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The “*Careers in the RIA Industry*” presentation was developed for Advisors to use in their recruiting and outreach efforts. The customizable presentation will help tell the story of what an independent Registered Investment Advisor is, and why the work RIAs do is so important.

We believe it’s a powerful tool that can help raise awareness and understanding of the industry while attracting the diverse talent needed to carry firms into the future.

Careers in the RIA industry

[This presentation is a powerful and customizable recruiting tool that allows you to connect with prospective talent, showcase your firm, and explain your own path to becoming a registered independent investment working for or starting an RIA firm.]

By telling your story and explaining the appeal and the importance of independent RIAs, you can help solidify long-term success for your firm—and the industry.]



Using this presentation

This presentation is intended to be used to support your recruitment efforts and to help create awareness of the RIA profession among students and career changers

Audiences and venues

- We encourage you to work with your Relationship Manager to develop local or regional events to attract potential candidates – from students to mid-career professionals.
- Consider delivering this presentation to prospective candidates in a variety of venues, including:
 - Undergraduate/MBA on-campus student groups
 - Financial industry educational and networking events
 - Individual meetings with college career counselors
 - Individual meetings with job candidates

Spread the word

- We also encourage you to:
 - Post the presentation to your firm's website and LinkedIn page
 - Share parts of the presentation in e-newsletters or blogs

Where to find

This presentation will be available to download from the Business Services Center on the Advisor Services website.

Share your thoughts

- Share any success stories you have in using the presentation – type/size of audiences, effectiveness of the content, feedback from the audience, and any suggestions for improving the presentation. Please send feedback to the RIA Talent Advantage Team at (RIATalentAdvantage@schwab.com).

Using this presentation (cont'd)

Presentation Layout

The presentation was designed with sections that:

1. Give an overview of the industry
2. Discuss the benefits to the investor of the RIA model
3. Highlight the benefits of choosing this career path
4. Point out considerations for working for an RIA firm, including
 - Firm size
 - Client type
 - Services offered
 - Licensing requirements
5. Provide specifics about your firm
 - This final section should be customized by the Advisor delivering the presentation with information specific to the firm.

Using this presentation (cont'd)

- Included are placeholder slides with guidance for you to add content to discuss your professional background, your firm, and opportunities to work at your firm. Optional speaker notes are also included to assist in delivering the presentation.
- Instructions:
 1. Save a copy of this PowerPoint presentation file to your computer
 2. Click “View, “ and then choose “Master View”
 3. Insert your firms logo or simply type in the firm name where it says “Your firm”
 4. Click “Close Master View X” to return to normal view
 5. Delete instruction and Advisor disclosure slides
 6. Have your compliance officer review every version of this presentation and add any appropriate disclosures.
 7. To customize the content, you can do so in the following ways
 - Rearrange the slide order Delete slides
 - Add your own slides
 - NOTE: Remember to update the page numbers based on changes you’ve made.

[Your intro]

[As a leader of your firm, you are an incredible recruitment resource for your organization. When you tell your story, you bring the RIA model and your firm to life for potential employees. Use the prompts and questions provided throughout the presentation to help tell that story.]



We have two options for your intro:

1. Start with your own story.
2. Use the quote on the following slide.

If you choose to tell your own story, here are a few areas you can cover:

- What your role is
- How long you have been an RIA
- Why you love what you do
- An emotional story about the impact you have made on a client's life

“For me, there cannot be a better job.
I’m helping people, I’m well paid,
and I love what I do.”

—RIA firm owner of 25+ years

Experiences expressed are no guarantee of future performance or success and may not be representative of your experience.

How would you like a career that...

Provides opportunities for you to make a difference in peoples' lives

Allows greater control over your working environment

Gives you more control over your earning power



Offers freedom and fulfillment

Lets you have more control over your work-life balance

Leverages both your analytical skills and emotional intelligence

Working at an independent Registered Investment Advisor (RIA) firm can offer each of these elements—and more. Yet it is an often overlooked opportunity in financial services.

