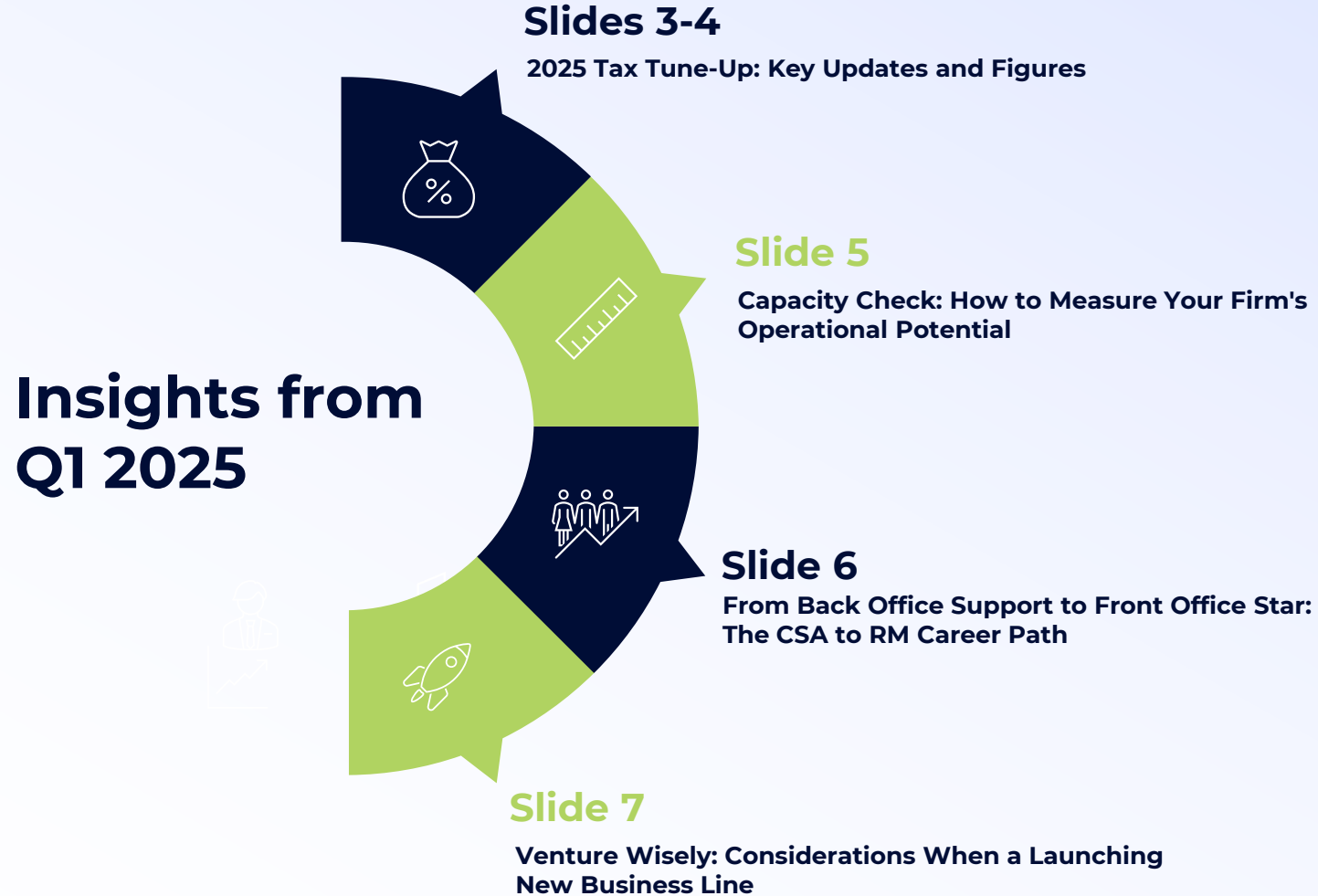




Industry Trends & Dynasty Guidance

Q1 2025

Industry Trends & Dynasty Guidance



2025 Advisor Fast Figures

Federal Marginal Tax Rates

	Individual Single		Married, Filing Jointly	
	FROM	TO	FROM	TO
37%	\$ 626,351	<i>and beyond</i>	\$ 751,601	<i>and beyond</i>
35%	\$205,526	\$ 626,350	\$ 501,051	\$ 751,600
32%	\$ 197,301	\$ 205,525	\$ 394,601	\$ 501,050
24%	\$ 103,351	\$ 197,300	\$ 206,701	\$ 394,600
22%	\$ 48,476	\$ 103,350	\$ 96,951	\$ 206,700
12%	\$ 11,926	\$ 48,475	\$ 23,851	\$ 96,950
10%	\$ -	\$ 11,925	\$ -	\$ 23,850

