN+ transactions their AUM transitioned was 9% of total, signaling their appetite for platforms with significant scale and assets.

Exhibit 10: $1BN+ AUM Transactions in 2017 & 2018

Mega deals by Private Equity giants such as Hellman & Friedman and Genstar Capital led the Other category to dominate AUM transitioned

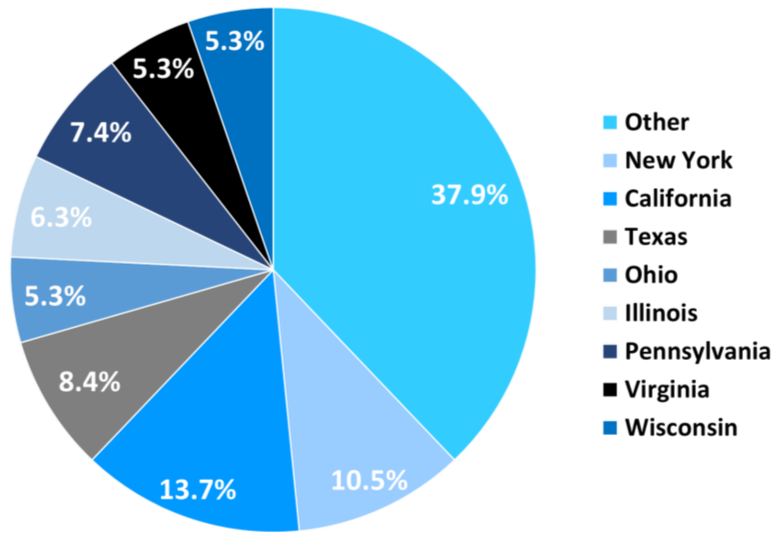


Source: Company Reports, SEC IARD Website, ECHELON Partners Analysis

Exhibit 11 shows that during 2018, the State of California once again led the way in terms of deal activity, accounting for approximately 13.7% of deals. New York was second in deal count and Texas was a close third, with Pennsylvania and Illinois rounding out the top five. Together, these five states accounted for nearly half of the firms acquired in 2018.

Exhibit 11: 2018 State-Level M&A Activity Led by Sellers Domiciled in California

Five states account for nearly one-half of U.S. Wealth Management M&A Activity



Sources: Company Reports, SEC IARD Website, ECHELON Partners Analysis

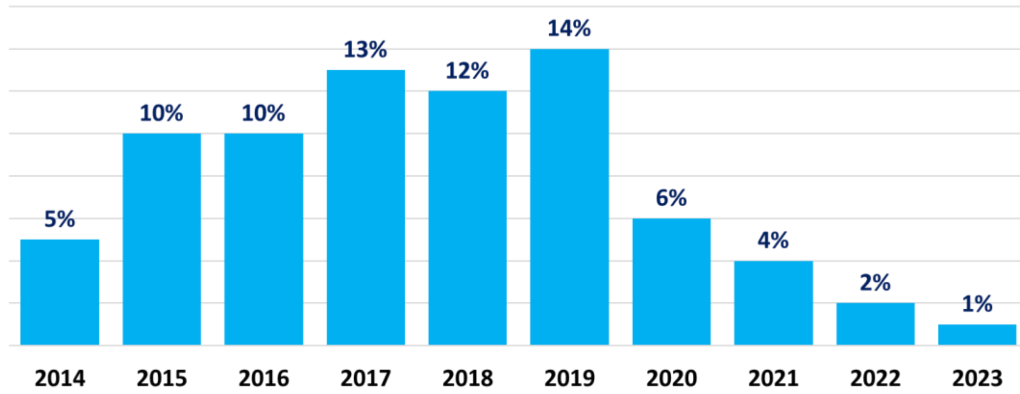
Section 2. Breakaway Deal Activity

As the definition of "breakaway deals" continues to broaden beyond advisors leaving wirehouses, and as RIAs have become an increasingly popular destination to migrate to, there has been a renewed interest in tracking the volume of this activity.

The "RIA breakaway" is a relatively underappreciated phenomenon that is gaining in prevalence. While RIAs are becoming a relatively more attractive destination for all types of advisors to migrate to, some RIAs are not doing a very good job of aligning the contributions of their most valuable employees with the rewards provided to them. This is causing an increasing number of partner-level professionals to leave the RIAs they helped grow, in order to join a "Newco" or other established RIA that shares more equity, profits, and governance with them than their former employer did. Given the "slow to change" profile of some RIA owners, we expect RIA breakaways to continue increasing and to become a larger part of overall breakaway activity in the foreseeable future.

Breakaway activity has increased yet again in 2018, in part due to an aging advisor population preparing for liquidity events, and the expiration of a relatively large portion of forgivable loans that wirehouses utilized to recruit and retain advisors during the market decline of 2008 and 2009. As **Exhibit 13** shows, a large percentage (~45%) of these forgivable loans has expired from 2015-2018, with an additional 14% expected to expire in 2019. Advisors are increasingly seeking independent platforms. The aging advisor population and increased concern that a recession could derail future liquidity plans for aging advisors could be contributing to this trend. Furthermore, the breadth and diversity of WealthTECH technologies available to RIAs has encouraged advisors to leave the perceived safety and resources of wirehouses in droves.

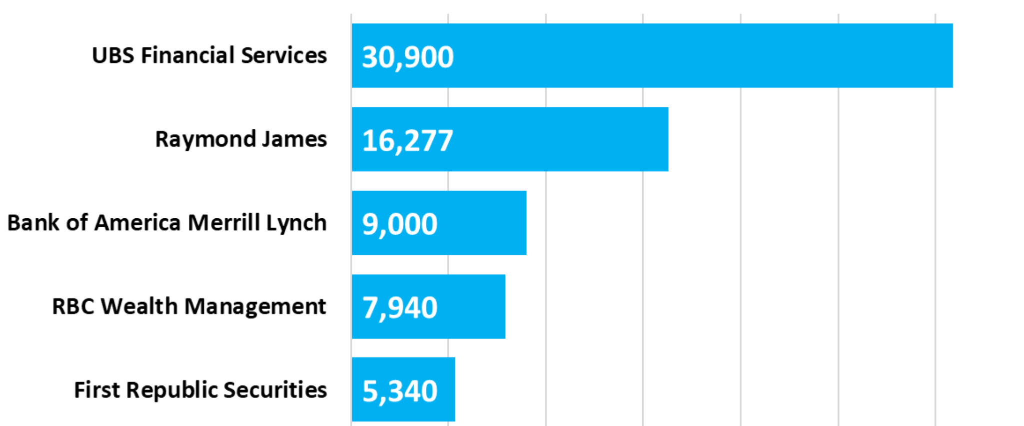
Exhibit 12: Expiration of Forgivable Loan Contracts Continues to Drive Breakaway Activity



Sources: OnWallStreet.com and ECHELON Partners

As mentioned earlier, a significant portion of the forgivable loans issued by wirehouses during the 2008 financial crisis are set to reach maturity in the coming year as well as they did in 2018. The accelerated rate of breakaways witnessed over the past few years has likely influenced by the expiration of these loans. Looking to **Exhibit 12** above shows that 14% of these loans will expire in 2019. Considering the added influence of economic uncertainty, advisors seeking independence will likely make the move sooner rather than later.

Exhibit 13: Largest AUM Gained by Breakaway Teams ($ MM)

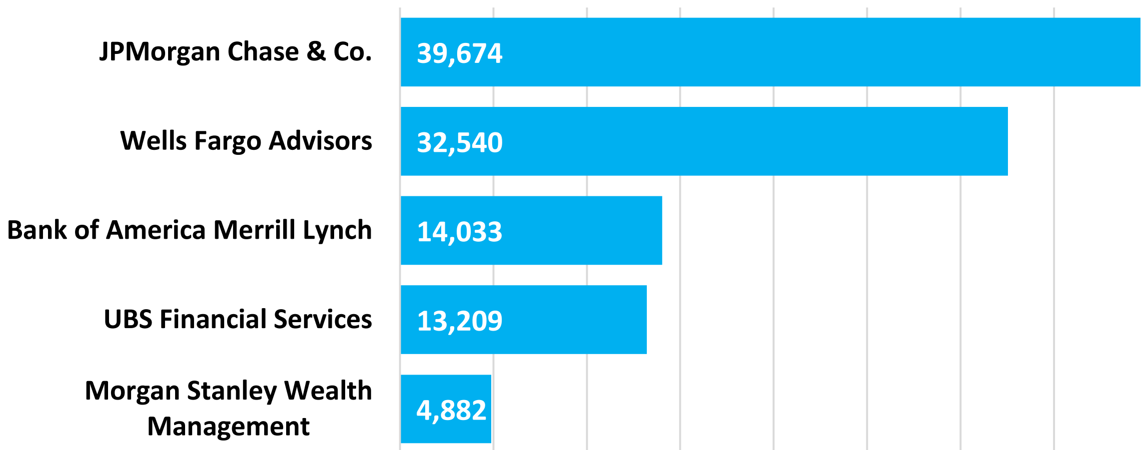


Sources: InvestmentNews, OnWallStreet.com, and ECHELON Partners

As litigation fears regarding wirehouses leaving the Broker Protocol largely disappated throughout 2018, successful large breakaways set a powerful precedent for advisors considering a move. The continued departure from wirehouses in 2018 featured a flight from advisors seeking independence. **Exhibit 13** showcases the most popular landing spots for advisors breaking away in 2018. The biggest winner was UBS Financial Services, with $30.9 BN in AUM gained.

