Inside the Deal

M&A Newsletter

Q4 2025

A Brief Note from the Team

Welcome to the close out of 2025 and the nineteenth edition of **Inside the Deal!**

Dynasty Financial Partners aims to educate our clients and our readers on the key trends we are seeing in Wealth Management M&A. We hope to provide you with specific insights into key trends, deals and deal structures, answer important questions raised from our readers, and most importantly, empower our network to have the confidence to be successful in their chosen M&A strategy.

For our nineteenth issue, we reflect on the entire year of dealmaking. 2025 was best characterized by a cautious but active first half, followed by a pronounced acceleration in the second half as financing conditions improved and rate cuts began to take effect. Many market participants used the early-year stability to recapitalize and strategically reposition, while others doubled (and in some cases tripled) down on acquisition strategies as confidence returned. Several more have now decided to throw their hat in the ring, either for the first time or re-entering the market after a multi-year pause, including a growing number of sovereign wealth and cross-border buyers.

We do not foresee the M&A market changing anytime soon. By all accounts, capital continues to flow into the space, private equity dry powder remains elevated, and deal multiples have held competitive as strategic and financial buyers pursue AI-driven scale and modernization. This has created a sustained positive buyer sentiment (many of whom continue to have access to a significant amount of capital) and will continue to create attractive opportunities on both the buy-side and sell-side.

We would like to hear from you! Please email us at DIB@dynastyfp.com. Let us know what you would like us to explore in upcoming issues and how we can better serve our network so you can pursue and close more M&A deals with confidence!

As always, everything you share with us will be held in the highest degree of confidentiality and discretion.

Kind regards,

Sam Anderson
Chief Capital Officer, Co-Head of Investment Banking

Harris Baltch
Managing Director, Co-Head of Investment Banking

Market Review

dynasty

The question heading into 2025 wasn't whether RIA M&A could sustain momentum, it was whether the market could accelerate past 2024's record breaking 296 deals. The answer proved decisive. 2025 closed with 320 total publicly announced transactions, cementing the year as the strongest on record and validating the structural tailwinds driving consolidation across wealth management.

Dynasty tracked 77 deals in Q4, capping a year that defied macro headwinds and delivered steady year over year growth. What made 2025 distinct wasn't just volume, it was the market's ability to absorb uncertainty without losing momentum. Tariff volatility and geopolitical tensions that caused deal pauses earlier in the year gave way to renewed confidence as equity markets rallied and the Federal Reserve's rate cuts stabilized the financing conditions.

The defining theme of the year was strategic scale. Mega mergers shifted toward transformative consolidation. Private equity sponsors deployed record dry powder, sovereign wealth funds expanded their presence, and insurance companies made targeted acquisitions of RIA platforms. Competitive intensity among buyers kept valuations firm as deal drivers evolved. Succession planning remained foundational, but sophisticated sellers increasingly pursued transactions to access enterprise-grade infrastructure, specialized capabilities for clients, and cultural alignment.

Recapitalization continued reshaping the competitive landscape. Firms with fresh capital accelerated acquisition strategies, signaling that leading buyers now compete on capabilities rather than scale alone. For the first time, the SEC's 2026 examination priorities explicitly flagged RIA M&A, reinforcing its permanence as a core industry dynamic. With these trends gaining momentum, the RIA M&A market is positioned to set new records.

So, as we enter 2026, we believe the primary considerations regarding the general health of the M&A market are:

1. **At record-high valuations, will buyer competition for premium assets push multiples higher or will market dynamics force normalization?**
2. **How will leverage constraints impact serial acquirers' ability to maintain current deal velocity amid rising integration complexity?**
3. **Will traditional strategics, such as banks, wirehouses, and insurance companies, make aggressive moves to acquire established RIA aggregators?**
4. **What deal structures and M&A readiness requirements will emerge as SEC scrutiny reshapes buyer expectations and due diligence standards?**

Our hypothesis is that 2026 will deliver another record year, driven by structural factors that remain firmly in place: abundant capital, industry fragmentation, succession dynamics, and the wealth management model's durability. Winners will be those who balance three critical capabilities: aggressive deal execution, operational excellence enhanced by AI adoption, and the strategic insight to pursue transactions that strengthen competitive positioning rather than simply add scale.

Q4 2025 Key Themes

dynasty

1. **2025 Deal Stats**

2. **Transactions Signal Shifting Dynamics in Wealth Management M&A**

3. **Breakaway Banking: How Billion-Dollar Teams Are Reshaping Independence**

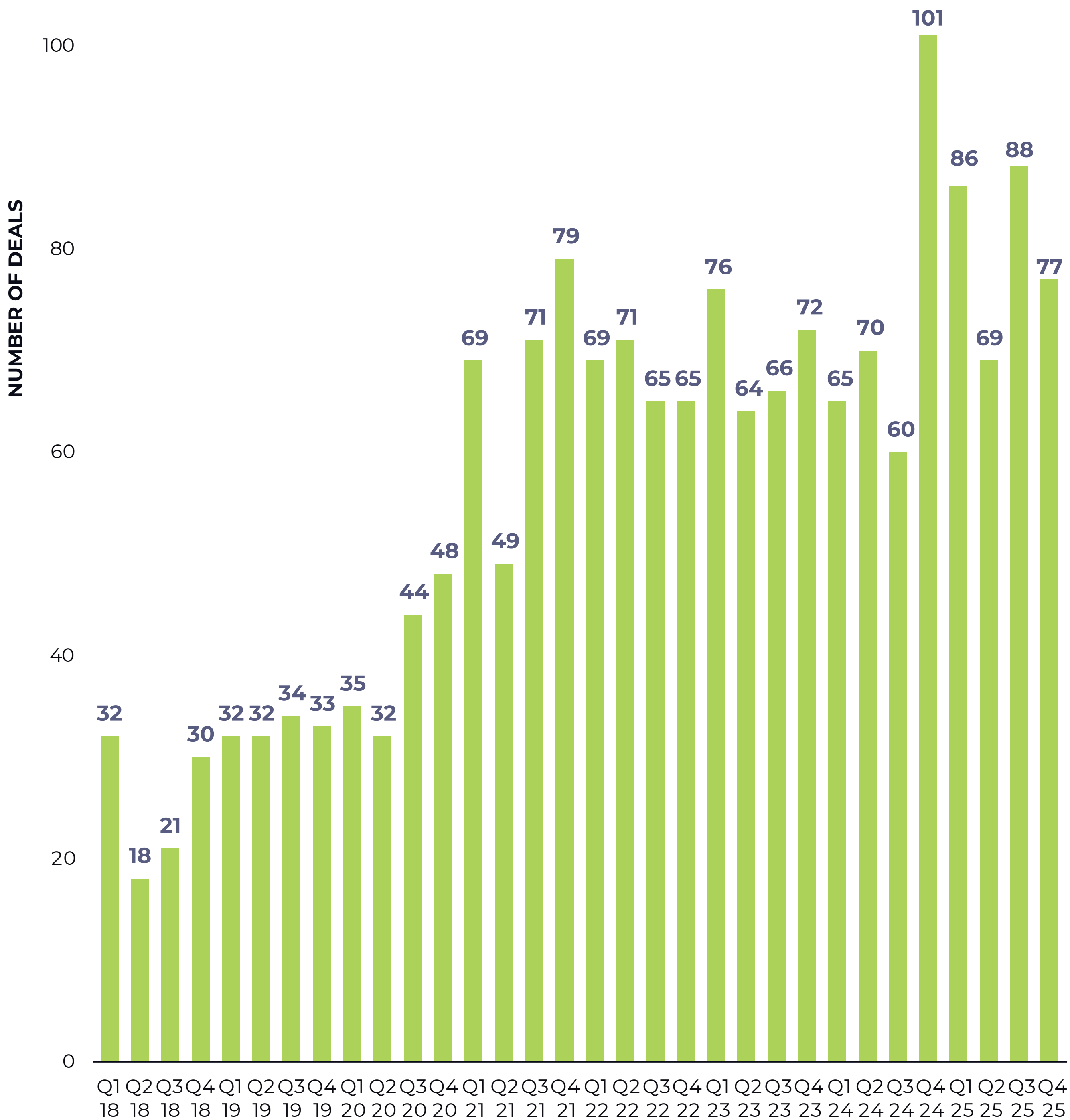
4. **AI and RIA Operations: The New Valuation Driver**

