The RIA Roadmap
Your essential guide to making the transition

2017 edition
Your guide to making the transition to an independent Registered Investment Advisor (RIA) firm

You have worked hard to build a successful business. You know your clients and how their needs are evolving. You may have outgrown your current model and are ready to take your business to a new level—one that gives you the freedom to act on your unique vision.
With more than 30 years of experience working with—and listening to—advisors as they transition to the RIA model, Schwab Advisor Services™ has developed *The RIA Roadmap: Your Essential Guide to Making the Transition* with you in mind. It presents key steps to help you chart your path toward joining or running an independent RIA firm and serving your clients your way—all backed by our expert guidance when you need it.

Advisors work in many different models, from wirehouse firms to independent broker-dealer affiliates. Depending on your current model, you may have experienced limitations—in your technology platform, marketing options, or communication channels.

Those are some of the reasons why more and more financial professionals are choosing the RIA model. Independent RIAs have the potential to keep more of what they earn, build equity in their businesses, and set up their firms for continued growth.

Most RIAs provide services such as personalized advice, while customizing portfolios to fit specific client needs. They also have the freedom to determine everything from their compensation structure and technology platform to building their firm’s brand.

The advantages are clear, but the prospect of making the transition can seem daunting at times. What about your existing client relationships? What are the legal and compliance responsibilities of becoming an RIA? How will your compensation change?

### Advisors continue to make the RIA move

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- **Growing client base**
  - RIA firms grew significantly from 2011 to 2015—adding between 28% and 50% more clients at the median. Average client size increased by 22% at the median over the same period.¹

- **Increased AUM**
  - In fact, more than half of RIAs that participated in Schwab's 2016 RIA Benchmarking Study doubled their assets under management (AUM), and the top 25% of firms have doubled their revenues since the market lows of 2009.²

- **Greater merger and acquisition value**
  - The total transaction value of mergers and acquisitions involving RIA firms increased by 186% to $135.5 billion in AUM in 2016, compared with $47.4 billion in 2014.³

- **Asset market share growth**
  - Independent RIAs are predicted to increase their asset market share by 3.6% by the end of 2020 compared with 2015. Those that are dually registered are predicted to grow by 1.3% over the same period.⁴

**The fiduciary standard:** RIA firms are registered with the U.S. Securities and Exchange Commission (SEC) or state securities regulators and are held to the fiduciary standard by the Investment Advisers Act of 1940 as well as similar state laws. Firms are required by law to act in the best interests of their clients and to file annual Form ADVs describing their business practices and client communications to help ensure compliance with the standard.
Fortunately, the RIA channel has matured dramatically in recent years, as thousands of advisors have successfully navigated the well-worn path to independence. The transition no longer requires a leap of faith. And the support for RIAs is more robust than ever before. Regardless of the unique path you choose, you can leverage that support to help with your transition.

Becoming an independent RIA doesn’t mean you have to go it alone. At Schwab Advisor Services™, we have helped more advisors transition to the RIA model than any other custodian in the industry. With an average tenure of more than 10 years and over $210 billion AUM transferred in total, our team understands the transition process and can provide guidance along your path to becoming an independent advisor, sharing insights and resources every step of the way.

Whether you need support on a national level or right in your own backyard, Schwab Advisor Services, as the industry leader, provides exceptional service before, during, and after your transition.

We’ve designed this guide to be a comprehensive tool to help all types of advisors move toward greater independence. Of course, no two transitions are exactly alike. For some advisors who have limited independence today or are looking to join a firm, some of the steps discussed here may not be relevant; we will note those steps throughout the guide. But reading through each step will help you gain a more comprehensive understanding of the process and be prepared to consult your Schwab Business Development Officer (BDO) to craft your own plan.

Contact a Schwab BDO online at advisorservices.schwab.com or at 877-687-4085 to learn more.
Transition overview

The interactive timeline below outlines key steps in transitioning to the RIA model. They are grouped within four major topic areas, along with a two-phase approach (plan and execute) to tackling each area. Click on any topic area, and navigate to more details within that section of the guide.