Conversely, **Exhibit 14** displays the firms which saw the largest drawdown in assets from departing advisor teams. JPMorgan Chase & Co. led the way in this regard, losing $39.7 BN AUM in 2018. Aggressive recruiting tactics including attractive signing bonuses and promises of increased independence have contributed to the large amount of movement in the financial advisory profession.

Exhibit 14: Largest AUM Lost to Breakaway Teams ($ MM)



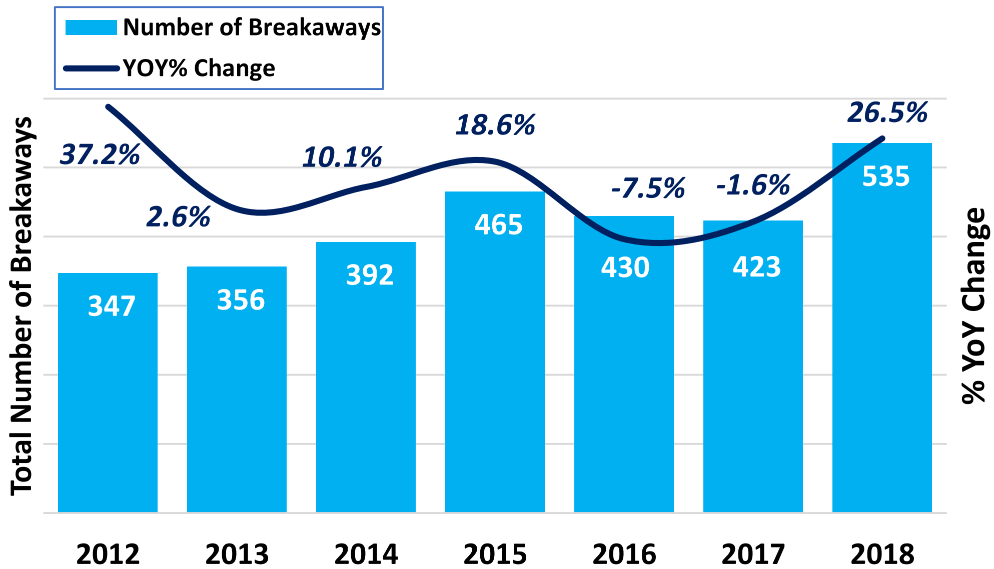
Sources: InvestmentNews, OnWallStreet.com, and ECHELON Partners

Exhibit 15 showcases that reported overall breakaway activity topped 400 for the third year in a row, while reaching record heights. The 535 breakaways in 2018 surpassed the 423 deals in 2017, marking a substantial 26% increase.

The compound annual growth rate in the number of breakaways has averaged over 7% for the past six years, but showed a spike in 2018. This increase is likely attributable to the relatively strong financial performance of the stock market in 2017 and the resulting strength in the financial performance and bonuses at wealth management firms of all types. While these increased bonuses helped marginally in the short term, they likely did very little to address the disequilibrium of ownership and contribution levels that exists at thousands of firms. One could speculate that the financial strength of wealth management firms also spurred aggressive, lucrative recruiting tactics.

Exhibit 15: Reported Breakaway Activity Tops 500 Teams for the First Time Ever

More than 16% of all breakaways are moving to RIAs, hitting an all-time high of 82 teams in 2018

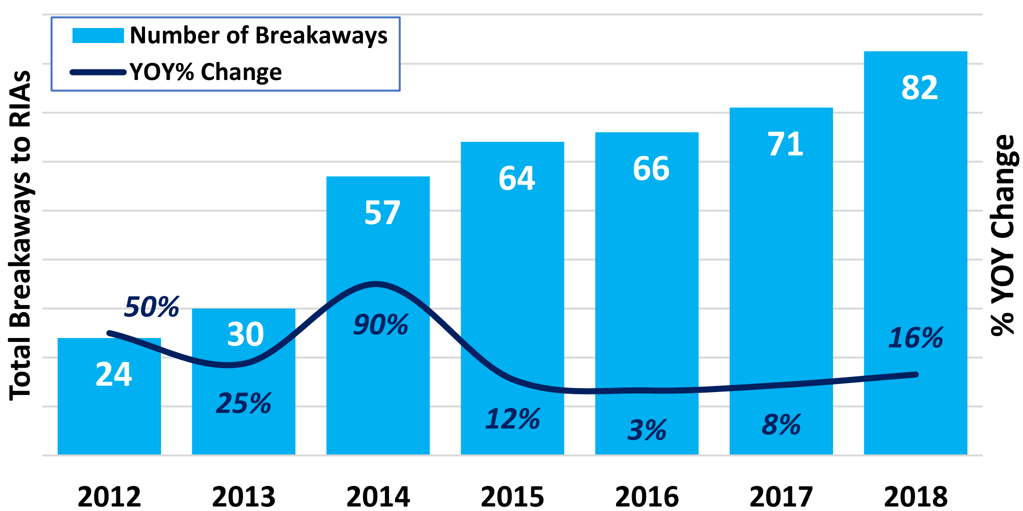


Sources: SEC Database, Company Reports, Investment News, and ECHELON Partners Analysis

It is important to note that reported breakaway activity, as outlined in the graph, is an estimated one-third to one-fourth of true volume, with a majority of breakaways not being reported. Please see the note below Exhibit 1 for more details.

As shown in **Exhibit 16**, in each of the past two years, more breakaway teams chose the RIA channel as their preferred business model than in any prior year. This is over 4x the annual level experienced in 2011.

Exhibit 16: Breakaways to RIAs Hit Record High in 2018



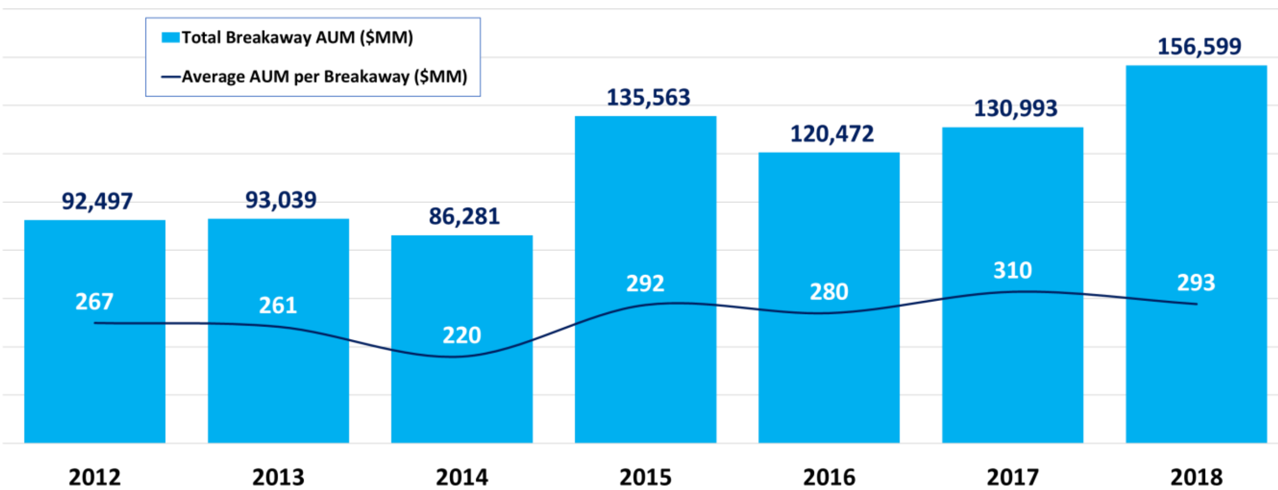
Sources: SEC Database, Company Reports, Investment News, and ECHELON Partners Analysis

Over $600 BN AUM changed hands via breakaways in 2017 and 2018 combined

Exhibit 17 shows that aggregate AUM associated with reported breakaway activity has now topped $120 BN in each of the past four years and has grown at a CAGR of 9.2% per year from 2012 to 2018.

