



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

Mindy Diamond:

Welcome to the latest episode of our podcast series for Financial Advisors. Today's episode is Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial. It's a conversation with Monish Verma, managing partner, Vardhan Wealth Management. I'm Mindy Diamond and this is Mindy Diamond on Independence.

Mindy Diamond:

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Mindy Diamond:

There are so many great things about this breakaway story that we had a difficult time trying to pinpoint that one thing that was unique and buzz-worthy, but the reality is that Monish Verma's break from UBS to Independence doesn't have one special thing that we can share with you, it has dozens. Monish describes what is an incredibly instructive journey, starting with a thought process when considering change on through to due diligence and decision-making, and ultimately how his choice to go independent is resonating today. A wealth management career that started in 1995 with Dean Witter and later Morgan Stanley, Monish moved to UBS in 2009 with just 60 million in assets. As a sole practitioner, he set his sights on a path to grow the business and later added a sales associate. And it was that focus and a concerted effort to drive referrals that accelerated growth of assets under management to over \$350 million.

Mindy Diamond:

Monish is clear to share his gratitude for all that he was able to achieve at UBS but one thing was lacking, autonomy. He wanted greater agency in how he served clients, grew the business and hired team members but he was limited by what the firm allowed. So he explored options in the landscape coming close to choosing a transition deal with an outsiders check, yet it was the strings attached that made him think twice. Instead, Monish was attracted to supported independence, an option from Summit Financial. And in May of 2021, he launched Vardhan Wealth Management and in the process, sold a portion of the business to gain equity in Summit, a move that he describes as a partnership. So why didn't Monish choose to go for the big transition deal? Why not launch his own RIA? Why sell equity



EPISODE TRANSCRIPT

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at this stage? Monish answers all that and much more as he takes us through his journey to independence. So let's get to it.

Louis Diamond:

Monish, thank you so much for joining us today.

Monish Verma:

Oh, thank you, Louis. Thanks for having me.

Louis Diamond:

All righty, let's jump in. Tell us about yourself and your background leading up to joining UBS.

Monish Verma:

Great, sure. I started in the financial service world back in 1995, something that I thought about in the back of my head since I was a young kid. I went to college and then started my stint in law school, realized didn't like it, and my father reminded me that I always wanted to be a stockbroker, so he directed me back into the right path for me. And back in '95, is when it started for me. I was with Dean Witter and Morgan Stanley, Smith Barney, and made my way to UBS.

Louis Diamond:

Very good. And let's then talk about UBS. And you built up an incredible business there, can you describe to the audience what the team looked like, how much you're managing and what types of clients you were serving at the firm?

Monish Verma:

Sure. When I started over at UBS, I had a great experience there. I started with moving my book over at the time, which was around \$60 million. It was myself and one service advisor working with me during the 12 years that I was there. I am very proactive with coaching, so I embrace coaching heavily. So I did go through some coaching programs and followed my practice to really start to grow pretty extensively and rapidly fortunately. I expanded my practice staff to include one more sales associate who's now basically being my CFO and my COO of my company. I hired and have a full-time strategist and planner on staff now and one other client associate. So I started adding as I was growing. As I went through my coaching programs, I started as I mentioned, growing my practice. So from the time I started at UBS around 60 million in assets, we left to just over 380 million in assets back in May of this year.



EPISODE TRANSCRIPT

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Louis Diamond:

That's amazing. And what were one or two of the main learnings from your coaching programs that helped you catapult that growth?

Monish Verma:

The various different programs hit on certain things. Some were integrated to a communication with your clients and your staff. On the staff side, we hold frequent daily conversations with each other, so we understand what's going on with the market or on with the economy and then with our staff and our clients. We spoke frequently together about different things we needed to be doing for our clients and connected with our clients in a very regimented program. We put together a team manual defined not only to ourselves, but to our clients, our protocols, how and when we would be communicating, the structure behind it, I found our clients love the idea and understanding of clarity of how we interacted with them and internally amongst ourselves.