Estate and Gift Planning

Annual Gift/GST Tax Exclusion	\$ 19,000
Married, Splitting Gifts	\$ 38,000
529 Plan 5-Year Election	\$ 95,000
Married, Splitting Gifts	\$ 190,000
Basic Exclusion Amount	\$ 13,990,000

- Notes: 1. Annual 529 Plan contributions count as gift to beneficiary
 2. The following states levy an estate tax. Note that rates and applicable exclusion amounts often differ from federal: CT, DC, HI, IL, MA, ME, MD, MN, NY, OR, RI, VT, WA
 3. The following states levy an inheritance tax: IA, KY, MD, NE, NJ, PA

Individual Filers: Tax Deadlines

January 15, 2025	Q4 2024 Quarterly Estimated Tax
April 15, 2025	2024 Tax Return
	Q1 2025 Quarterly Estimated Tax
June 16, 2025	Q2 2025 Quarterly Estimated Tax
September 15, 2025	Q3 2025 Quarterly Estimated Tax
October 15, 2025	Extension: 2024 Tax Return
January 15, 2026	Q4 2025 Quarterly Estimated Tax

LT Capital Gains and Qualified Dividends Tax Rates Depend on Overall Taxable Income

	Individual Single		Married, Filing Jointly	
	FROM	TO	FROM	TO
20%	\$ 533,401	<i>and beyond</i>	\$ 600,051	<i>and beyond</i>
15%	\$ 48,351	\$ 533,400	\$ 96,701	\$ 600,050
0%	\$ -	\$ 48,350	\$ -	\$ 96,700

- Notes: 1. Additional net-investment income tax of 3.8% applies to incomes above \$200,000 for single filers and \$250,000 for married, filing jointly.
 2. Capital gains exclusion on sale of qualifying personal residence of up to \$250,000 for single filers and \$500,000 for married, filing jointly.
 3. Short-term capital gains are taxed at ordinary rates.

Dynasty Financial Partners and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. Clients should consult their own tax, legal and accounting advisors before engaging in any transaction.

2025 Advisor Fast Figures

Retirement Contribution Amounts

Account	Max. Elective Deferral	Catch-up, Age 50 or Older	SECURE 2.0 Age 60-63 Catch-up*
401(k), 403(b), TSP, most 457 plans	\$ 23,500	\$ 7,500	\$ 11,250
IRA / Roth IRA	\$ 7,000	\$ 1,000	N/A
SIMPLE plan	\$ 16,500	\$ 3,500	\$ 5,250
SEP IRA	\$ 70,000	N/A	N/A

*Plan administrator must allow feature

**SECURE 2.0 allows contribution of \$17,600 and catch-up of 3,850 for certain applicable SIMPLE plans

Roth IRA Contributions by Modified AGI

Filing Status	Modified AGI	Contribution
Married, Filing Jointly / Qualified Widow(er)	≥ \$246,000	None
	≥ \$236,000 but < \$246,000	Partial
	< \$236,000	Up to Limit
Single / Head of Household / Married, Filing Separately	≥ \$165,000	None
	≥ \$150,000 but < \$165,000	Partial
	< \$150,000	Up to Limit
Married, Filing Separately and lived with spouse at any time during year	≥ \$10,000	None
	< \$10,000	Partial