Registered Investment Advisor (RIA):

Professional advisory firm that offers personalized financial advice to clients who require a high level of investment management strategy and consultation¹

1. RIA firms register with the Securities and Exchange Commission or state securities regulators and are subject to the Investment Advisers Act of 1940. State-registered advisors are subject to state-specific securities rules if state registered, that may differ from federal regulation. Individual advisors are subject to the same standard as the RIA whether the individual is required to be registered or not.

RIAs can support individuals' lives and financial well-being

Every investor encounters life events:

Preparing for the future

- Marriage and family
- New house
- Saving for college
- Sale of a business
- Retirement

Unplanned events

- Death of a spouse
- Divorce

To meet these various investor needs, RIAs can provide a range of services:

- Financial planning
- Investment management
- Tax planning
- Estate planning
- Retirement planning
- Wealth management



Overview of the RIA industry

The RIA industry is one of the fastest-growing segments in financial services, with the potential for even more growth

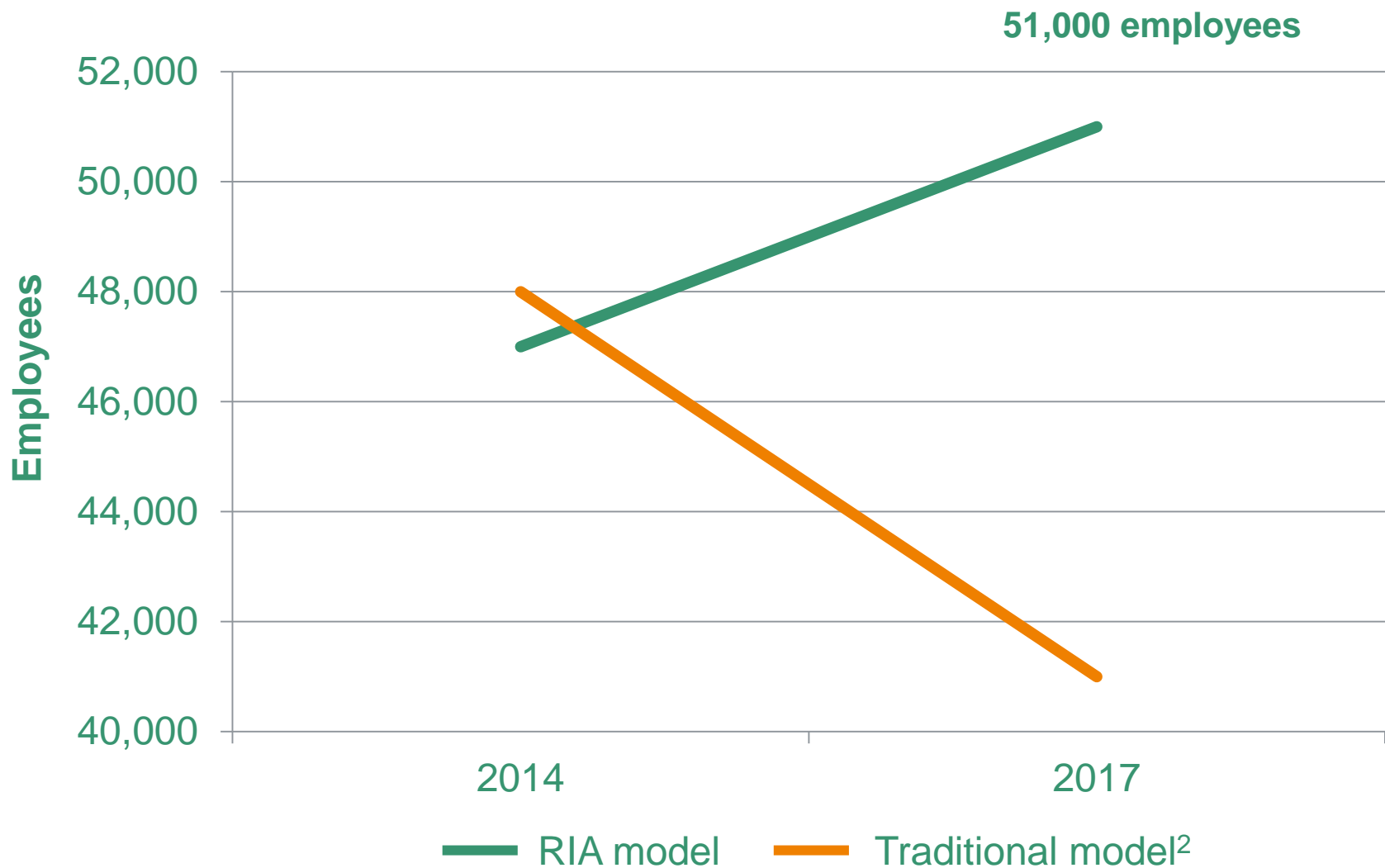
\$4 trillion
in assets¹

\$1 trillion
in growth
in next
two years²

\$23 trillion
market
opportunity³

1. Cerulli Associates company reports and Charles Schwab Strategy estimates, marketwatch.com.
2. Charles Schwab Analytics, Insight & Loyalty, May 2014. Cerulli Associates, company reports, Charles Schwab Strategy estimates.
3. Schwab Strategy estimates, individual company financial reports, FDIC, ICI, Federal Research Flow of Funds, Cerulli Associates, and Discovery Database. Based on households with over \$500K in assets.

