

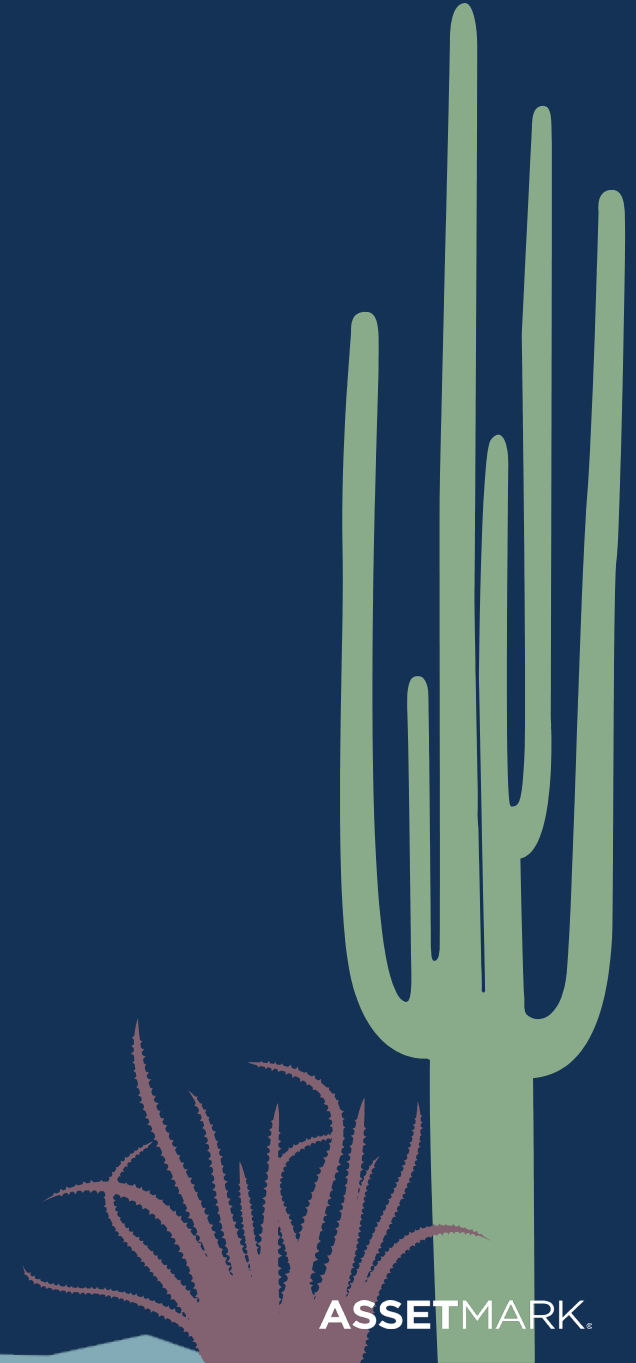


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LIMITLESS



Transitioning Your Practice to the Next Generation

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In the next 10 years,
37% of advisors
who collectively control
\$10.4 TRILLION or 40%
of total industry assets
expect to retire

25% of advisors
are unsure of their
succession plan



Today there are

75 for **1**
BUYERS every SELLER

THE AVERAGE SELLER RECEIVES

4.1 offers

Source: SRG 2020 M&A Advisor Highlights

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ASSETMARK.

EXTERNAL SUCCESSION



BENEFITS

- Maximizes value for seller
- Defined exit for seller



RISKS

- Contingent payout
- Client retention
- Employee retention



FINANCIAL TRANSACTION

- Cash and earn out
- May be equity in acquirer
- Defined time period



CLIENT IMPACT

- Medium to high
- May require platform change
- B/D network may help

INTERNAL SUCCESSION



BENEFITS

- Control
- Client retention
- Ensure legacy



RISKS

- May sell for discount
- Lack of financing
- Advisor alignment



FINANCIAL TRANSACTION

- Cash and earn out
- Flexible time period
- High seller risk



CLIENT IMPACT

- Low
- High retention
- Opportunity for owner to stay

AVOIDING “FOUNDER’S SYNDROME”

IF YOU CAN LET GO OF BEING
THE SOLE VOICE OF YOUR FIRM,
**you will have a more
sustainable legacy**



Advisor Succession/Transition Challenges

Emotional aspects of transitioning a business

Family succession dynamics

Finding and managing G2 talent

Development and readiness of G2

Transitioning clients and seller involvement

Managing multiple successor relationships

Deal structure of internal succession

Entity/equity structure

Documenting partnership expectations

Now what? Figuring out what's next

TABLE TOPICS

- Deal structure
- Finding, attracting and retaining a G2 successor
- Family succession
- Documenting the details
- G1 transition best practices
- G2 Advisor preparing for ownership
- Managing the experience gap
- Entity and equity structure



IMPORTANT INFORMATION

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