Define your business strategy
- Identify goals and vision
- Complete pro forma analysis
- Research advisory models
- Complete business plan
- Develop marketing strategy
- Complete pro forma analysis
- Research advisory models
- Complete business plan
- Develop marketing strategy

Prepare for legal and compliance
- Speak with legal counsel
- Form an exit strategy
- Research Broker Protocol
- Choose entity structure*
- Define technology needs
- Search for office space*
- List supplies and furnishings*
- Determine licensing and registration

Set up your office
- Define technology needs
- Search for office space*
- List supplies and furnishings*
- Determine licensing and registration
- Understand custodian's role
- Complete client asset review
- Choose resignation date
- Begin training

Convert your accounts
- Select and implement technology
- Choose your space, and set a move-in date*
- Equip your office*
- Resign and send announcements
- Prepare client packets
- Transfer clients' assets

*Depending on the level of independence you have today, this step may not be relevant.
Your Schwab Advisor Services team

The decision to become an RIA starts with you, but you’ll have an entire team working on your behalf before, during, and after the transition. Here are some of the key Schwab Advisor Services™ personnel who will assist you along the way.

**Business Development Officer**
Your BDO is the quarterback of your transition team. He or she will listen to your goals, help evaluate your situation, and guide your transition from start to finish. As a facilitator of the process, your BDO can put you in touch with subject-matter experts (both from Schwab Advisor Services and from third-party vendors) to help you make important decisions about setting up your business.

**Schwab Advisor Transition Services®**
Your Schwab Advisor Transition Services team helps streamline the process to transfer client accounts and create a plan that’s right for you. They’re responsible for performing complete and accurate asset transfers with the care and precision you deserve, training your team on the Schwab platform, and getting your firm up and running fast—so you can focus on serving your clients and growing your business.

**Technology engineer**
Your technology engineer is committed to finding the right vendor-agnostic technology solutions to best serve you and your clients. When you explain your intended business model, the engineer will help determine your needs, research solutions, and present demos of the top solutions for your firm to consider.

**Schwab Relationship Manager**
Your Schwab Relationship Manager is dedicated to helping you meet your ongoing needs and goals as you look to grow your business after making the transition. He or she will be your day-to-day point person and advocate for helping you take advantage of everything Schwab Advisor Services has to offer RIAs—such as products, services, and strategic consultation—to keep your firm ahead of the curve and the competition.

In addition, your BDO can connect you with reliable and trusted third-party specialists, including legal and compliance counsel, as well as recommend marketing and branding agencies and more. Schwab Advisor Services develops teams based on your specific needs, so yours may look slightly different from what’s presented here.

To start the conversation about your transition, contact a BDO online at advisorguidance.schwab.com or at 877-687-4085.
Define your business strategy

As an RIA, you have the ability to define your company on your terms. That freedom is exciting and inspiring, but it can also leave you wondering where to turn first. When you’re ready to tackle your transition, start by making a strategic plan based on your business goals with the help of your Business Development Officer (BDO).

Consider your existing clients, your strengths, your desired future, and your competition and market landscape. This will help you define your vision and develop a plan for bringing that vision to life.

We’ve created a Field Guide to help you capture your initial ideas about whether the RIA model is right for you. Contact your BDO for a copy of the Field Guide.

“No matter how high up you are in these larger broker-dealer firms, you’re still an employee. The RIA space was compelling to us because we felt like we were building something—we owned it.”

—Robert Amato, Compass Wealth Management

View the Compass Wealth Management video >
Define your business strategy

Plan

Before you make a move, your Schwab Advisor Services™ team will get to know you and your business objectives by asking thorough questions and providing support as you develop your plan.

Identify your goals and vision

All the decisions you make should be rooted in your firm’s value proposition and business objectives. Before you get started, you should have an idea of where you are going. That direction may evolve as you continue your research, but it’s important to begin with a target in mind.

Find out 10 key tips for making the RIA transition. View the article >

Complete a pro forma analysis

Your BDO will guide you through this exercise. When you assess how your current earnings and expenses would shift in the RIA model, you can begin to get a sense of the economic outlook for your new firm. You can also start to plan for the costs associated with the transition.

