

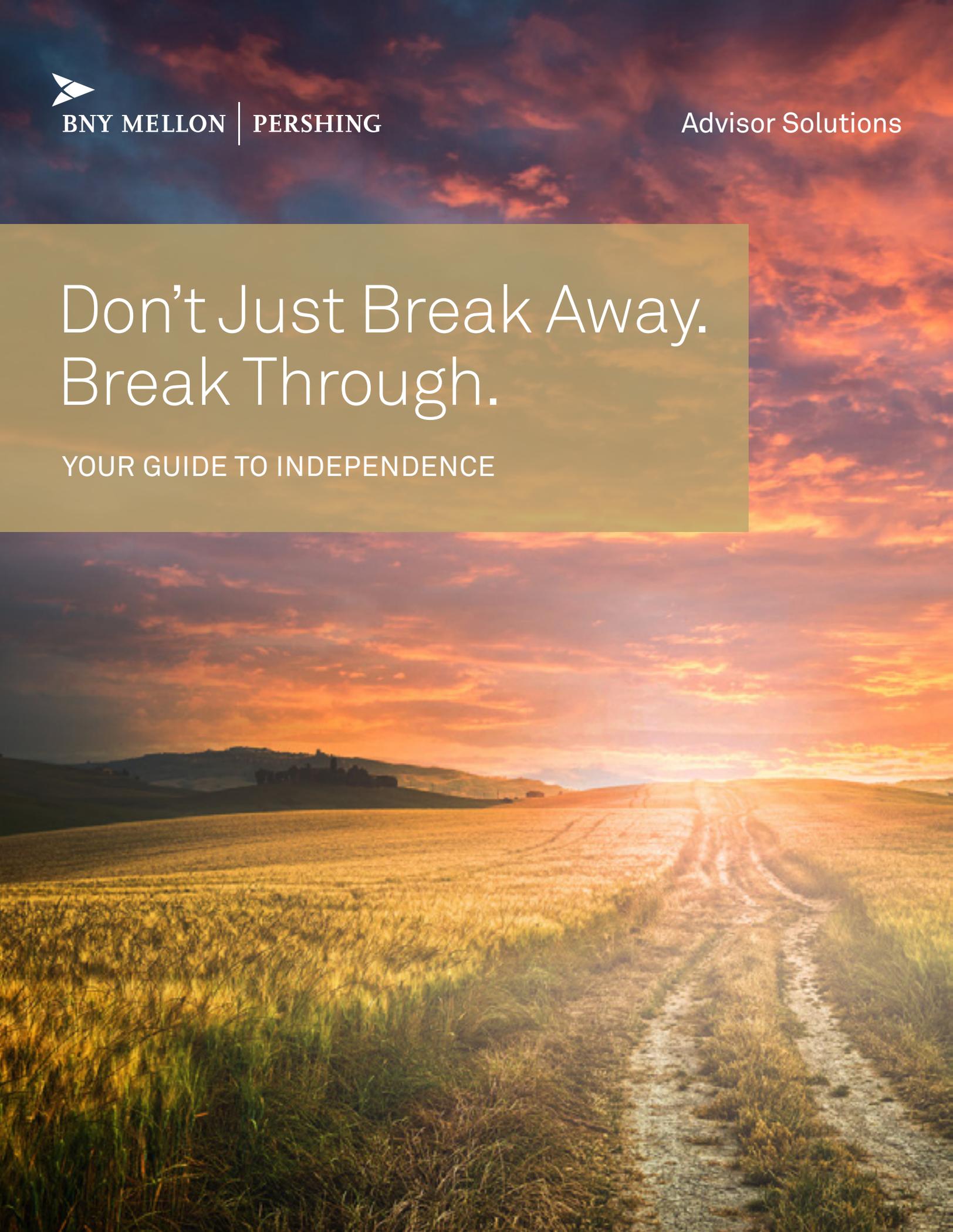


BNY MELLON | PERSHING

Advisor Solutions

Don't Just Break Away. Break Through.

YOUR GUIDE TO INDEPENDENCE



Today, a record number of financial advisors are breaking away from wirehouses and choosing independence as an RIA — from starting their own firms to joining an existing firm or something in between.

Transitioning a financial advisory practice is not without its challenges, so why are so many advisors choosing the RIA business model?

