



ECHELON's RIA M&A Deal Report™

U.S. Wealth Management | 3Q21

Key Trends and Highlights

- **Quarterly Deal Volume Hits New Record High as Prospective Tax Code Change Looms:** There were 78 deals announced in 3Q21 – a new all-time high, beating the previous quarterly record set in 1Q21 of 76.
- **Largest Platforms Expand M&A Dominance:** Large strategic acquirers, many of which are backed by Private Equity, continued their status of the most active dealmakers in the wealth management industry.
- **U.S. Private Equity and Strategics Pivot Attention to U.K. as North American M&A Competition Heats Up:** Spurred by opportunity as well as increasing competition, strategic buyers have ramped up dealmaking activity in the U.K. They have been followed by prominent U.S. Private Equity firms also looking to establish a presence in the region.
- **Key WealthTECH Trends Proliferate:** Insurers bolt-on TAMP capabilities, Direct Indexing remains investing tech's hot trend, and the democratization of Private Market Investing continues to attract investor attention.

Executive Overview: After a record setting start to the year, M&A activity in the wealth management industry once again reached unprecedented levels in 3Q21. ECHELON expects 2021 to outpace the total 2020 deal count by a significant margin as strong secular trends (consolidation, competition, succession planning) and supportive capital markets (cheap debt, heightened corporate cash balances, significant Private Equity dry powder) continue to fuel record-setting dealmaking activity. Transitory trends related to potential changes in tax rates has added fuel to the M&A frenzy.

U.S. Private Equity Spotlight: Private Equity interest in the wealth management sector has reached all-time levels. There were 12 direct transactions in 3Q21 (focused on building or investing in a wealth management M&A platform), such as TA Associates investment in \$7.5 BN AUM Caprock Group, Lightyear's investment in UK based Wren Stirling, and Onex's investment in Wealth Enhancement Group. The majority of deal activity involving Private Equity capital has come via their portfolio companies, such as M&A powerhouses Mariner Wealth (backed by Leonard Green) and Mercer Advisors (backed by Oak Hill). This buyer group, which we largely categorize as Strategics or Consolidators accounted for 58 transactions during the quarter.

Buyer Composition & Competition: Strategic Acquirers & Consolidators are outpacing even the most grandiose of expectations, with robust acquisition activity that continues in 3Q21. The category is dominating total M&A activity, accounting for over 70% of all transactions this quarter and over 50% of all transactions in 2021 YTD.

78

Total 3Q21 Transactions Announced

26

Deals in September 2021

208

Total Deals YTD in 2021

Note: Totals above exclude WealthTECH Deals unless an RIA is the Buyer or Seller.

3rd Quarter 2021 ECHELON Select Deal Announcements



has completed its sale to



ECHELON served as the exclusive M&A advisor to Sawtooth and provided:
Sell-Side Investment Banking




has completed its sale to



ECHELON served as the exclusive M&A advisor to Oakwood and provided:
Sell-Side Investment Banking



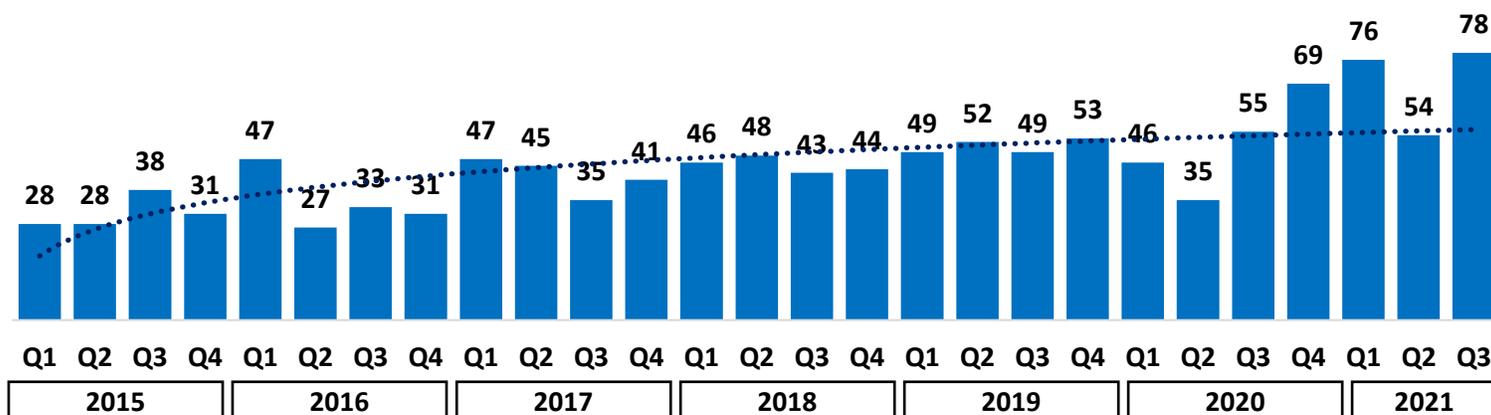

has completed its sale to



ECHELON served as the exclusive M&A advisor to Pinnacle and provided:
Sell-Side Investment Banking



Exhibit 1. Q3 Wealth Management M&A Deal Volume Hits New Record Levels



Source: Company Reports, SEC IARD, ECHELON Partners Analysis

Exhibit 1 highlights that 2021 is projected to be a record-breaking year with a forecasted annual deal count of 287, a level 10.4% higher than the annual total projected at the end of 2Q21. The data also illustrates that the decrease in deal count observed in 2Q21 was not representative of the ongoing trend. 3Q21's deal total was the highest quarterly total observed to date, is 44.4% higher than 2Q21's deal count, and is 41.8% higher than 3Q20's count. The significant jump in deal count reaffirms our gauge of market sentiment and highlights that many independent wealth managers are still seeking to transact prior to year-end. We view this as largely being driven by strong interest from strategic acquirers and, in the case of larger firms, deep-pocketed capital sponsors and Private Equity investors.