Use the RIA Economic Discovery Tool to get started. Based on insights from the experiences of more than 7,000 advisors as of 2017, the tool charts your potential income, profit, and business equity. Access the tool >

Ranks highest year-over-year

With more recommendations from RIAs than any other custodian, Schwab Advisor Services ranks highest year-over-year—among advisors of all sizes—when it comes to service. We provide support at every step, from optimizing operations to building an efficient business.
### Plan

“Our Business Development Officer with Schwab Advisor Services laid out a roadmap that was scheduled out by week in terms of all the critical things that needed to be done—like technology, finding real estate, working with vendors for marketing, and designing a website.”  
—Trevor Callan, Callan Capital

Research various advisory models

Advisors have more options available for independence than ever before. Perhaps you are an entrepreneur who enjoys the idea of building your business and brand from the ground up. Or you may prefer the freedom to focus on your clients without having to deal with office and technology setup.

Before making a choice, you should decide exactly who you want to be.

<table>
<thead>
<tr>
<th>Most independence</th>
<th>Least independence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Pure independence</td>
<td>The advisor opens a firm and maintains full control of the business.</td>
</tr>
<tr>
<td><strong>2</strong> Independence with platform provider support</td>
<td>The advisor opens a firm but uses the services of a platform provider for help.</td>
</tr>
<tr>
<td><strong>3</strong> Affiliation with a financial partner</td>
<td>The advisor opens a firm with the help of a financial partner, who invests in the business.</td>
</tr>
<tr>
<td><strong>4</strong> Setting up a business as part of an established firm or group</td>
<td>The advisor opens a new office for an established firm and becomes the firm’s employee.</td>
</tr>
<tr>
<td><strong>5</strong> Joining an existing RIA firm</td>
<td>An advisor joins an existing RIA firm as an employee or potential partner.</td>
</tr>
</tbody>
</table>

### Complete your business plan

You’ve solidified your vision. Now you can create a detailed plan for your firm. It’s important to define your mission statement and investment philosophy.

Here are some other items to get in writing:

- Investment process, management bios, and launch date
- Your revenue projections, pricing strategy, and transition financing plan
- Your organizational structure and technology and operations plans

Your BDO will be there to guide you during every step of this process and to help ensure you make the right choices for your firm.
Define your business strategy

Plan

The hybrid model

If commission-based business is part of your offer, you may not want to give it up. The good news is, you don’t have to. You can explore the hybrid model, which lets you maintain both advisory and brokerage business. If you select the hybrid model, your BDO can introduce you to broker-dealers you can evaluate for your commission business.

Learn more by reading the Schwab Advisor Services™ white paper Understanding the Hybrid Practice: Considerations for Advisors in Transition.

Download the Hybrid Practice white paper >

Develop your marketing strategy

Part of owning your own firm is communicating the news when the time is right and in a way that’s founded on your business strategy. As an independent RIA, you get more control over communications and marketing to your clients. Take this opportunity to revisit your current marketing approach. You should clearly define your competitive advantage and use it to inform your brand identity and target client. Start vetting marketing vendors, and think about the name of your firm as well.

Take a deeper dive into what you should consider before making the RIA transition with the Schwab Advisor Services white paper Exploring Independence.

Download the white paper >

“The most rewarding aspect of being independent is knowing that we own our business. We are our brand.”

—Stephen Korving, Korving & Company
Define your business strategy

Execute

Cross-check your financial strategy

To ensure you are tracking your transition costs and ongoing expenses, you can use the Schwab Advisor Services™ RIA Economic Discovery Tool as you execute your plan. Contact your BDO to get access to the expanded tool.

Access the tool>

Carry out your business plan

Now is the time to write job descriptions and begin thinking about interviewing and hiring employees to fill your organizational chart. Pick a payroll and benefits provider, and implement your firm’s technology platform.

Here’s an example of some transition costs you may want to research. If you are currently associated with an independent broker-dealer, you may be able to leverage some of your existing infrastructure, such as office space, equipment, and supplies.