5. **From Growth to Risk: Why RIA M&A Is Under the SEC Microscope**

6. **Beyond the Deal: How a 'Scorecard Approach' Shapes Better Outcome**

Q4 2025 RIA M&A Deal Volume

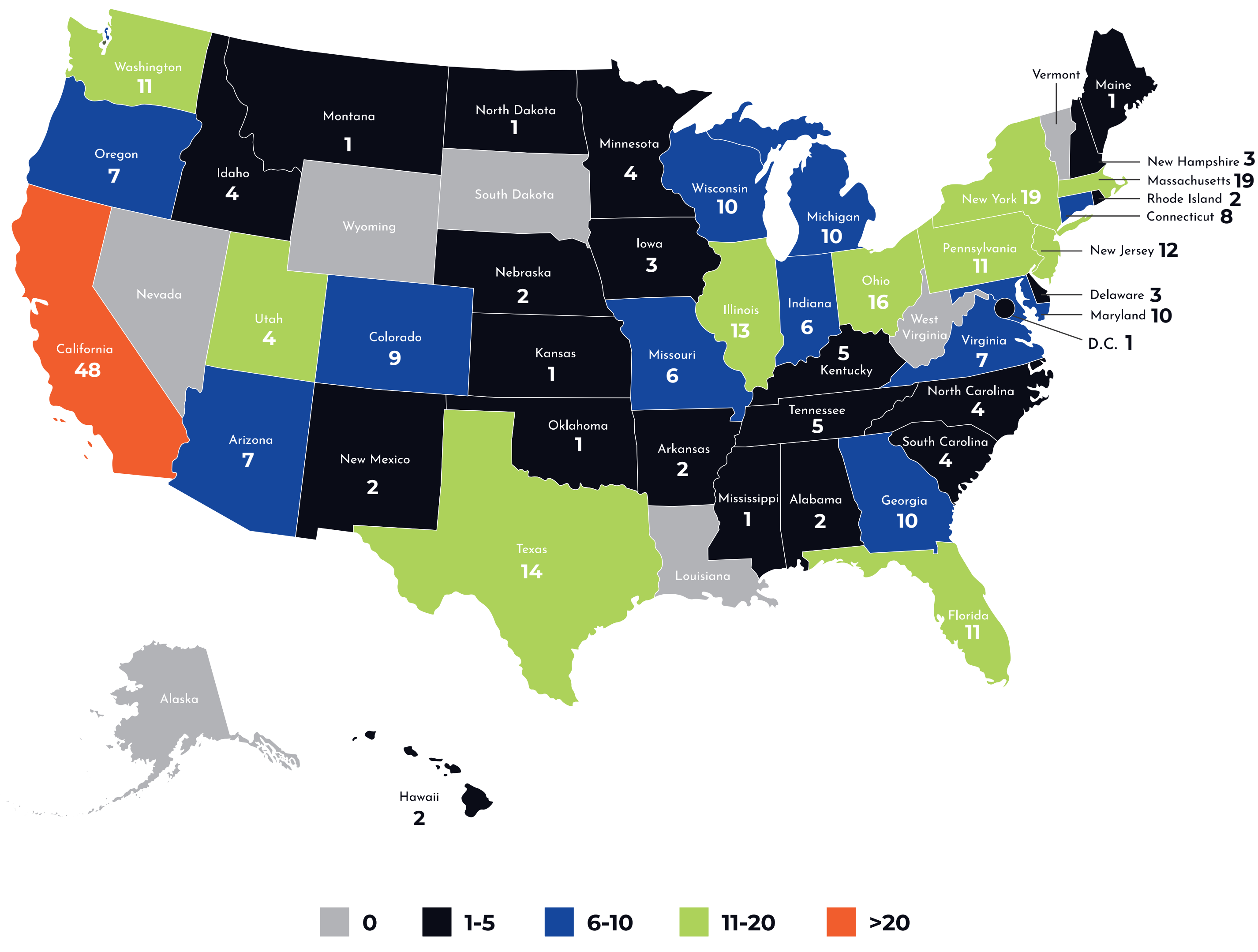
dynasty



Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

2025 National Deal Data Breakdown

dynasty



Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

Select 2025 Dynasty Transactions

dynasty

Advised
DayMark Wealth Partners
On its minority recapitalization with
Constellation Wealth Capital.
2025

Advised
Capital Ideas Independent Financial Advisors
On its sale to
CONCURRENT
2025

Advised
BEARING Financial Advisors, LLC
On its sale to
CONCURRENT
2025

Advised
PROCYON
On its minority recapitalization with
Constellation Wealth Capital.
2025

Advised
TritonPoint Partners
On its recruitment of
Break Away Advisor Team
2025

Advised
Goodpasture Gray Registered Investment Advisors
On its sale to
AMERICANA PARTNERS
2025

Advised
QUOTIENT WEALTH PARTNERS
On its valuation
2025

Advised
PROCYON
On its acquisition of
Wooster Corthell Wealth Management, Inc.
2025

Advised
EIP
ATLASMARK (Plan Advisory Business)
On their sale to
JULY
2025

Advised
Legacy Financial Group
On its valuation
2025

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

2025 Dynasty Network Spotlight

dynasty

TritonPoint Partners

On October 7th, TritonPoint Partners announced that Greg Powers joined the firm as Partner and Managing Director, overseeing approximately $280 million in client assets and expanding TritonPoint's presence with offices in Scottsdale, Arizona, and San Diego, California.

Dynasty Investment Bank served as exclusive financial advisor to TritonPoint Partners on this transaction. Powers, a veteran advisor with decades of experience in comprehensive wealth management and private markets expertise, brings high-caliber client experience to support TritonPoint's quality growth objectives.

TritonPoint's advisor-owned model and independent structure provided the partnership alignment and shared leadership Powers sought, while opening meaningful access to private market opportunities, including boutique providers, previously out of reach.

The combined firm strengthens capabilities in wealth planning and investment management, supported by TritonPoint's in-house CIO and analyst team, positioning the platform to serve increasingly complex client needs.