Monish Verma:

And then we started growing our client base by targeting our spheres of influence, our centers of influence and started to educate them on what kind of clients we best resonated with and best resonated with us. And as we started gathering those clients, we started trying to clone those clients by using interactive LinkedIn and just having small sessions that introduced our clients to other clients, and then that generated an idea to our clients, of who we liked to work with and then our referrability went through the roof. So all our clients came in through our other clients and our centers of influence.

Louis Diamond:

That's really interesting. So it seems like you're running a business within a business. Did UBS get in the way at all of you implementing some of these... I think were pretty innovative ways of managing your team?

Monish Verma:

In the beginning stages, and the reason I chose UBS is their leadership really focused on this, like we're their clients, our clients are our clients, this three legged stool mentality. Robert Cann was really instrumental in that philosophy at UBS and was a great leader and really encouraged advisors to thrive. I found that that direction was going a little bit away as the leadership changed and it was really, we were working for the firm which was my intent going into this business. I wanted to be an entrepreneur, I wanted to make my decisions for my team, I wanted the support of our leadership but I also wanted them to let me be autonomous and grow in my practice the way I wanted to and how I wanted to.



EPISODE TRANSCRIPT

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Monish Verma:

And for the most part they did that, I will tell you, my experience at UBS was great. I hold no regret working with them, they're a wonderful firm, but I just found that I needed a different level of autonomy that I wasn't provided in the wirehouses, and that's why I started making thoughts and ideas of maybe researching the path to independence.

Louis Diamond:

Was there a particular event or show that broke the camel's back when you said you know what, this just isn't the right place for me and I want to be independent or was it more just a confluence of many things?

Monish Verma:

Well, it was a combination of a couple of things. One was really, we were starting to get more restrictive of how the local management was allowed to invest in their advisors. So I wouldn't say that that was something that was coming from the market or even the branch management, but it was really coming from the leadership. An example of that is I always worked on a capacity level of where I wanted to make sure I had more support than I needed because I knew my growth model was always going to get to that level. And I fully embraced the idea of as an advisor investing in my practice and using my own resources for my team. But the struggle I had was really when I needed more support, it would take sometimes weeks or months to really allow UBS to present new people to hire. It was very restrictive in that regard.

Monish Verma:

So I really wanted that component to be more open and be less restrictive, whereas I knew what I needed. And to some extent, my local management knew what I needed, but it was sometimes a challenge or a struggle to really get the right funding in place for us as growing advisors to get that support that we needed. So, that was really one of the most prevalent items on my radar when I was looking at how can I do this differently? Because the one thing I did not want to sacrifice was the client service model and the experience that we wanted our clients to have with us.

Louis Diamond:

Thank you for sharing that, that does resonate and seems similar to what a lot of our prior guests have felt prior to leaving the firm. Obviously a great place to build the business, you're doing really well. So the decision to leave wasn't an easy one because you could have easily just taken the path of least resistance and kept your head down. Let's move forward, we had the honor of representing your team in your transition. I am familiar with your due diligence process but for the audience, can you walk us



EPISODE TRANSCRIPT

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through how you thought about due diligence and what you looked at and what your criteria was for picking a new partner?

Monish Verma:

Sure. No, I appreciate the question. As I started going through this process of thinking about going independent, I started going back and talking to a lot of the recruiters and a lot of the people and a lot of the companies that had called me in the past and started having conversations with them. And then it dawned on me as I've always embraced coaching, I've heard and spoken with your firm in the past on a very back row level and I remembered how helpful those conversations were. So then I circled back and spoke with you and other people on your staff early and just found that that was a great experience to really help in my process of due diligence. So prior to engaging with your firm, I had talked to maybe anywhere up to about a dozen different RIAs out in this space, but I just wanted a constant message of clarity and consistency and I had a fear of what I didn't know about this because it was my first time looking to go independent and you guys did this for a living.