40%

Increase in
Projected Deal
Volume Relative to
2020

9th

Straight Year of
Projected Record-
Breaking M&A
Activity in the Sector

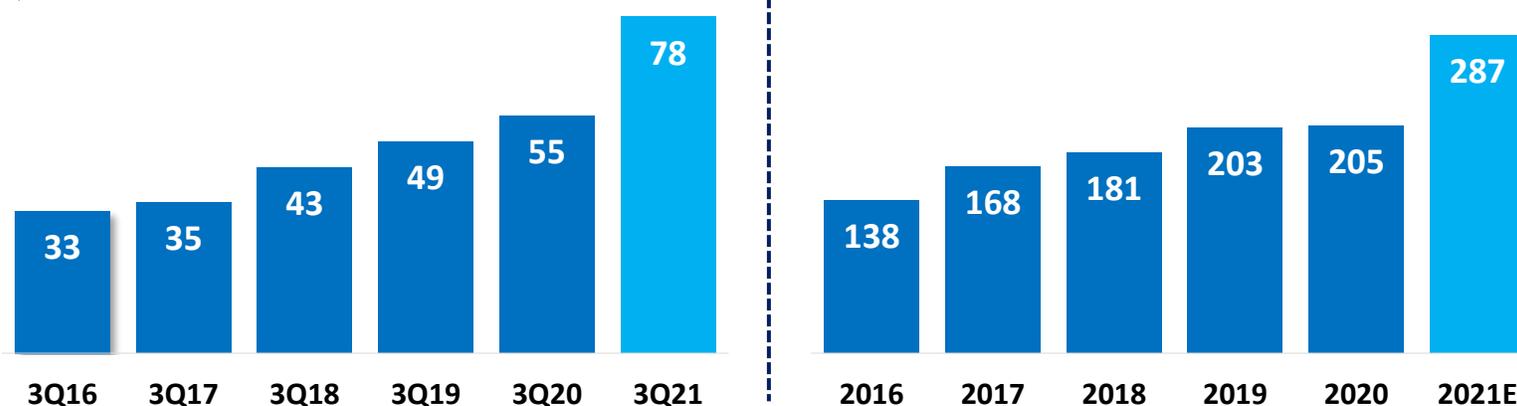
287

Deals
Projected
in 2021E

82

More Deals Expected
in 2021 Relative to
2020's Total

Exhibits 2 & 3. Wealth Management Transactions Year-Over-Year (Q3 and Annual Data)



Source: Company Reports, SEC IARD, ECHELON Partners Analysis

As illustrated in **Exhibit 3**, if the M&A activity observed through the first three quarters of the year continues, 2021 will see 287 transactions announced, up from ECHELON’s 2Q21 forecast of 260 annual deals. That 10.4% increase would represent another annual M&A record and significant year-over-year increase .



Quarterly Increase
from 2Q21 to 3Q21

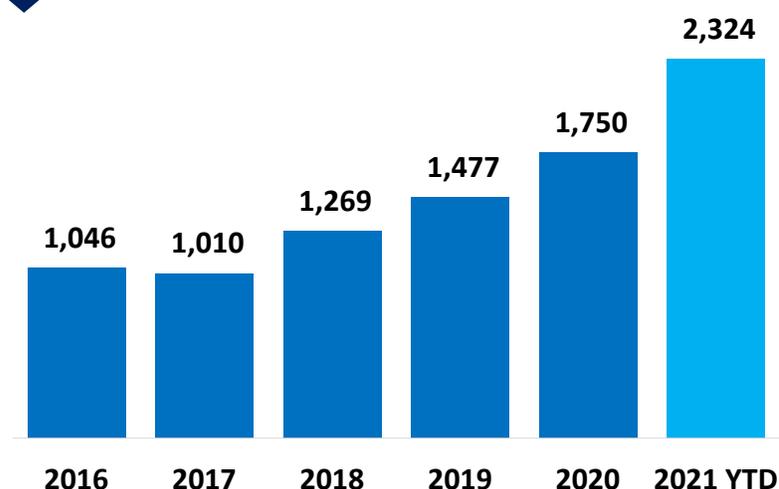
*Largest Single
Quarter Deal Count
Increase Since
Report’s Inception*



CAGR from
2016 to 2021E

149
More Deals Than
in 2016
(Projected)

Exhibit 4. Average AUM per Deal Excluding > \$20 BN AUM



Source: Company Reports, SEC IARD, ECHELON Partners Analysis



Compound Annual Growth
Rate of Transaction AUM
from 2016-2021 YTD

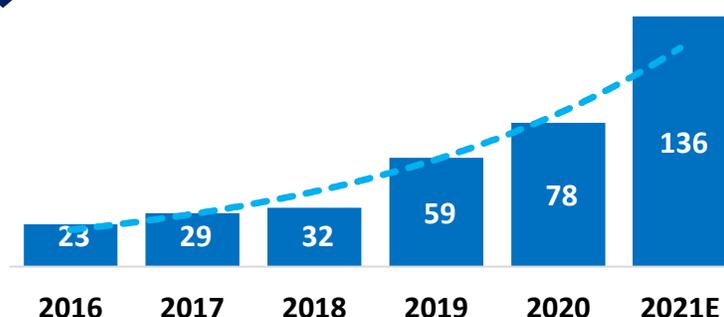
Set for
32.8%
Increase in
Average AUM
Transacted YOY

As shown in **Exhibit 4**, average AUM per transaction continues to increase. There were 51 deals involving over \$1 BN in AUM announced during 3Q21. This was a giant leap quarterly for total deals this size relative to the first two quarters of 2021, and significantly higher than the quarterly levels that were observed prior to this year. 3Q21’s average AUM per deal of over \$2.3 BN highlights the strong supply of available dealmaking capital from sophisticated buyers that is allowing demand from buyers to exceed the supply of firms looking to sell, even with the significant increase in the number of sellers that ECHELON has observed in the last six to twelve months.