Americana Partners

On October 8th, Dynasty Investment Bank announced that it served as exclusive financial advisor to Goodpasture Grey on its sale to Americana Partners, a Nashville-based firm focusing on a Sports and Entertainment client base.

Americana noted Goodpasture Grey stood out as the ideal prospect due to their existing reputation of integrity and dedication to clients that align with their own wealth management approach.

This deal strategically advanced America's national growth, increased client base diversification through Goodpasture Gray's specialized practice, and enhanced the firm's talent and service capabilities. Alignment between values and vision for the future of client service was the main driver in this deal.

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

2025 Dynasty Network Spotlight

dynasty

Procyon

On December 8th, Procyon, an RIA operating within the Dynasty Financial Network announced their acquisition of OLV Investment Group, a Michigan-based RIA overseeing roughly $500 million in client assets. This acquisition, Procyon's largest to date, boosts Procyon's total AUM to nearly $9 billion and expands their client reach into the Midwest and South, further enchanting their ability to service clients with evolving financial needs.

DayMark Wealth Partners

On December 15th, Cincinnati-based DayMark Wealth Partners, a Dynasty-affiliated RIA managing approximately $4.5 billion in client assets, announced a strategic minority investment from Constellation Wealth Capital. Dynasty Investment Bank, served as financial advisor to DayMark on this transaction.

Founded in 2022, DayMark has demonstrated impressive growth trajectory, positioning itself as an elite landing pad for wirehouse advisors seeking independence. This partnership provides DayMark with strategic capital and resources to accelerate growth both organically and through continued advisor recruitment, while aligning with Constellation's vision to scale independent RIAs and support long-term expansion. DayMark's operational strength and intentional business model make it an exciting case to follow in the coming years.

Capital Ideas & Bearing Financial Advisors

On January 8th, 2026, Capital Ideas and Bearing Financial Advisors, operating separately under holding company Alpha Capital Dallas with $385mm AUM, announced the completion of a minority investment from Concurrent Investment Advisors. Dynasty Investment Bank served as exclusive financial advisor on the transaction.

Founded in 1984 and 2022 respectively, Capital Ideas and Bearing have each built strong client focused practices anchored in disciplined portfolio management and collaborative planning. This new partnership provides the firms with additional resources, enhanced technology, and strategic support to accelerate organic growth while deepening advisor recruitment efforts. The combination aligns closely with Concurrent's philosophy of empowering independent RIAs to grow more efficiently and build enduring enterprises. The transaction aligns both firms around a shared philosophy of growth, autonomy, and elevated client experience, positioning Capital Ideas and Bearing for meaningful expansion in the years ahead.

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

2025 Top 10:
States By Deal Count

dynasty

1 California (48)	6 Illinois (13)
2 Massachusetts (19)	7 New Jersey (12)
3 New York (19)	8 Pennsylvania (11)
4 Ohio (16)	9 Washington (11)
5 Texas (14)	10 Florida (11)

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

2025 Top 10: States By AUM Count

dynasty

1. California ($416 bn)
2. Illinois ($339 bn)
3. Massachusetts ($322 bn)
4. Colorado ($206 bn)
5. Georgia ($185 bn)
6. New York ($178 bn)
7. New Jersey($68 bn)
8. Ohio ($56 bn)
9. Virginia ($24 bn)
10. Missouri ($20 bn)

California Dominates Volume While Mega-Deals Concentrate in IL, MA, and CO

California led with 48 deals (20.99% of total market) and $416 billion in AUM, but Illinois captured second place by AUM ($339 billion) with only 13 deals, indicating an average deal size of $26 billion versus California's $9 billion. This size difference reflects Illinois' concentration of mega-recapitalizations, particularly Mariner Wealth Advisors' transactions.

Massachusetts ranked second in deal count (19) but third in total AUM ($322 billion), demonstrating similar mega-deal concentration with an average deal size of $16.9 billion. Colorado's positioning at fourth by AUM ($206 billion) with only 9 deals (average: $22.9 billion) further illustrates that transformative platform deals reshaped state rankings.

Traditional M&A centers (California, New York, Massachusetts) maintained volume leadership, but tier of deal size became the defining characteristic. Ohio ranked fourth by deal count (16) but dropped to eigth by AUM ($56 billion), while Pennsylvania and Washington placed eighth and ninth by deal count (11) but didn't reach the AUM top 10, signaling these regions executed tuck-in strategies rather than platform-building transactions.

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

2025 Top 5: By Buyer Type

dynasty

1	**Aggregator** **216 total deals**	**$1,210 bn total AUM**
2	**RIA** **41 total deals**	**$45 bn total AUM**
3	**PE** **29 total deals**	**$454 bn total AUM**
4	**Broker** **9 total deals**	**$321 bn total AUM**
5	**Platform** **4 total deal**	**$11 bn total AUM**

Top Buyer Dynamics

Aggregators led the charge with 216 deals, representing $1.2 trillion in seller AUM. Private equity-backed transactions accounted for 29 deals and $454 billion in AUM, while RIAs completed 41 deals for $45 billion. The data confirms that scale-driven platforms remain the primary consolidators, with PE continuing to fuel large recapitalizations and non-traditional buyers making selective but massive strategic bets.

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

2025 Top 10: Buyers

dynasty

Aggregator, AUM (in billions), number of deals in 2025[1]			
Beacon Pointe Advisors	**$7 bn**	**12**	KKR
Mercer Advisors	**$8 bn**	**10**	GIC, Atlas Partners, Genstar Capital, Oak Hill Capital, Harvest Partners
Mariner Wealth Advisors	**$302 bn**	**10**	Leonard Green, Penfund, Neuberger Berman
Merit Financial Advisors	**$7 bn**	**10**	Neuberger Berman, HGGC, WPCG, CWC
Creative Planning	**$257 bn**	**10**	TPG, General Atlantic
Wealth Enhancement Group	**$7 bn**	**10**	TA Associates
MAI Capital Management	**$30 bn**	**8**	Galway and WPCG
Carson Group	**$6 bn**	**8**	Bain Capital
Corient (CI Financial)	**$238 bn**	**8**	Mubadala
Waverly Advisors	**$6 bn**	**7**	WPCG, HGGC

Fresh Capital Translates to Market Share Gains as Recapitalized Firms Dominate

Six of the top 10 buyers recapitalized within the past 18 months, and these firms accounted for 76 deals, concentrating 24.4% of the market. Mercer, Mariner, Merit, and Creative Planning tied at 10 deals each, but Mariner's $302 billion and Creative Planning's $257 billion greatly outperforms both competitors', reflecting mega-merger strategy versus tuck-in approaches.

1. Deals with more than one buyer are excluded form individual top buyer count

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

The Best & Worst Months of 2025

dynasty

Rank	Month	Number of Deals	Count of Seller AUM ($bn)
1	January	43	465
12	February	18	16
3	March	25	427
7	April	26	90
6	May	21	108
10	June	22	66
8	July	34	79
5	August	25	177
2	September	29	427
4	October	31	296
9	November	24	67
11	December	22	27
Grand Total		**320**	**$2,245**

Mega Transactions Driving Market Dynamics

Starting off strong, January 2025 captured $465 billion across 43 deals, while September ranked second ($427 billion, 29 deals), driven primarily by Corient's $430 billion platform formation. February recorded the lowest activity, representing $16 billion in AUM over 18 deals.