The average AUM per breakaway has exceeded $200 MM since 2012, suggesting a “critical mass” required to justify a breakaway. The annual average, as seen below, has remained relatively consistent throughout that time period, with a low of $220 MM in 2014 and a high of $310 MM in 2017.

Exhibit 17: Breakaway AUM Has Grown Steadily Since 2011



Sources: SEC Database, Company Reports, Investment News, and ECHELON Partners Analysis

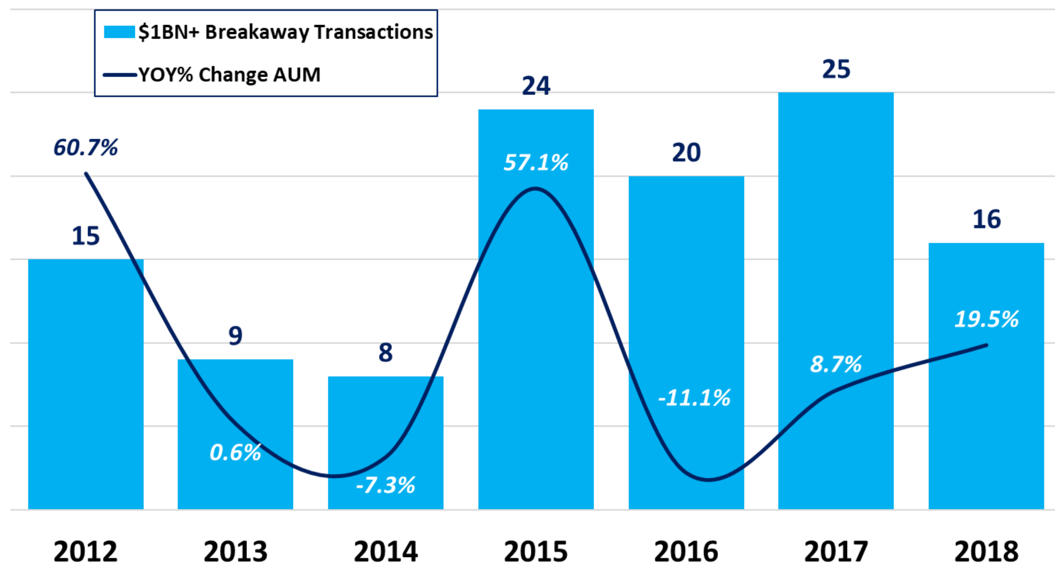
16 breakaways account for 43% of transitioned AUM in 2018

Exhibit 18 provides a time series analysis of the number of breakaways with $1 BN+ AUM over the past seven years. Total volume of these deals declined from 25 in 2017 to 16 deals in 2018, however total AUM transacted increased. While these breakaways deals accounted for approximately 3% of total breakaway activity, given their size they accounted for roughly 43% of total breakaway AUM.

These deals have typically been slower and more complicated. However, the growing supply of resources being devoted to the facilitation of breakaway deals portends that it will only get easier for these highly sought-after targets to find and move to new homes.

Exhibit 18: Volume of $1 BN+ AUM Breakaways Regresses in 2018

16 $1 BN+ AUM breakaways shook the industry in 2018

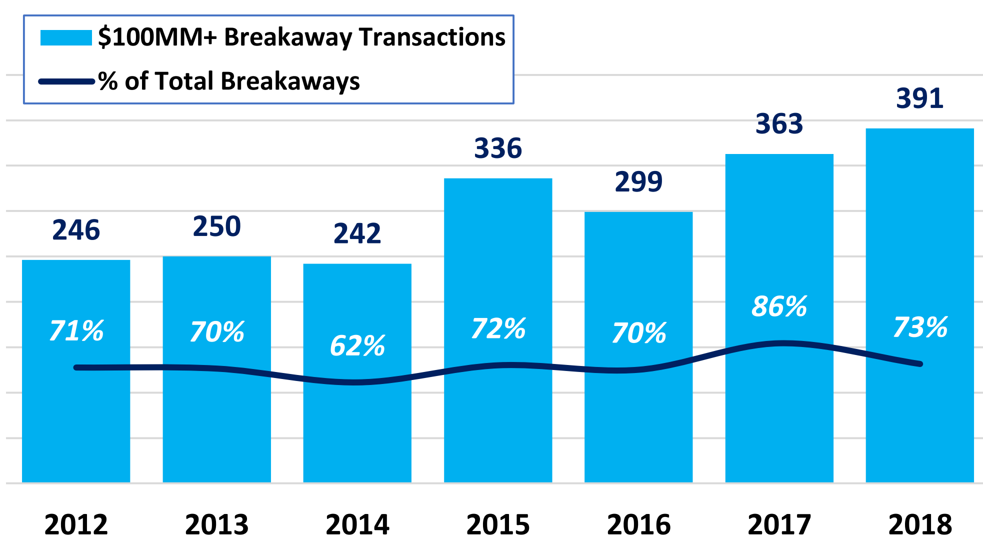


Sources: SEC Database, Company Reports, Investment News, and ECHELON Partners Analysis

As outlined in **Exhibit 19**, breakaways with more than $100 MM in AUM have exceeded 70% of total breakaway activity in six of the past seven years. Additionally, the compound annual growth rate of this segment is approximately 8% over the past seven years. With 391 breakaways in this size range in 2018, current levels are more than twice the 188 $100 MM+ breakaways experienced in 2011.

Exhibit 19: $100 MM+ AUM Breakaways Since 2011

$100 MM+ breakaways continue exhibiting strong growth



Sources: SEC Database, Company Reports, Investment News, and ECHELON Partners Analysis

Independent BD platforms win big among larger breakaways

In 2017 and 2018, independent platforms such as LPL and Raymond James attracted 34 1 BN+ breakaways, accounting for a transfer of over $109.7 BN in total AUM. These gains came largely at the expense of wirehouses, which lost 13 breakaway teams, accounting for a total loss of over $63 BN in AUM.

Exhibit 20 lists the largest reported breakaways from 2017 and 2018.

Exhibit 20: Independent Platforms Earn $110 BN in New Assets via $1 BN+ Breakaways

Top Breakaways 2017 & 2018				
Team Leaving	**Team Joining**	**Team Joined Firm Type**	**Breakaway AUM**	**Date**
JPMorgan Chase & Co.	UBS Financial Services	Wirehouse	30,000,000,000	3/23/2018
JPMorgan Chase & Co.	Bank of America Merrill Lynch	Wirehouse	9,000,000,000	2/26/2018
UBS Financial Services	Dynasty Financial Partners	RIA	8,400,000,000	6/19/2017
LPL Financial	Cetera Advisor Networks	Independent Broker Dealer	6,000,000,000	8/1/2017
Bank of America Merrill Lynch	First Republic Bank	Bank	4,500,000,000	4/21/2018
Bank of America Merrill Lynch	Kore Private Wealth	RIA	4,100,000,000	6/1/2018
LPL Financial	Triad Advisors	Independent Broker Dealer	4,000,000,000	2/23/2017
UBS Financial Services	Raymond James	Bank	3,500,000,000	6/27/2017
Morgan Stanley Wealth Management	JP Morgan Chase	Wirehouse	3,000,000,000	11/2/2017
UBS Financial Services	Bank of America Merrill Lynch	Wirehouse	3,000,000,000	6/2/2017
LPL Financial	Cetera Advisor Networks	Independent Broker Dealer	2,600,000,000	1/19/2017
UBS Financial Services	First Republic Bank	Bank	2,500,000,000	9/24/2018
UBS Financial Services	Rockefeller Capital Management	RIA	2,200,000,000	12/7/2018
UBS Financial Services	Purshe Kaplan Sterling	Independent Broker Dealer	2,000,000,000	4/6/2018
Bank of America Merrill Lynch	JPMorgan Chase & Co.	RIA	2,000,000,000	1/12/2018
Bank of America Merrill Lynch	First Republic Bank	Bank	2,000,000,000	1/5/2018
Avondale Partners	Janney Montgomery Scott	RIA	1,800,000,000	5/11/2018
Wells Fargo Advisors	Jefferies	Bank	1,500,000,000	5/5/2017
Wells Fargo Advisors	RBC Wealth Management	Independent Broker Dealer	1,400,000,000	10/17/2018
Goldman Sachs	Aaron Wealth Advisors	RIA	1,400,000,000	9/16/2018
Wells Fargo Advisors	JPMorgan Chase & Co.	Wirehouse	1,400,000,000	4/27/2018
Bank of America Merrill Lynch	First Republic Bank	Bank	1,300,000,000	1/20/2017
Royal Securities Company	Signator Investors	RIA	1,100,000,000	7/12/2017
Wells Fargo Advisors	Raymond James	Wirehouse	1,000,000,000	8/22/2018
Bank of America Merrill Lynch	Wyeth Private Wealth	RIA	1,000,000,000	7/30/2018
Bank of America Merrill Lynch	Sound View Wealth Advisors	Wirehouse	1,000,000,000	3/26/2018
Bank of America Merrill Lynch	Dynasty Financial Partners	Wealth Manager/RIA	1,000,000,000	7/11/2017
UBS Financial Services	Fall Line Securities/Requisite Capital Management	Integrated Platform Provider	1,000,000,000	6/19/2017
Goldman Sachs	Dynasty Financial Partners/DG Wealth Partners	Large RIA Acquirer	1,000,000,000	6/6/2017
UBS Financial Services	Bank of America Merrill Lynch	Wealth Manager/RIA	1,000,000,000	6/2/2017
Morgan Stanley Wealth Management	J.P. Morgan Securities LLC	Wealth Manager/RIA	1,000,000,000	5/30/2017
Wells Fargo Advisors	HighTower Advisors	Branded Acquirer	1,000,000,000	2/1/2017
Wells Fargo Advisors	HighTower Advisors/Fortress Wealth Planning	Branded Acquirer	1,000,000,000	1/17/2017
Cantor Fitzgerald Wealth Partners	Oppenheimer	Bank	1,000,000,000	1/6/2017