IRA Deduction Limits

(if Covered by Retirement Plan At Work) by Modified AGI

Filing Status	Modified AGI	Deduction
Married, Filing Jointly / Qualified Widow(er)	≥ \$146,000	None
	> \$126,000 but < \$146,000	Partial
	≤ \$126,000	Up to Limit
Single / Head of Household / Married, Filing Separately	≥ \$89,000	None
	> \$79,000 but < \$89,000	Partial
	≤ \$79,000	Up to Limit
Married, Filing Separately and lived with spouse at any time during year	≥ \$10,000	None
	< \$10,000	Partial

Calendar Year Market Returns (Total Return)

	2020	2021	2022	2023	2024
S&P 500	18.4%	28.7%	-18.1%	26.8%	25.7%
DJIA	10.2%	23.6%	-8.8%	14.1%	11.5%
Nasdaq Composite	44.9%	22.2%	-32.5%	45.7%	31.7%
Russell 2000	20.0%	14.8%	-20.4%	17.6%	12.3%
MSCI ACWI	16.8%	19.0%	-18.0%	22.6%	18.0%
Blmbrg US Agg	7.5%	-1.5%	-13.0%	5.2%	1.8%
Blmbrg Global HY	7.0%	1.0%	-12.7%	13.7%	9.8%

Dynasty Financial Partners and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. Clients should consult their own tax, legal and accounting advisors before engaging in any transaction. Past performance is not indicative of future results.

Capacity Check

How to Measure Your Firm's Operational Potential

Regularly analyzing your firm's capacity levels plays an important role in managing people and resources, allows for informed decision making, and is a crucial element in planning for growth.

Quantitative*:

Firm Range	AUM / Advisor	AUM / Non-Advisor	AUM / Total Headcount
2.5B+ to \$5B+	\$225,067,568	\$118,120,567	\$77,465,116
\$1B to \$2.49B	\$185,443,038	\$131,981,982	\$77,105,263
\$500M to \$999M	\$131,481,481	\$107,575,758	\$59,166,667
\$250M to \$499M	\$104,411,765	\$98,611,111	\$50,714,286

Firm Range	Revenue / Advisor	Revenue / Non-Advisor	Rev / Total Headcount
2.5B+ to \$5B+	\$1,254,662	\$658,475	\$431,837
\$1B to \$2.49B	\$1,058,101	\$753,063	\$439,947
\$500M to \$999M	\$799,074	\$653,788	\$359,583
\$250M to \$499M	\$632,353	\$597,222	\$307,143

Firm Range	Billed Households	Clients / Total Headcount	Clients / Advisor
2.5B+ to \$5B+	1,167	40	83
\$1B to \$2.49B	808	33	89
\$500M to \$999M	401	43	88
\$250M to \$499M	282	27	74

These benchmarking metrics can be used as a quick reference guide for capacity, however your Capacity Analysis should review both Quantitative and Qualitative Data, as one without the other does not provide a full picture of your firm's current capacity levels. For example, if your firm has more revenue per non-advisor than the Network Median, this could mean that the team is running more efficiently than the benchmark, or it could mean that the team is over capacity.

Qualitative:

Metrics and KPIs can be used as a general health check of your firm, but it's important to consider how your team views capacity levels to ensure proper management of people and resources. This can be accomplished through informal check-ins, or formally through the avenues outlined below:

Performance Reviews (Semiannually)	Culture Survey (Annually)	360 Reviews (Every 1-2 Years)
<ul style="list-style-type: none"> • Opportunity for employees to have a one-on-one discussion with their direct supervisor/manager to: • Become aware of their strengths and weaknesses • Receive and provide constructive feedback • Get assistance with goal setting • Provide updates on progress or roadblocks towards goals 	<ul style="list-style-type: none"> • Provides leadership with: 1) An understanding of how employees perceive the firm's culture AND 2) Insight into how leadership can evolve the culture to cue: • What work gets done, AND • How work gets done to enhance the workforce and client experiences 	<ul style="list-style-type: none"> • Breadth of perspective from all levels of the org chart, which negates single-rater bias and office politics. • Helps employees gain more insight into themselves to develop a personal development plan. • Allows the firm to proactively assess issues before they become problems. • Provides a benchmark to bridge talent gaps. • Conflict-mitigating way to motivate performance.

For a personalized capacity analysis that includes a detailed review of your firm's operational efficiency metrics, please contact your Dynasty Relationship Manager.