The 2,874% variance between highest and lowest monthly totals underscores how individual mega-transactions reshape statistics. Deal count remained relatively stable (range: 18-43), but AUM volatility confirms that platform-building deals, not tuck-in volume, now drive market dynamics.

Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

Two Landmark Transactions Signal Shifting Dynamics in Wealth Management M&A

Corient's Dual Acquisition: Building one of the World's Largest Independent UHNW Platform

In September 2025, Corient made a defining move in wealth management consolidation, acquiring both Stonehage Fleming and Stanhope Capital Group to establish a $430 billion global platform.[1] The transaction positions Corient as one of the world's largest non-bank wealth manager focused exclusively on ultra-high-net-worth and high-net-worth clients while extending its footprint across Europe, the Middle East, and Africa.

The strategic rationale extends beyond scale. Corient's private partnership structure, with over 260 partners owning and operating the firm, proved decisive in attracting both Stonehage and Stanhope. This ownership model will extend to international operations, creating alignment between capital partners and operating partners across geographies and continents. Continuing influence, Giuseppe Ciucci, formerly Executive Chairman of Stonehage, will serve as President and Chairman of the international business. Daniel Pinto, founder, CEO and chairman of Stanhope, assumes the role of Partner and CEO for the same division. Both will join Corient's global Board of Directors.[2]

What This Signals for the Market:
The Corient transaction underscores three critical trends reshaping RIA M&A.

1st: Trends of UHNW-focused platform consolidation have accelerated as firms recognize the operational leverage and service depth required to compete for this client segment.

2nd: Partnership structures are emerging as differentiators in attracting premium targets. Demand for governance models that preserve culture is becoming preferred over pure financial engineering to extract higher profits and value potential.

3rd: Confidence in globalization of wealth advisory services becomes transparent as leading U.S. wealth managers expand cross-boarders. UHNW clients represent a driving force in this trend as they present a demand for seamless international capabilities.

The transaction was funded through equity contributions from Corient's parent entity, CI Financial, which injected capital provided by its investor group, led by Mubadala Capital, along with other private investors. This structure allowed Corient to avoid taking on additional debt and maintain financial flexibility for future growth. Expected to close in the first half of 2026, the deal also underscores the significant capital requirements at this scale. Firms contemplating similar moves must consider how to balance growth ambitions with an optimal capitalization strategy.

What is the right capitalization strategy of aggregators to consistently fund inorganic growth with a combination of debt and equity?

Two Landmark Transactions Signal Shifting Dynamics in Wealth Management M&A *(cont.)*

Equitable's Acquisition of Stifel Independent Advisors: Wirehouses Pivot to Independence Models

In October 2025, Equitable acquired Stifel Independent Advisors, bringing more than 110 independent advisors managing approximately $9 billion in client assets into Equitable Advisors.[3] The transaction excludes Stifel's employee advisor channel, signaling a deliberate focus on the independent model.

This deal continues to advance Equitable's fastest growing segment, wealth management, including approximately 4,500 financial professionals across the U.S. and more than $110 billion in assets under administration. For Stifel's advisors, the move provides access to Equitable's supported independence model, offering comprehensive back-office support, technology infrastructure, compliance resources, and enhanced capabilities.

What This Signals for the Market:
The Equitable-Stifel transaction reflects a broader industry shift as traditional wirehouses and insurance-affiliated platforms recognize the competitive advantages of the independent model. Advisors increasingly prioritize autonomy, flexibility, and technology enablement. By acquiring independent platforms rather than building organically, established firms accelerate transformation while mitigating talent attrition risks.

The deal highlights growing buyer diversity in RIA M&A. Beyond traditional RIA aggregators and private equity platforms. Non-traditional buyers are entering the market at an accelerated pace, drawn by recurring revenue models and favorable economics. This expanding group includes custodians, insurance companies, banks, traditional and alternative asset managers, private lenders, and technology providers. Each brings distinct capabilities and capital structures to the competitive landscape. As Fidelity noted in its 2025 half-year M&A report,[4] the number of unique acquirers and first-time buyers has widened substantially, creating "more players and fiercer competition."

For advisors navigating M&A opportunities, non-traditional buyers introduce new considerations around cultural fit, technology integration, and long-term strategic alignment. Sellers must evaluate not only valuation but also whether a buyer's operating model supports their growth objectives and client service philosophy.

The Broader Implications

Both transactions reinforce market fundamentals: the RIA landscape remains highly fragmented, with 80% of the 17,000 retail RIAs managing less than $250 million in assets. This fragmentation, combined with sustained capital availability and

Two Landmark Transactions Signal Shifting Dynamics in Wealth Management M&A *(cont.)*

dynasty

competitive valuations, ensures robust M&A activity will persist.

However, the nature of that activity is evolving. Mega-deals driven by scale economics and global ambitions coexist with strategic acquisitions by non-traditional buyers deepening wealth management capabilities. As 2025 comes to an end and 2026 begins, advisors should monitor three leading questions:

- *How will buyer diversity reshape valuation dynamics?*
- *Will private partnership models gain traction as competitive differentiators?*
- *Will buyers be able to truly differentiate their value proposition versus other buyers or will they become clouded by a multitude of business models?*

The answers will determine who is best positioned to grow through change.

1. Corient - Corient Announces Global Expansion (Sept. 2025)
2. Family Wealth Report - US-Based Corient Acquires Europe's Stonehage Fleming, Stanhope Capital (Sept. 2025)
3. Equitable - Equitable Announces Acquisition of Stifel Independent Advisors (Oct. 2025)
4. Fidelity - Fidelity biannual M&A review: First half 2025 (Sept. 2025)

Breakaway Banking: How Billion-Dollar Teams Are Reshaping Independence

dynasty

The rise of mega-teams embracing the independent RIA model is transforming the wealth management industry. The shift is already accelerating, as evidenced by OpenArc's launch this past quarter.

The breakaway movement has entered a new phase with billion-dollar wirehouse teams that increasingly look more like middle-market companies. With more capital partners, liquidity options, and strategic paths than ever before, larger teams are approaching independence with the same rigor and sophistication typically applied to making major corporate decisions. This shift is reshaping the independent RIA ecosystem.

It's not just their size that is compelling. Wirehouse advisor teams are now becoming increasingly sophisticated, requiring more complex solutions and decision making techniques, which spans not only end client service model delivery, but also thoughtful strategic governance and a capitalization structure that can grow with the business over time. With sizable teams demanding mature decision-making processes, strategic planning extends well past an initial transition into independence:

- **Capital access at launch:** Teams may seek financing to support pre-launch capital needs as well as incentivize advisors and support staff at launch and over time
- **Early engagement of bankers and consultants:** Unlike traditional independent launches, these teams need subject matter experts to consult on legal, operational, and strategic readiness

Cerulli estimates that more than $2 trillion in assets are in motion from advisors considering strategic moves.[1] Today's mega-teams must evaluate growth capital, private equity partnerships, M&A roadmaps, minority investments, governance structures, and succession outcomes alongside the traditional questions of platform fit and client service. In short, the breakaway conversation has been institutionalized in droves.

