

Family Office Estate Planning, Liquidity and Governance

FAMILY OFFICE CLIENT STORY

BACKGROUND

We are fortunate to count many sophisticated investors among our clients. One example is “Sarah”, who built a highly successful investment fund, finishing her career with more than \$500 million in personal wealth. When we met Sarah, much of that wealth was still tied up in the fund, but she was thoughtfully looking ahead to the future needs of her family. Sarah was looking for a partner to help her develop a strategic plan.

Sarah’s other main asset is a significant property outside of Boston. A principal goal was to keep the property intact – as a home for her family and for potential philanthropic and community uses. Another priority was peace of mind. While Sarah is a financial professional, her children are not. She wanted to establish a relationship with a firm that would be by her family’s side for the long term. Sarah selected Brown Advisory as her partner.

SOLUTION

Before taking the first step, we built the right team. While portfolio management is often the immediate priority, Sarah’s goals required a focus on estate planning, risk management and day-to-day support. We assembled a five-person team: Strategic Advisor, Family Office Director, Client Service Professional, Client Advisor and Portfolio Manager. The Portfolio Manager began by understanding the family, advising on asset allocation and preparing to manage the portfolio as liquidity increased and Sarah approached retirement. Our work started with a thorough assessment. After extensive discovery, we outlined the family balance sheet and current estate plan. Collaborating with her attorney, we implemented an asset protection trust and family limited partnership projected to save \$100 million in estate taxes and empower heirs to manage assets collaboratively.

Alongside strategic planning, we delivered immediate improvements: evaluating property rental potential, identifying \$40,000 in annual insurance savings, hiring a new assistant with payroll and confidentiality agreements and assessing private travel options. These actions provided tangible value from the outset. Looking ahead, we initiated philanthropic planning by meeting with each family member to align values and priorities. These insights will shape a unified foundation strategy and inform future investment, wealth management and estate planning decisions.

OUTCOME

We are long-term investors in the securities and asset classes that make up our clients’ portfolios. We are equally long-term investors in our relationships with families. We look forward to many years of partnership with Sarah and her family, and we are grateful for the trust they have placed in our team.

SOLUTIONS AT A GLANCE

- Multidisciplinary advisory team aligned to family priorities
- Estate, asset-protection and family-governance planning
- Balance-sheet review across properties, insurance and liquidity
- Day-to-day family office support and vendor coordination
- Next-generation and philanthropic strategy development

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Stock Diversification and Estate Planning

FAMILY OFFICE CLIENT STORY

BACKGROUND

"Brian", a public-company CEO, had built a thriving business, but his personal finances kept slipping to the margins. When we met, he pulled out a stack of unopened brokerage statements – clear evidence that important decisions were being deferred as complexity grew.

SOLUTION

Although Brian's balance sheet was significant, his overall structure was still straightforward. His children were young and he had not yet created additional trusts or entities, which allowed us to analyze his holdings quickly. The review confirmed that most of his net worth was tied to his company's stock, and we identified meaningful long-term tax planning opportunities.

Our first priorities were clear:

- **Concentrated Stock Position**

We recommended a gradual diversification plan using a preset 10b5-1 schedule. This created a disciplined process for selling shares and reduced both regulatory complexity and emotional decision-making.

- **Estate Planning**

We saw an opportunity to move assets out of his taxable estate using a Grantor Retained Annuity Trust (GRAT). Soon after the plan was established, a market decline allowed us to transfer shares at a lower valuation. The appreciation that followed has created more value for his family than all cumulative investment gains in the portfolio.

As part of the broader work, we improved the organization of his entire financial picture. We uncovered ongoing payments to a property management company for a home he no longer owned. We located a small private equity investment still sending statements to that former address. We reviewed the children's Uniform Transfers to Minors Act (UTMA) accounts, corrected an imbalance created by early stock selections, and helped Brian and his wife establish trusts that provide clearer long-term control.

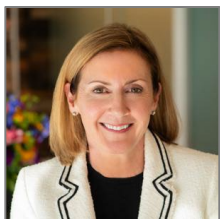
OUTCOME

Brian considered forming a single-family office but chose to outsource to our team for flexibility. He valued the ability to add or scale specialized services (accounting, foundation administration, trustee support) without hiring staff, and the peace of mind that comes with institutional controls and compliance.

SOLUTIONS AT A GLANCE

- Concentrated stock diversification and liquidity planning
- Timely estate and transfer-planning implementation
- Financial organization for time-constrained founders and executives
- Cleanup of legacy accounts, cash leaks and overlooked assets
- Scalable outsourced family office support as complexity grows

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Family Wealth Reporting and Balance Sheet Oversight

FAMILY OFFICE CLIENT STORY

BACKGROUND

"Derek" and "Monique" are tech founders who had a significant liquidity event yet kept a modest lifestyle. They relied on a longtime broker at a large firm and tracked much of their growing financial life themselves.

