



ECHELON
PARTNERS
Visionary Advice. Execution Excellence.

NEWS RELEASE

CONVERGENT TO CLOSE ATLANTA, PHILADELPHIA OFFICES

March 10, 2010

Originally Published By Charles Paikert, Family Wealth Report

Convergent Wealth Advisors is closing its Atlanta and Philadelphia offices and will focus on its Los Angeles, New York and Rockville, Maryland offices, Family Wealth Report has learned.

"We want to concentrate on our growing markets and reduce focus on shrinking markets," said Steve Lockshin, Convergent's chief executive.

Convergent advisors in Atlanta, William deButts and Scott Calhoun resigned on Monday this week, according to a Convergent spokesperson.

"Our understanding is that they have gone to Glenmore Advisors," the spokesperson said.

Dan Geary, an advisor in Convergent's office in the Philadelphia suburb of Radnor, Pennsylvania, is also to depart at the end of the month.

"It's not always a bad sign that a firm is shutting down an office," said investment banker **Dan Seivert**, chief executive and managing partner for Manhattan Beach, California-based **Echelon Partners**. "It shows good business discipline. Implied in a decision like that is that some sort of hurdle rate or threshold was not being met and that they are going to focus on things that are a better fit."

"In any challenging market environment, all business, not just wealth management, need to take a look at their business model, and focus on areas of strength and tend to areas of weakness," Mr Lockshin said. "Less than five per cent of our top line came from those offices and closing them should have a positive impact on our bottom line."

Convergent, which is owned by City National Bank in Los Angeles and grew assets under advisement by 25 per cent to \$13 billion last year, with over \$9 billion in assets under management, also has offices in Seattle and Rochester, New York, as well as a research office in Portland, Oregon.

No acquisitions or de novo openings are planned for 2010, but the firm will be adding advisors to its Los Angeles and New York offices, and is looking for a senior executive to head the New York office, Mr Lockshin said.

About 60 per cent of Convergent's new business last year came from its Los Angeles office, he said.

"The wealth management business in Los Angeles is incredibly fragmented," Convergent executive director Steve Aucamp said in a recent interview with Family Wealth Report. "There's no dominant player and a real opportunity to capture significant market share. We want to become the dominant player."

ABOUT ECHELON PARTNERS

ECHELON Partners (ECHELON) was formed in 2001 to offer investment banking and consulting to a subset of the financial services industry known as "investment product developers and distributors" (IPDADs). Since that time, ECHELON's professionals have helped hundreds of senior executives envision, initiate, and execute a multitude of complex business strategies and transactions. ECHELON's business is making companies more valuable through delivering advice and orchestrating transactions. Accordingly, ECHELON measures its success in the enterprise value it creates for its clients. Companies that strive to outperform their peers choose to work with ECHELON because we are as passionate about their results as they are.

Daniel Seivert
Managing Director
dseivert@echelon-group.com

Tyler Resh
Principal
tresh@echelon-group.com