Monish Verma:

So I wanted to get your resources and your experience at my side so I could fully embrace the whole process, and that happened really well. So you guys at your firm, introduced me to four different RIA firms that were never on my radar, Summit was one of those firms and ended up being the one that I went with, and offered a lot of guidance along the way. So never telling me what to do or telling me where I should end up, but really listening and guiding me along that path to figure out what was important to me and then helping me make decisions of who to exclude from the list, that finally whittled down to about three names and then finally whittled down to the one place that I ended up with, which is Summit Financial.

Louis Diamond:

And for the record, folks, this was not a paid testimonial. We very much appreciate that plug. Thank you for that and for glad that our services were value add. Along the journey, I recall there was a particular independent firm that was offering you a pretty crazy check in order to move over and join their independent platform. How did you reconcile the financial side of it and turning down what would have been somewhat life-changing money and still being independent?

Monish Verma:

There is a firm out there that really came to me and really said that they had a platform in the RIA space that allowed advisors in the wirehouse to really move to independence, but still had a financial piece to it that was supportive of that. And I looked at them pretty heavily. I looked at the fact that I would have



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

to be under their wirehouse per se name, I would still be clearing through them. I had no choice in that piece of it. And as I did more due diligence, the people that I was working with were very good, very respectful, honored the thought that there was a process that I was going through, and never were, I would use the word bullying or anything, but just really walking me through the process, and part of that due diligence was finding out what this number was.

Monish Verma:

And then one thing I would like to make clear is, my move wasn't about the dollars and cents that would come into my pocket, but the experience my clients would have going forward and see if it could be broadened and be more expanded to be more customized. So my goal was to really find the next level for the client experience. As my clients were growing in size of assets and needs, I wanted to make sure I could accommodate that on their terms and my terms as far as I could. So I really wanted to find that kind of model. And when I was going through that process, they offered a fair amount of dollars. And I went through that process, interviewed with some other advisors who left and wasn't really impressed with the experience that those other advisors had. I was taken aback because I was remembering like wow, this is who you want me to talk to? It sounds like if they would have asked the question, would you do it over again? The person would have said no.

Monish Verma:

And I shared that with the firm and they were taken aback too and they said, "Well, maybe we need to have you talk to another person." But really went through this process as they gave me this range of how much they wanted to provide me upfront capital, and I came in at the 120% of 2012 where they had a maximum 125. So the obvious question is, why didn't I get the 125? And so they explained whatever their reasons were and I accepted that, but what really pulled me back even more from them was a few months later, they came back and offered me almost a double. And so they thought I would be very happy with that, and I was very kind of concerned and said, "In October, if I would've agreed to go with you, I would have gotten X."

Monish Verma:

All of a sudden, a few weeks later in the early part of the year, and now you're offering me why, which is substantially more, why would you do that? I would have been pretty upset if I joined in October versus now. So I think they thought this would be the decision that broke the camel's back for me to come over, but I'd always mentioned to them as I had mentioned to everyone who was listening about my due diligence, that the motivator for me, it wasn't upfront capital. It was the long game, it was the opportunity to provide a better value add for the client. And I found that unfortunately, they weren't



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

listening as closely as I thought they were, so I exited the conversation with them and continued to move forward and seek your assistance to really figure out other options.

Louis Diamond:

That makes sense. So it didn't feel right, even though they're offering you big money and you could have owned the business, many would just jump at that because it's a pretty unique opportunity. But through your own diligence, this kind of thinking about what you valued most, you ultimately landed on the fact that there's no such thing as a free lunch. And even though there is big dollars, if you're locked into a platform that wasn't your ideal fit, then you were wise for yourself and your clients to turn it down.

Monish Verma:

I was hoping that was what my mind was telling me, and I feel now looking back at the decision which I know was right then, I still verify that it was right for me and my clients.

Louis Diamond:

Definitely. And did you ever consider just forming your own RIA? Certainly with close to 400 million in assets, and you had a team behind you to take on some of the work, you likely could have just built your own firm. Did that ever enter your mind?