The growth in average AUM per deal can also be attributed to increases from investment performance as major indices continue to perform well despite some growing concerns about a potentially cooling economy.

Overall, we expect 2021 to be another year of record average AUM transacted due to robust equity markets, new avenues for organic growth, and feverish interest from current and emerging buyers.

Exhibit 5. \$1 BN+ Wealth Management Transactions



Source: Company Reports, SEC IARD, ECHELON Partners Analysis

Building on the analysis above that notes the expansion in average AUM per transaction, **Exhibit 5** shows that the increase in AUM per deal is not simply driven by a small number of large transactions. The number of \$1 BN+ transactions is set to rise, exceeding 2020’s total by almost 100%. The \$1 BN plus AUM sector continues to be the most competitive part of the market as both strategic and financial acquirers compete for platforms with scale and large pools of talent.


55.9%

Compound Annual Growth Rate of \$1 BN+ Deals from 2017-2021E

Set for
74.4%

Increase in \$1 BN+ Deals Transacted Over 2020

136

Projected Total Number of \$1 BN+ Deals Expected in 2021

Exhibit 6. Top 10 Transactions in Q3 2021 – Excluding Direct Private Equity Transactions

Date	Seller	Buyer	Buyer Type	Seller AUM (\$ MM)
7/2/2021	MJM401K	SageView Advisory Group	RIA	17,000
9/1/2021	Ancora Holdings	Focus Financial Partners	Strategic or Consolidator	9,400
9/30/2021	QCI Asset Management	Wealth Enhancement Group	Strategic or Consolidator	5,200
9/14/2021	Portola Partners	CI Financial Corp	Strategic or Consolidator	5,200
7/20/2021	AdvicePeriod	Mariner Wealth Advisors	Strategic or Consolidator	5,100
8/4/2021	ProCourse Fiduciary Advisors	MJ Insurance	Other	4,946
9/28/2021	Berman Capital Advisors	Cresset Asset Management	Strategic or Consolidator	4,700
9/9/2021	Carroll Financial Associates	Wealth Enhancement Group	Strategic or Consolidator	4,700
7/8/2021	Trusted Capital Group	Hub International Limited	Strategic or Consolidator	4,600
7/8/2021	Exencial Wealth Advisors	First United Bank	Strategic or Consolidator	4,000

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

Exhibit 6 highlights the quarter's top deals and again emphasizes that there is a pervasive theme of consolidation which is continuing to drive the wealth management industry's record level of transaction activity. Eight of 3Q21's top ten transactions were announced by firms categorized as Strategic Acquirers or Consolidators. Perhaps most notable of these was Wealth Enhancement Group who is tied for Focus Financial for the most deals of the quarter yet is the only buyer to appear in the list of 3Q21's top ten transactions twice. This is a good example of the ability of these large dealmakers to simultaneously participate in and ultimately win multiple M&A efforts and successfully manage the due diligence and integration processes that come with each transaction.

The largest deal this quarter, by AUM transacted, was SageView Advisory Group's acquisition of Arizona-based retirement consulting firm, MJM401K. The deal involved nearly twice the AUM as the next largest transaction and is another example of the strong M&A activity and high levels of buyer interest making their way into the retirement planning space.

Exhibit 7. Top Direct Private Equity Transactions

Date	Seller	Buyer	Seller AUM (\$ MM)	% Acquired
7/14/2021	AIG Life and Retirement	Blackstone	100,000	8%
8/25/2021	Wealth Enhancement Group	Onex	20,000	<50%
7/14/2021	Carson Group Holdings	Bain Capital	17,000	N/A
7/26/2021	Concurrent Advisors	Merchant Investment Management	12,200	<50%
8/16/2021	MAI Capital Management	Galway Holdings (Carlyle Group, Oak Hill Capital, Harvest Partners)	8,600	<50%
9/28/2012	Caprock Group	TA Associates	7,500	<100%
7/21/2021	Wren Sterling	Lightyear Capital	6,325	N/A
7/24/2021	Gerber Taylor Capital Advisors	Emigrant Partners	6,300	<50%
9/15/2021	Douglass Winthrop Advisors	Kudu Investment Management	4,800	<50%
9/1/2021	Pure Financial Advisors	Lee Equity	3,600	40%
7/21/2021	Verdence Capital Advisors	Emigrant Partners	3,001	<50%

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

Exhibit 7 highlights the quarter’s largest direct investments by Private Equity acquirers and again emphasizes that these buyers’ interest remains a leading contributor toward the wealth management industry’s largest transactions. One of the most significant transactions by a Private Equity firm this quarter was Onex’s investment in Wealth Enhancement Group. The Minneapolis based serial acquirer has grown at a blistering pace under private equity ownership, with AUM expanding from ~\$10 BN in 2019 to, as we currently write this report, \$52.4 BN. As previously noted, Wealth Enhancement Group has been one of the most active strategic acquirers in the space so far this year and the capital infusion from Onex will recapitalize the M&A warchest and provide them the funds necessary to continue their rapid buying streak.