Should you make the switch?

And how can **BNY Mellon | Pershing** help?

ADVISORS BREAKING AWAY FROM WIREHOUSES TO THE RIA CHANNEL HAS BEEN STEADILY GROWING

+27%

YEAR-OVER-YEAR INCREASE

IN NUMBER OF BREAKAWAY ADVISORS SINCE 2017

537

ADVISORS

IN 2018 VS. 400 WHO BROKE AWAY FROM WIREHOUSES LAST YEAR

Echelon Partners, *The 2018 RIA M&A Deal Report*.™

“The only question we ask ourselves now is, why didn’t we do this sooner?”

— JACK PETERSEN, SUMMIT TRAIL ADVISORS

Interested in learning more about your path to independence?

Contact a Business Development Officer or visit [pershing.com/breakaway](https://www.pershing.com/breakaway) to get started.

We can start you on your journey.

Your custodian plays a vital role, guiding you throughout the decision making process. Our Business Development Officers can lead you through things to consider when thinking about a move including:

- Evaluating the earnings implications of various RIA models
- Developing a transition plan
- Connecting you with critical consulting services

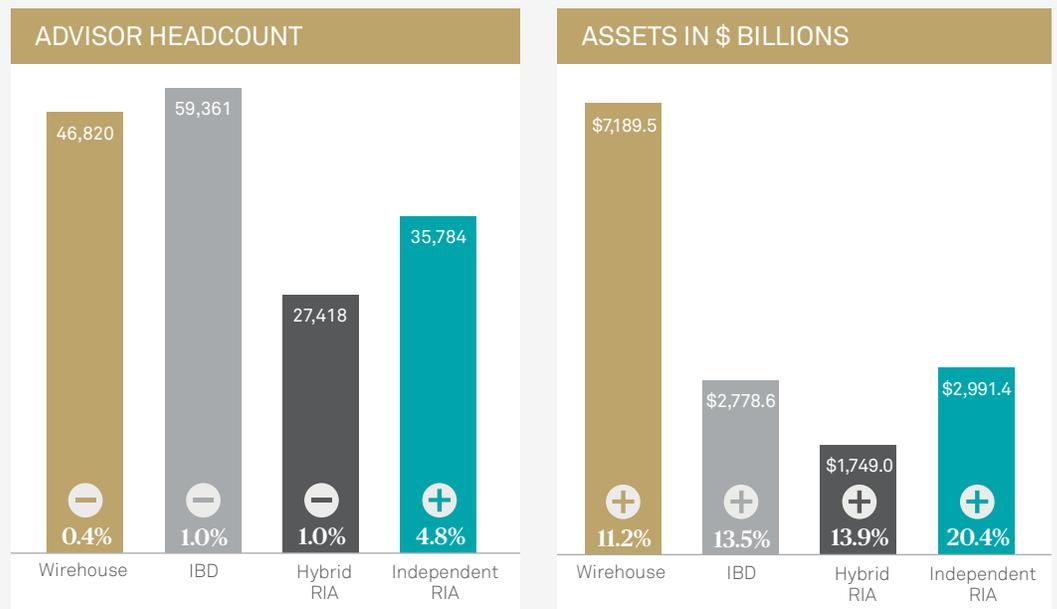
YOU'LL NEED A NETWORK OF SUPPORT AND BUSINESS CONSULTING SERVICES



TRENDING UP

The number of RIAs has grown significantly in recent years, and that number is expected to keep growing.

– + = Year-Over-Year Growth Rate (2016-2017)



The U.S. RIA Marketplace 2018: Designing a Framework for Independence, Cerulli.

Is now the time to make the switch?

Before deciding on independence, consider this — regardless of the independent business model that's right for you, becoming an RIA has the potential to give you more control over your practice and to enhance your value to your clients.

AS AN RIA YOU CAN ALSO:

- Build equity
- Take greater control of revenue and expenses
- Offer your clients greater flexibility in investment choices
- Make decisions over staffing and compensation
- Enhance your value to clients as a fiduciary

FACTORS THAT INFLUENCE ADVISORS' DESIRE FOR SWITCHING TO THE INDEPENDENT MODEL

Ability to build financial value in an independent business	67%
Greater autonomy	64%
Higher payout	63%
Desire more personable culture	54%
Ability to select preferred technology systems	43%
Appeal of independent model to clients	39%
More control of investment decisions and portfolio construction	33%

Note: Respondents include employee advisors (wirehouse, bank BD, insurance and regional) who prefer the IBD, RIA or dually registered channels.