Monish Verma:

It did. I honestly thought about it long and hard, and then came to a conclusion that if I'm looking at my client's perspective and they have 20 or 40 or 50 million with me, how would that look from their eyes? And I think when I started really peeling that onion back a little bit, I really wanted to make sure I still had a partner with me so they could see that it wasn't just my shop, it was a shop that's been cultivated over a number of years, that had an infrastructure in place, that I was still the primary decision maker. It was still my shop but I had a platform or structure in place that was really robust and offered a lot.

Monish Verma:

And I asked myself, is that the right way of doing things? I consulted some people that I felt were very close that were colleagues of mine that were thinking of potentially doing certain things and what they thought of it. And it made my mind up that really goes a route where you needed to make sure that you had a good platform in place and you didn't want to reinvent that wheel and the wheel was already invented and there was really some good solid platforms out there like Summit. So I decided to just not try to do it on my own per se, but still be my own person and my own boss, my own entity at the end of the day.



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

Louis Diamond:

What you're describing is this whole supported independent ecosystem, this cottage industry that's been developed to support Breakaway Advisors. And of course you can do it on your own, but you've made the decision that you'd be better served and your clients would, by partnering and offloading some of the stuff that would have bogged you down and ultimately gaining more resources in scale than you can access on your own.

Monish Verma:

I agree, Louis. I go back to two things that are my passion. I love talking to my clients and looking at new opportunities for clients, that's why what drove me into this business was that opportunity of sky's the limit. And I enjoy working with my team, I love running, leading, maintaining a team, which I'm doing more so now than I did before in a wirehouse. So those were the two things that I enjoy doing, and I wanted to be able to have resources available to us, to assist with all the things that were not in my talent pool but make sure that there were done effectively and well.

Louis Diamond:

Well said. Ultimately, as you alluded to, your diligence process led you down the path of joining the RIA or affiliating with the RIA of Summit Financial and picking Fidelity Investments as your primary custodian. Can you explain just a little bit what you viewed as the value proposition for these two partners and ultimately what the appeal was, I guess, specifically about these platforms? We talked at a high level about the desire for support, but what specifically made Summit and Fidelity stand out from the rest?

Monish Verma:

Sure. Let me talk first about Summit. When I was talking with Summit, I had numerous conversations with their senior managers and I felt that they wanted me as much as I was looking to be independent. So it was this resounding factor of, we want you, we understand you, we want to build with you, we want to grow with you, we have a platform, that's what I found was born on one of the best in the industry. They had the best of the best as far as Salesforce goes, as far as e-money, the platform Addepar and a lot of them looked at and really did their homework and figuring out what is a good package that an advisor would want coming out of the wirehouse space? So I really was looking at that platform and it was very robust. The technology was great and their service model was great.

Monish Verma:

They really had this open arms approach of wanting to work with myself and my team. That's what I felt and I still feel that to this day. I found it to be more of a business decision or more of the opening of



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

myself to a new family and really embracing the whole management team with them. And they've been wonderful in that regard, not only to myself, but to my whole team. In that process, I sought their advice of looking at the different options for custodians. We had four different options, we looked at, I interviewed or talked to all of them, and I found that I really narrowed my scope to a Schwab and Fidelity. And between the two, I just found that Schwab had some internal growth that they were doing which I didn't want to have any growing pains, that was a concern for me.

Monish Verma:

I know Schwab is an excellent provider in this space but I definitely didn't want to be involved in any growing pains. And what just came down to it is Fidelity resonated the same way Summit did. The experience that I had with the person at Fidelity, her name is Melissa, was that very welcoming. They're a multi-trillion dollar company but I saw that it was a very warm, welcoming, we want you here, we love to have you, we want to grow together, our platform is your platform. And it wasn't a corporate decision, it was an extension of that family decision. I really felt that embraced where they really wanted me to come and they wanted to service my clients and wanted to grow together.

