

Wealth Planning Services at Clark Capital Management

Patrick Schultz, JD
Senior Wealth Planner



Wealth Planning: Services Overview



Clark Capital's wealth planning capabilities are designed to help you grow your business and enhance the high net worth experience you provide to your clients. Full access to our suite of comprehensive wealth planning services is available to client households exceeding \$10 million, at no additional cost to the advisor and client.

Trust and Estate Planning

We partner with financial advisors and their clients to analyze existing estate plans and recommend additional strategies to address wealth transfer, asset protection, tax considerations, and other planning goals.

We also work collaboratively with clients' legal and tax advisors to create and implement effective wealth transfer strategies that are aligned with their clients' goals.

Strategic Tax Management

We provide customized strategies that help advisors and their clients proactively plan for income tax, gift tax, and estate tax implications. By strategically managing their tax liabilities, clients can help reduce their current and future tax burdens, while preserving and growing their wealth.

Concentrated Position Planning

Our team provides personalized guidance to financial advisors and their clients on issues related to both public and private concentration in equity positions. We help develop strategies for asset location, diversification, leveraging charitable giving, and liquidity management to manage risks associated with concentrated positions.

Philanthropic Planning

We help clients develop a personalized strategy that aligns with their values and helps maximize their impact. Our team leverages expertise in a broad range of philanthropic vehicles, such as donor-advised funds, private foundations, and charitable trusts, to help clients achieve their philanthropic goals.

Business Succession Planning

Our team helps clients navigate the complex process of business succession planning, whether it involves transferring ownership to family members, selling to a strategic buyer, or transitioning to employees via an employee stock ownership plan (ESOP). The result is a comprehensive plan that helps ensure a smooth and successful transition.

Equity Compensation Planning

Our team helps clients navigate the complexities of equity compensation. We specialize in assisting clients with stock options (ISOs and NQSOs), restricted stock units (RSUs), incentive units (ISOs), phantom stock, 83(b) elections, and other customized methods of stock-based compensation.

This document is not to be construed as tax or legal advice. Please consult with your personal tax or legal advisers before investing.

Clark Capital Management Group, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission. Registration does not imply a certain level of skill or training. More information about Clark Capital's advisory services can be found in its Form ADV which is available upon request.



Deepening Existing Client Relationships Through Planning

- Greater insight into clients' lives and assets, allowing you to mine your book of business
- Wealth planning increases client stickiness and improves retention
- Establish relationships with the previous and the next generations





Greater Insight Into Clients' Lives and Assets, Allowing You to Mine Your Book of Business

- The wealth planning process is an in-depth and iterative process. Clients generally understand the need to be fully transparent with the Wealth Planning Team. This allows the financial advisor greater insight into their clients and provides an opportunity to expand the financial advisor's wallet share of the client's assets.
- The Wealth Planning Team is adept at conducting detailed discovery and addressing complex issues that clients may not be comfortable sharing with their financial advisors.
- Proactive wealth planning allows the financial advisor to get ahead of life events such as the sale of a business or other asset, early retirement, the purchase of a major asset, or a future inheritance.



Wealth Planning Increases Client Stickiness and Improves Retention

- The National Association of Plan Advisors reports that 53% of clients said a factor in leaving their financial advisor was that “the advisor wasn’t proactive about contacting the client.”
- Additionally, 32% of clients said that a factor in leaving their financial advisor was that “the advisor only talked about my investments and not my overall financial situation.”
- The wealth planning process is a proactive, non-sales process that demonstrates that the advisor is concerned about a client’s overall long-term financial health.
- Clients who engage in the wealth planning process are far more likely to keep their advisor, post liquidity event.
- Clients who engage in the wealth planning process report increased satisfaction with their financial advisor.