As complexity grew—with a new venture, a city apartment, a retirement home purchased for Derek's parents, and more direct private investments—their financial organization slipped. An IRS audit exposed the gaps: a private-equity fund had never been entered on their tracking spreadsheet and was effectively "forgotten." Realizing their need for a more organized and disciplined approach to their financial strategy, they sought a family-office partner to centralize statements, reporting, tax coordination, and ongoing oversight.

SOLUTION

Fortunately, a mutual friend introduced the family to our firm. Moving quickly and decisively, Monique moved the bulk of their liquid assets to our care, and during onboarding, we conducted a thorough analysis of their scattered private equity holdings – organizing everything into a clear and digestible report. We learned they had a will, but it was a decade out of date. It did not reflect their current situation. So we began an estate planning process and made some very specific recommendations to Derek around planning for the future exit from his new endeavor.

We reworked their portfolio according to our firm's best thinking – tailoring a highly customized and differentiated portfolio to help meet their long-term goals. Most importantly, we gave them full visibility into all of their assets, providing the comfort of knowing everything was accounted for and being managed appropriately. Derek's second business was nearly as successful as the first. By the time that liquidity event occurred, we had sophisticated planning in place. It included a Charitable Remainder Trust, which reduced the tax impact of the sale and provided a vehicle for the family's growing interest in philanthropy. Around this time the family asked us to help with a number of other things like paying some of the bills associated with one of their properties and pricing private aviation options to make it easier for them to visit his parents during COVID-19.

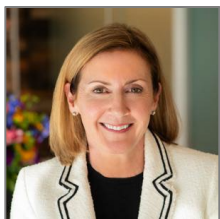
OUTCOME

Working with our team gave Derek and Monique the structure, coordination, and support of a family office, bringing organization to their financial life so they could stay focused on their family and priorities.

SOLUTIONS AT A GLANCE

- Consolidated reporting across liquid and illiquid holdings
- Institutional oversight beyond spreadsheet-based tracking
- Estate planning refreshed for a more complex balance sheet
- Customized portfolio design around long-term family goals
- Expanded support across philanthropy, property and lifestyle needs

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Liquidity Planning and Post-IPO Family Office Strategy

FAMILY OFFICE CLIENT STORY

BACKGROUND

On the eve of her IPO, “Indra” felt the mix of adrenaline and uncertainty that comes with a long-awaited inflection point – less an “overnight success” than the culmination of more than a decade of relentless building, setbacks, and late-night problem-solving.

As she prepared to ring the NASDAQ opening bell, she also faced a new set of decisions: how to thoughtfully allocate shares, how much to take off the table, and how to protect the financial security she had created as a first-generation wealth builder. Indra planned to remain CEO, but she was already thinking beyond the transaction – about long-term stewardship, about meaningful philanthropy, and about how she could engage on policy issues she cared deeply about, particularly climate change. She wanted support, but she did not want to create “another business” by building and managing a full family office infrastructure from scratch.

SOLUTION

We became Indra’s thought partner and built a highly customized approach that balances long-term growth with the practical need for safety and flexibility – especially given the continued, outsized role of her concentrated single-stock position. We took discrete complexity off her plate by serving as corporate trustee on family trusts established for her nieces and nephews, managing the process end-to-end so it did not become another operational burden during an already demanding season of life.

In parallel, we helped Indra establish and fund a private foundation, guiding her through a discovery process that clarified the causes and outcomes she wanted to prioritize. We also brought her parents into the process as board members, incorporating their expertise and values, and then assumed responsibility for the foundation’s administration, including grant workflow, recipient follow-up, and impact reporting. Beyond traditional family office services, we created a quarterly cadence with our sustainable investing team so Indra could stay close to the evolving landscape – both within her portfolio’s sustainability allocations and in support of her longer-term aspiration to play a more active role in climate-related policy.

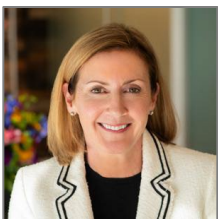
OUTCOME

With complexity removed, Indra can stay focused on leading post-IPO. She also connected with a younger entrepreneur through a client event and began mentoring her – paying forward lessons from her own “overnight success.”

SOLUTIONS AT A GLANCE

- IPO liquidity planning and concentrated stock risk management
- Outsourced family office support: portfolio management and trustee services
- Private foundation launch, administration and impact reporting
- Sustainable investing allocations and ongoing climate-policy dialogue
- Client-community connection that sparked an enduring mentorship

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Sustainable investment considerations are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. Sustainable investment analysis may not be performed for every holding in a portfolio. Sustainable investment considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The Firm incorporates data from third parties in its research process but does not make investment decisions based on third-party data alone.

Family Office Investment Advisory for In-House Teams

FAMILY OFFICE CLIENT STORY

BACKGROUND

“Enerco”, a family-owned company outside the United States with diverse operating company exposures, came to us initially with a targeted need: a \$25 million mandate to invest in alternative asset classes outside its home country, focused on generating performance with low volatility and low correlation to broader markets.