Monish Verma:

And they hit all of the right marks. They have great cybersecurity for online presence, their platform was robust, they invested heavily in themselves to make sure that the client experience was there. Everything that I was really looking for, they had a platform if clients wanted to borrow against their own assets. So they hit every check that we needed, and I did have some experience with them before using their donor advise fund models in the past, so the experience didn't go wrong, it went really well.

Monish Verma:

The clients and I, now we're three and a half months into our transition and Fidelity completely came to the table. Anytime there was involvement, by all means we had bumps on the road. We expected bumps but I was glad to see was the action taken to smooth those bumps out by both Summit and Fidelity, and then made the transition smooth. When we had a concern or question, they addressed it, we came to a reasonable conclusion that we were always happy with, the client was happy with, and I think that's the moral of the story, is like, you're going to have a couple of bumps but how do you effectively breach those bumps was important to me. And as this team came together, we found that it was truly a team effort to make sure the client experience was always the number one thing and everyone's fine.

Louis Diamond:



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

That's very insightful, thank you very much. One more question on Summit. So in the transition and leading up to the transition, what was their role in helping you to build the business?

Monish Verma:

Their role and it continues to be, is completely open, I'm a very motivated and driven individual, that's why I'm in this business and their job is to always hear me ask for things and find a way to say yes, which is by the way not a small fee coming from a wirehouse for over 25 years because in the wirehouse, we were getting to a point where we were hearing no all the time and sometimes struggling and fighting for a maybe. But here, the platform really is set up in such a way that we get a yes and if we don't have a yes, we'll get a let's figure it out. And very seldom if any, have I ever heard a no. So that's the most refreshing piece that I've found. And that will be to a point where if we need a platform that wasn't there before for clients that have certain levels of wealth, that we need something that's different than what was on the platform, we got it. We ask for it and two weeks later, it's there. It's not like well, this is why we did it this way, figure it out. It's like, you're right, you need it. If you need it, others need it, let's get it.

Monish Verma:

And so they've been always willing and helpful to really push that envelope, to figure out how to make the experience for the client better. I'll give you an example. I had an ultra wealthy family in the West Coast that was on the bubble because they've always worked with wirehouses, Oregon's, Merrill's, you name it. They've always worked there and they didn't really have an exposure or experience working with an RIA. But the patriarch was open to having the conversation on a Saturday evening around six or 7:00 p.m., I had our CEO of Summit calling in from the east side of the country with me in the Midwest region and then the client and their family in the West Coast having a one and a half hour conversation about what is Summit, what is the culmination of where we are, where we're going, what is the components and how value add is the client experience?

Monish Verma:

And that, I don't think would happen often elsewhere where a CEO of the company would be willing to sacrifice an hour, hour and a half of their Saturday evening. But the mentality has always been whatever it takes. And Louis, I got to tell you, they've come to the table multiple times with that philosophy and made it happen. So I got to tell you, I'm always taken aback because this mentality I've grown up in to this absolutely yes, or let's figure it out mentality is new and refreshing. I'm still learning how to really digest it but it's still a wonderful experience for the client and for my team and myself.

Louis Diamond:



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

That's very gratifying to hear. And in joining Summit, you sold a portion of your business to an entity sponsored by Summit called Summit Growth Partners. Can you walk us through that transaction? And what were your reasons for monetizing or selling a portion of your business when you did?

Monish Verma:

That was something that was interesting because when I was going through my due diligence processes, it wasn't quite on my radar to sell a piece of my practice. As I started having conversations with other people with due diligence and people with you and your staff, I was figuring out what the pros and cons were of doing that. And I came to a conclusion that it was the right fit for me to do so, take some chips off the table but basically have a partner that's invested in me, but allow me to invest in them. So by taking some chips off the table, I actually am now a minority owner with Summit as well. So I own part of them and they own a part of me. So my RIA, Vardhan Wealth Management is 80% owned by myself and 20% owned by Summit, which puts us aligned on the same side of the table to the client experience.

