

# The Family Office Enterprise

The Evolution of the Modern Family Office

### Presented by

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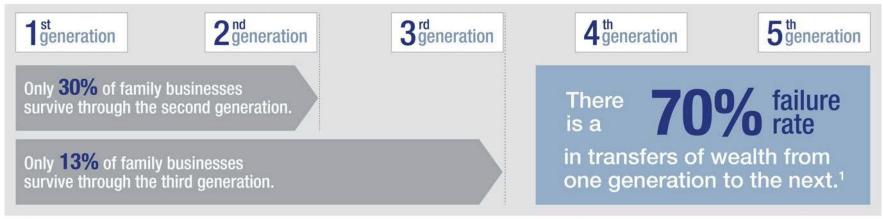
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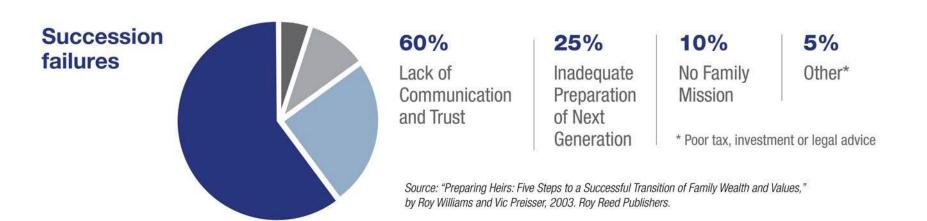
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## Perpetuating Family Wealth is Difficult





<sup>1</sup> John Ward, Keeping the Family Business Healthy: How to Plan for Continuing Growth, Profitability and Family Leadership, 1987.



# The Challenges of Multi-Generational Wealth



### Common financial challenges

Finding objective, integrated advice

Accessing superior financial solutions/services

Managing complex portfolios and assets

Balancing shared ownership and shared risks

Managing complex transactions

### Common family challenges

Developing all family assets - human, intellectual, financial

Gaining family alignment and a shared vision of the future

Developing trusted relationships with professional advisors

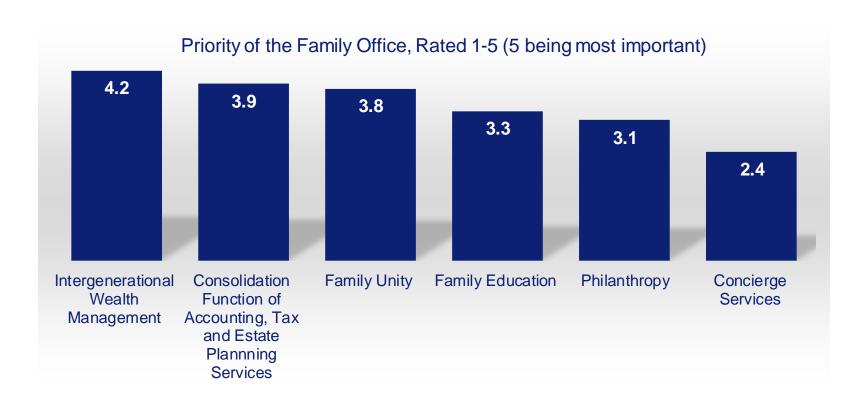
Education surrounding the complexities of wealth regarding taxes, investments, legal, accounting

Fostering stewardship and responsible wealth ownership in rising generations

# Shifting Priorities for Single Family Offices



Preparing for inter-generational family wealth and leadership transition is becoming a leading priority for family offices.



### Success Comes from Addressing Strategy First



### Family capital is more than money

- Successful families seek to preserve and grow human, intellectual, and social capital
- Financial capital is preserved when it supports, not leads

# Tactical Wealth Planning

Addresses only 5% of wealth transfer failures

- Risk management & insurance
  - Trust & estate analysis
  - Financial & tax planning
- Business succession
   Wealth transfer

A family's strategic vision must be the foundation for tactical planning.