At the time, the family office relied primarily on two large international banks, and its internal team was relatively small. Over the following decade, its investment capabilities, scale, and sophistication expanded dramatically: Enerco exited the bank relationships, built an in-house team of roughly 100 employees, and developed a broad toolkit spanning public and private markets, private credit, hedge funds, and other strategies. Within that ecosystem, our role became clear – Performance Advisory as an extension of the internal investment team, focused on external, performance-oriented managers and the pursuit of alpha with disciplined diversification.

SOLUTION

We partnered with Enerco in a way that matches its two core advantages – size and speed – while bringing proprietary research, manager relationships, and repeatable decision processes that help convert those advantages into results. During the sharp dislocation in March and April 2020, we helped the team deploy \$150 million in less than four weeks, using preparation and conviction to capitalize on fast-moving opportunity without sacrificing underwriting standards. Because trust and experience reduce friction, we’re able to shorten decision cycles, increase collective conviction, and act decisively in volatile environments as well as in more “normal” markets.

That agility also improves access: best-in-class managers value Enerco’s ability to make timely, meaningful commitments, which strengthens relationships and expands opportunity sets. Supporting this work is reporting built for a highly quantitative audience – often 100 pages or more – covering detailed look-through analysis, risk attribution, performance drivers, and technical measures such as ex-ante beta and tracking error, aligned to Enerco’s explicit expectations around alpha targets, illiquidity tolerance, and non-correlation across return streams.

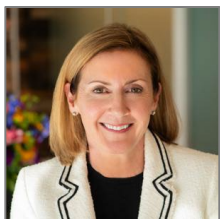
OUTCOME

Enerco receives a highly customized alternatives program – typically 30%+ of the portfolio – plus access to best-in-class managers and the transparency needed to manage illiquidity, risk and non-correlation objectives with confidence.

SOLUTIONS AT A GLANCE

- Investment mandate built to generate low-volatility, low-correlation alpha
- Extension of an in-house investment team
- Research depth, manager access and rapid decision support
- Customized reporting for sophisticated family office teams
- Scalable partnership as assets and complexity increase

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References to specific market events, investment actions, or outcomes are provided for illustrative purposes only and are not indicative of all investment decisions or results. References to alpha generation, diversification, or risk management objectives are goals and are not guaranteed to be achieved.

Investments in alternative asset classes involve additional risks, including illiquidity, leverage, and complexity, and may be available for qualified purchasers and accredited investors only.

Strategic Liquidity Planning and Cash Reserve Management

FAMILY OFFICE CLIENT STORY

BACKGROUND

“Wes” viewed his personal balance sheet as \$50 million – an amount that would be “more than enough” by most measures – but as CEO and steward of a global, family-owned private infrastructure investment business, he felt a responsibility to keep his personal finances bulletproof.

When we first met Wes, he was in his early 40s and positioned conservatively: a 50/50 stock-and-bond mix, including \$20 million in municipal bonds. The caution was understandable, but it overlooked two stabilizing realities. First, Wes held a meaningful ownership stake in the company and its underlying funds – illiquid but established and diversified – making his true balance sheet materially larger than he experienced it psychologically. Second, he was receiving reliable annual distributions of income and carry from the underlying funds, which he could reasonably expect to continue. In effect, Wes had both an embedded growth engine and a recurring cash-flow stream – yet his portfolio was not fully positioned to compound at a rate consistent with his time horizon.

SOLUTION

We helped Wes reframe the \$50 million not as a static “number to protect,” but as a dynamic, growing investable portfolio – capital he would not need in the near term and that should work harder over time. Because his lifestyle needs were comfortably covered by distributions (with additional surplus available to reinvest), we were able to build a more programmatic long-term plan while maintaining a thoughtful liquidity bucket. We designed a multi-year investment program that initially committed \$5–\$6 million per year to alternative investments and scaled toward \$7 million annually as distributions replenished and expanded the investable base. In the public markets, we diversified globally, with a modest overweight to China consistent with Wes’ worldview, while retaining a measured allocation to high-quality bonds for liquidity and resilience. We also evaluated liquidity at the company level: the business maintained \$75–\$100 million in cash for opportunistic deployment, historically never used with less than 90 days’ notice. That insight expanded the feasible opportunity set, allowing us to build a customized portfolio of fixed income and alternatives – structured around liquidity provisions – to improve return potential while preserving readiness for strategic opportunities.

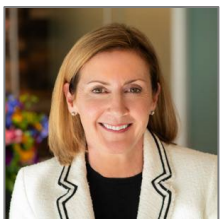
OUTCOME

With a trusted outside perspective and stronger manager access, Wes adopted a more strategic, long-term approach – improving his personal investment journey and materially enhancing corporate cash performance without compromising the business safety net.

SOLUTIONS AT A GLANCE

- Strategic capital planning across personal and business balance sheets
- Multi-year investment program aligned with long-term liquidity needs
- Growth-oriented deployment with a preserved safety net
- Liquidity analysis to widen the investable opportunity set
- More productive reserve-capital management without sacrificing flexibility

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