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Marketing and business development</th>
<th>Technology</th>
<th>Office space, equipment, and supplies</th>
<th>Compliance and legal</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Set-up fees for benefits administration</td>
<td>• Logo</td>
<td>• Hardware</td>
<td>• Security deposit</td>
<td>• Employment contract review</td>
</tr>
<tr>
<td></td>
<td>• Brand creation</td>
<td>• Software</td>
<td>• Signs</td>
<td>• New business structure creation</td>
</tr>
<tr>
<td></td>
<td>• Printing</td>
<td>• CRM</td>
<td>• Additional build-out</td>
<td>• Drafting new client agreements</td>
</tr>
<tr>
<td></td>
<td>• Stationery</td>
<td>• Portfolio management and reporting</td>
<td>• Furniture</td>
<td></td>
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<td></td>
<td>• Website</td>
<td>• Financial planning software</td>
<td>• Appliances</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Research</td>
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</tbody>
</table>
Create marketing materials and a PR plan

Once you’ve selected a marketing vendor, you can create the materials you’ll use to introduce and promote your new firm. This is where you’ll be working on your firm’s logo, business cards, website, and communications and PR strategies, which can include efforts such as identifying media targets and channels, as well as establishing metrics and goals.

Read the Schwab Advisor Services™ public relations toolkit to learn how to craft media pitches and news releases, talk to reporters, and more.

View the PR toolkit >

See what can be involved in creating your website

Your firm website is a key communications hub and should highlight:

- Your firm's unique value proposition
- Firm mission and values
- Services and products
- Investment approach and philosophy
- Client case studies
- Background and expertise of firm principals
- Firm history and facts
- White papers, firm publications, videos, blogs
- A clear call to action with a phone number or lead form

Consider other content to include:

- Weekly market update/commentary
- Links to your quarterly newsletter (educational articles, firm updates, and related investment and market news)
- Links to firm-authored articles on areas of expertise
- Links to article reprints of interest (firm- or market-related)

Display your firm’s logo and website URL on your LinkedIn profile. This dynamic online presence connects your firm with clients, prospects, and centers of influence.

- Make your website mobile-friendly to support the increasing number of searches made from mobile devices.
- Include a LinkedIn follow button to allow a client or prospect to follow your LinkedIn company page easily.

“There’s so many different options for independence. That’s why we spend so much time up front trying to figure out “What do you love doing? What is it you’re trying to accomplish? What’s missing today?”

—Kimberly Sanders, Business Consultant, Schwab Advisor Services
Define your business strategy

Checklist

Plan

☐ Identify your goals and vision
☐ Complete a pro forma analysis
☐ Research various advisory models
☐ Complete your business plan
☐ Develop your marketing strategy

Execute

☐ Cross-check your financial strategy
☐ Carry out your business plan
☐ Create your marketing materials

Ask your Schwab Business Development Officer about the different advisory models available to you and the types of transition costs you should expect. Contact a BDO online at schwabadvisorservices.com or at 877-687-4085 >
Prepare for legal and compliance

With the freedom and opportunity of the RIA model come additional legal and regulatory responsibilities. That may sound like more compliance work for you, but it doesn’t have to be. When you make thoughtful and deliberate decisions during the transition, you can position your firm for long-term success.

Your Schwab Advisor Services™ Business Development Officer (BDO) can connect you with legal and compliance experts who can assess where you are and help guide you from a legal perspective throughout the transition. You can rely on these experts, who’ve been down this path to independence before. They’ll assist you with everything from determining your firm’s structure to reviewing existing contracts and compliance policies to guiding you through the disclosure and form filing it takes to become an RIA.
Prepare for legal and compliance

**Plan**

Assess your goals with legal counsel

After you choose your counsel, you should discuss your firm’s vision and your history to date. It’s important that counsel understands your business in order to advise you during and beyond the transition.

**Transition tip:** Keep your plans confidential. One common way that management discovers departure plans is through information being shared too early. Even well-meaning friends, family members, and business associates can inadvertently disclose your plans to leave. Your BDO and legal counsel can help you determine the right time to announce your plans.

Review employment agreements, and form an exit strategy

Restrictions in your agreement with your current firm and related compensation may dictate when and how you transition. By formulating an exit strategy, you can make the transition smoother and avoid any legal concerns.