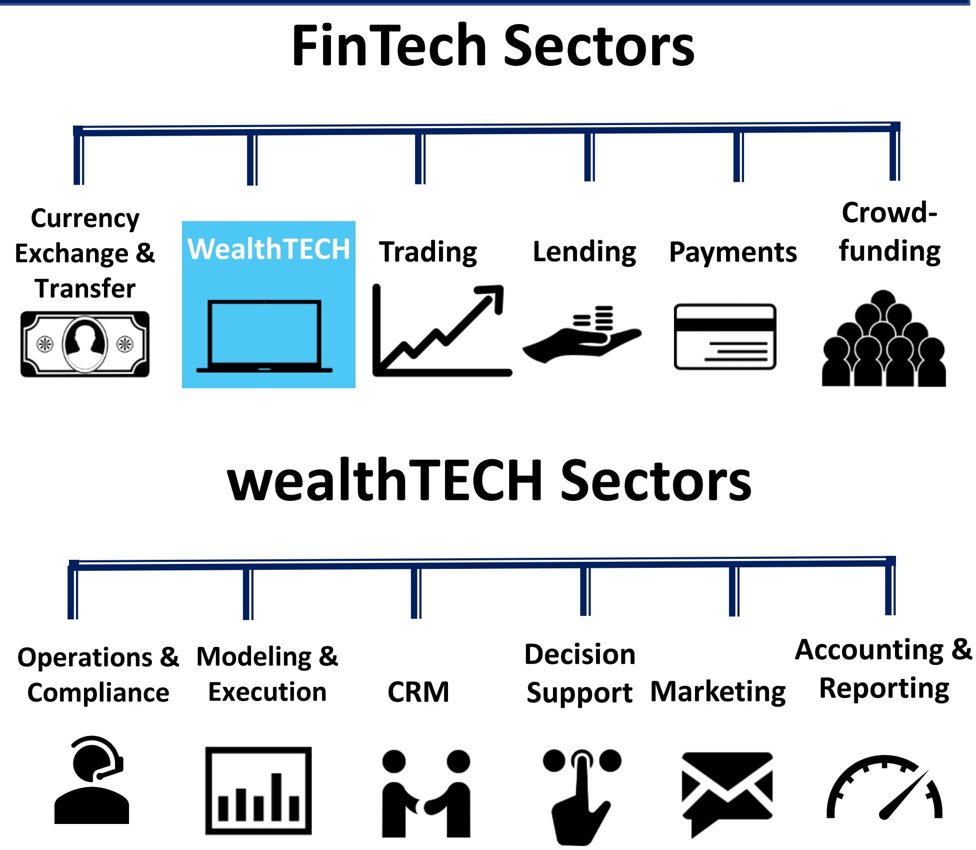
Source: SEC Database, Company Reports, Investment News, and ECHELON Partners Analysis

Section 3. WealthTECH Deal Activity

Over the past decade, financial technology ("FinTech") has gone from an underappreciated niche barely represented in Silicon Valley to one of the fastest-growing and hottest sectors in the tech industry. The FinTech label is applied to almost any startup that is trying to use technology to solve a financial problem, which covers industries as diverse as insurance, brokerage, data analytics, budgeting, and tax planning. With all the interest and investment in this space, an ecosystem has developed, the main sectors of which are outlined in **Exhibit 21**.

Given ECHELON's focus on the subset of FinTech companies related to wealth management, in the spring of 2016 we coined the label "WealthTECH" to begin developing a sub-ecosystem for tracking the investment and development activity of these companies. Presently, we have mapped over 500 companies and their services to the six WealthTECH categories listed in **Exhibit 21**. There is a great deal of activity in this space as entrepreneurs rush in to address the fact that many people are inherently bad at managing their budgets and investing, which is spawning startups that offer lower-priced automated alternatives with the promise of delivering superior outcomes.

Exhibit 21: Dramatic Ascension of FinTech Fuels Evolution of WealthTECH



Source: ECHELON Partners

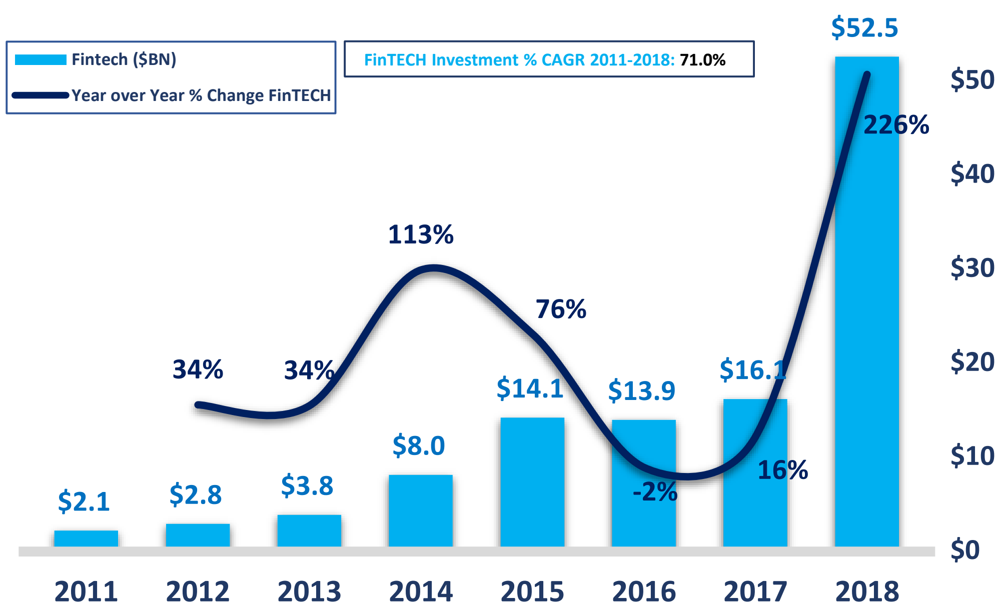
Records amount of capital were raised by FinTech companies in 2018 as mega-deal making by private equity caused a 226% jump in investment year-over-year over 2017, as displayed in **Exhibit 22**.

Mega-deals include the massive $17 billion investment in October by Blackstone Group into Refinitiv – formerly the financial and risk group of Thomson Reuters, the $3.5 billion buyout of Blackhawk Networks by Silver Lake, and P2 Capital Partners in June and a $3.4 billion buyout of VeriFone by Francisco Partners in August.

Exhibit 22: U.S. FinTech Investment Sets Record Driven by Mega-Deals

FinTech funding grows to exceed $50 BN in 2018.

Note: this data includes VC, PE, and M&A Activity.