The industry is in greater demand as a career choice as well

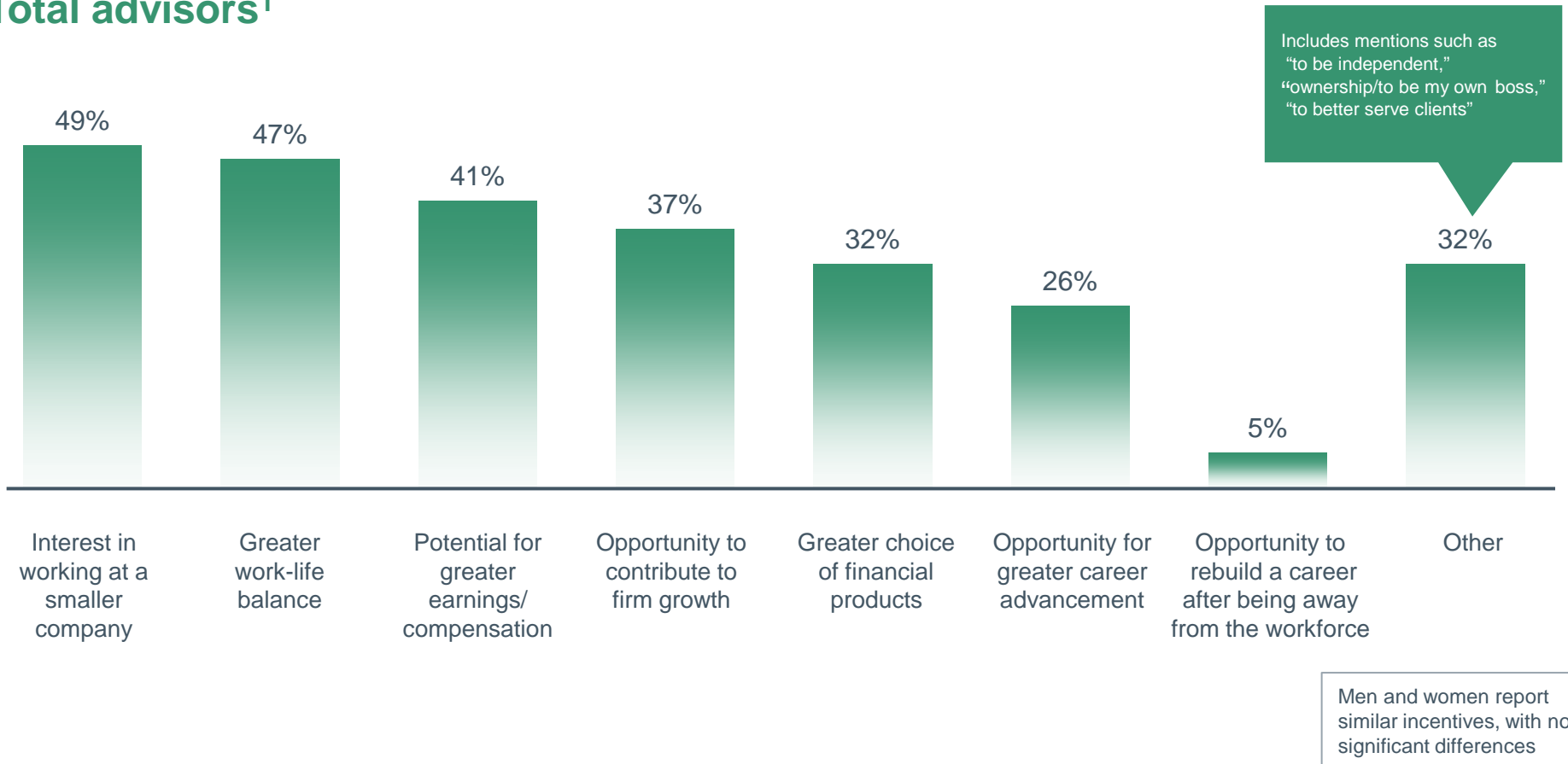


1. Source: RIA Marketplace 2014: Growth Drivers in an Accelerating Industry Segment, Cerulli Associates, 2014.

2. Traditional model = Banks, Wirehouse, and Brokerage Firms

Working for a smaller company and work-life balance are among the many reasons why advisors choose RIA firms

Total advisors¹



1. 2014 RIA Talent Study, conducted for Schwab Advisor Services by Koski Research, June 2014.

Why should you join an RIA firm?

Be part of a dynamic industry

“You get new clients every day with different problems that you get to help them solve. You get to see the direct impact on people’s lives.”
—Independent RIA

Enjoy the potential to own your own business

“I’ve always wanted to have my own business. So by going independent, I created a business value, and I have an asset that I’ve worked so hard to create for the past 27 years.”
—Independent RIA

Feel the satisfaction of helping people reach their goals

“We foster close relationships with our clients as we build their confidence in their financial future. We believe that our clients trust that we have their best interests in mind, and that allows our team to build long-standing relationships.”
—Independent RIA

Connect your strengths through specialization

“The focus of the firm... has been many times with clients in transition, and a lot of times we find that clients are going through different phases of life, whether it’s going through a divorce or a major inheritance or the sale of a business, or it could be the death of a spouse.”
—Independent RIA

Leave time in your life for other pursuits

“Success is not just revenues that our firm generates—it’s us having a policy of people being at home with their families and not always focused on hours here at work.”