Legal should review some of the agreements focusing on:

- Training agreements
- Confidentiality restrictions
- Promissory notes or other forgivable loan arrangements
- Non-solicitation and non-compete agreements

Determine if the Broker Protocol is available to you

Many advisors are now in a position to consider starting or joining an RIA firm. The Broker Protocol, created in 2004 by some of the major wirehouses, attempts to avoid costly lawsuits and temporary restraining orders against departing advisors. Please look at the protocol guidelines as well as any relevant agreements you may have with your current firm and review those with legal counsel. Your legal counsel can help determine if the Broker Protocol is an option for you and can guide you through the process.

View this series of videos from legal expert Brian Hamburger, and learn more about the questions you should be asking to develop a comprehensive legal strategy for your transition.
Prepare for legal and compliance

Choose your entity structure
Many RIAs will select a corporation or limited liability company (LLC) as their legal structure. Consult your legal and tax advisor to determine the advantages of each structure, both of which allow for proper succession planning. It’s also important to decide where to form your RIA and to formalize any agreements with partners.

Determine licensing and registration
Legal counsel can help you understand the SEC and state requirements and find out where to register. Certain individuals will also need to register as Investment Advisor Representatives and meet state qualifications, most commonly by passing the Series 65 examination.

SEC vs. state licensing
Typically, a firm must register with the SEC if it manages $100 million or more in assets. If it manages less than $100 million, it must register with one or more states. However, other factors contribute to this determination. Your legal counsel can help you identify what those are and where you land when it comes to registration.
Prepare for legal and compliance

Execute

Protect your business with insurance
It’s important to obtain insurance to safeguard your firm against common risks.

Here are some types of insurance to consider:

- General business
- Errors and omissions (E&O)
- Life
- Disability
- Buyout

Create your legal and compliance program
RIAs have options when it comes to managing compliance. You can handle tasks such as registration updates and annual reviews in-house or turn to a third party. Work with your BDO and legal and/or compliance counsel to determine how to build a program that satisfies the needs of your firm and your clients.

Prepare and file disclosure documents and forms
You’ll need to complete Parts 1 and 2 of the Form ADV and to register individuals, typically with a Form U4. States may require additional filings, such as balance sheets or marketing materials.

Draft client agreements
Based on your firm’s specific business practices, which will be described in your disclosure brochure, you can create client agreements.

Learn more about legal and regulatory insights by visiting the Advisor Services resource page.

Clients come first, always
You are dedicated to protecting your clients’ assets—and so is Schwab. Investments custodied with Schwab are protected by SIPC for securities and cash in the event of broker-dealer failure.

See additional information on how client assets are protected at Schwab in our asset protection brochure.

View the brochure >
Prepare for legal and compliance

**Checklist**

**Plan**
- Assess your goals with legal counsel
- Review employment agreements, and form an exit strategy
- Determine if the Broker Protocol is available to you
- Choose your entity structure
- Determine licensing and registration

**Execute**
- Protect your business with insurance
- Create your legal and compliance program
- Prepare and file disclosure documents and forms
- Draft client agreements

*Your Schwab Business Development Officer can help you make sense of the compliance, regulatory, and legal responsibilities of becoming an independent RIA. Contact a BDO online at schwabadvisorservices.com or at 877-687-4085*
As an RIA, you have a wealth of resources open to you—so you can run your office your way. Now is your opportunity to create a space that aligns with the experience you want for your clients and staff.

Your Business Development Officer (BDO) can connect you with real estate partners and furniture providers to help get your office up and running. And Schwab Advisor Services™ technology engineers are there as research guides and sounding boards to help you find the right solutions for you and your clients.

“Schwab’s approach was refreshing and different. They made a great effort to find out what was important to us instead of trying to sell a platform. That really stood out for us.”

—M.J. Nodilo, Pathlight Investors
Set up your office

Plan

Define your technology needs
Your Schwab Advisor Services™ technology engineer can help you articulate your needs and guide you to the technology platform that runs your front and back offices. Our engineers bring deep experience to help you identify and implement the integrated technology solution that best suits your firm and your clients.