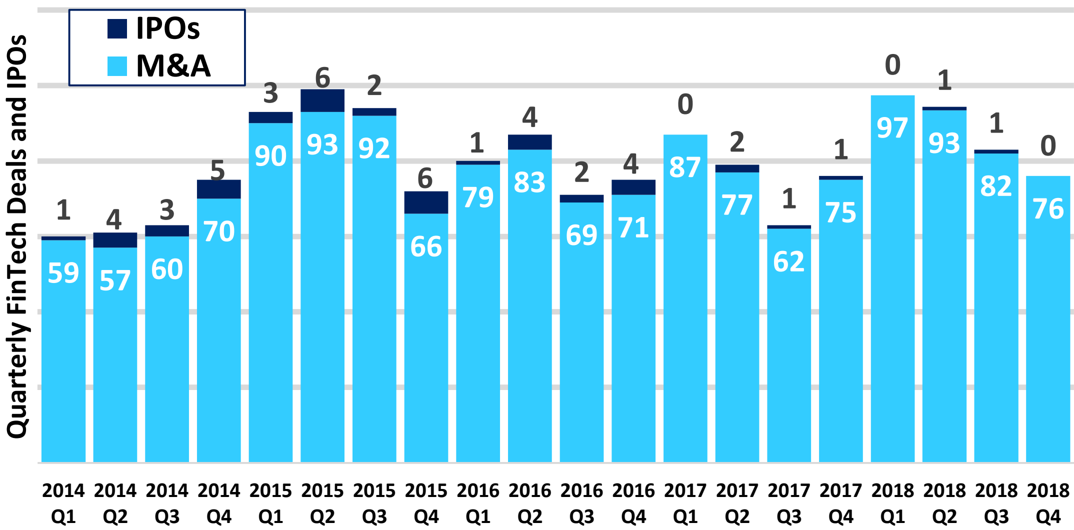


Sources: CB Insights, KPMG, and ECHELON Partners Analysis

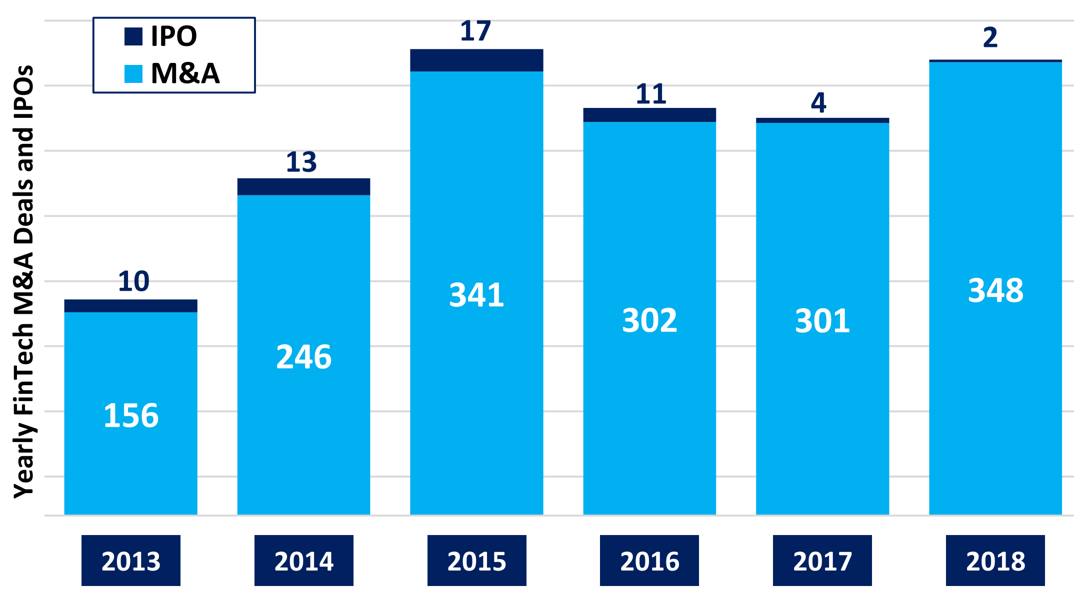
FinTech deal volume reached record levels in 2018, with 348 M&A transactions announced; activity has increased at a CAGR of 9% since 2014 for M&A transactions. The IPO market was less active than prior years, with only two taking place in U.S. markets in 2018 according to **Exhibit 23**.

Exhibit 23: 2018 FinTech Deal Activity Hits an All-time High

Amount of FinTech IPOs continues to rise, averaging 3.5 per quarter since 1Q15



Although FinTech deal activity had decreased from 2015 to 2017, 2018 levels showed a remarkable 16% uptick in deal activity, as shown below. In 2018 there were 348 FinTech deals, which broke the standstill seen in 2016 and 2017, and was substantially higher than FinTech activity of 2013 in which 156 M&A deals were consummated. From 2016 through 2017 there were 15 FinTech IPOs, however 2018 revealed only 2 IPOs. Despite a noticeable increase in overall deal activity, the number of FinTech IPOs has declined since a high of 17 in 2015.



Sources: Company Reports, CB Insights, KPMG, and ECHELON Partners Analysis

Valuations continue to trend higher with 22 fintech unicorns in the U.S. market as displayed in **Exhibit 24**. U.S. based FinTech Unicorns are concentrated in the following verticals: Payments (8), Lending (7), and Trading (4). It should be noted that as these companies mature they commonly diversify their financial services offerings, to better retain customers. For example, many of the names below are either planning or already have wealthTECH offerings. SoFi (valued at $4.5 BN) and Robinhood (valued at $5.3 BN) already offer wealth management products complement their core businesses.

Exhibit 24: Payments and Lending Dominate the FinTech Unicorn Club

22 of the 39 Global FinTech unicorns are based in the U.S..

U.S. FinTech Unicorns - 2018					
Valuation ($BN)		FinTech Subsector	Valuation ($BN)		FinTech Subsector
$20.3	stripe	Payments	$2.0	GUSTO	Payments
$8.0	coinbase	Trading	$1.9	AVANT	Lending
$5.3	robinhood	Trading	$1.8	BREX	Lending
$4.5	SoFi	Lending	$1.8	DevotedHealth	Insurance
$4.0	credit karma	Lending	$1.6	Dataminr	Trading
$3.2	oscar	Insurance	$1.4	toast	Payments
$3.0	UiPath	Payments	$1.2	Clover	Payments
$3.0	CIRCLE	Payments	$1.0	avidxchange	Payments
$2.7	PLAID	Lending	$1.0	SYMPHONY	Trading
$2.5	confluent	Lending	$1.0	Kabbage	Lending
$2.1	zenefits	Insurance	$1.0	ROOT	Payments

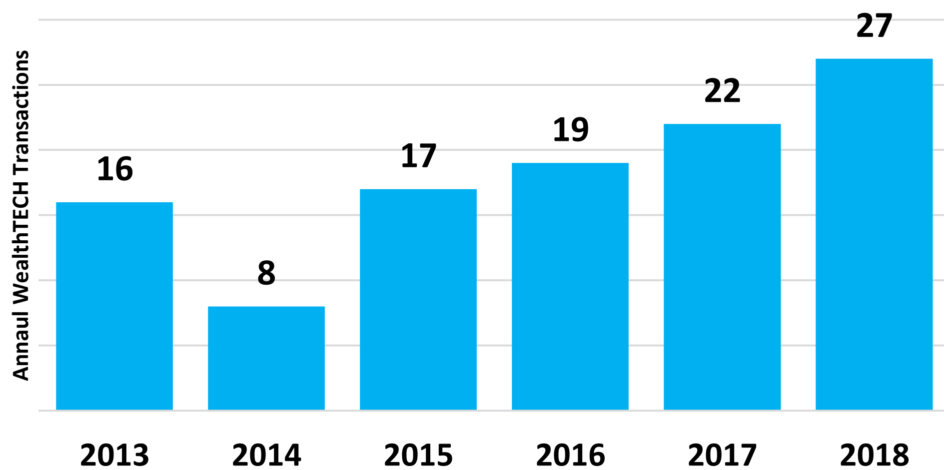
Sources: CB Insights and ECHELON Partners Analysis

The U.S. FinTech sector is likely to follow a similar path to China, where the most successful FinTech companies have built diversified ecosystems on the back of high engagement consumer platforms. According to a report by McKinsey (Synergy and Disruption – Ten Trends Shaping FinTech, 2018), the more focused strategy of U.S. FinTechs will likely change in the coming years as they shift to become diversified financial services firms that customers can rely on for a multitude of services. We expect this trend to benefit deal making activity in WealthTECH, as larger platforms look to bolt-on ancillary services.