—Independent RIA

Information expressed above are based on Advisors opinions.

RIAs can offer a powerful value proposition for investors

- Many RIAs:¹
 - Provide tailored advice based on investors' goals
 - Offer a fee structure that is simple, transparent, and easy to understand, and that gives advisors an incentive to grow client assets
 - Provide advice for complex needs
 - Form close relationships with clients and have a strong sense of accountability
 - Use institutional custodians, such as brokerage firms, to help safeguard clients' assets

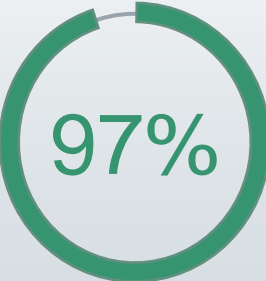
Investors appreciate the RIA approach²

More than half of new clients and assets come from existing client referrals.



51%

RIAs have a 97% client retention rate.



97%

1. These characteristics can apply to other financial services professionals and are not unique to RIAs.
2. Median results for all firms with \$250 million or more in assets under management (AUM). 2015 RIA Benchmarking Study from Charles Schwab, fielded January to March 2015. Study contains self-reported data from 1,007 firms. Participant firms represent various sizes and business models categorized into 12 peer groups—7 wealth manager groups and 5 money manager groups, by AUM size.

A man with glasses, wearing a light-colored button-down shirt and dark trousers, is sitting on a dark leather tufted sofa in a modern office. He is holding a tablet computer and looking at it. The office has large floor-to-ceiling windows on the left, offering a view of a city skyline. On the right wall, there are several framed certificates or diplomas. A globe sits on a small table next to the sofa. A glass coffee table is in front of the sofa. The overall lighting is soft and professional.