Learn more about powerful and flexible technology solutions by visiting the technology section of the Schwab Advisor Services website.
Visit the website >

Search for office space
If you will need office space, you should start the search for a location that allows you to deliver on your business plan. Choose a real estate partner, and visit some potential sites. You can consider selections based on the number of employees you plan to have and your allotted budget.

Make a list of required supplies and furnishings
You’ll want to decide what furniture, supplies, and hardware will make your office functional. Your BDO can help you think through your list and connect you with potential suppliers.

Integrated technology
Our platform combines Schwab expertise and advanced proprietary tools with leading third-party technology. The result is an integrated, end-to-end solution that helps you seamlessly run your business—from customer relationship management (CRM) to trade order to portfolio management.
Set up your office

Execute

“We worked a lot of hours in the first year of that transition. But it is all paying off now. We didn’t expect to be where we’re at this early, and we’re ready now to set new goals and objectives for our business.”

— Chris Baker, Baker & Associates

Select and implement technology solutions

It’s time to sign agreements and schedule your implementation and training. Depending on your technology choices, the process can vary, but you will get assistance with your new systems.

Schwab Alliance, our customized website and mobile platform, can help drive a seamless experience for your clients.

View the client website demo >

The Client Learning Center is a resource that can help your clients understand how Schwab works with you to provide excellent service.

Visit the Client Learning Center >

Choose your space, and set a move-in date

After you’ve narrowed your options, your real estate partner will help you pick the appropriate space, negotiate lease documents, and set a move-in date with your building manager.

Equip your office

Once you’re settled, you’ll need to arrange and outfit your office. You should negotiate pricing with your chosen furniture provider and make sure to allow enough time for delivery. This is also when you set up essentials such as phone and Internet service.

View the Schwab Advisor Center® video >

A key technology platform for many advisors is the Schwab Advisor Center. Watch this video to see how two advisors leverage the features and trading solutions to run their business.
Set up your office

**Checklist**

**Plan**
- Define your technology needs
- Search for office space
- Make a list of required supplies and furnishings

**Execute**
- Select and implement technology solutions
- Choose your space, and set a move-in date
- Equip your office

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Ask your Schwab Business Development Officer about what’s involved in choosing a technology platform that best aligns with your client service goals and back-office needs. Contact a BDO online at schwabadvisorservices.com or at **877-687-4085**

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As an independent RIA, you have the power to serve your clients in a more customized way. Even so, you may wonder whether they will make the transition with you. Part of getting them on board is using the expertise of your custodian to drive a seamless transition.

We have an experienced team—your Schwab Advisor Transition Services® team—dedicated specifically to guiding you through every step of asset transfer. They are focused on providing a seamless and accurate conversion and can often take on some of the process for you. That way, you can focus on your clients.

Here is an example of how the process can work:

<table>
<thead>
<tr>
<th>Pre-conversion: 30–60 days</th>
<th>Conversion: 2–4 weeks</th>
<th>Tracking and follow-up: 2–6 weeks</th>
<th>Transition to service team: During and after conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sign Schwab Advisor Services-level paper work</td>
<td>Perform asset acceptability review</td>
<td>Obtain client signatures on paper work, and return to Schwab</td>
<td>Receive introduction to service team and relationship manager</td>
</tr>
<tr>
<td>Project planning and training</td>
<td>Provide signature-ready client forms</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree on deliverables and timeline</td>
<td>Resign from current firm</td>
<td>Complete paper work and in–office training, if provided</td>
<td>Review progress</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Open new accounts, and set up account transfers</td>
<td>Ongoing training and support for your firm</td>
</tr>
</tbody>
</table>
Convert your accounts

Plan

“There are people out there who will listen and understand your needs. You don’t have to go it alone and search for the best options without guidance.”

—David Bromelkamp, Allodium Investment Consultants

Understand your custodian’s role

A good custodian isn’t merely functional; it’s an RIA’s biggest advocate and ally for success. Schwab, as your custodian, can provide access to a wide range of financial products, technology options, educational resources, thought leadership, and industry insights—plus business consultants who work closely with advisors to develop business strategy.