Focusing our attention more specifically to *wealthTECH* M&A, **Exhibit 25** highlights the fact that 2018 saw a record number of transactions, as 27 deals were consummated in this niche. This was driven by larger firms looking to gain strategic assets, in combination with some tech entrepreneurs bowing down in the face of fierce competitive challenges. In the case of the latter, these firms often satisfied their capital needs and critical mass goals with deep-pocketed partners that also possess built-in customer bases.

Exhibit 25: M&A Transactions in WealthTECH Hits Record High in 2018

WealthTECH M&A continues historical growth trend with a 40% CAGR following the decline in 2014



Sources: Company Reports and ECHELON Partners Analysis

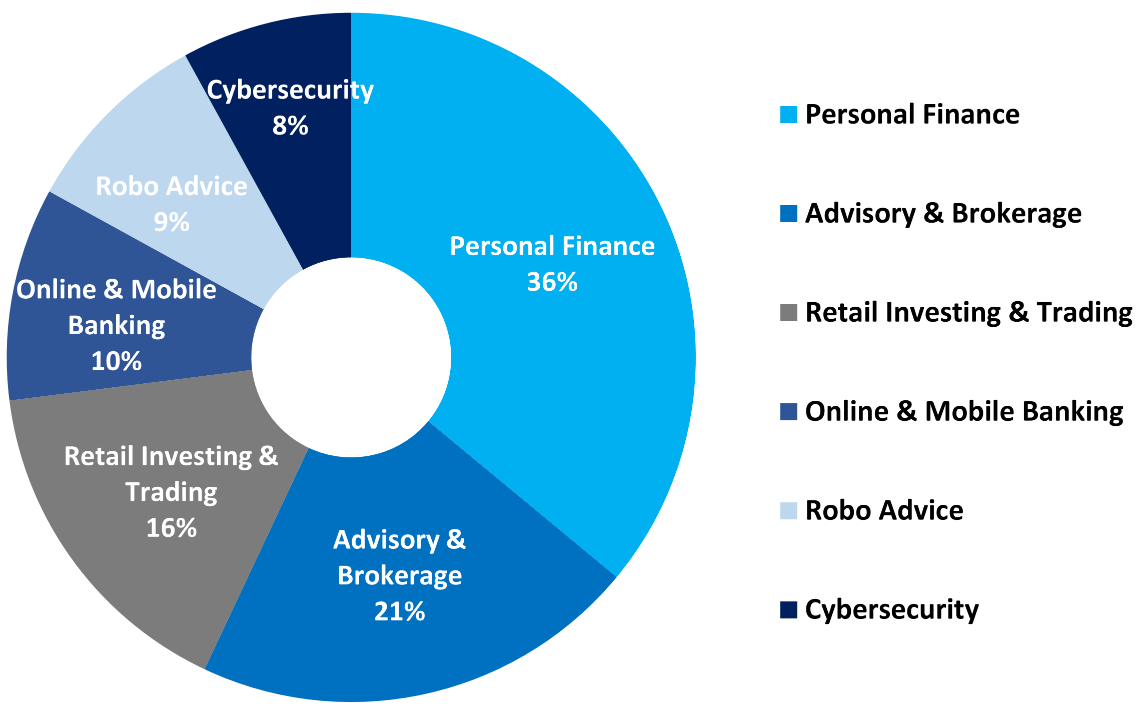
The compound annual growth rate in deal activity was 11% from 2013 to 2018. The 27 transactions seen in 2018 are considerably higher than the 2013-2015 average of 10 deals a year, and continue the upward trend seen since 2014.

WealthTECH deal activity is likely to remain strong as entrepreneurs in the finance industry seek out ways to improve efficiency and maximize profits in an increasingly competitive environment. Many of these wealthTECH firms were sold to financial services companies with more traditional business models looking to hedge their bets and protect against the downside risk that these new entrants present. Perhaps the biggest theme has been the continued diversification through acquisitions of robo advisors by mutual fund companies.

Exhibit 26 employs a forward look at WealthTECH, in concert with observations of where advisors targeted technology investments in 2018, to forecast expected WealthTECH investment allocation percentages in 2019.

Financial Services businesses are continuing to heavily demand technological innovations to offer clients the best possible service. Throughout 2019, we expect Personal Finance (36%), Advisory & Brokerage (21%), and other Retail interfacing tools to comprise the majority of WealthTECH sector investment allocation.

Exhibit 26: WealthTECH Investment Allocation 2019E



Sources: Financial Planning Tech Survey, Company Reports, and ECHELON Partners Analysis
**Size of round could be split among other investors.*

Frequently Used Terms

Bank – A financial institution licensed, and typically insured by the Federal Government, to receive deposits and make loans. Banks may also provide financial services, such as wealth management, currency exchange, and safe deposit boxes.

Consolidator – A firm that consolidates several business units of several different companies into a larger organization, with the intent of improving operational efficiency by reducing redundant personnel and processes.

FinTech – An emerging sector of technology-enabled financial services. The term has expanded to include any technological innovation in the financial sector, including innovations in financial literacy and education, retail banking, investment, and crypto-currencies.

Independent Broker Dealer (IBD) – A broker dealer firm that offers its services to financial advisors operating as independent contractors. The Independent broker dealer business model focuses on comprehensive financial planning services and investment advice.

Investment Management – A service that invests its clients' pooled funds into securities that match declared financial objectives. Asset management companies provide investors with more diversification and investing options than they would have by themselves.

Private Equity (PE) – A source of investment capital from high-net-worth individuals and institutions for the purpose of investing and acquiring equity ownership in companies.

Registered Investment Advisor (RIA) – An advisor or firm engaged in the investment advisory business and registered either with the Securities and Exchange Commission (SEC) or state securities authorities.

Strategic Buyer – A type of buyer in an acquisition that has a specific reason for wanting to purchase the company. Strategic buyers look for companies that will create a synergy with their existing businesses. Also known as synergistic buyers.

Wealth Management – A high-level professional service that combines financial and investment advice, accounting and tax services, retirement planning, and legal or estate planning for a fee.

WealthTECH – A sector of the FinTech industry that captures the universe of technology-driven companies that cater to the wealth and investment management industries.

Wirehouse/Broker Dealer – A firm in the business of buying and selling securities, operating as both a broker and a dealer, depending on the transaction.

About ECHELON Partners:

ECHELON Partners is a Los Angeles-based investment bank and consulting firm focused exclusively on the Wealth and Investment Management industries.

ECHELON was formed to:

- Address the needs of an underserved subset of the financial services industry—investment product developers, distributors, and technology providers
- Provide objective, unbiased advice void of conflicts emblematic of larger institutions
- Help entrepreneurs working at companies of all sizes navigate the numerous complex decisions that come with attaining growth and liquidity

Our Expertise

ECHELON's service offerings fall into three categories:

- INVESTMENT BANKING
- MANAGEMENT CONSULTING
- VALUATIONS

ECHELON's comprehensive range of services help its clients make the tough decisions with respect to: acquisitions, sales/divestitures, investments, mergers, valuation, M&A strategy, new ventures, management buyouts, capital raising, equity sharing, and succession planning.

ECHELON's business is making companies more valuable through its visionary advice and execution excellence. Accordingly, ECHELON measures its success by the enterprise value it creates for its clients. With an unparalleled quantity and quality of investment banking experience in the wealth and investment management industries, no other investment bank can match the caliber of advice or financial results delivered by the professionals of ECHELON Partners.

Our History

ECHELON Partners was founded in 2001 by Dan Seivert, the firm's current CEO and Managing Partner.

Over the past 17 years, the firm's principals have completed more M&A advisory assignments, valuations, and strategic consulting engagements for its three target industries than any other investment bank. In that time, hundreds of executive teams and boards have chosen ECHELON Partners to help them envision, initiate, and execute a diversity of complex business strategies and transactions.

ECHELON PARTNERS

1500 Rosecrans Avenue, Suite 416
Manhattan Beach, CA 90266
888.560.9027 |

How ECHELON Can Help

Conduct a Valuation: Managers need to know firm value and, more importantly, the key drivers of value. ECHELON has emerged as the leader in delivering high quality valuation reports that cut through irrelevant information and tell managers exactly what drives value and how their firm is performing.

Provide Transaction Assistance (Mergers, Sales, Acquisitions, Capital Raising): Valuation and transactions go hand-in-hand whether buying, selling, raising capital, divesting, investing and/or restructuring. The professionals at ECHELON have extensive experience with these transactions and matching the appropriate deal processes to meet the many objectives of the stakeholders involved.