Another direct Private Equity investment from 3Q21 that is worth noting was Lightyear Capital’s strategic partnership with international RIA and U.K.-based wealth management firm Wren Sterling Financial Planning Limited. This deal represents an important macro-trend that has developed throughout the year: Domestic Private Equity firms turning their attention overseas as the U.S. M&A market becomes increasingly competitive for large scale platforms that can support M&A. In 2021, the U.K. has seen an especially large increase in deal activity and general interest from U.S.-based financial and strategic acquirers.

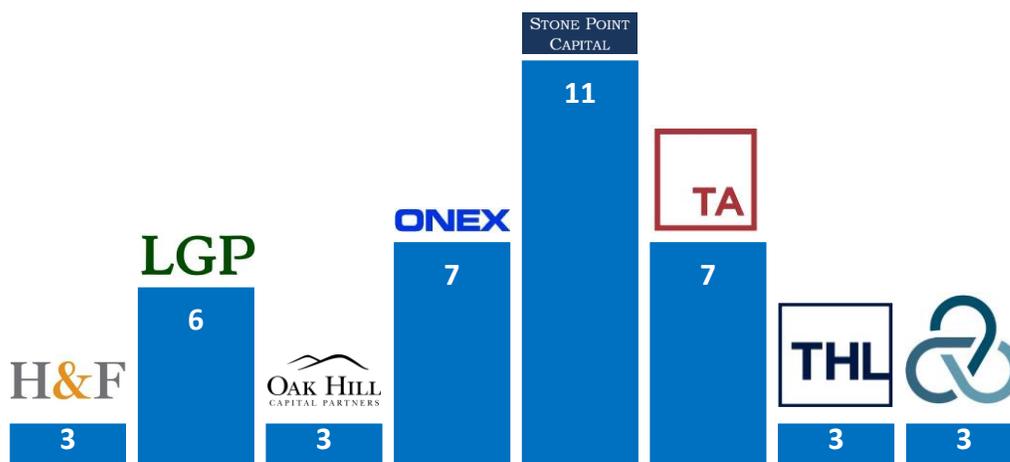
Exhibit 8. Top 10 Private Equity Backed Transactions

Date	Seller	Seller Firm Type	Buyer	Private Equity Backer	Seller AUM (\$MM)
7/2/2021	MJM401K	Retirement Consultant	SageView Advisory Group	Aquiline Capital	17,000
9/1/2021	Ancora Holdings	RIA	Focus Financial Partners	Stone Point	9,400
9/14/2021	Sawtooth Solutions	TAMP	Simplicity Group	Lee Equity	7,320
9/30/2021	QCI Asset Management	RIA	Wealth Enhancement Group	TA Associates, Onex	5,200
7/20/2021	AdvicePeriod	RIA	Mariner Wealth Advisors	Leonard Green & Partners	5,100
9/9/2021	Carroll Financial Associates	RIA	Wealth Enhancement Group	TA Associates, Onex	4,700
7/8/2021	Trusted Capital Group	RIA	Hub International Limited	Hellman & Friedman	4,600
9/14/2021	NorthCoast Asset Management	RIA	Focus Financial Partners	Stone Point	3,000
9/23/2021	FGC Advisors	RIA	Mariner Wealth Advisors	Leonard Green & Partners	2,700
7/8/2021	Nachman Norwood & Parrott Wealth Management	RIA	CAPTRUST	GTCR	2,100

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

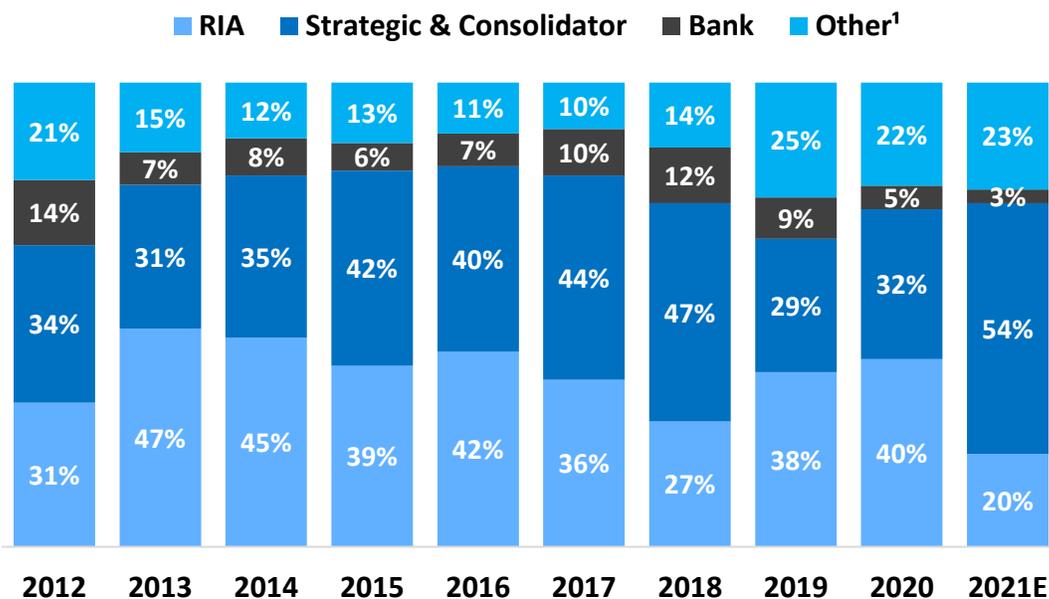
Exhibit 8 highlights the quarter’s largest deals completed by Private Equity sponsored-firms. The majority of Buyers listed rely on financing (debt or equity) and deal support from their M&A savvy Private Equity owners to execute on their inorganic strategy. The exhibit below presents the most active sponsors as measured by the deal count of each respective portfolio company.