Establish Relationships with the Previous and the Next Generations

- The wealth planning process is a comprehensive process that often involves coordinating plans with the senior and junior generations. This coordinated process allows the financial advisor the opportunity to expand their client base in an organic, non-sales manner.
- The generational wealth transfer process often involves estate planning vehicles that allow for the participation of the senior and junior generations, allowing an opportunity to establish long-term family relationships.
- Holistic planning that involves multiple generations reduces the chance that an outflow will occur when the current generation of clients passes.



Move Upstream with Holistic Wealth Management

- HNW and UHNW clients expect wealth planning services as part of the modern financial services relationship
- Leading with wealth planning allows for relationship growth and deepening of trust without sales
- Compete for clients on services and benefits, not on fees or performance



An aerial photograph of a white yacht moving across the dark blue ocean, leaving a white wake. The yacht is positioned in the lower-left quadrant of the image. A decorative, multi-pointed starburst graphic is located at the bottom center of the page, overlapping the blue background.

HNW and UHNW Clients Expect Wealth Planning Services as Part of the Modern Financial Services Relationship

- The modern financial relationship for HNW and UHNW clients has shifted to a more holistic relationship that encompasses the client's entire financial picture, not just the client's traditional investments.
- HNW and UHNW clients are looking for their advisors to provide integrated advice related to estate planning, wealth transfer, charitable giving, equity compensation, business succession planning, asset protection, risk management, and family dynamics.
- Clients in the UHNW segment often view their financial advisor as the quarterback of their team of professionals and they expect their financial advisor's team to have the capability to handle all the complex nuance of a UHNW relationship.

Leading With Wealth Planning Allows For Relationship Growth and Deepening of Trust Without Sales

- The HNW/UHNW sales cycle is typically much longer than the sales cycle for mass affluent clients. Wealth planning allows for increased opportunity to build trust and deepen the financial advisor/client relationship.
- Leading with wealth planning allows for engagement that is not product focused. This allows for continued engagement that is decoupled from the sales process.
- Wealth planning provides the financial advisor with the ability to showcase the financial advisor's team and resources in manner that is not connected to a traditional pitch process.



Compete for Clients on Services and Benefits, Not on Fees or Performance

- Fees and performance become less important when a financial advisor brings wealth planning services to the relationship. The perceived value and benefits associated with the relationship increases when wealth planning services are provided to the client.
- Long-term income and estate tax mitigation associated with wealth planning provides clear and tangible benefits that are not linked to fees or performance.
- Utilizing the wealth planning process during the prospect phase, allows for an advisor to demonstrate value that is not directly linked to fees or performance.



Working with the Wealth Planning Team

- No fee, team-based approach
- Comprehensive wealth planning services are available for client households exceeding \$10 million



No Fee, Team-Based Approach

- The Wealth Planning Team works side-by-side with the Client Portfolio Management (CPM) Team, Portfolio Managers and Investment Consultants to help you grow your business and clearly communicate the planning and investment expertise you provide to your clients.
- All aspects of the Client Portfolio Management Team are designed to highlight the capabilities of your firm and provide you with the tools to succeed in the HNWI and UHNW client space.
- Clark Capital Management is proud to add access to the Wealth Planning Team and wealth planning services to our already comprehensive list of services, at no additional cost to the advisor.
- Access to complementary wealth planning services that typically cost a client \$1,000+ per hour.
- Objective wealth planning services are free from conflicts of interest and the need to generate billable hours.





Exclusive Services Available for Financial Advisors in the Navigator[®] Elite Advisor Program

- **Advisor services include:**
 - ❖ Quarterly topical tax and planning update calls
 - ❖ Pre- and post-meeting discussion sessions
- **\$10 million+ client household services include:**
 - ❖ Virtual or in-person client facing meetings with the Wealth Planning Team
 - ❖ Extensive and comprehensive plan architecture
 - ❖ Team engagement with the client's other professionals
 - ❖ Client document review with custom evaluation
 - ❖ Review of draft documents prior to signing





Comprehensive Wealth Planning Services are Available for Client Households Exceeding \$10 Million

- We understand that access to wealth planning services are table stakes for HNW and UHNW clients. We offer full access to our Wealth Planning Team for clients or prospect households whose total account values are \$10 million or above.
- For clients undergoing a future liquidity event, the Wealth Planning Team is willing to engage in the pre-liquidity planning for the right prospect household. Please discuss the opportunity with your Investment Consultant.
- For the select client household relationships under \$10 million, access to the Wealth Planning Team may be appropriate. Please discuss the opportunity with your Investment Consultant.