Monish Verma:

They're not my vendor, I'm not their boss, they're not my boss, we're partners. And that strategy has paid off in client experience. The clients really understand and resonate the idea of you're part owner of them, they're part owner of you, you're a team working for us rather than a vendor. So, that turned out to be a really good decision that came onto the table. There was never pushed, they always said, we have two models. We can figure this out, we've offered both models to you. Here's how the economics work and if you do decide to do it, here's how it would look. If you don't decide to do it, no problem, we still would like to connect with you.

Monish Verma:

So it was never post, but it was a great model and it turned out to be a good decision for me because I didn't want a partner along the way, I didn't want it to just be a vendor relationship. So my primary reason was to become partners with Summit on my endeavor of being an RIA and that's why I chose to do that. The event is really as they grow, I grow and as I grow, they grow. And that's where we're sitting on the same side of the table all the time.

Louis Diamond:

So it wasn't at all about a monetization event, it was more about having invested partner on your side.

Monish Verma:

Yeah, because to me, a monetization event means getting cash and going earlier in the due diligence process, it wasn't my primary motivation to just receive a large check. But what they offered was equity



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

in Summit for in turn equity in Vardhan. And that made us both partners going into this endeavor. And that's what really resonated with me. Whereas I wasn't basically just getting a no, I was getting a partnership.

Monish Verma:

And I think I've talked to some clients now who are executives, who have created businesses and explained the models to them now that we're in that transition when I was talking to them and explaining to them the process of who is Summit, who's Fidelity, who is Vardhan, and they liked that idea of saying okay, it's a true partnership. And I said, "Absolutely, that's what I was looking." I didn't know. I was looking for that in the beginning to be completely candid, but as it was presented to me and offered and I vetted it and understood it and I saw your guidance and the other people at your firm's guidance to just walk through the math, I talked to my attorneys, my CPAs and it just made to be a good business sense for myself and my clients.

Louis Diamond:

It seems like it was the ideal fit and sometimes, the best opportunities come when you're not looking for them.

Monish Verma:

Exactly, that's exactly what happened here.

Louis Diamond:

Let's talk a little bit about the transition. Obviously UBS is no longer part of the protocol for broker recruiting, which means your transition was non protocol. Did this make the move scarier for you? And what was your strategy in going through the transition?

Monish Verma:

Yes. First and foremost, I found it to be a very scary thought to get to the point where you wanted to leave and go independent. So I will tell you that that was definitely something that I found scary, but it was scary the day I resigned. And then as soon as I resigned and went for the next step in this RIA world which was to start looking at asking clients to join us, it became exciting and thrilling and it was a great experience after that day. But it wasn't concerning to me in the beginning about the non protocol and how to really work through that, and what I really did is retained counsel to really help me through that process and the counsel I had was invaluable, but the attorneys that I selected to help me through that, and one of the attorneys was really a referral from Summit, who had been in this space. I wouldn't have found them by on my own, but really was instrumental in that transition.



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

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Louis Diamond:

You now have the benefit of hindsight. Do you think if it was a protocol move, meaning you could solicit your clients, you can take your protocol list, do you think the transition would have been more successful?

Monish Verma:

I don't think we would have been more successful, I think maybe the anxiety, I would have maybe had prior to making the move would have been alleviated, which would have maybe perhaps made the move earlier, perhaps lead the decision to get to that point easier to get to, alleviate the time to get to where I am. But looking back, I'm glad I made decision regardless, but I could see where if it was of not protocol move and we were able to have this definitive, you're allowed to do this, the mentality I took is there's are you allowed to do something or not allowed to do something? So I in my mind was doing something I was not allowed to do, that's just simple ease of how I'm thinking about it. So when you're a rule follower and you're doing something that you're been programmed not to do or allowed to do, you get a little bit more axed. So I think that's what I was dealing with.