Considerations when pursuing a career with an RIA firm

RIAs come in all shapes and sizes

Firm structure¹

- RIA firms range in size from sole proprietors to firms with 100+ employees.
- Small to medium-size firms tend to have two partners or individuals who own a share in the firm.

Roles and responsibilities

- Employees of RIAs can be responsible for a variety of tasks:
 - Portfolio/investment management
 - Client services
 - Operations/trading
 - Compliance
 - Technology
 - Marketing
 - Human resources
 - Administration support

As firms grow in size, RIAs tend to hire individuals for more specialized roles and functions.

1. 2015 RIA Benchmarking Study from Charles Schwab, fielded January to March 2015. Study contains self-reported data from 1,007 firms. Participant firms represent various sizes and business models categorized into 12 peer groups—7 wealth manager groups and 5 money manager groups, by AUM size.

RIAs serve a variety of client types

- **Individuals**—singles, couples, families, entrepreneurs
- **Institutions**—small and medium-size firms, 401(k) plans, pension funds
- **Nonprofits and endowments**—universities, charitable organizations, foundations

- Firms typically serve 319 clients (median)¹

- Clients average \$1.7 million in assets¹

1. Median results for all firms with \$250 million or more in AUM. 2015 RIA Benchmarking Study from Charles Schwab, fielded January to March 2015. Study contains self-reported data from 1,007 firms. Participant firms represent various sizes and business models categorized into 12 peer groups—7 wealth manager groups and 5 money manager groups, by AUM size.

RIAs offer a variety of services¹

- Comprehensive financial planning
- Asset allocation
- Selecting third-party managers and funds
- Selecting individual securities to maximize performance
- Estate planning
- Tax planning and strategy
- Charitable planning
- Family education

1. 2015 RIA Benchmarking Study from Charles Schwab, fielded January to March 2015. Study contains self-reported data from 1,007 firms. Participant firms represent various sizes and business models categorized into 12 peer groups—7 wealth manager groups and 5 money manager groups, by AUM size.

Working at an RIA may require licensing

Series 65 registration¹ Uniform Investment Adviser Law Exam

- Required by most states for individuals who act as investment advisors and provide investment advice to clients
- 130 questions plus 10 pre-test questions with a minimum passing score of 72%
- Topics covered:
 - Economic factors and business information
 - Investment vehicle characteristics
 - Client investment recommendations and strategies
 - Laws, regulations and guidelines, including prohibition on unethical business practices

Other registration requirements vary depending on the services RIAs provide and include:²

- Certified Financial Planner™ (CFP®)
- Chartered Financial Analyst® (CFA)
- Personal Financial Specialist (PFS)
- Certified Investment Management Analyst® (CIMA®)
- Chartered Investment Counselor (CIC)
- Chartered Financial Consultant® (ChFC®)

Successful RIAs also tend to demonstrate emotional intelligence, which includes the ability to relate to people, show empathy, be service focused, listen closely, and be attentive to client needs.

1. North American Securities Administrators Association, accessed June 18, 2015, www.nasaa.org.
2. Obtaining one of these registrations may make you exempt from the Series 65 exam.

[Your firm]

[The following slides are your opportunity to talk about your firm and to provide a closer look at your personal experience in the RIA industry. Adapt the slides to talk about what's most important to your particular audience and business. Sharing real-life stories is one of the most compelling ways to promote your firm to talented prospective employees.]



How I became an RIA at [Your firm]

[Your audience will benefit from hearing your personal story. For potential topics to cover, see prompts below.]



Getting started

- Where you grew up and went to school; your major
- Your first job in financial services and what you liked and disliked about that position

Considering the RIA path

- When and how you first discovered what an RIA is
- What about the career appealed to you; what concerned you

Going for it

- When and how you decided to become an RIA
- How your skill set allows you to excel in your role
- How you have had an impact on a client's life

Life today

- If your perception of what it would be like to work as an RIA matches up with your reality today
- What life is like today and what you enjoy about your job



Day in the life at [Your firm]

[This is an opportunity to talk about your firm. For potential topics to cover, see prompts below.]



