



RIA Series: 1

What to consider when moving to an RIA

A guide that explains why an advisor may want to consider a move, what to consider with a move and how to make a transition most effective.

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Considering a move to independence?

Whether you are currently with a wirehouse, a broker-dealer or already with a registered investment adviser (RIA), there are many things that you may want to consider before taking the leap to become independent or establish yourself with a new registered investment advisor.

Regardless of your status, there are many reasons an advisor would benefit from joining an RIA. However, prior to such a move, it is critical to do your due diligence and understand all aspects of the business change before taking the step. When defining your goals and objectives, be sure to exhaust all reasons for the move and feel confident in your decision. Whether reasons for a move would be to increase access to new investment options, generate new revenue streams, or lower your fees, to name a few, advisors may find many benefits in taking the leap to independence. To aid in a move, Golden State believes that if you check the box on at least one of the reasons below, then you should at least engage in a conversation with an RIA to determine if a move is right for you.

Consider speaking with an RIA if:

- ✓ You are looking for increased flexibility in terms of investment options, fees and services to offer your clients,
- ✓ You have an interest in being more transparent with fiduciary responsibilities and clearly show that your interests are aligned with your clients' values and principles,
- ✓ You want to operate your business with your own brand and build a reputation that reflects you as opposed to being associated with a larger institution, or
- ✓ You would like to retain a higher percentage of income generated from the work that you do.

At Golden State, we believe advisors should have the autonomy to build independent, valuable, and enduring practices. We aim to meet the needs of top-tier, high-quality financial advisors by providing a flexible affiliation framework for those looking for fee-only or an independent hybrid RIA with a broker-dealer relationship, access to a turnkey asset management program, and additional revenue streams through insurance, mortgages, and a digital advice platform.

I've decided to become an independent advisor. Now what?

Once you have made the decision that joining an RIA is the right choice for you, it is critical to do your due diligence and understand all aspects of your choice before making a transition. Not all RIAs are created equal and finding the right fit that aligns with your profile may take some time and research. It is recommended to identify at least three RIAs to speak with, interview them and then choose the right fit.

When choosing an RIA, you will want to consider the following:

1. What is the company's culture – are they a large or boutique organization?
2. What is the history of the company and what does their longevity look like?
3. Do they have a clean compliance record?
4. What custodial relationships does the firm have?
5. What fees will I encounter?
6. What is the tech stack that is available to me?
7. Does the company offer a turnkey asset management program?
8. Will I have marketing assistance?
9. Is there an M&A program?
10. Is there transition support?

While these aspects are important to building a successful business, there are a few other supportive resources that could make a difference in helping your business thrive. Whether you are building a strong network or focusing on client retention, you should consider additional assistance from your new firm in the areas of coaching and practice management. Can the firm offer guidance in new revenue generators or merger and acquisition support? Consider it a plain and simple equation, if the company is aspiring to grow, they will help *you* grow.

An RIA should provide you with the autonomy to build an enduring business, while continuously bringing you new technology, skills, and services.

How to make your RIA transition most effective

Now that you have chosen an RIA that is right for you, it is important to understand all aspects of a move and to stay relevant during the process. Transitioning to a new RIA can be a complex process that requires careful planning and execution. To make your transition most effective, Golden State believes the following components can assist in a smooth transfer.

1. **Collaborate with your RIA:** As you transition to the new RIA, it is important to collaborate with the firm for a seamless transfer of client assets and accounts. This includes working with custodians, fund transfers, and updating account information. *Golden State has a clear step-by-step process and dedicated transition team that assists with the entire process to ensure a smooth transition.*
2. **Build your brand and procure technology:** Whether you are creating a brand from scratch or building upon an existing independent practice, *Golden State's marketing and technology leaders work directly with advisors to support the desired business needs.* For marketing, a brand build-out and PR focus are on the priority list for an initial launch of your business, followed by other marketing support. For technology, your tech consultant will source hardware and software that meets your business needs, which is accompanied by a set-up, so your business is technologically sound and current.
3. **Communicate to clients:** It is highly recommended to seek private, ongoing consult with legal counsel with specialties in securities regulations as well as your jurisdiction to discuss current contractual obligations, resignation permissions, protocols, and allowable client communication guidelines. *Golden State has the necessary tools to help you achieve a timely and transparent communication plan and helps advisors take the steps needed to experience a successful transition.*
4. **Transfer assets:** As you speak with your clients, it is important to coordinate closely with the RIA to ensure a smooth transfer of assets and client accounts. This may involve working with custodians, transferring funds, and updating client account information. *Golden State has successfully transferred over \$3 billion in assets under care¹ and has the experience to help you along the way.*

5. **Monitor progress:** At team Golden State, you have a transition team that is dedicated to your specific transition. Once your transition is complete, the team continues to be at your side to help build your practice and thrive.

Golden State welcomes seasoned advisors who seek greater autonomy to build enduring practices. Operating under your own DBA, you have extensive support mechanisms to help scale your practice through M&A, a turnkey asset management program, a brokerage general agency and a mortgage platform among many other areas of support. If you have made the decision to move or are wondering what a move may look like, consider having a discussion with us to understand how your situation may look in the event of a move.

To learn more about joining team Golden State, visit [Join Our Team](#) and start your confidential conversation today.

1 SEC filings and Golden State as of December 31, 2022.

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