Sources: Cerulli Associates, in partnership with the Investment Management Consultants Association, WealthManagement.com, the Financial Planning Association, and *OnWallStreet*.

Source: The Cerulli Edge, Advisor Edition, Q4, 2015.



What are your options?

Advisors transitioning into an RIA business model have more options than ever before. The business model decision is uniquely yours, and we're here to help you decide.

CHOOSE A BUSINESS MODEL THAT WILL ALLOW YOU TO THRIVE

Join an
IBD with a
Corporate RIA

- Solo practice
- Prescribed solutions
- Associated with provider brands
- Significant commission business
- Provider-driven compliance environment

Join a
Strategic
Acquiring Firm

- Strong shared values, client fit and mutual interest with acquiring firm
- Established firm presence, business model and support
- Give up some control in exchange for full or partial monetization

Join an
Existing
Independent RIA

- Strong shared values, client fit and mutual interest with RIA Firm
- Established firm presence, business model and support
- Flexibility in ownership, partnership, leadership opportunity and liquidity

Start an
Independent RIA
with a Platform
Support Partner

- Independent with support
- Liquidity, initial capital and proven support model while maintaining maximum independence
- Values the expertise, leverage, and economies of scale from partner

Start an
Independent
RIA

- Possess an entrepreneurial mindset with the vision and drive to build a firm from scratch
- Complete control over all decisions affecting firm and clients
- Longer term view of building enterprise value

LESS INDEPENDENT

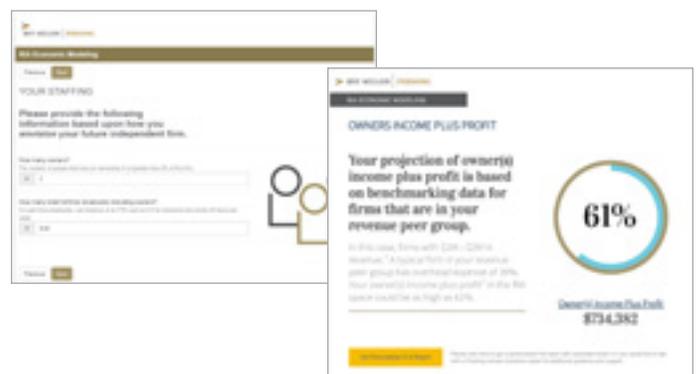
MORE INDEPENDENT

EXPLORE YOUR OPTIONS

Our Business Development Officers can help you explore your options for independence, understand the differences among various RIA models, and determine the right fit for your business objectives and aspirations.

EXPLORE THE FINANCIAL BENEFITS

Take our quick assessment to quantify the numbers you need to know as you consider becoming an RIA. Lean on our experts to take you a step further and analyze your individualized report. We will guide and empower you to make informed decisions about the future of your business.



pershing.com/breakaway

Contact a Business Development Officer to discuss your custom report.

Making the break.

While the path to building an RIA is well-traveled, making the wrong move can impede a successful transition. At BNY Mellon | Pershing, we have the knowledge, technology and services to help you get up and running quickly and smoothly.

OUR BUSINESS DEVELOPMENT OFFICERS WILL HELP YOU:

- 1 | **Understand the independent landscape** and determine the best affiliation model for you
- 2 | **Help you understand the financial benefits** of the independent business model
- 3 | **Understand your technology needs**, like CRM, financial planning and reporting tools
- 4 | **Plan for your office needs**, including space, furniture and signage
- 5 | **Engage legal and compliance experts** on issues such as employment contracts, new business structure creation and new client agreements
- 6 | **Consult on how to effectively communicate your key differentiators** to the marketplace and increase your new firm's brand awareness.

Transition support is critical.

The successful transition of existing clients is critical, and with expert guidance by your side, you don't need to go it alone.

Regardless of your current business model, we provide exceptional service before, during and after your transition — our transition specialists collaborate closely with you to develop a customized plan that is tailored to your business goals and ensures a seamless transition for your clients.