Monish Verma:

And I found a good solution, I found good counsel that said, we got you on this, it's happened before. There's been other advisors in my market that left and gone somewhere else and they thrived, and so I knew it was done and I knew we could do it but I think that's where my mind it made it a little bit more problematic to make that decision, but looking backwards, I'm glad we made it. Yes, we are asked the question. What's your regret? My regret was not making the decision earlier.

Louis Diamond:

And now that you're independent and it's only been a couple of months, so I'm sure you're still drinking from a firehouse is what you can do now. But what are three of the top things that come to mind for what you can do differently for clients?

Monish Verma:

I'll limit it to three, how's that? The first is, if we're looking at really a platform of opportunity from the client's side, is really the exposure and openness for alternative investments. But in the past, you were told what you could use. Here, you have a robust list of what you can use, and if you want to do something different than that, they'll go figure it out for you and bring it to the table, meaning Summit and team. So the platform is very open architecture to the regard of alternative investments, where we can actually look at things we weren't able to do for. An example of that, opportunities on investments. UBS had an option available one, and then another one after the other. Here, we have multiple options



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

and we are showing clients multiple options, to see which one suits their needs. That's one prime example in the AI experience our clients are getting.

Monish Verma:

So if we don't see something we like, we can ask them, we can go get it, I just guess properly vetted. We can look at not only the bigger monstrosity deals but we can look at smaller deals properly vetted. So that's one space, the structure note capacity here. I always thought it was great at the wirehouse, it's actually in my opinion better here because it's just a better platform, more robust is a platform that clients resonate with and I use in my practice and it's just a better experience model for them. The planning, we use a good planning tool at UBS, but the planning that we have here is just a little bit more state-of-the-art.

Monish Verma:

I think e-money allows us to really help our clients in a more meaningful way because we can watch their assets that this custodian elsewhere flow in, so we can see where their assets are and help them as a fiduciary now because I wasn't a fiduciary for my retail clients before, but as a fiduciary now, I feel that obligation and I can actually take advantage of that obligation by seeing where their assets are and helping make decisions at a more macro base for them rather than a more micro base for them.

Monish Verma:

So those are just a few of the experiences that I felt. I'm really telling you right now that what's the big radar for me is the insurance piece of it. It's just really robust and we're starting to see the tip of the iceberg of what we're going to be doing for our clients on the insurance side. So there's personally on life insurance policies, the second to die, or we have a lot of business owners. So we're finding that there's more opportunity to really do the more meaningful planning for our clients in that space than even before. And before candidly, it was actually really robust, but it just seems like it's just opened up for us to be able to service our clients better in a more meaningful way and that piece of their DNA.

Louis Diamond:

Thank you, that was a very specific answer, one of the better ones I've heard because there was tangible items that really do impact your clients. So it's pretty clear when you were pitching clients, that there were many things that were in this transition for them. That was in their best interest.

Louis Diamond:



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

How about on the downside? Obviously there's no such thing as perfection. Is there anything that you miss from the wirehouse days? Maybe more so on platform and capability standpoint rather than the culture and the comradery of working in a branch office?

Monish Verma:

I would probably have missed the comradery and the branch office, but given the fact that we are in unfortunately in the world we are today with the COVID world, we were working from home since March of 2020. So really going back to the office for us, coming back into a space that we got to select, I rented a space that was larger than we really needed. So we could put everyone in private offices and be very mindful of the world we're in today with a pandemic but open it up to clients, coming in with the right protocols in place. So really allowing us to take more control of how we want to operate as a team and as a business. But I will tell you that yeah, camaraderie was always one of those things that I thought we would miss, but I will be the first to tell you that we don't miss it because we didn't have it for a year, so it was not something we were missing anyway.

Monish Verma:

We welcomed each other back when we all came back as a team and we're here in the office, full-time taking proper measures to make sure everyone's safe. And I think that's something that I thought I would miss, but ended up not missing because we didn't have it for the last year. So I would tell you my list of what I miss is very short, and I just told you the one thing, I do tell you that the branch manager we had at UBS is a wonderful person, the mindfulness of coming in and checking on us all the time he always had and he really respected our team as I did respect him. And it's sad not to work with people like him in the office anymore because they have a lot of wonderful people in that office.