Continuity & Succession Planning: With its industry-specific experience and focus, ECHELON Partners equips its clients with continuity plans and succession plans designed to mitigate risk and plan for the future. ECHELON develops continuity plans for equity owners who want to put in place a short-term plan for a previously selected successor to take over their firm in the event of a catastrophe, such as death or disability. ECHELON's more involved succession planning process helps equity owners develop a formal plan for their retirement or known departure from the firm, whether they want to pursue an internal sale to colleagues or family, or want to take steps to prepare the firm for an external sale.

Advise on Equity Compensation Structure: As firms grow and evolve, it is common for a wedge to develop between those that create value and those that reap the benefits (through equity ownership). This necessitates the development of equity sharing strategies that are fair, that can foster employee retention, and at the same time minimize tax consequences and complexity. ECHELON is experienced in developing these structures for a host of unique situations.

Equity Recycling & Management: Managers need a method of internal succession whereby a senior partner sells a portion of his or her equity to either one or more junior partners currently with the firm or incoming partners not yet with the firm.

Advise on the Buyout of an Equity Partner: An opportunity that arises for most firms that remain private occurs when one or more of the founders needs liquidity or needs to be bought out. These situations require thoughtful valuation and structuring that corresponds to the particular situation.

ECHELON by the Numbers

20+ Years of experience valuing financial service companies

300+ investment banking advisory assignments

1,500+ valuations conducted

#1 in conducting valuations for wealth managers with $1 BN+ in AUM

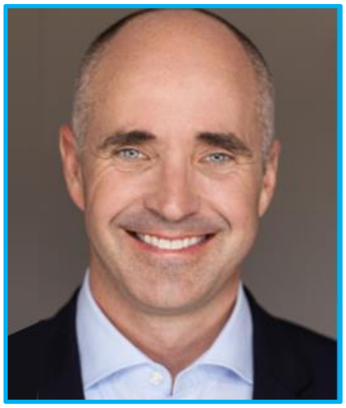
400 Investment opportunities vetted and valued

2,000+ acquisition targets evaluated

20 Published reports focused on Wealth Manager M&A, Management Consulting and Valuation

ECHELON's Leadership

DAN SEIVERT | CEO AND MANAGING PARTNER



(p) 888 560 9027 ext. 101

(e) dseivert@echelon-partners.com

Dan Seivert is the CEO and founder of ECHELON Partners. Prior to starting ECHELON Partners, Mr. Seivert was one of the initial principals of Lovell Minnick Partners, where he helped invest over $100 MM in venture capital across 15 companies. Before his involvement in private equity, Mr. Seivert was a buy-side analyst at The Capital Group (American Funds) where he valued firms in the asset management and securities brokerage industries. Mr. Seivert has helped ECHELON's clients make the tough decisions with respect to acquisitions, sales/divestitures, investments, mergers, valuation, M&A strategy, new ventures, management buyouts, capital raising, equity sharing, and succession planning. In his various roles, Mr. Seivert has conducted detailed valuations on over 500_companies, evaluated more than 2,000 acquisition targets, and authored 25 reports dealing with the wealth and investment management industries. Mr. Seivert has an Advanced Bachelor's degree in Economics from Occidental College and a Master of Business Administration from UCLA's Anderson School of Management.

CAROLYN ARMITAGE, CFP®, CIMA® | MANAGING DIRECTOR

(p) 888 560 9027 ext. 303

(e) carmitage@echelon-partners.com

Carolyn Armitage is a Managing Director at ECHELON Partners and has more than 30 years of experience being a change management catalyst. She improves market share, profitability, people, processes and team dynamics for RIAs, Broker Dealers and Hybrid RIAs. Over her financial services career, Ms. Armitage was an OSJ branch manager, a sales and marketing manager for HD Vest Financial Services, a managing director for Western International Securities, head of advisory services for ING Advisors Network (Cetera & Voya) and head of large enterprise business management consulting for LPL Financial. Ms. Armitage is devoted to continuous learning and improvement. She is LEAN Certified, a Six Sigma Green Belt, a CA Life and Variable Contracts Agent and holds numerous FINRA licenses. She is a CFP®, CIMA®, and ChFC. She has a Bachelor of Science in Business Administration from the University of Minnesota and a Masters in Management from The American College.

MIKE WUNDERLI | MANAGING DIRECTOR

(p) 888 560 9027 ext. 202

(e) mwunderli@echelon-partners.com

Mike Wunderli is a Managing Director at ECHELON Partners and is integrally involved in all aspects of the firm's activities. Prior to joining ECHELON, Mr. Wunderli founded Connect Capital Group (CCG) where he advised private, middle-market companies on pre-transaction planning, growth financing options and the development and execution of exit strategies. Before founding CCG, Mr. Wunderli spent 12 years at Lehman Brothers and UBS as a Senior Vice President in the Private Wealth Management (PWM) division. During his time at Lehman Brothers and UBS, Mr. Wunderli executed over $2 BN in investment-banking and private-equity transactions for his clients, and managed over $400 MM for high-net-worth investors and their families. Over his career, Mr. Wunderli has worked with hundreds of private companies, helping their owners navigate the critical stages of growth and engineer the most appropriate and lucrative exit strategies. He has also worked with many top investment managers, hedge funds, private-equity funds, family offices, trading desks and a variety of capital providers. Mr. Wunderli received his BA from Brigham Young University and an MBA from The Wharton School at the University of Pennsylvania.

Sample Transactions & Advisory Assignments Executed by the ECHELON Team

JUNXURE
Junxure has been sold to:
AdvisorEngine
ECHELON provided the Management of Junxure with:
Sell-Side Advisory and Financial Advisory Services
ECHELON PARTNERS

Private Ocean
Private Ocean has completed the acquisition of:
lakeview FINANCIAL
ECHELON provided the Management of Private Ocean with:
Buy-Side Advisory and Financial Advisory Services
ECHELON PARTNERS

Massey Quick Wealth Management • Investment Consulting
has agreed to a merger with
William E. Simon & Sons
ECHELON provided the Management of Massey Quick with:
Merger Advisory and Financial Advisory Services
ECHELON PARTNERS

COLLINS INVESTMENT GROUP
ECHELON provided the Management of Collins Investment Group with:
Sell-Side Advisory and Financial Advisory Services
ECHELON PARTNERS

The Glowacki Group LLC
Group closed a transaction with:
ASPIRIANT
ECHELON provided the Management of The Glowacki Group with:
M&A and Sell-Side Advisory Services
ECHELON PARTNERS

tRx
Total Rebalance Expert has been sold to:
MORNINGSTAR
ECHELON provided the Management of Total Rebalance Expert with:
M&A and Sell-Side Advisory Services
ECHELON PARTNERS

WMG Wealth Management Group
has agreed to be acquired by
FOCUS FINANCIAL PARTNERS
ECHELON provided the Management of Wealth Management Group, LLP with:
Sell-Side Advisory Services
ECHELON PARTNERS

Opis Companies
has completed the acquisition of:
Vellum FINANCIAL
ECHELON provided the Management of Opis Companies with:
M&A, Valuation, and Sell-Side Advisory Services
ECHELON PARTNERS

ONE CAPITAL MANAGEMENT, LLC
received an equity investment from
WELLINGTON WEST
ECHELON provided the Management, Board of Directors, and Shareholders of One Capital Management, LLC with:
Sell-Side Advisory, Valuation, and Financial Advisory Services
ECHELON PARTNERS

FJY FINANCIAL
has agreed to a merger with
LIFEPOINTE FINANCIAL PARTNERS
ECHELON provided the Management of FJY Financial with:
Valuation, M&A, and Financial Advisory Services
ECHELON PARTNERS

OLD DOMINION CAPITAL MANAGEMENT, INC.
Old Dominion Capital Management has been sold to:
UNION
ECHELON provided the Management of Old Dominion Capital Management with:
Valuation and M&A Advisory Services
ECHELON PARTNERS

CAPITAL DIRECTIONS
completed the sale of its division, **Advisors Access** to:
BAM Advisor Services
ECHELON provided the Management of Capital Directions, LLC with:
Valuation and M&A Advisory Services
ECHELON PARTNERS

OBS Financial Services, Inc.
A subsidiary of Texans Credit Union has been sold to:
WESTBRIDGE INVESTMENTS
ECHELON provided the Management of Texans Credit Union and OBS Holdings with:
M&A Advisory Services
ECHELON PARTNERS

HARRIGAN & HOWARD FINANCIAL ADVISORS, LLC
has been sold to:
SPECTRUM ASSET MANAGEMENT, INC.
ECHELON provided the Management of Harrigan & Howard Financial Advisors with:
M&A Advisory and Valuation Advisory Services
ECHELON PARTNERS

