

## National Advisors Announces New Business Strategies in Response to Trust Industry Shifts and Opportunities

*Company expands distribution channels and adds leaders to help manage new business strategies and growth. Corporate-wide strategies for all National Advisors' entities defined.*

Kansas City, MO (June 28, 2016) National Advisors announced new business strategies to exploit rapidly expanding trust industry opportunities through new distribution channels for its family of companies, and the addition of new leaders to help manage current and projected growth.

### National Advisors

National Advisors' family of companies is comprised of the following entities:



Clients of any of National Advisors' entities have access to the entire family of companies and its full spectrum of products, programs and services.

### National Advisors Trust Company

The company's flagship company, National Advisors Trust Company, FSB (NATC), is expanding business development efforts with a multichannel distribution strategy to help sustain organic growth and diversify and increase revenue streams. Additional growth is planned through acquisitions.

In the past year, NATC has concentrated on business growth. Key strategies contributing to recent growth include:

- The company's target market for trust services is expanding to include multiple channels serving trusted advisors: RIAs, custodians, banks, CPA firms, law firms, family offices, broker/dealers, money managers, and insurance companies. NATC currently serves RIAs, custodians, and banks. In the near term, NATC will add CPA firms, family offices, and law firms to its distribution channel. Long term channel additions will incorporate broker/dealers, money managers, and insurance companies.
- In 2015, NATC announced a strategic alliance with TD Ameritrade Institutional that included integration with the Veo<sup>®</sup> platform, integrated service, and a trust consultant model. The strategic alliance also included establishment of the Advisors Private Wealth Trust program, a branded trust services solution TD Ameritrade Institutional is marketing to its 5,000+ RIA clients. APWT advisors custody assets with TD Ameritrade Institutional and trust services are administered by NATC.
- NATC is implementing a multi-custodian technology platform that allows advisors to manage client portfolios in trust accounts in whatever custodial environment they choose. The ability to choose the trust custody platform of choice makes it easy for advisors to offer trust services without changing their current custodian relationships.
- NATC's services are no longer limited to shareholders. NATC's full suite of corporate directed trustee services are available to qualified trusted advisors without the requirement of shareholder investment.

NATC's growth strategies have yielded results. In the last year, net new assets are up 15%, net trust flows are up 14%, and revenue growth is up 10%. With the addition of intermediaries and banks, the company's distribution reach has increased 72% and overall trust referrals increased 118%.

“The time is right to accelerate business development efforts to deliver our corporate directed trustee services and multi-custodian technology platform to the larger market of trusted advisors,” said Jim Combs, CEO of NATC and NAH. “With 80% of all AUM going elsewhere when the typical client dies<sup>1</sup>, trusted advisors have a lot to lose if they don’t take steps now to incorporate trust services into their wealth management offering and secure a future with their clients. Clients with at least \$1 million in investable assets almost always use trusts as estate planning tools.<sup>2</sup> With barely 10% of advisors working with trusts<sup>3</sup>, while trillions of dollars are transitioning in the industry’s unprecedented generational wealth transfer, there is a great demand and great opportunity for trust services with all trusted advisors serving high net worth (HNW) and ultra high net worth (UHNW) clients.”

Combs continued, “Studies indicate that trusted advisors want an advisor-friendly trust services partner like NATC. Primary attributes they seek are a trust company that won’t compete with them for investment management; an unbundled trust model where the advisor can be named investment advisor in a trust document and retain assets at their firm when they pass to the next generation; a trust company with a national charter; private labeled trust services; marketing support services; trust education; and a multi-custodian technology platform integrated across major custodians. NATC provides all of these solutions and is further differentiated through its service, consultation, training and education programs.”

#### **National Advisors Concierge Services**

Formed in 2016, National Advisors Concierge Services (NACS) delivers third-party services to NATC and NATSD clients including: specialty asset services (unique and hard to value assets such as mineral/oil/gas, farm and ranch, etc.); banking services including lending and retail banking; and a client experience benchmarking syndicate (CX2020). Future services that will be available through NACS include trust and estate planning education services with a mobile learning app, consulting services, family office services, and implementation services.

#### **National Advisors Trust of South Dakota**

The company’s state chartered trust company provides trust services and solutions to RIAs for their HNW and UHNW clients who wish to take advantage of South Dakota’s unique trust jurisdiction opportunities for protecting and passing on wealth.

#### **National Advisors Holdings, Inc. Strategies**

National Advisors Holdings, Inc. (NAH) is the holding company and sole owner of National Advisors Trust Company, FSB, National Advisors Trust of South Dakota, Inc., and National Advisors Concierge Services. NAH’s focus is on investor relations, promoting the interests and growth of its advisor network, and increasing shareholder value.