From Back Office Support to Front Office Star

The CSA to RM Career Path



Key Insight:






RIA leaders are increasingly embracing their executive roles, necessitating the delegation of client management responsibilities. Simultaneously, Client Service Associates (CSAs) hold untapped potential to evolve into Relationship Managers (RMs), thereby enhancing client interactions and driving firm growth. This transition leverages their strong client relationships and in-depth operational knowledge, shifting them from back-office support to front-office, client-centric service advisors.

Current Challenges:



- **Administrative Silos:** CSAs are frequently confined to administrative and operational tasks with limited opportunities for career progression.
- **Barriers to Advancement:** Predominantly women, CSAs have historically faced societal and structural barriers to advancement within broker-dealers, mostly due to compensation structures.
- **Technological Disruption:** The rise of AI poses a risk to routine CSA tasks, necessitating a shift towards more strategic, relationship-focused roles.

Dynasty Proposed Action: Create a Structured Pathway for CSA Advancement

- 1. Training and Mentorship:** Implement a comprehensive learning program that enhances confidence, deepens understanding of investment products, improves skills in presenting financial plans, and sharpens techniques for conducting client reviews. Additionally, tap into existing support networks like the Dynasty Women's Network to further bolster these efforts.

- 2. Organizational Support:** Revise organizational structures to offer CSAs gradual and flexible advancement paths to the Relationship Management role, underpinned by a base plus bonus compensation plan. This adjustment allows CSAs to concentrate on their fiduciary responsibilities instead of the pressures associated with a traditional "eat what you kill" fee-based production grid.

- 3. AI Integration:** Utilize AI to automate routine tasks, thereby freeing CSAs to focus on relationship building and personalized client service—areas where they hold a competitive edge due to their extensive client knowledge and established trust.


Need Assistance? Reach out to the Dynasty Women's Network.

Venture Wisely

Considerations When Launching a New Business Line

1. Identifying the Potential New Business Line

- **Relevance and Fit:** How does the new business line complement your existing services? Common examples include tax planning and personal CFO services, bill pay, trust services, or specialized investment products.
- **Innovation and Trends:** Is this a response to emerging trends in the industry, such as identity security and credit monitoring?

2. Market Demand Analysis

- **Client Demand:** How many clients have shown interest in this new product/service, and what specific needs are they looking to fulfill?
- **Willingness to Pay:** What percentage of interested clients are willing to pay additionally for this product/service? Is there a premium they expect to pay?
- **Urgency and Timing:** Is there an immediate need for this product/service, or is it a long-term strategic addition?

3. Business Strategy and Model

- **Pricing Strategy:** Decide if this will be a charged product/service or a value-added perk to retain clients.
- **Referrals and Marketing:** Consider whether the new product/service could enhance client referrals and attract new prospects.
- **Service Delivery:** Determine the best way to offer this product/service—directly, through outsourcing, or via partnership. Each has implications for control, quality, and profit margins.

4. Operational and Strategic Considerations

- **Separate Entity vs. Under Existing RIA:** Assess tax benefits or liabilities, operational complexity, and strategic benefits of a separate entity.
- **Compliance and Legal Requirements:** This includes the possible need for an additional ADV, modifications to the Operating Agreement, and ongoing compliance with SEC regulations.

5. Financial and Ownership Considerations

- **Start-Up Costs and Investment:** Estimate initial costs, ongoing expenses, and the ROI timeline.
- **Ownership Structure:** Decide if the ownership will mirror the existing RIA structure or if new partners/stakeholders will be involved.
- **Holding Company Formation:** Evaluate the need for a holding company to streamline operations and potentially enhance financial management.

6. Long-Term Viability and Strategic Fit

- **Industry Direction:** Consider if offering this product/service aligns with the direction the wealth management industry is headed.
- **Sustainability and Scalability:** Assess whether the business line can be scaled effectively and sustained over the long term given market and regulatory changes. Ask: will this business line be a distraction and potentially hinder growth in the core RIA?

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 adviser with the Securities and Exchange Commission, when providing investment services. Any reference to the terms “registered investment adviser” 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.

The information contained herein is for informational purposes only and 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 Securities Disclosure

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