Complete client asset review

Your Schwab Advisor Transition Services® team will conduct asset acceptability reviews with you to understand what assets will transfer.

Choose your resignation date

You want to be sure you are prepared to engage clients after resigning from your current employer—and you’ve determined an appropriate time with your legal counsel. Identifying your ideal resignation date will allow you to back into the evaluation, planning, and execution of the transition process.

Begin training

You will become familiar with the way your custodian operates. Work with your Schwab Advisor Transition Services team to ensure your staff is trained on the Schwab Advisor Services™ platform, and develop a working relationship that will allow you to get the most out of your custodian as your RIA firm evolves.

“Our relationship with Schwab Advisor Services has allowed us to focus on asset protection and risk management. The pie chart doesn’t come first. What’s best for the client comes first.”

—Jack Reutemann, Research Financial Strategies

When it comes to market share among advisors of all sizes, Schwab Advisor Services remains number one in the industry for RIA custody, with over $1.3 trillion in AUM.¹
Convert your accounts

Execute

“The conversion team was critical in our transition. They were in our office the day we resigned and full time for over a week, helping with some of the paper work and setting up new accounts.”

—Trevor Callan, Callan Capital

Resign and send announcements

Once you deliver your letter of resignation, your transition and legal teams can help you determine when it’s appropriate to start publicizing your new firm and delivering announcements to clients.

Prepare client packets

Your Schwab Advisor Transition Services® team will help you prepare the transfer paper work and set up what you need in order to transfer client accounts. The forms will be signature-ready to simplify the process.

Transfer your clients’ assets

Your Schwab Advisor Transition Services team will track and oversee the account opening and transferring process. That way, you have the time and space to stay focused on your clients. Schwab Advisor ServicesTM can provide you with materials to help educate your clients about the RIA model and explain the benefits it provides to you and them.

View Chris Baker’s “Convert Your Accounts” video >

“I had done some research and expected about 70%–75% of our clients would transition with us and move their assets over. I was pleasantly surprised that we had closer to 95%. It was seamless. We had no complaints at all from any clients in this transition.”

—Chris Baker, Baker & Associates

2,450+ Advisors transitioned to the RIA model

Schwab Advisor Services is the most experienced team in the industry—we’ve transitioned more than 2,450 advisors to the RIA model in the past 10 years and moved more than 481,245 client accounts.8

Elyn Davis, a transition consultant with Schwab Advisor Services, talks about breaking down the complexities of this process. View the video >
Convert your accounts

Checklist

Plan

☐ Understand your custodian’s role
☐ Complete client asset review
☐ Choose your resignation date
☐ Begin training

Execute

☐ Resign and send announcements
☐ Prepare client packets
☐ Transfer your clients’ assets

Your Schwab Business Development Officer can help take the guesswork out of how to prepare and guide your client accounts through a smooth transition. Contact a BDO online at schwabadvisorservices.com or at 877-687-4085.
Once you’ve successfully made the transition to the RIA model, your relationship with Schwab Advisor Services™ has only begun.

As our valued client, you gain immediate access to the expertise of a dedicated service team and a wealth of resources. This uniquely equipped team will be with you at every step, helping you build a strong foundation for a lasting business with optimized operations and efficient workflows. Have confidence in your path forward with Schwab’s insight and guidance that have been honed over years of industry leadership. We keep you up-to-date on the progress of your firm. We frequently offer ways you can take your firm further and stay ahead of the curve—all supported by our strong vision for the industry’s future.

As you grow your business, Schwab Advisor Services offers consulting programs, support services to clients’ practices, and a full range of networking and educational opportunities that you may be able to employ. Your relationship manager can help you determine what’s available to you. For instance, if you choose to participate in Schwab’s annual RIA Benchmarking Study, you can access information about your firm’s key business metrics and how they compare with those of your peers. Use these metrics to evaluate strengths and opportunities for your firm.

Gain insights on the 2016 RIA Benchmarking Study from Jon Beatty, senior vice president of Sales and Relationship Management at Schwab Advisor Services. Read the press release >
You can also take advantage of Schwab Advisor Services™ Insight to Action Consulting Programs, hands-on, one-on-one consulting engagements that turn insights in business strategy, technology, client segmentation, marketing, and more into actionable tactics for your firm.