Exhibit 9. 3Q21 Private Equity Backed Transactions By Capital Sponsor



Note: Onex is representative of Wealth Enhancement Group quarterly activity.

Exhibit 10. Percentage Breakdown of RIA Acquirers by Firm Type




72%

of 3Q21 Transactions
Involved Strategic
Acquirers

Strategic Acquirers &
Consolidators continue to
dominate dealmaking,
announcing **56 deals**, or
72% of the 3Q21's total.

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

¹Other: Private Equity Firms, Insurance Firms, Independent Broker Dealers, etc.

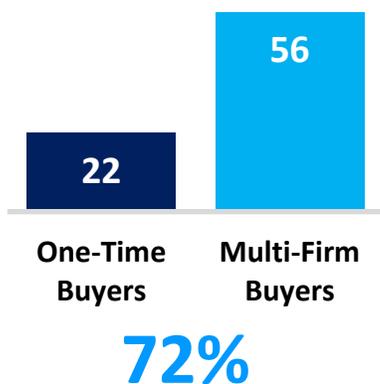
Exhibit 10 reveals that the **RIA-to-RIA** transactions that drove deal activity in 2020 continue to decline significantly relative to the number of deals announced by Strategic Acquirers and Consolidators. So far in 2021, RIAs have announced only 20% of all deals, marking by far the lowest percent of total deals the category has generated over the observable period. RIA's overall decline in relative deal volume is at least partially due to the rapidly increased presence of prominent strategic acquirers and their Private Equity backers that now dominate the market. RIAs also continue to engage in smaller acquisitions, averaging \$670 MM in AUM transacted per deal so far in 2021.

Strategic Buyers or Consolidators are by far the most active type of acquirer so far in 2021, replicating a trend that was observed from 2015-2018. Since the start of this year, these buyers have announced more than 50% of all transactions and the average AUM across these deals has equaled \$1.9 BN, nearly 3x the size of the average deal announced by a firm in the RIA category, though still lesser than the average size of the deals announced by Banks or those in the Other category (Private Equity firms, Asset Managers, Insurance Companies, Independent Broker Dealers, etc.).

Banks have historically been the least active type of acquirer in terms of deal activity, and this has become increasingly true as 2021 has progressed, due in large part to the high competition from the large strategic acquirers and deep-pocketed Private Equity firms who tend to be more aggressive than banks in their M&A efforts.

Other: This category has historically consisted primarily of Private Equity investors and asset managers. Now, as wealth management deals continue to attract new types of buyers, the category includes growing numbers of insurance companies and other large diversified financial services firms.

The Other category is expected to continue to expand its direct influence over wealth management industry M&A activity in 2021 and beyond. We expect activity levels from these buyer types to reach all-time highs for the category and overtake that of pureplay RIA-to-RIA transactions. Acquirers in the Other category have also traditionally been involved in many of the largest deals. This remains true in 2021 with the category being responsible for 7 of the top 10 deals in both 3Q21 and 2021 YTD.

Exhibit 11. 2021 Multi-Firm Buyers: Acquisition Activity Through Q3 & Most Active Acquirers


Buyer	Headquarters	Buyer Type	# of Deals YTD
Focus Financial Partners	New York	Strategic/Consolidator	13
Wealth Enhancement Group	Minnesota	Strategic/Consolidator	13
Mercer Advisors	New York	Strategic/Consolidator	11
Beacon Pointe Advisors	Newport Beach	Strategic/Consolidator	8
CAPTRUST	Raleigh	Strategic/Consolidator	8
CI Financial Corp.	Toronto	Strategic/Consolidator	7
Hub International	Chicago	Strategic/Consolidator	6
Mariner Wealth Advisors	Leewood	Strategic/Consolidator	6

1. Deals are recorded and tracked on an “as announced basis” and do not consider the timing of internal negotiations.

2. Acquisitions made through platform firms are not directly counted in the above totals (e.g. Focus and Connectus).

Experienced Acquirers – those who have engaged in at least two mergers or acquisitions since 2016 – have assumed the primary role atop the industry’s overall M&A activity. These firms typically have a business model centered around scale and rely heavily on M&A activity to drive growth and expansion. They are often backed by Private Equity capital though two firms on the list above, Focus Financial Partners and CI Financial Corporation, are publicly traded.

As **Exhibit 11** shows, 56 of the 78 deals announced in the third quarter involved an acquirer who had completed at least two acquisitions since 2016. This is another data point that highlights that the ongoing industry-wide consolidation is being driven by a small number of incredibly active firms who aim to use M&A as a primary source of growth while also capitalizing on the significant efficiencies that come with this increased scale.

Exhibit 12. U.K. RIA M&A Heats Up as U.S. Private Equity & Strategics Seek Opportunity Overseas

Seller	Buyer	Buyer Type	Seller AUM (\$ MM)
Saunderson House	Rathbone Brothers	RIA	6,500
Charles Stanley	Raymond James	Bank	37,900
Wren Sterling Financial Planning	Lightyear Capital	Private Equity	6,325
AFH Financial Group	Flexpoint Ford	Private Equity	6,500
Fairstone Financial	TA Associates/Synova	Private Equity	10,600
Canaccord Genuity	HPS Investment Partners	Private Equity	94,900
Watterson Financial Planning	Connectus Wealth Advisors (Focus)	Strategic or Consolidator	N/A
Adam & Co.	Canaccord Genuity	Other	2,369

Exhibit 12 depicts the previously referenced trend of key industry investors broadening their horizons and increasing their international acquisition activity as competition and high valuations in the North American market spurs exploration into alternative M&A regions. Private Equity firms are leading this trend, but they are certainly not alone as banks, RIAs and diversified financial services companies join them in the search for targets overseas. As consolidation continues in the domestic market, ECHELON expects this trend to continue well into next year and beyond.