CASE STUDIES:

OpenArc Corporate Advisory

In September, Atlanta-based OpenArc Corporate Advisory announced its official launch. The firm is one of the largest independent firms in the corporate benefits and private wealth sectors with team assets of $129 billion, as recognized by Barron's (December 31, 2024) and with a strategic capital investment from Dynasty Financial Partners.[2] OpenArc introduced a new model integrating corporate benefits, executive services, and private wealth management delivered through a high-touch, open architecture platform. Nearly 120 employees, including 50 advisors, resigned from Merrill Lynch's 170-person, high-net-worth team, Global Corporate and Institutional Advisory Services (GCIAS) to join OpenArc.

OpenArc's road to independence began with Merrill Lynch serving the team with a Temporary Restraining Order (TRO) to prevent them from soliciting clients for a year. However, the judge denied the request, ruling that Merrill Lynch did not present enough hard evidence to meet the burden of proof for injunctive relief. Over and above the victory for OpenArc, the ruling reverberated throughout the industry with the signal that wirehouse teams once considered too big to break might no longer be. The case also highlighted the importance of having the backing of the right partners to navigate such a high-stakes transition, as in this case with OpenArc's partnership with Dynasty and Schwab.

Elevation Point

Also in September, UBS Wealth Management filed a TRO order against a $1.4 billion team that moved to Elevation Point, an RIA aggregator based in West Palm Beach, Florida. UBS claimed that members of the team violated inherited account agreements by soliciting clients to move their accounts. UBS argued that the team, which was known as 440 Group, inherited clients from former leaders of their practice who retired. However, the advisors signed one-year non-solicitation agreements aimed at ensuring that the retired advisors would continue to receive a portion of revenue from those accounts through 2028.

In October, the presiding judge ruled that the team was prohibited from contacting certain customers, though not those who initiate unsolicited transfer requests or those who have already moved their accounts. The team was also ordered to return any confidential information to UBS within 72 hours and turn over any personal mobile phones they used during the last two years of their employment with UBS to a third-party consultant for review. The team's agreement to the terms underscores the complexity of legal considerations during breakaways, illustrating the need for proactive legal and banking strategies to mitigate disruption.

Paul Sullivan

In 2023, Steward Partners Global Advisors, an employee-owned, full-service independent RIA, hired Paul Sullivan to the newly created role of Managing Director, Head of Internal Sourcing. In this position, he focused on educating and advising wirehouse financial advisors on the benefits of independence, in particular Steward's partnership models and choice of custodians. Given his three decades working in both wirehouse and independent firms, Steward tapped him for his ability to understand what advisors need to transition successfully and to articulate the benefits of making that change.

In 2024, Sullivan left Steward to launch a stand-alone practice, Wealth Management Independence (WMI), dedicated to educating financial advisors on the benefits of independence. Since his departure, Steward has continued its expansion, opening new offices and strengthening its equity partnership model; an approach Sullivan promoted during his tenure. Sullivan remains a prominent voice in the independent advisor space, founding TriNexus Partners and growing WMI into a leading advisory and training brand that guides wirehouse leaders in building independent channels.

What's Next

The rising complexity of breakaway transactions has caused a new service model to emerge, providing more sophisticated advisory support than traditional structures. This means less headhunter relationships and more institutional-grade advisory support to maintain client relationships and service quality during the move. For example, the recently announced partnership between Dynasty Financial Partners and Diamond Consultants, which pairs Diamond's consulting and transition guidance with Dynasty's wealth management investment banking and capital raising capabilities.

At the billion-dollar level, the breakaway decision has split into multiple branches of decision trees. Teams can:

- **Launch an independent RIA;**
- **Join an existing independent firm as a partner;**
- **Merge, sell, or raise minority capital at or post launch;**
- **Accept a W-2 recruiting deal**

Regardless of which option selected, it's poised to be a win-win-win for clients, team members and RIA principals. For so long as big advisor teams remain captive but educated on the benefits of going independent, the breakaway banking initiative will remain active.

1. Cerulli - U.S. RIA Marketplace 2025 (Dec. 2025)

2. Barron's - Merrill Lynch Sues $129 Billion Advisor Team, Charles Schwab, and Dynasty Over 'Corporate Raid' (Sept. 2025)

AI & RIA Operations: The New Valuation Driver

dynasty

Artificial Intelligence is reshaping how RIAs manage operations and drive growth. AI-powered platforms enable firms to scale efficiently at lower costs by analyzing large data sets, helping advisors make faster, more informed decisions and elevate client service.

By decreasing overhead, middle- and back-office operating margins improve, leading to premium valuations when combined with advanced tech stacks. The risks of neglecting back-office modernization become evident during a sale.

Outdated systems, manual workflows, and fragmented data weaken enterprise value. Firms achieving top valuations invest in integrated CRMs, automated billing, digital onboarding, robust reporting, and streamlined compliance.

The Back-Office Valuation Gap

Due diligence often uncovers what marketing materials fail to reveal, bringing operational gaps and hidden risks to light. Outdated systems have become a significant drag on valuation, as buyers increasingly factor in modernization costs and integration challenges when determining price. Proactive investment in technology upgrades and process improvements ahead of a sale is essential to preserve value and strengthen positioning.

Where AI Delivers Measurable Impact:

Operational Efficiency: AI-powered automation eliminates repetitive tasks such as data entry, portfolio rebalancing, and routine analysis, freeing advisor capacity for client-facing activities. Firms leveraging AI-driven analytics, cybersecurity protocols, and seamless custodian integrations differentiate themselves during sell-side processes, signaling minimal disruption risk.

Compliance Infrastructure: Regulatory monitoring, violation identification, and audit preparation represent persistent operational drags. AI systems can streamline these functions, though implementation requires careful oversight and governance frameworks.

Client Experience: AI-powered chatbots and virtual assistants enable firms to meet younger investors' expectations for technology-enabled service. By streamlining back-office tasks, AI reduces operational costs and human error, contributing to higher operating margins. However, leaning too heavily on automation risks eliminating the human element and eroding client trust.

Valuation

The impact of technology investments on valuation depends on the type of acquirer. RIAs that are add-on acquisitions for leading platforms will likely receive the same valuation regardless of their tech stack, as most large RIAs already have heavy CAPEX spent on technology and many require full integration unless a target firm has scalable technology that can integrate into the broader organization.

Equally Important Valuation Criteria:

- **Intentional architecture:** Not just a collection of tools, but a system designed for scale
- **Documentation and governance:** Evidence of process rigor and continuity planning
- **Vendor flexibility:** Ability to pivot or integrate with buyer systems post-close

What Drives Premium Valuations

Across buyer types, certain criteria consistently command higher valuations. Strong operating margins, often 35% or higher, service as a key threshold for selective acquirers. Top-performing tech-forward firms spend significantly less time on operations per client and this scalability signals future growth potential, making them attractive M&A targets.

While AI enhances efficiency, scale, and competitive position, implementation costs can overwhelm smaller firms. It should be viewed as a long-term investment in growth, enhancing employee efficiency and upgrading systems to drive future value.

Leveraging AI to enhance human judgment, not replace it, helps RIAs improve productivity, streamline operations, and boost client engagement while curating data into actionable intelligence.

From Growth to Risk: Why RIA M&A Is Under the SEC Microscope

dynasty

Amid unprecedented M&A activity in the RIA sector, the SEC has sharpened its focus on compliance, governance standards, and the integrity of reporting. Firms pursuing growth through consolidation must be prepared for heightened regulatory scrutiny.

