

## **Advisory Council Meeting**

January 8<sup>th</sup>, 2020

*Present:* Dan Hunt, Rick Keast, Dylan Wondra, Taylor Wall, Makayla Kroenke, Jess Panichi, Craig Roncaioli, Sue Roncaioli, Mark Bivens & Brian Gelser (Orion), Gina Blair, Navi Dowty, Tiffany Simmons

*Not present:* Katrina Savage, Terrilyn Brownfield, Steve Roeth

### **Kick Off**

First meeting was an intro meeting to this council. Now we're kicking off the meetings to introduce our electronic onboarding and how we will implement all the technology services. Last meeting we briefly talked about the Element app in Orion. We are very excited about this and says it's worth getting all this information in front of everybody. We are being critical to ensure it works and believe it's a game-changing opportunity. Rick & Dylan are going to introduce the guys from Orion who will give us brief show of Element in Orion. Dylan has been working on electronic onboarding since June of 2019. Rick & Dylan had demo with Orion yesterday with new tool Element. This will allow us to include all of our agreements & everything we need to based on our process and how we work with clients. Rick and Dylan are both excited about it. Orion is only working with a few firms to roll this out initially – we are going to be fully ready April 1<sup>st</sup>. The unique challenge we've had is accommodating our process to our advisors as they each have their own process in doing things. Without Orion's tool Element we'd still be struggling a bit to show help advisors with electronic onboarding.

### **Element**

- Mark Bivens & Brian Gelser (Orion) giving demo of Element. It is a tool that Orion is slowly unveiling & were able to squeeze this in today to present to advisory council. Questions are welcome.
- Showed us dashboard of main page of Element (also referred to as Advisor Portal). Walking through account opening flow. This is for the advisor experience for organizing & viewing all the data that's housed in Orion. The main piece of that is the workflow that they're demoing today. On dashboard he has business intelligence information, recent activity, other things that are immediately available.
- If you go to Quick Actions button (available on every page in Element) it will take you to 4 most used things that Orion feels advisors want to access most frequently. Go to Open New Account flow. Seamless process between create portfolio to open new account.
- Once in there you can see the steps as it takes you through. There are also options to import information from client accounts. Can also pull in accounts from current households. They do have integration with popular CRMs (such as Salesforce & Redtail & Advizr)
- On this demo Mark hand entered the information although again, you can import from current clients.
  - Step 1 is getting basic client information. Once they get basic client information it will take you to Advizr (financial planning tool that Orion purchased). Each instance in Advizr will go through goal that client has that they have planning for whatever savings

or debt management or whatever that they want. In the instance that a client doesn't want to go through that they can just email out the questionnaire to the client if they wish to finish it later. Once client finishes it a notification will go to the advisor letting them know this is complete.

- Step 2 is Advizr – financial planning tool integrated with Orion.
- Step 3 is personal finances – gives advisor opportunity to collect holistic view of client's financial life.
- Step 4 is Risk Questionnaire. Yesterday Rick & Dylan asked how this compared to Riskalyze. This is a proprietary risk scoring system – it is like Riskalyze. Effectively it will give Risk score once client fills out questionnaire. If advisor doesn't want to use this they can instead impose a risk score. Again, there is an opportunity to segment this & email this to advisor.
- Step 5 is Proposed Accounts. From there advisor will be adding in model or individual securities – whatever firm makes available to reps. You can also filter out certain things client have aversion to (gambling, alcohol, etc.) that will filter out funds that may invest in unsavory items. From there you can add legacy positions & add max cap gains budget. You can restrict it to not sell, not trade, or transition (which is most popular option). From there you can go to allocation – you can choose the model or individual securities. The allocation strategy at the top is a bucket approach that gives client and advisor a different visual what the strategy is based on their goal. This can be customized & will have Redhawk models if advisor uses that or their own models if they want that. Will choose as many models that the client would like. As an advisor if they do have a set of models that they do like to go or an overlay of models – you can categorize those at an advisor level to show them automatically. There's also a self-directed sleeve as well if advisor wishes.
  - HHR column is Household Rebalance – gives advisor opportunity to have 1 allocation set across entire household of accounts. From there advisor can do rebalance of asset allocation across entire portfolio.
- Step 6 is Proposal. It will be a PDF proposal to send to client & will allow you to customize. Many advisors are including cover sheet, advisor biography, firm story, etc. You can include or not include however much you want for each client. You can print or email to advisor.
- Step 7 is Owners. This will be owner information – it is all information that won't change across accounts. This will populate if you pulled in client from existing household. It's their contact info, citizenship, employment, income, etc.
- Step 8 is Account Setup. This will be each individual account to provide pertinent information (such as bank transfer, investment account, ACAT, or link a bank). Will capture any beneficiary information. Additional info is the "catch all" for remaining information at custodian.
- Step 9 is just a summary of all the accounts & will allow advisors to update information as they need. Will show them mandate allocation and asset class across account. Can print paperwork, send to client to sign on their own (will send them DocuSign link) or sign in person right there (will automatically generate DocuSign).

- Redhawk will be going into each of these steps to customize each process for each advisor. The demo we got is the standard interface but we will be customizing to each advisor and our paperwork.
  - Navi is interested in a place where he can have details on the assets that everybody has – in other words what returns are, what are the holdings, how much is in each, etc. Mark said you can look into Element and see this for assets. Navi also wondered if you can look into Held Away accounts into this. Currently that is not available. However Orion is looking for feedback & are going to work with each of their advisors & get their feedback
  - Rick said we can still create the proposal from Riskalyze in one of the last steps when we add in other documents we can bring in the IPS during that stage when we upload documents.
- Dylan confirmed that advisors can still open accounts the way they are currently (through their own DocuSign) but in April when this rolls out they will transition to this. Unfortunately for any onboarding until then we'll have to use our current way.
- There's a forms library built into this so that they manage all the paperwork into this as well. All forms that advisors will use are stored in this.

#### **ThriveOn Technology**

- 24/7 IT support to advisors if they have issues
- Dedicated Chief Information Officer assigned to Redhawk that will help us bring in new technologies. They'll be involved in helping us implement electronic onboarding. Will add extra resource for Redhawk and our advisors
- Will have access to the technology we use so they can help us with Orion or Riskalyze
- 7 person IT team supporting advisors
- Moving towards cloud storage – moving everything in Microsoft to Cloud. Setting up virtual portal that advisors will log into & access all of our software. This will prohibit advisors from storing things in flash drives, etc. which came up during our SEC audit when they said they were concerned with the level of security
- Advisors will have access from whenever and it will be secure – no matter where they're at
- They will be testing our cybersecurity
- Integration with major application – this is where CIO will come in to help us with all of our new features & technology
- January 14<sup>th</sup> is our first meeting with ThriveOn and we will get a laid out plan over who advisors can contact, when, etc.