### **Strategic Wealth Planning**

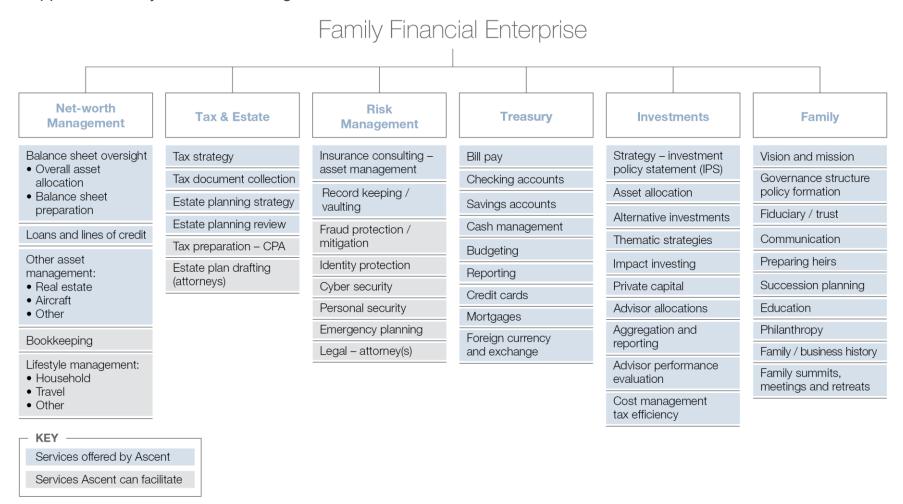
Transcends tactics – addresses the factors that cause 95% of wealth transfer failures

- Family governance & decision making
  - Family leadership development
- Family trust & communication Family history
- Next-generation preparation
   Family legacy

## Organizing the Family Financial Enterprise



Operating a family office requires the coordination and delivery of a complex array of services and advice to support the family's short- and long-term success.



### Ascent is Organized to Support Successful Families



Ascent Private Capital Management

#### **Investment Consulting**

#### Investment Services

Investment policy design

Portfolio construction

Performance measurement

Benchmark reporting

Strategic asset allocation

Manager selection and due diligence

Private capital & alternative assets

Special purpose investment monitoring

Customized & online reporting solutions

#### **Fiduciary** & Custody Services

Corporate trustee services

Record keeping, trust accounting

& asset safekeeping

Entity, account, and asset administration

Master custodian /

multi-manager relationships

#### Wealth Sustainability

#### Wealth **Planning**

Executive benefit & retirement planning

Rising generation wealth planning

Estate, tax, and fiduciary planning

Generational wealth transfer planning

Business owner succession planning

Risk management and insurance

#### Family **Education &** Governance

Family history & genealogy

Mission, vision, values alignment

Family communication & decision making

Leadership development

#### Philanthropic Services

Strategic planning & consulting

Foundation administration

Grant programming

#### CFO **Services**

Budget, cashflow analysis & planning

Multi-custodian data aggregation

Net worth management

Enterprise reporting and administration

Strategic investment monitoring

Information management

#### **Private Banking & Credit**

#### Concierae Banking Services

Depository account services

Banking services

High-reward credit cards

Fraud protection and positive pay

Multi-account, multi-family management

Family office solutions

#### Specialized Credit and Treasury Services

Credit consulting

Customized credit facilities

Cash management, foreign currency exchange, and treasury services

Electronic transfer technology

Interest-rate swaps & derivative solutions

# The Family Office – In Summary



Operating a family office is about creating intention: for you, your family, your heirs and your impact

### You may be ready for a family office when

- You have multiple advisors for specific tasks: investments, legal, taxes, bookkeeping, lending
- You have multiple trusts, LLCs, or other structures with increasing complexity.
- The CFO of your business is spending more time on your personal finances versus the business
- You start thinking in terms of multiple generations and worry about engaging the next gen

### Family office benefits

- Better governance and management of family through transparency and structure
- Protects assets and confidentially, especially when centralized via a single entity or advisor
- Consistent communication link between family and advisors
- Potential for higher returns / reduced fees through buying power.
- Better alignment of interest. Centralize to a 1:1 family to advisor ratio versus multiple advisor to multiple family member
- Opportunity to keep the family together and instill shared values, focus on next gen education
- More comprehensive recordkeeping and reporting
- Organize and administer philanthropy



### Important disclosures

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