There is much to be watchful of. The RIA M&A market has sustained considerable momentum throughout 2025, driven by persistent buyer demand and competitive valuations. Capital deployment remains robust as private equity sponsors pursue consolidation within a fragmented industry. Sellers transact for succession planning and liquidity needs, while buyers compete for market share and scale. However, as consolidation accelerates and leverage accumulates across serial acquirers, this momentum warrants closer examination. The structural forces propelling today's deal flow may also introduce vulnerabilities that demand heightened scrutiny.

In late November, the SEC Division of Examinations released its 2026 priorities, announcing a particular focus on advisers that have merged or consolidated with, or been acquired by, existing RIAs, "which may result in accompanying operational and/or compliance complexities or new conflicts of interest." This marks the first time the Division has flagged RIA M&A in recent years.[1]

2026 Examination Priorities

Beginning next year, the Division will specifically monitor operational and compliance challenges associated with mergers or reorganizations, with particular attention to:

- Integration of compliance programs across combined entities
- Management and disclosure of new conflicts of interest arising from transactions
- Consistency between firm disclosures, investment strategies and marketing materials post-merger
- Oversight of valuation practices and fee structures following organizational changes

From Growth to Risk: Why RIA M&A Is Under the SEC Microscope *(cont.)*

dynasty

Preparing for Enhanced Scrutiny

How should firms prepare for the increased scrutiny? They should begin by evaluating key aspects of their operations and best practices to ensure compliance with SEC regulations and recent amendments.

Effectiveness of Compliance Programs

The SEC will scrutinize whether compliance policies and procedures are robust, tailored to the new combined entity, and effectively implemented. Mergers, consolidations, or acquisitions can introduce operational and compliance risks, including potential conflicts of interest and integration challenges. RIAs should proactively identify and address these risks to ensure a smooth transaction and regulatory review.

Cybersecurity & Information Security

M&A activity often involves integration of systems and data. The SEC expects RIAs to manage information security risks, update incident response plans, and ensure third-party vendor oversight during and after the transaction. The SEC will focus on information security along with operational controls and training in these areas.

Emerging Technology & AI Oversight

If the merger or acquisition involves new technology platforms including AI tools or automated investment systems, RIAs must ensure all representations are accurate and that controls are in place to meet regulatory standards. Training around AI use will likely also be scrutinized due to the focus on cyber training.

Fiduciary Standards & Conflicts of Interest

During M&A activity, RIAs must maintain strict adherence to fiduciary duties. This includes managing and clearly disclosing any conflicts of interest, particularly regarding disclosure, fee structures, and conflict management in the combined entity.

When announced this past November, SEC Chairman Paul S. Atkins emphasized:
"Examinations are an important component to accomplishing the agency's mission, but they should not be a 'gotcha' exercise. Today's release of examination priorities should enable firms to prepare to have a constructive dialogue with SEC examiners and provide transparency into the priorities of the agency's most public-facing division."[2]

The SEC plans to focus on newly registered RIAs, as well as dually registered RIAs that also operate as broker-dealers.

As you navigate the increasingly complex financial and regulatory landscape, consulting with experts who can review your practices and offer guidance on necessary changes will help position your firm for success. Dynasty's Investment Bank team is well-versed in these issues and available to discuss your specific situation.

1. U.S. Securities and Exchange Commission - Examination Priorities: Fiscal Year 2026 (Dec. 2025)

2. U.S. Securities and Exchange Commission - Press Release: SEC Division of Examinations Announces 2026 Priorities (Dec. 2025)

Beyond the Deal: How a 'Scorecard Approach' Shapes Better Outcomes

dynasty

Being ready for M&A goes beyond the numbers. As previously underscored in wealth management transactions, much of a firm's value lies in the strength of its people and the trust of its clients. Aligning financial terms with strategic intent and cultural cohesiveness is vital for continued long-term success. With so much at stake, the critical question becomes: ***how can a seller determine whether a potential buyer truly aligns with the firm's objectives?***

The surge in RIA M&A activity has created more options than ever for founders. Attractive valuations may dominate headlines, but selecting the right buyer involves far more than chasing the highest multiple. Beneath the numbers lie critical factors such as integration risk, advisor and client retention, and governance rights that shape long-term outcomes. In today's environment, sellers must apply the same diligence as buyers.

Creating a scorecard is one of the most effective ways to simplify the complex considerations involved in selling a firm. This structured approach removes guesswork by quantifying how critical each factor is to long-term value. By moving beyond subjective motivators and introducing measurable criteria, a scorecard transforms decision-making into a disciplined process and provides a clear foundation for comparing buyers on strategic, financial, and operational priorities.

A Seller's Scorecard

When evaluating a potential sale, using a scorecard to weigh factors that influence long-term success could provide a simple framework to evaluate a partner across several qualitative criteria. Each category can be weighted based on its importance to a seller's objectives, and then buyers can be rated across a weighted scale:

1. Strategic & Cultural Alignment: Culture drives advisor retention and client trust.

Ask: Does the buyer share the firm's client philosophy and governance style? Will leadership values align with the existing team?

Why it matters: Misalignment can lead to advisor turnover and client attrition.

Tip: *Score based on compatibility in service model, decision-making cadence, and leadership approach with a weight assigned to each.*

2. Deal Structure & Economics:

Beyond headline multiples, structure determines certainty and upside.

Ask: How is consideration split between cash, equity, and earnouts? Which operating covenants will safeguard the firm's ability to achieve performance targets?

Why it matters: Equity offers growth potential but adds liquidity risk; earn-outs require clear metrics and control rights.

Tip: *Evaluate governance rights, tax implications, earnout and retention targets, and working capital adjustments early.*

3. Integration Model:

Integration is where unique value is proven.

Ask: Will the brand remain or merge? How will clients be informed? What level of operational change will employees and clients experience?

Why it matters: Insufficient integration planning significantly increases the risk of reduced client retention.

Tip: *Request a detailed integration roadmap with timelines and accountability (and make sure the buyer sticks to them).*

4. Talent Strategy & Incentives:

People drive growth.

Ask: What retention bonuses, equity opportunities, and career paths will be outlined?

Why it matters: Weak talent plans lead to costly turnover, disgruntled employees, and potentially lost revenue.

Tip: *Ensure incentives align with long-term performance and advisor engagement.*

5. Client Experience Continuity:

Clients are the foundation of value.

Ask: Can the buyer maintain the trust, service quality, and personalization that define the firm's client relationships?

Why it matters: Retention alone is not enough. Once clients choose to stay, they expect the same experience that appealed to them. If that promise is broken, growth stalls and relationships erode.

Tip: *Compare the client profile with the buyer's goals and service model. Confirm that the transition plan safeguards the authenticity of the client experience from day one through full integration and beyond.*

6. Compliance & Risk Management:

Early regulatory rigor avoids future catastrophes.

Ask: Does the buyer have a proven compliance infrastructure and robust cybersecurity protocols? Do their data privacy standards align with client expectations? How are regulatory audits and supervisory oversight handled?

Why it matters: Misalignment in compliance can lead to costly delays, regulatory penalties, and reputational damage that erodes enterprise value.