Bold = U.S. Buyer and included in Deal Count.

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

Exhibit 13. Top WealthTECH Deals of 3Q21

Target	Buyer (or Investor)	WealthTECH Trend	Industry
Canvas	Franklin Templeton	Proliferation of Direct Indexing	Modeling & Execution
Just Invest	Vanguard	Proliferation of Direct Indexing	Modeling & Execution
Wealth Management LLC	Integrity Marketing Group	Cross-Selling Wealth with Insurance	TAMP
Sawtooth Solutions	Simplicity Group	Cross-Selling Wealth with Insurance	TAMP
Foreside Financial	Genstar	Compliance Technification	Operations & Compliance
Axio Financial	iCapital	Structured Products & Wealth Mgmt	Modeling & Execution
Riskalyze	Hg	Risk Management Integration	Operations & Compliance
Lessonly	Seismic	Investor Education	CRM & Marketing
Betterment	Treasury	Robo Advisor Solutions	Modeling & Execution
iCapital Network	Temasek, Owl Rock, MSD Partners, Golub	Private Market Democratization	Modeling & Execution
DriveWealth	Insight Partners	Investing Accessibility	Modeling & Execution
Forge Global	Motive Capital Group	Private Market Democratization	Modeling & Execution
Vanilla	Venrock	Automated Estate Planning	Modeling & Execution
Vestwell	Wells Fargo Ventures, Fin Venture & Others	Investing Accessibility	Modeling & Execution

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

The increasing pace of technological innovation and adoption by the wealth management industry has been a topic of ECHELON’s annual RIA M&A Deal Report since its inception. **Exhibit 13** summarizes the most important transactions in WealthTECH during 3Q21 and groups them based on three emerging trends in the sector. Financial advisors and investors continue to demand improved customer service and increased technology utilization as they navigate capital markets and make key financial decisions. The exhibit above demonstrates the strategic M&A activity made within the space by participants positioning their firm’s technology and service offerings for the future.

Exhibit 14. Top TAMP Deals of 2021

 SIMPLICITY GROUP Acquires  Sawtooth September 14, 2021	 INTEGRITY MARKETING GROUP Acquires  WM LLC September 28, 2021	 Sammons FINANCIAL Acquires  BEACON Capital Management January 25, 2021
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Above we highlight a key trend, the insurance sector building wealth management platforms and human capital via the acquisition of Turnkey Asset Management Platforms or “TAMPs”. Not only do TAMP acquisitions increase potential distribution channels for Insurance companies but they also provide the ability to offer wealth services to registered agents who are interested in becoming IARs (Investment Advisory Representatives). There have been three transactions that speak to this trend in 2021, with the largest (as measured by AUM) being Simplicity Group’s acquisition of Sawtooth (in which ECHELON Partners was proud to be exclusive M&A advisor to Sawtooth).

ECHELON Deal Announcement: Sawtooth Sale to Simplicity**Investment Banking Role:**

ECHELON Partners served as the exclusive financial advisor to Sawtooth, providing M&A sell-side advisory services. ECHELON is proud to have served as the exclusive sell-side advisor to Sawtooth Solutions in this transaction. ECHELON successfully facilitated this sale, thanks in large part to our TAMP industry expertise and through the ability of the deal team, led by ECHELON Managing Director and resident TAMP industry expert Mike Wunderli, to leverage its unparalleled understanding of the rapidly evolving TAMP ecosystem. ECHELON's prior deal experience in the TAMP space and deep network of established buyers allowed for efficient execution and facilitation of a competitive process which culminated in a highly successful and accretive transaction with Simplicity Group.

Client Background:

Sawtooth Solutions is a leading Turnkey Asset Management Platform ("TAMP"), which offers a flexible, comprehensive UMA (Unified Managed Accounts) platform built to fit the unique needs of financial advisors and wealth-management firms. The firm is dedicated to providing high level investment solutions and an all-inclusive technology platform to enable advisors' success. The company was built to help advisors navigate the wealth management landscape and build successful, scalable practices.

Successful Outcome:

The strategic partnership of Simplicity and Sawtooth brings together two firms each backed by strong tenure and advantageous positioning across a multitude of operational service sectors in the wealth management space.

Sawtooth Solutions ("Sawtooth") completes sale to Simplicity Group ("Simplicity")

Sawtooth has successfully completed a transaction with Simplicity Group, a portfolio company of Lee Equity.

Date Announced:
September 14, 2021

**INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS**

To the Wealth and Investment Management Industries

ECHELON Deal Announcement: The Pinnacle Group Sale to Mariner Wealth Advisors



The Pinnacle Group completes sale to Mariner Wealth Advisors

The Pinnacle Group has successfully completed a transaction with Mariner Wealth Advisors, a portfolio company of Leonard Green.

Deal Size:
\$600 MM AUM

Date Announced:
September 9, 2021



Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to The Pinnacle Group, providing sell-side investment banking advisory services. The ECHELON team's network of strategic partners across the RIA competitive landscape in addition to the team's battle-tested RIA M&A deal experience served paramount throughout the engagement process. ECHELON worked hand-in-hand with the TPG team to help facilitate a competitive process which ultimately culminated in a perfect fit for TPG now a part of the Mariner Wealth Advisors network. ECHELON's services included valuation, buyer outreach, client marketing, deal process management, offer analysis, succession planning, and negotiating of deal terms.