Who Is Clark Capital?

| | | |
|--------------------------------------|---|---|
| 1986 Year Founded | \$29.17B AUA* | 26 Investment Professionals |
| 100% Family and Employee Owned | Committed to Asset Management Excellence for Better Outcomes | 24.6 Investment Team Average Years Experience |
| 135 Employees | 3x Winner 2020-2021-2022 Asset Manager of the Year** | 9.8 Investment Team Average Years Working Together |

Past performance does not guarantee future results. Please see attached disclosures for more information. The ranking shown above is not indicative of future performance and may not be representative of any one client's experience because it reflects an average of, or a sample of all, the experiences of the adviser's clients.

*As of 3/31/2023, includes sub-advised assets and assets under advisement. **Money Management Institute (MMI) and Barron's

Awards

**2020
2021
2022** INDUSTRY
AWARDS
WINNER



MONEY
MANAGEMENT
INSTITUTE

BARRON'S

Asset Manager of the Year
(AUM between \$25-\$100 billion)



2021 WINNER
REFINITIV LIPPER
FUND AWARDS
UNITED STATES



2020 WINNER
REFINITIV LIPPER
FUND AWARDS
UNITED STATES



2018
THOMSON REUTERS
LIPPER FUND AWARDS
UNITED STATES

2022
BEST PLACES TO WORK
B P t W

PHILADELPHIA
BUSINESS
JOURNAL

2021
BEST PLACES TO WORK
B P t W

PHILADELPHIA
BUSINESS
JOURNAL



2020
BEST PLACES TO WORK
B P t W

PHILADELPHIA
BUSINESS
JOURNAL

2019
BEST PLACES TO WORK
B P t W

PHILADELPHIA
BUSINESS
JOURNAL

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Patrick R. Schultz, JD

Senior Wealth Planner



Patrick Schultz is a Senior Wealth Planner at Clark Capital Management Group. In this role, Patrick works closely with clients' legal and tax advisors to provide client-facing expertise across a wide range of wealth planning strategies. He specializes in estate and tax planning strategies, charitable planning, executive and equity compensation planning, business succession planning, pre- and post-transactional planning, concentrated position management, and other personal planning strategies.

Prior to joining Clark Capital Management, Patrick led the Central Division of J.P. Morgan Wealth Management's Wealth Planning and Advice Team, where he oversaw the delivery of a holistic wealth management experience to advisors and their clients.

Patrick earned a B.A. in history from the University of Wisconsin - Milwaukee and a J.D. from Marquette University Law School. He holds both the FINRA Series 7 and 66 licenses.



Disclosure

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Award Disclosure

Investnet SMA Manager of the Year

Investnet, Inc. (NYSE:ENV) and Investment Advisor magazine selected finalists for the 13th Annual Separately Managed Account (SMA) Manager and Strategist of the Year Awards using Investnet|PMC's proprietary, systematic, and multi-factor methodology for evaluating managers. This framework takes a variety of qualitative and quantitative criteria in to consideration, such as investment process and style, performance, firm profile, customer service, and tax efficiency. To qualify for an SMA Manager and Strategist of the Year Award, a manager's team must have at least three years of experience running a strategy with \$200 million or more in assets. A manager's product is also required to be reported through Investnet|PMC's Premium Research solutions, which includes more than 54,000 advisors and 2,500 companies including: U.S. banks, wealth management and brokerage firms, Registered Investment Advisers, and Internet services companies.