SYMMETRY
has completed the acquisition of
Summit Counsel, LLC
ECHELON provided the Management of Symmetry Partners, LLC with:
Buy-Side, M&A, and Financial Advisory Services
ECHELON PARTNERS

FINANCIAL SYNERGIES ADVISORY, INC.
has agreed to be acquired by
UNITED CAPITAL INDEPENDENT WEALTH COUNSELING
ECHELON Provided the Management and Board of Directors of Financial Synergies Advisors with:
M&A, Sell-Side Advisory, and Valuation Advisory Services
ECHELON PARTNERS

Tarpley & Underwood
has agreed to a merger with
WINDHAM BRANNON
ECHELON provided the Management of Tarpley & Underwood Financial Advisors and Windham Brannon Financial Group with:
Valuation and M&A Advisory Services
ECHELON PARTNERS

FOLIODYNAMIX Wealth Servicing Made Seamless
received an equity investment from
Edison VENTURE FUND
ECHELON provided the Management of Foliodynamix with:
Valuation, Capital Raising, and Financial Advisory Services
ECHELON PARTNERS

Leonard Wealth Management Where prosperity finds peace of mind.
has agreed to a merger with:
CAPITAL FINANCIAL ADVISORS, LLC
ECHELON provided the Management of Leonard Wealth Management with:
M&A and Valuation Advisory Services
ECHELON PARTNERS

FCGAdvisors LLC
ECHELON provided the Management of FCG Advisors LLC with:
M&A and Financial Advisory Services
ECHELON PARTNERS

KINSIGHT Advisors for Family and Wealth
ECHELON provided the Management of Kinsight, LLC with:
Valuation, M&A, and Financial Advisory Services
ECHELON PARTNERS

PR Petersen & Ramistella, Inc.
has agreed to a merger with
WILLOW RIDGE CAPITAL ADVISORS
ECHELON provided the Management of Petersen & Ramistella, Inc. and Willow Ridge Capital Advisors, Inc. with:
M&A Advisory Services
ECHELON PARTNERS

CONCORD EQUITY GROUP ADVISORS
received a private equity investment from
SPENCER TRASK
ECHELON Provided the Management, Board of Directors, and Shareholders of Concord Equity Group Advisors with:
Valuation, Capital Raising, and Financial Advisory Services
ECHELON PARTNERS

BridgePortfolio
has completed a Private Placement with
Capital Concepts Holdings, LLC
ECHELON Provided the Management of BridgePortfolio with:
Valuation, Capital Raising, and Financial Advisory Services
ECHELON PARTNERS

EMERSON WEALTH MANAGEMENT
ECHELON provided the Management of Emerson Wealth Management, LLC with:
M&A Advisory Services
ECHELON PARTNERS

dlk INVESTMENT MANAGEMENT LLC
ECHELON provided the Management of DLK Investment Management, LLC with:
Valuation, M&A, and Financial Advisory Services
ECHELON PARTNERS

Laserfiche
ECHELON provided the Management of Laserfiche with:
Valuation, M&A, and Financial Advisory Services
ECHELON PARTNERS

CAPITAL INSIGHT PARTNERS
ECHELON provided the Management of Capital Insight Partners LLC with:
Valuation and Financial Advisory Services
ECHELON PARTNERS

Camelot Wealth Management
ECHELON provided the Management of Camelot Wealth Management with:
Valuation Advisory Services
ECHELON PARTNERS

FIDUCIARY INVESTMENT ADVISORS
ECHELON provided the Management of Fiduciary Investment Advisors with:
Valuation Advisory Services
ECHELON PARTNERS

ALTAIR ADVISERS
ECHELON provided the Management of Altair Advisers, LLC with:
Valuation and Financial Advisory Services
ECHELON PARTNERS

WINDWARD CAPITAL MANAGEMENT CO. Risk Averse Asset Management
ECHELON provided the Management of Windward Capital Management Co with:
Valuation and Financial Advisory Services
ECHELON PARTNERS

LAWING FINANCIAL The power of the team approach
ECHELON provided the Management of Lawing Financial with:
Valuation Advisory Services
ECHELON PARTNERS

SAGE VIEW
ECHELON provided the Management of SageView Advisory Group, LLC with:
Valuation and Financial Advisory Services
ECHELON PARTNERS

SAN ANTONIO CAPITAL & TRUST COMPANY
ECHELON provided the Management of San Antonio Capital & Trust Company, LLC with:
Valuation and Financial Advisory Services
ECHELON PARTNERS

Monarch Bay Associates, LLC
ECHELON provided the Management of Monarch Bay Associates, LLC with:
Financial Advisory Services
ECHELON PARTNERS

Sample Transactions & Advisory Assignments Executed by the ECHELON Team

ECHELON provided the Management of Carlson Capital Management Inc with:
Valuation, M&A, and Financial Advisory Services

ECHELON provided the Management of Total Rebalance Expert with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Metis Global Partners, LLC with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Filbrandt & Company, Inc. with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Lido Advisors, Inc. with:
Valuation and M&A Advisory Services

ECHELON provided the Management of McCutchen Group LLC with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Live Oak Bank with:
Valuation and Buy-Side Advisory Services

ECHELON provided the Management of Signature Estate & Investment Advisors LLC with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Vista Capital Partners, Inc. with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Junxure with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Trust Company of the South with:
Valuation Advisory Services

ECHELON provided the Management of Strategic Partners Investment Advisors, Inc. with:
M&A and Financial Advisory Services

ECHELON provided the Management of Phillips & Company Securities Inc. with:
Valuation and Buy-Side Advisory Services

ECHELON provided the Management of Perigon Wealth Management, LLC with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Partnervest Financial Group, LLC with:
Valuation and Financial Advisory Services

ECHELON provided the Management of Partners In Wealth with:
Valuation and Financial Advisory Services

ECHELON provided the Management of the Retirement Protection Group with:
Valuation and M&A Advisory Services

ECHELON provided the Management of Independence Advisors, LLC with:
Valuation and Financial Advisory Services

Research Methodology & Data Sources:

The ECHELON Partners RIA Deal Report is an amalgamation of all mergers, majority equity sales/purchases, acquisitions, shareholder spin-offs, capital infusions, consolidations and restructurings (“deals”) of firms that are SEC Registered Investment Advisors (“RIA”). The report is meant to provide contextual analysis and commentary to financial advisors pertaining to the deals occurring within the wealth & investment management industries. The deals tracked and identified in the Deal Report include any transaction involving an RIA with over $100 MM assets under management, which have also been reported by a recent data source (e.g., SEC IARD website, a press release, ECHELON Partners Deal Tracker, industry publications). This methodology aims to maintain consistency of data over time and ensure the utmost accuracy in the information represented herein. Additionally, the report includes financial advisors who terminate relationships with other financial service institutions in order to join RIAs. As with the other transactions reported in the Deal Report, the identified breakaway advisor transitions are transitioning over $100 MM assets under management to a new financial services firm. The reason for this being that transitions of this magnitude are more often than not accompanied with compensation for the transition of assets. The contents of this report may not be comprehensive or up-to-date and ECHELON Partners will not be responsible for updating any information contained within this Deal Report.

The ECHELON RIA M&A Deal Report: An Executive’s Guide to M&A in the Wealth Management, Breakaway, and Investment Management Industries.

WealthManagement.com 2018 Industry Awards

ECHELON Partners was named the Top **Investment Bank** & **Succession Planning Services Provider** of 2018

ECHELON PARTNERS

INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

to the Wealth and Investment Management Industries

Daniel Seivert
Managing Partner & CEO
dseivert@echelon-partners.com
888.560.9027 Ext. 101

Carolyn Armitage, CFP®, CIMA®
Managing Director
carmitage@echelon-partners.com
888.560.9027 Ext. 303

Mike Wunderli
Managing Director
mwunderli@echelon-partners.com
888.560.9027 Ext. 202

Andrea Polizzi
Vice President
apolizzi@echelon-partners.com
888.560.9027

Brett Mulder
Associate
bmulder@echelon-partners.com
888.560.9027

Barnaby Audsley
Analyst
baudsley@echelon-partners.com
888.560.9027

Taylor Beckett
Analyst
tbeckett@echelon-partners.com
888.560.9027

ECHELON Partners
1500 Rosecrans Ave., Suite 416
Manhattan Beach, CA 90266

888 560 9027
www.echelon-partners.com
Member: FINRA/SIPC