Client Background:

The Pinnacle Group, a Cincinnati-based wealth management platform with specialty services in retirement planning, was first established in 1994 and has since accumulated over \$600 Million Assets Under Management.

Successful Outcome:

With a significant stake of its AUM in retirement plans, this deal will contribute to the further growth of Mariner Wealth Advisors' own retirement plan solutions, a platform designed to aid businesses in managing their employer-sponsored retirement plans for employees. This is an incredible opportunity for The Pinnacle Group to continue their legacy of helping clients build a successful financial future and provide an attractive career path that offers new opportunities for growth and development to the Pinnacle team.



INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

To the Wealth and Investment Management Industries

Deal Announcement: Oakwood Capital Management Sale to Wealth Enhancement Group



Oakwood Capital Management completes sale to Wealth Enhancement Group

Oakwood Capital Management has successfully completed a transaction with Wealth Enhancement Group, a portfolio company of TA Associates.

Deal Size:
 \$1.0 BN AUM

Date Announced:
 July 8, 2021



Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to Oakwood Capital Management, providing M&A sell-side advisory services. The ECHELON team’s unparalleled understanding of the RIA environment, financial institutions industry expertise and deep network of established connections proved pivotal while working with Oakwood’s management to help facilitate a competitive process and ultimately ensure a seamless transaction with Wealth Enhancement Group, a portfolio company of TA Associates. ECHELON’s services included valuation, buyer outreach, client marketing, deal process management, offer analysis, succession planning, negotiating of deal terms, and initial integration with WEG.

Client Background:

Oakwood, a Los Angeles, CA based wealth management group is a wealth management firm providing retirement planning, asset management, investment advisory, tax planning and other financial advisory services to high-net-worth individuals.

Successful Outcome:

The strategic partnership of WEG and Oakwood is a seamless fit, joining two firms each with a strong and successful tenure in a union that will enable future growth and continued excellence long into the future. The junction of the two firms will enhance the pre-existing quality of services while enabling the new combined entity to expand its reach and its access to resources to be utilized in service of its clients.



INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

To the Wealth and Investment Management Industries

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 specializes in supporting several influential client groups:

	RIAs		Broker Dealers		Hybrid RIAs
	WealthTECH Firms		TAMPs		Asset Managers

How ECHELON Can Help

- | | |
|---|---|
|  Provide Transaction Assistance (M&A, Sales, Capital Raising) |  Design Equity and Compensation Structure |
|  Conduct a Valuation |  Equity Recycling & Management |
|  Continuity & Succession Planning |  Advise on the Buyout of a Partner |

	INVESTMENT BANKING <i>#1 FINRA-registered investment bank serving wealth managers over the past 20 years</i>
	MANAGEMENT CONSULTING <i>Strategy consultants who have advised on over 500 wealth and asset management deals</i>
	VALUATIONS <i>#1 in valuations for wealth managers with more than \$2 MM in revenue or \$200 MM in AUM</i>
	TRACK RECORD <i>A three-time winner of WealthManagement.com's Most Innovative Industry Investment Bank Award</i>



ECHELON's Leadership

DAN SEIVERT | CEO AND MANAGING PARTNER



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Dan Seivert is the CEO and founder of ECHOLON Partners. Prior to starting ECHOLON 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. 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.

MIKE WUNDERLI | MANAGING DIRECTOR



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Mike Wunderli is a Managing Director at ECHOLON Partners and is integrally involved in all aspects of the firm's activities. Prior to joining ECHOLON, 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. Mr. Wunderli received his BA from Brigham Young University and an MBA from The Wharton School at the University of Pennsylvania.

BARNABY AUDSLEY | VICE PRESIDENT



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Barnaby Audsley is a Vice President at ECHOLON Partners and focuses on a diversity of M&A advisory, investment banking, strategic consulting, and research assignments across the wealth and investment management industries. Prior to joining ECHOLON Partners, Mr. Audsley worked as an Associate for Bel Air Investment Advisors, a \$9 BN multifamily office based in Los Angeles. During his time with Bel Air, Mr. Audsley focused on Private Equity and assisted in the sourcing and underwriting of fund, co-investment opportunities, and direct transactions, resulting in over \$300 MM of capital deployment on behalf of the partners and clients. He also conducted market research to identify attractive asset classes, industry trends, and investment opportunities. At Occidental College, Barnaby was a Director on the student-run investment portfolio. He is a mentor for Play Rugby USA, a non-profit focused on developing youth through rugby.

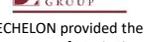
BRETT MULDER | VICE PRESIDENT



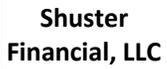
bmulder@echelon-partners.com

Brett Mulder is a Vice President at ECHOLON Partners and spends time across all of the firm's core activities including M&A advisory, strategic consulting, and thought leadership. Prior to joining ECHOLON, Brett was a Senior Associate with Deutsche Bank Securities, working in their US investment bank and within the Financial Institutions Group. With Deutsche, Brett advised wealth managers, asset managers, FinTech companies, and financial sponsors on a variety of strategic endeavors including M&A, capital raising, IPOs, SPACs, and leveraged finance. Through that experience, Brett spent significant time cultivating relationships with the Private Equity firms and platform buyers involved and interested in the wealth management ecosystem. While at San Diego State University, Brett served as Vice President of the student investment council.