### **New Leadership Positions Added to the Executive Team**

An important part of the company’s growth strategy is sourcing the talent needed to transform the company and provide long term leadership. Three new executive positions have been added to the company’s leadership roster in recent months to help manage the company’s new business strategy and growth.

#### **Aaron Bowers, Esq., Chief Counsel for NAH, NATC and NATSD**

As Chief Counsel, Aaron Bowers is responsible for the following functions and programs at the company: legal; compliance; internal audit; trust counsel; trust administration; investor relations; corporate governance; the enterprise risk management program; and information security. Bower’s former practice experience includes private equity, risk management, litigation, transactional, M&A, and trust. Bowers holds a BA degree from the University of Kansas, received his J.D. from the University of San Diego School of Law, and is a member of the California Bar.

#### **Kurt Koehler, Director, Trust New Business Development**

Kurt Koehler is responsible for the growth and development of the Advisors Private Wealth Trust (APWT) program through our strategic alliance with TD Ameritrade Institutional. Koehler is based out of Darien, Connecticut, where he also resides. Prior to joining NATC, Koehler spent many years in senior fiduciary roles with U.S. Trust and Northern Trust. He received his undergraduate degree from the University of Colorado, Boulder, his J.D. from Quinnipiac University School of Law, his LL.M in Estate Planning from the University of Miami School of Law, and is a member of the Connecticut and New York bars.

#### **Carmen Kesner, VP, Director of Operations and Information Technology**

Carmen Kesner’s IT and operations responsibilities include increasing efficiencies in our operational processes, achieving continuous improvement, increasing clients’ visibility into our processes, and establishing state-of-the-art core processes for IT and operations. Kesner obtained a BS degree, Information Systems and Decisions Sciences with a concentration in Internal Audit, and a Master of Public Administration degree with a concentration in Internal Audit, from Louisiana State

University. His previous employers include Protiviti Consulting; Deloitte in the Enterprise Risk Services practices; DST Systems, and Argus Health Systems, a wholly owned subsidiary for DST Systems.

### **About National Advisors**

Enriching lifelong relationships with trusted advisors and the clients they serve unites and unifies the professional staff of National Advisors. We embrace our clients with this common purpose, delivering a seamless, consistent experience across our family of companies.

- **National Advisors Holdings, Inc.**

National Advisors Holdings, Inc. (NAH) is the holding company for National Advisors Trust Company, FSB, and National Advisors Trust of South Dakota, Inc.

- **National Advisors Trust Company, FSB**

A subsidiary of NAH, National Advisors Trust Company, FSB (NATC) is a premier, independent national trust company providing expert trust services and solutions. For more information on NATC, visit [www.natrustco.com](http://www.natrustco.com).

- **National Advisors Trust of South Dakota, Inc.**

A subsidiary of NAH, National Advisors Trust of South Dakota, Inc. (NATSD) provides progressive trust services for high net worth and ultra high net worth clients who wish to take advantage of South Dakota's unique trust jurisdiction opportunities for protecting and passing on wealth. South Dakota is the nation's top situs for asset and creditor protection. For more information on NATSD, visit [www.natrustsd.com](http://www.natrustsd.com).

- **National Advisors Concierge Services**

National Advisors Concierge Services (NACS) delivers third-party services to clients of NATC and NATSD. NACS third-party services include: specialty asset services (unique and hard to value assets such as mineral/oil/gas, farm and ranch, etc.), banking services including lending and retail banking, and a client experience benchmarking syndicate (CX2020).

<sup>1</sup> Source: Trust Advisor, February 2014

<sup>2</sup> Source: Financial Planning Magazine, Trust Supplement, April 2016

<sup>3</sup> Source: Trust Advisor, 2016 Advisors Most Advisor-Friendly Trust Companies Report

*This document contains certain "forward-looking statements", within the meaning of the Private Securities Litigation Reform Act of 1995, and respecting the financial condition, results of operations and business of National Advisors and certain of the plans and objectives of National Advisors with respect to these items. Examples of forward-looking statements include statements made about our strategy, estimates of sales growth, future EBITA and future developments in our organic business. Forward-looking statements can be identified generally as those containing words such as "anticipates", "assumes", "believes", "estimates", "expects", "should", "will", "will likely result", "forecast", "outlook", "projects", "may" or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, economic and business conditions, the successful implementation of our strategy and our ability to realize the benefits of this strategy, our ability to develop and market new products, changes in legislation, legal claims, changes in exchange and interest rates, changes in tax rates, pension costs and actuarial assumptions, raw materials and employee costs, our ability to identify and complete successful acquisitions and to integrate those acquisitions into our business, our ability to successfully exit certain businesses or restructure our operations, the rate of technological changes, political and economic developments, industry consolidation and competition. As a result, National Advisors' actual future results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.*

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