Tip: *Prioritize comprehensive regulatory checks early. Engage a professional to review Form ADV, policies and procedures, examination history, and change-of-control clauses in client agreements. Confirm cybersecurity posture and data privacy standards to ensure seamless integration and protect client trust.*

7. Reputation & Track Record:

Past performance signals future execution.

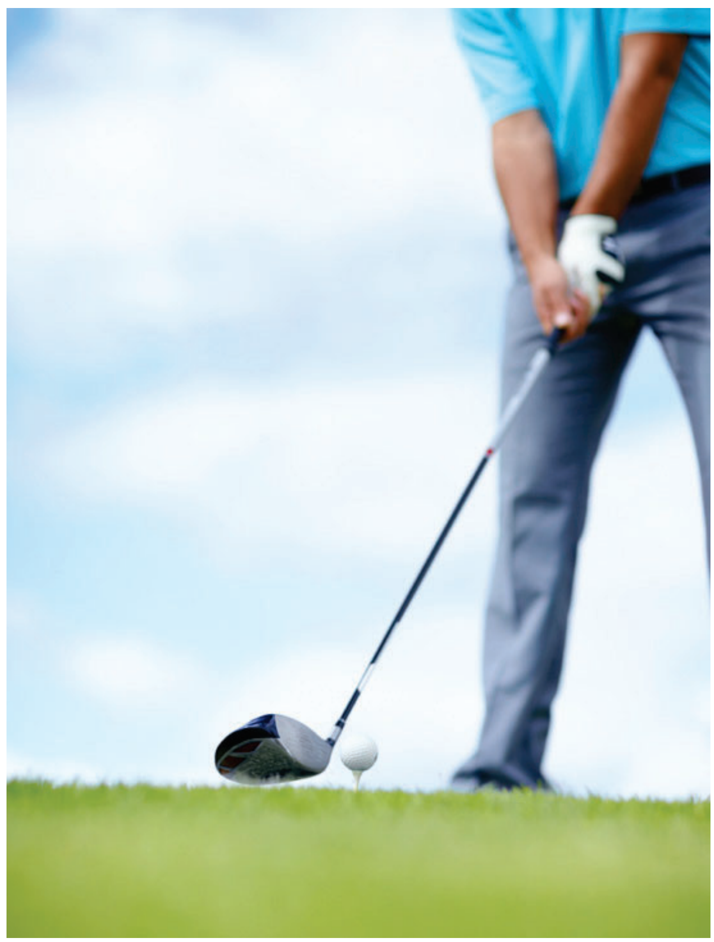
Ask: How successful were prior acquisitions? Do references reveal recurring issues with cultural alignment or integration?

Why it matters: A strong track record signals execution capability, but past success does not guarantee alignment with unique values and objectives. Poor reputation or inconsistent integration outcomes often correlate with advisor attrition and client loss.

Tip: *Go beyond surface-level research. Review integration KPIs from prior deals, including AUM retention, advisor turnover, and time to full integration. Speak with former sellers and engage a professional to confirm alignment with seller priorities.*

Determining which priorities are most important to the future of the business should occur well before evaluating potential deals. A scorecard approach is a powerful tool to quantify these priorities and transform subjective considerations into a disciplined, defensible process.

When the time comes to explore a transaction, whether soon or years from now, partnering with an experienced RIA M&A advisor can help design that scorecard, run a competitive process, and negotiate terms that protect both financial outcomes and the legacy that has been built.



M&A Market Color
Q4 Top 10 Deals Announced

dynasty

Buyer	Seller	Buyer Type	Seller AUM (billions)	Announcement Date	Transaction Rationale
Creative Planning	SageView	Aggregator	250	10/9/2025	Scale
LPL Financial	Private Advisor Group (PAG)	Financial Services	9	10/27/2025	Scale
Equitable	Stifel Independent Advisors	Financial Services	6	10/16/2025	Capabilities
ESL Federal Credit Union	Alesco Advisors	Bank	4	11/10/2025	Expansion
Constellation Wealth Capital	DayMark Wealth Partners	PE	3	11/1/2025	Expansion
Rise Growth Partners	Krilogy	PE	3	10/15/2025	Expansion
United Capital	Apexium Financial	Aggregator	3	12/3/2025	Scale & Capabilities
Crestline	Credent	Private Credit	3	12/15/2025	Expansion
Creative Planning	Maseco Private Wealth	Aggregator	3	10/14/2025	Expansion
Merchant Investment Management	Kathmere Capital Management	PE	3	11/17/2025	Expansion

Several sources are used to create this report. M&A data is gathered from press releases, trade articles, and other secondary research sources. All publicly announced transactions involving the acquisition of an independent advisory firm are reviewed for inclusion. This data covers the period from October 1, 2025 to December 31, 2025 and is ordered by AUM.

Q4 2025 M&A League Tables

dynasty

RIA Investment Banking M&A By Seller AUM[1]		
	2025	($bn)
1	**Dynasty Investment Bank**	**162**
2	Bank 2	70
3	Bank 3	33
4	Bank 4	26
4	Bank 5	15
6	Bank 6	14
7	Bank 7	10
8	Bank 8	10
8	Bank 9	9
8	Bank 10	8

RIA Investment Banking M&A By Deal Count[2]		
	2025	
1	**Dynasty Investment Bank**	**15**
2	Bank 2	13
3	Bank 3	11
4	Bank 4	10
4	Bank 5	8
6	Bank 6	7
7	Bank 7	7
8	Bank 8	6
8	Bank 9	6
8	Bank 10	6

Several sources are used to create this report. M&A data is gathered from press releases, trade articles, and other secondary research sources. All publicly announced transactions involving the acquisition of an independent advisory firm are reviewed for inclusion along with deals in which Dynasty invested through one of our capital programs. This data covers the period from January 1, 2025 - December 31, 2025.

1. Volume figures are calculated by aggregating the reported assets under management of the selling firms at the time of transaction announcement.

2. Deal count figures are ordered by number of M&A transactions announced, excluding large cap banks.

Dynasty's Investment Banking Team

How we help RIAs grow

The Dynasty Investment Banking team offers three primary service offerings to RIAs to help them reach their next level of growth.

The first offering is transaction support. Our team offers objective sell-side and buy-side M&A support to help an RIA find a succession partner. With a deep bench of Wall Street professionals who have collectively over 50 years of M&A experience, our team can provide expert help with any number of transaction support related tasks including sell-side M&A, deal sourcing, transaction structuring and negotiations, due diligence support, and finalizing and closing deals.

The second service offering is valuations, which provides an objective view for an RIA owner's enterprise by leveraging Dynasty's experience and insight. These valuations have a variety of uses including: M&A level-setting, internal succession, performance benchmarking for founders, and ongoing governance.

The third way we can help is by providing liquidity to founders to achieve a certain business objective without giving up control of their business through three primary capital solutions, including our Traditional Credit, Revenue Participation Interest (RPI), and Minority Investment programs.

Dynasty's Investment Banking Team

dynasty

As a financial technology and value-add wealth management platform, Dynasty Financial Partners began its capital program nearly nine years ago with our traditional debt program based on the needs of our clients.

Today, Dynasty's Investment Banking team has the premier diversified capital offering in the industry that is exclusively for its clients.