Sample Transactions & Advisory Assignments Executed by the ECHELON Team

 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Sawtooth</p> <p>Sell-Side M&A Advisory</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Bainco</p> <p>Sell-Side M&A Advisory</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Pinnacle</p> <p>Sell-Side M&A Advisory</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Oakwood</p> <p>Sell-Side M&A Advisory</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of Independence Advisors with:</p> <p>Sell-Side M&A Advisory</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Goss and provided management with:</p> <p>Sell-Side M&A Advisory</p> 
 <p>ECHELON provided the Management of Rowling & Associates with:</p> <p>Valuation Services and Succession Transaction</p> 	 <p>has agreed to a merger with</p> <p>to form</p> <p>ECHELON provided the Management of the firms with:</p> <p>Merger and Financial Advisory Services</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of Sullivan & Serwitz with:</p> <p>Valuation and Sell-Side Advisory Services</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of OBS Financial with:</p> <p>Valuation and Sell-Side Advisory Services</p> 	 <p>ECHELON provided the Management of Concentric Wealth Management, LLC with:</p> <p>Buy-Side Advisory Services</p> 	 <p>ECHELON provided the Management of Blue Oak Capital, LLC with:</p> <p>Valuation and Financial Advisory Services</p> 
 <p>has agreed to a merger with</p>  <p>ECHELON provided the Management of FiComm Partners and Nexus Strategy, LLC with:</p> <p>M&A and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Halite Partners with:</p> <p>M&A and Financial Advisory Services</p> 	 <p>has agreed to a transaction with</p>  <p>ECHELON provided the Management of Lexington Capital Management Inc. with:</p> <p>M&A and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Massey Quick Simon & Co. with:</p> <p>Valuation and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Oakworth Capital Bank with:</p> <p>M&A Advisory Services</p> 	 <p>ECHELON provided the Management of Retirement Income Solutions with:</p> <p>Valuation and Financial Advisory Services</p> 
 <p>ECHELON provided the Management of SignatureFD with:</p> <p>Valuation and M&A Advisory Services</p> 	 <p>ECHELON provided the Management of The Gensler Group with:</p> <p>Valuation and Financial Advisory Services</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of Wealthstream Advisors, Inc. with:</p> <p>Valuation and Buy-Side Advisory Services</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of Merit Financial Group with:</p> <p>Valuation and Buy-Side Advisory Services</p> 	 <p>ECHELON provided the Management of Centennial Securities with:</p> <p>Valuation and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Bridgeworth, LLC with:</p> <p>Valuation and Financial Advisory Services</p> 
 <p>has agreed to a merger with</p>  <p>ECHELON provided the Management of Massey Quick with:</p> <p>Merger and Financial Advisory Services</p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of Private Ocean with:</p> <p>Buy-Side and Financial Advisory Services</p> 	 <p>has been sold to</p>  <p>ECHELON provided the Management of Junxure with:</p> <p>Sell-Side and Financial Advisory Services</p> 	 <p>has been sold to</p>  <p>ECHELON provided the Management of Total Rebalance Expert with:</p> <p>Sell-Side and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Collins Investment Group with:</p> <p>Sell-Side and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Roof Advisory Group, Inc. with:</p> <p>Valuation and Financial Advisory Services</p> 
 <p>has completed the acquisition</p>  <p>ECHELON provided the Management of The Glowacki Group with:</p> <p>M&A and Sell-Side Advisory Services</p> 	 <p>ECHELON provided the Management of Baldwin Brothers, Inc. with:</p> <p>Valuation and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Live Oak Bank with:</p> <p>Valuation and Buy-Side Advisory Services</p> 	 <p>ECHELON provided the Management of Chamberlain Group with:</p> <p>Buy-Side, M&A, and Financial Advisory Services</p> 	 <p>ECHELON provided the Management of Retirement Protection Group with:</p> <p>Valuation and M&A Advisory Services</p> 	 <p>has been sold to</p>  <p>ECHELON provided the Management of Old Dominion Capital Management with:</p> <p>Valuation and M&A Advisory Services</p> 

Sample Transactions & Advisory Assignments Executed by the ECHELON Team

 BWA BORDEAUX WEALTH ADVISORS has been sold to  ECHELON provided the Management of Bordeaux Wealth Advisors with: Sell-Side and Financial Advisory Services	 ECHELON provided the Management of Lawing Financial with: Valuation Advisory Services	 ECHELON provided the Management of Private Ocean, LLC with: Valuation and Financial Advisory Services	 ECHELON provided the Management of Kinsight, LLC with: Valuation, M&A, and Financial Advisory Services	 ECHELON provided the Management of Shuster Financial, LLC with: Buy-Side, Valuation, and M&A Advisory Services	 ECHELON provided the Management of FCG Advisors LLC with: M&A and Financial Advisory Services
 ECHELON provided the Management of Palo Capital with: Valuation and Financial Advisory Services	 ECHELON provided the Management of The Sterling Group with: M&A and Financial Advisory Services	 ECHELON provided the Management of Filbrandt & Company, Inc. with: Valuation and Financial Advisory Services	 has completed the acquisition of  ECHELON provided the Management of Symmetry Partners, LLC with: Valuation and Financial Advisory Services	 ECHELON provided the Management of Signature Estate & Investment Advisors, LLC with: M&A and Sell-Side 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, LLC 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 Schultz Collins Lawson Chambers, Inc. with: Valuation Advisory Services	 ECHELON provided the Management of Independence Advisors, LLC with: Valuation and Financial Advisory Services	 has agreed to a merger with  ECHELON provided the Management of FJY Financial with: Valuation, M&A, and Financial Advisory Services	 ECHELON provided the Management of Fiduciary Investment Advisors with: Valuation Advisory Services	 ECHELON provided the Management of Emerson Wealth Management, LLC with: M&A 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.



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