MINIMIZE DISRUPTION, GAIN EFFICIENCIES, AND IMPROVE THE CLIENT EXPERIENCE

RIA SETUP AND PREPARATION

2–4 weeks

ACCOUNT OPENING AND TRANSFER

6–10 weeks

PERSHING ON SITE

Week 1 | Week 2 | Week 3 | Week 4 | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10

KEY PHASES AND MILESTONES

Initial Planning

- Setting ideal/preferred launch date
- Business entity brand and organization structure
- Team member roles and responsibilities
- Client service model
- Exit strategy and protocol considerations
- Pro-forma financial analysis

Pre-Launch

- Office location and build-out
- Technology selection and procurement
- Marketing strategy and materials
- Custodian training for ops and forms and tech
- Client data and asset review

Execution

- Custodian on-site support
- Account opening and funding
- Ongoing training
- Quality control

Improved client experience

Minimal business disruption

Efficiency through collaboration

“We’ve discovered that the **custodian is the key to a successful transition.** They can give you guidance every step of the way.”

— MARGARET DECHANT, CEO AND PARTNER, 6 MERIDIAN

We can help you achieve your strategic vision and create a strategy for growth.

WE SUCCEED WHEN YOU SUCCEED WELL BEYOND YOUR TRANSITION

Our premier business-consulting program is designed to help you embrace change, make informed decisions, and build and grow your business. We can benchmark your firm, measure your progress and provide you with action steps for achieving your short- and long-term goals.

Our RIAs enjoy specialized business-building guidance and shared knowledge through whitepapers, webcasts and videos, social media content, industry conferences and events, practice management solutions and more.

“They are our partner and I appreciate that. **Our business has specific needs and they listen to us; they care about our clients and they work with us to resolve challenges.**”

— JIM MAHER, FOUNDER AND CEO,
ARCHFORD CAPITAL STRATEGIES

Dedicated to serving independent RIAs for over 20 years.

WHY BNY MELLON | PERSHING?

If you are considering a future as an independent RIA, we can help you move forward with confidence.

We are the leading custodian for growth-minded advisory firms, and proud to call many of the largest RIA firms our clients.

Unlike our competitors, we compete for you, rather than against you — to help you manage all aspects of your business and better serve your clients:

- Our purely business-to-business focus offers you unbiased access to a vast universe of global RIA solutions.
- Our high-touch approach means that our service team works with fewer clients so you get the attention you deserve.
- We bring together the best people and practices across our enterprise to all aspects of your business in order to deliver excellent client service, innovative technology, financial solutions and practice management to help you thrive.

For more information:

Contact a Business Development Officer
Call (800) 445-4467
Visit pershing.com/breakaway

HELPING YOU SUCCEED

- Exceptional financial strength for your clients' peace of mind
- Private banking solutions from BNY Mellon through the Pershing platform
- Access to both bank and brokerage custody through a unified technology platform
- Global investment solutions to meet the highly complex needs of wealthy clients
- Cutting-edge solutions offering clients new revenue opportunities from their current portfolios
- Flexible and open architecture technology
- Seamless account opening and onboarding processes
- One of the industry's largest thought leadership programs
- Premier business consulting and technology services to help you grow your business



BNY MELLON | PERSHING

© 2019 Advisor Solutions. Advisor Solutions refers to the brokerage services business of Pershing Advisor Solutions LLC and/or the bank custody solutions business of BNY Mellon, N.A. Pershing Advisor Solutions LLC, member FINRA, SIPC, is a subsidiary of The Bank of New York Mellon Corporation (BNY Mellon). Clearing, brokerage custody or other related services may be provided by Pershing LLC, member FINRA, NYSE, SIPC. Pershing Advisor Solutions relies on its affiliate Pershing LLC to provide execution services. Bank custody and private banking solutions are provided by BNY Mellon, National Association (BNY Mellon, N.A.), member FDIC, a wholly owned subsidiary of The Bank of New York Mellon Corporation. For professional use only. Not intended for use by the general public. Pershing LLC, Pershing Advisor Solutions LLC and BNY Mellon, N.A. Bank Custody Solutions do not provide investment advice. Professionally managed investment advisory services, if offered, are provided by Lockwood Advisors, Inc. (Lockwood), a Pershing affiliate and an investment adviser registered in the United States under the Investment Advisers Act of 1940. Trademark(s) belong to their respective owners.