- The office culture
- The first thing you do when you walk in the door to the office
- The most important part of your day
- How much time you spend meeting with clients versus doing other tasks
- How you communicate with and support each other
- What types of people are successful at your firm
- What success looks like



What it takes to be successful at [Your firm]

[This is an opportunity to talk about your firm's requirements. For potential topics to cover, see prompts below.]



- The educational backgrounds of the individuals at the firm
- Your educational background
- What tests you have taken and what they were like
- Licenses you hold
- Any ongoing educational requirements
- What you have always been good at
- Why your personality is particularly suited for the RIA field
- What your RIA colleagues have in common personality- or skill-wise



Training and development opportunities at [Your firm]

[This is an opportunity to talk about your firm's training programs. For potential topics to cover, see prompts below.]



- Formal or informal mentorship programs
- Internal and external training
- Conferences and networking events
- Paid certification and credentialing programs
- Any other ways the firm supports new advisors and career development



Benefits of working at [Your firm]

[Use this opportunity to talk about your firm's benefits. For potential topics to cover, see prompts below.]



Mentorship and long-term career opportunities

- Formal or informal mentorship programs and how those programs work
- How quickly new RIAs get to work directly with clients
- Career advancement for young/new employees; ownership/partnership opportunities

Work-life balance

- How many hours per week advisors usually work
- How the firm ensures people have a life outside of work

Client service

- Why clients like the firm; what they say about the firm; what sets the firm apart
- How working with clients at the firm is fulfilling

Diversity

- If the firm is actively recruiting female RIAs
- How the firm specifically helps to meet the career needs of women



Compensation

- What the holistic compensation package looks like (this could include salary, health insurance, 401(k) plans, paid time off, bonuses, etc.)

Get involved and look for opportunities



Get involved with industry organizations

- The Financial Planning Association <http://www.fpanet.org/>
- FPA NexGen! This is a community for FPA members age 36 and under that focuses on the next generation of financial professionals.
<http://www.onefpa.org/community/nexgen/Pages/Welcome%20to%20the%20NexGen%20Community.aspx>
- Certified Financial Planner (CFP) Board <http://www.cfp.net/>
- Financial Women's Association <http://fwa.org/>
- National Association of Insurance and Financial Advisors
<http://www.naifa.org/>
- The National Association of Personal Financial Advisors <http://napfa.org/>



Look for career opportunities

Schwab's RIA Career Opportunity Service

http://advisorservices.schwab.com/public/advisor/nn/transition/transition_planning/career_opportunity_service

Schwab's advisor directory <http://riastandsforyou.com/FindAdvisor>

CFP Board's career center <http://www.cfp.net/career-center>

Key search terms: "RIA" and "Registered Investment Advisor"

Make an informed decision



Read industry publications

- *Financial Planning* (<http://www.financial-planning.com/>)
- *Financial Advisor* (<http://www.fa-mag.com/>)
- *ThinkAdvisor* (<http://www.thinkadvisor.com/>)
- *InvestmentNews* (<http://www.investmentnews.com/>)
- *RIABiz* (<http://www.riabiz.com/>)
- *Trusts & Estates* (<http://wealthmanagement.com/subscriptions>)



Learn what potential clients/investors need to know

- RIAStandsForYou.com <http://riastandsforyou.com/>
Pay special attention to the resources on the Benefit of RIAs tab.
- *The Wall Street Journal*: “Thinking About Hiring an RIA? Here Are 10 Things You Should Know” http://riastandsforyou.com/assets/pdf/WSJ_reprint_44777.pdf
- *Worth* magazine: “Have You Outgrown Your Financial Advisor?”
http://www.riastandsforyou.com/assets/pdf/2618-WO29_Charles%20Schwab_E-Print.pdf
- “5 Key Benefits of Independent Registered Investment Advisors”
<http://riastandsforyou.com/assets/pdf/SLS63879.pdf>

Key search terms: “emotional intelligence” and “financial planning”

Q&A

Thank you