PSN Top Guns Award Disclosure

The PSN universes were created using the information collected through the PSN investment manager questionnaire and use only gross of fee returns; they do not reflect any management fees, transaction cost or expenses. PSN Top Guns investment managers must claim that they are GIPs compliant. Mutual fund and commingled fund products are not included in the universe. Products must have an R-Squared of 0.80 or greater relative to the style benchmark for the latest 10-year period. Moreover, products must have returns greater than the style benchmark for the latest 10-year period and also Standard Deviation less than the style benchmark for the latest ten year period and also Standard Deviation less than the style benchmark for the latest ten year period. At this point, the top ten performers for the latest 10-year period become the PSN Top Guns of the Decade. The complete list of PSN Top Guns and an overview of the methodology is available at informais.com/resources/psn-top-guns. Top Guns Manager of the Decade is a recognition from Informa Investment Solutions PSN, an independent, national money manager database. This designation may not be representative of any one client's experience because the rating reflects an average of all, or a sample of all, the experiences of Mr. Soslow's GCM clients. This information does not reflect the experience of clients of Clark Capital Management Group, Inc. and is not indicative of future performance. For the periods when the designation was made, the recognition was for the GCM All Cap Core (2011) and International/ADR

(2017) strategies managed by Mr. Soslow. Though the strategies were in the top ten, they were not ranked first in the top ten categories for each period.

Barrons/MMI Industry Awards

Nominations for the Barron's MMI Awards are reviewed and evaluated by the specially-appointed MMI Industry Awards Steering Council and by the MMI Membership Experience Committee (MEC). The Steering Council and MEC consist of representatives from all segments of the MMI membership. At their sole discretion, the Steering Council and MEC may enlist the support of outside subject matter experts to help review the nominations. The Steering Council and MEC will look for innovative, needle-moving programs and initiatives that measurably advance the investment advisory solutions industry and deliver improved outcomes for financial advisors and investors. After carefully reviewing the nominations submitted, the Steering Council and MEC will determine a slate of finalists in each award category. If appropriate, in certain "open" award categories, the Steering Council and MEC may elect to propose separate slates of finalists representing Asset Managers, Sponsor Firms, Solutions Providers, etc. Award winners are determined by a vote of primary contacts at each member firm.

Philadelphia Business Journal's Best Places to Work

The Best Places to Work survey measures key areas that make up an organization's culture. These range from compensation and benefits to trust in senior leadership. The survey also measures the level of engagement exhibited by employees, known as employee engagement. Each question on the Best Places to Work survey is associated with a response option; each response option is associated with a numerical value. The survey uses these numerical values to profile employees and calculate an overall score, which is used to determine each organization's rank.

SmartX Awards

Winners were chosen in 16 categories from among 725 strategies available on the SMartX UMA platform based on annual performance data for the period ending December 30, 2020. Strategies were recognized for highest performances, best risk-adjusted returns, and the most amount of assets across various asset classes and investment methodologies.



Lipper Award Disclosure

Awards and rankings are only one form of performance measurement. For current performance information, please call toll free 800.766.2264 or visit www.navigatorfund.com/tf/index.asp. An investment in the Tactical Fixed Income Fund (the "Fund") is subject to risks, and you could lose money on your investment. There can be no assurance that the Fund will achieve its investment objective. Past performance is no guarantee of future results.

Lower-quality bonds, known as high-yield bonds or "junk bonds," present a significant risk for loss of principal and interest. These bonds offer the potential for higher return, but also involve greater risk than bonds of higher quality. The lower the credit rating of a security, the greater the risk is that the issuer will default on its obligation. The value of the Fund's investments in fixed income securities and derivatives will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities and derivatives owned by the Fund.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 800.766.2264. The prospectus should be read carefully before investing. The Fund is distributed by Northern Lights Distributors, LLC, member FINRA/SIPC.

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Past performance is not indicative of future results. The ranking shown above is not indicative of the adviser's future performance and may not be representative of any one client's experience because the rating reflects an average of all, or a sample of all, the experiences of the adviser's clients.

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