01 Traditional Credit

- Primarily term loan structure with revolving credit facility and guidance facility also available
- Covenant lite
- Interest only feature available
- Minimum term
- Amortization payments required
- Origination fees apply
- No use case restrictions

02 Revenue Participation Interest (RPI)

- Preferred equity structure that monetizes a percentage of revenue
- Innovative "true up" feature offers incremental capital to support growth
- Principals may repurchase revenue interest after a fixed period of time
- Minimum payment thresholds
- No use case restrictions

03 Minority Investment

- Noncontrolling, passive equity structure with minimum 6-year investment period
- Favorable liquidity options – ability for RIA to sell additional equity upon Dynasty exit
- Limited governance terms
- Minimum dividend
- No use case restrictions

All of our capital programs are designed exclusively for RIAs to support a firm's strategic growth objectives. Please reach out to us and let us know how we can be helpful in tailoring a capital solution that is right for you and your firm.

Dynasty's Investment Banking Client Referral Program

dynasty

- Do you have a client that is getting ready to sell their business in the near term?
- Do they have a trusted relationship with an investment banker that knows their industry to help them?

Help your client's business prepare for and execute a sale by leveraging our deep investment banking referral network

Benefits of Program Include

- Multiple partnerships to choose from
- Evaluation of different investment banking alternatives in partnership with Dynasty's investment banking team
- Run an effective 'bake off' for your client to help identify the best investment banking team to support your client and their business
- Potential for advisor to receive compensation upon transaction close with applicable brokerage licenses

Select Investment Banking Partners

If you are interested in learning more, please reach out to us at DIB@dynastyfp.com

Sam Anderson

Chief Capital Officer, Co-Head of Investment Banking

Sam Anderson is Chief Capital Officer at Dynasty Financial Partners LLC. Prior to joining Dynasty, Sam was Senior Managing Director and a member of the Management Committee at Medley Management Inc. Prior to joining Medley, Sam was Head of Commercial Finance M&A within the Financial Institutions Investment Banking Group at Goldman Sachs. Prior to joining Goldman Sachs, Sam was a member of the Investment Banking Financial Services Group at Bank of America. Prior to his time at Bank of America, Sam held various positions at Citi Smith Barney.

Harris Baltch

Managing Director, Co-Head of Investment Banking

Harris Baltch is responsible for leading Dynasty's Investment Banking division. Prior to joining Dynasty, Harris spent nearly a decade at UBS Investment Bank where he was an Executive Director in the firm's Financial Institutions Group. While at UBS, Harris originated, led and executed over $20 billion of strategic M&A and capital market transactions for companies in the asset and wealth management industry.

Earlier in his career, Mr. Baltch worked at PricewaterhouseCoopers LLP in the Banking and Capital Markets Group. He has over 15 years of financial services experience and earned his M.B.A. from the Johnson Graduate School of Management at Cornell University. He also received a B.S. in Accounting at Binghamton University and is a certified public accountant, registered in the State of New York.

Jamie Gardiner

Director, Network Development

James is a member of Dynasty's Network Development team, focusing on existing RIAs and M&A/Capital. He consults with existing RIAs looking to leverage Dynasty's scale to identify synergies that lead to more profitable businesses. Prior to joining Dynasty, James was Co-Founder and COO of TPW Investment Management. James helped lead JFG from a startup to one of the industry's leading ETF Strategists, which was acquired in late 2017.

Dylan Dierig

Vice President, Investment Banking

Dylan spent four years as a M&A investment banker between Raymond James Financial and Falls River Group focusing on financial technology and healthcare industries. Executing on over $2 billion in sell-side M&A transactions for both private and public companies. Dylan received a Masters of Science in Finance from Villanova University and a B.A. in Finance from the University of Kentucky.

Victoria Cangero

Assistant Vice President, Investment Banking

Victoria worked as an Associate for Dynasty, focusing on supporting client inquiries and quality assurance. Victoria held internships with UBS' Investment Banking group in New York and JP Morgan's Corporate Banking group in Miami. Victoria graduated from Florida Southern College, majoring in economics and finance and minoring in accounting. She was also a starter on their women's golf team.

Amelie Russo, CFA

Assistant Vice President, Investment Banking

Amelie worked as a Treasury Analyst for Intertape Polymer Group. She was previously a Corporate Banking Analyst at International Finance Bank, monitoring a portfolio of syndicated leveraged loans and sourcing investment opportunities. Amelie swam for the NCAA Division I team at West Virginia University where she received a M.S. and B.S. in Finance.

Ray Lens

Analyst, Investment Banking

Ray Lens is a member of Dynasty's Investment Banking team. Prior to joining Dynasty, Ray was an Investment Associate in Venture Capital, where he focused on early-stage investments across the technology and media sectors. Before that, he was an Investment Banking Analyst in the Healthcare Investment Banking group at Raymond James and a Life Sciences Research Analyst at Crosstree Capital. Ray earned his B.S. in Finance from the University of South Florida.

Mia Petrocelli

Analyst, Investment Banking

Mia Petrocelli is an Investment Banking Analyst at Dynasty Investment Bank, where she supports strategic advisory and transaction execution for clients and network partners. Prior to joining Dynasty, Mia gained experience as an M&A analyst over two summers, where she developed strong professional relationships and deepened her industry knowledge. Before stepping into her current role, she furthered her credentials by obtaining her SIE license. Mia is from Boston, Massachusetts, and earned her degree in Finance with a minor in Entrepreneurship, graduating magna cum laude from the University of South Carolina.

Important Disclosures

Dynasty Financial Partners is a U.S. registered trademark of Dynasty Financial Partners, LLC ("Dynasty"). Dynasty is a brand name, and functions through Dynasty's wholly owned subsidiary, Dynasty Wealth Management, LLC, ("DWM") a registered investment advisor with the Securities and Exchange Commission, when providing investment services. Any reference to the terms "registered investment advisor" or "registered" does not imply that Dynasty or any person associated with Dynasty has achieved a certain level of skill or training. A copy of DWM's current written disclosure statement discussing our advisory services and fees is available for your review upon request.

Dynasty's wholly owned subsidiary Dynasty Securities LLC ("Dynasty Securities") is a U.S. registered broker-dealer and member FINRA/SIPC. All securities related transactions are through Dynasty Securities. Dynasty securities does not hold customer securities or customer funds.

The information contained herein should not be construed as an attempt to sell or solicit any products or services of DWM or any investment strategy, nor should it be construed as legal, accounting, tax or other professional advice. This material is proprietary and may not be reproduced, transferred, modified or distributed in any form without prior written permission from Dynasty. Dynasty reserves the right, at any time and without notice, to amend, or cease publication of the information contained herein.

Certain of the information contained herein has been obtained from third-party sources and has not been independently verified. It is made available on an "as is" basis without warranty. Any strategies or investment programs described in this presentation are provided for educational purposes only and are not necessarily indicative of securities offered for sale or private placement offerings available to any investor. The views expressed in the referenced materials are subject to change based on market and other conditions. This document contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance; actual results or developments may differ materially from those projected. Any projections, market outlooks, or estimates are based upon certain assumptions and should not be construed as indicative of actual events that will occur.

dynasty
FINANCIAL PARTNERS

Get In Touch

We look forward to hearing from you, any questions may be subsequently featured in upcoming issues!

DIB@dynastyfp.com