See how RIA firms have used Insight to Action Consulting Programs to uncover new strategic thinking on how to run their businesses in accordance with their goals.

Read the overview >

In addition, with Schwab Advisor Services you have access to some of the largest and most notable conferences and events in the industry—including the annual IMPACT® conference, the industry’s leading event. When you attend the conference, you can spark new ideas and build your professional network in order to help you learn best practices for growing and scaling your business.

Visit the IMPACT website to find out more about the unparalleled networking and world-class keynote speakers you can access at the conference.

Visit the website >
The moment to define yourself with the freedom of the RIA model is here. As an independent RIA, you can move forward with confidence—and we’ll have your back.

Contact a BDO online at advisorservices.schwab.com or at 877-687-4085 to begin developing your custom transition plan.
## Define your business strategy

**Video:** Compass Wealth Management (p. 7)

**Video:** Chris Baker’s “Plan Your Move” (p. 8)

**Article:** 10 Tips for Successful Transitions (p. 8)

**Demo:** RIA Economic Discovery Tool (pp. 8, 11)
[https://sasimulator.schwab.wallst.com/Public/PracticeProfile](https://sasimulator.schwab.wallst.com/Public/PracticeProfile)

**White paper:** Understanding the Hybrid Practice: Considerations for Advisors in Transition (p. 10)

**White paper:** Exploring Independence: An Overview of the Registered Investment Advisor Model (p. 10)
[http://advisorservices.schwab.com/exploringindependence](http://advisorservices.schwab.com/exploringindependence)

**Video:** Joe Mooney on what more control can mean for you (p. 11)
[http://content.schwab.com/web/as/GetAnswers/#joe](http://content.schwab.com/web/as/GetAnswers/#joe)

**Toolkit:** Using Public Relations to Help Boost Awareness of the RIA Model and Your Brand (p. 12)

**Video:** Kimberly Sanders on articulating your vision (p. 12)
[http://content.schwab.com/web/as/GetAnswers/index.html#kimberly](http://content.schwab.com/web/as/GetAnswers/index.html#kimberly)

## Prepare for legal and compliance

**Video:** Legal expert Brian Hamburger’s “Employment Considerations” (p. 15)

**Webpage:** Advisor Services resource page (p. 17)

**Brochure:** How Your Assets Are Protected at Schwab (p. 17)
## Resources

### Set up your office

**Website:** Technology at Schwab Advisor Services™ (p. 20)  
http://advisorservices.schwab.com/public/advisor/technology

**Demo:** Schwab Alliance website (p. 21)  
http://content.schwab.com/learningcenter/video/schwaballiance.html

**Website:** Client Learning Center (p. 21)  
http://content.schwab.com/learningcenter/

**Video:** Schwab Advisor Center® (p. 21)  

### Convert your accounts

**Video:** Jack Reutemann’s “RIA Model Is Best Choice for Growing Business” (p. 24)  

**Video:** Chris Baker’s “Convert Your Accounts” (p. 25)  

**Video:** Elyn Davis on transition consulting (p. 25)  
http://content.schwab.com/web/as/GetAnswers/index.html#elyn

### Ongoing support

**Press release:** Jon Beatty on the 2016 RIA Benchmarking Study (p. 27)  

**Article:** Insight to Action Consulting Programs (p. 28)  

**Website:** IMPACT® conference (p. 28)  
http://impact.schwab.com/
Sources


2. Ibid.


8. See note 5 above.

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Schwab's annual RIA Benchmarking Study is the largest of its kind focused exclusively on RIAs. In 2016, 1,128 firms representing nearly three-quarters of a trillion dollars in AUM completed the survey, reflecting their experiences in 2015 as well as their annual growth rates from 2010 to 2015. The study categorizes participants into 12 peer groups—7 wealth manager groups and 5 money manager groups—by AUM size. The results, unless otherwise noted, include all firms with at least $250 million in AUM, representing the vast majority of total assets managed by this year’s participants. All results are self-reported and not independently verified.

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