Monish Verma:

They're internal wholesalers we're actually top-notch and we have wholesalers here that we speak to, some of them have overlapped but not all, but those relationships are missed and they provided a value beyond just in the work of the world. But as you cut ties with the wirehouse world, sometimes you cut ties with some of those people that you leave in the wirehouse world, but you make ties with new people. So we're very excited to continue to do that with the new professionals that are helping us with products and services that we can offer to our clients and educating us in it and making sure that we're ahead of the curve on almost every regard of that. So we miss certain things but we're placing that space within us with the new things that are coming our way with the RIA experience.

Louis Diamond:



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

Absolutely. And how did your clients react to the move? It's still very fresh. I'm curious roughly, what percentage of the business has moved over and what were some of your clients' biggest reservations about following you in the first place?

Monish Verma:

We were blessed to have over 90%, I think the number's 94% of our clients-

Louis Diamond:

Congratulations.

Monish Verma:

... that weren't working with us before, working with us now. I think some reservations were pause of what is an RIA, how does it operate, who's Fidelity, who's Summit, who's Vardhan? So some clients because of our relationships, when we reached out to them, were ready to go and signed and immediately came over. Some clients took the opportunity to evaluate where they are with us, where they are with potentially some other options. And then unfortunately for us, concluded that they were with their best option, which was us and then sign, sometimes a few weeks later, there were some clients that were in the middle of a life event that couldn't transition immediately because they had to go through those life events, divorce, or passing in the family. So we waited to honor and respect their timeframe of when they could do that.

Monish Verma:

And then there were some clients that just wanted to take some time to really understand where we had... some clients, we had six different meetings to let them get comfortable, and this is what was always told to us, "We were very comfortable with you and your team and each, we just want to get comfortable with the different experience that we were going to see going forward." Which is I have to give them that it's a true statement, it's different. But then they found that the difference was really a better experience that they might see before from our end to service them and from their end to see it. So I think that that model was really eyeopening for them. And so we did get I'd say, a fair amount of front 60 plus percent, almost immediately within the first few weeks of the acceptance of moving, and then we worked on the other third.

Monish Verma:

And I think we were happy with 94%. I'm the guy who likes 100, so we still have a couple of irons in the fire for a couple of clients that we didn't move but for the most part, we were very happy with the success. I will tell you though, in the process of this move and having this conversation with clients and



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

sharing and understanding, what was a nice surprise was the referrals that we got through those clients during this, and some clients saying, "I was waiting for you to do this, what took you so long?" And I recall a couple of clients who said that, "I thought you would have done this a long time ago, you always seem the kind of guy who would run your own shop." So those are the things we heard from our business professional clients who started to A, give us more of their wealth or B, give us more opportunities.

Monish Verma:

I think we in the last 90 days, have been exposed to about a dozen or more new referrals, some of which we've already this morning before this call, I just closed one of them, it was a seven figure client. So I think that the attraction has already taken itself going forward and the opportunities out there. So I think clients are interested. I will know that one referral that I told that I'd never once a client was, I was prospecting for five years when I let them know that I laughed at here's my new contact and looking forward to connecting, we've had some meaningful conversations in the last couple of days and it looks like they're going to pick us over the other three they're interviewing for moving, and it's going to be a very large portfolio, age, finger portfolio. So I think this process has found itself to surprise us even. And so my suspicion is, we'll be ahead of where we left by the end of the year, rather than at 94%. We look like we'll be ahead of the 100% mark.

Louis Diamond:

That's pretty incredible. Not everything comes over in a move but ultimately, you're locking down the clients who are your ideal future clients. And we talk often about the concept of shrinking to grow. So going from 100% to 94% isn't really shrinking. You did lose some along the way, but it's pretty clear it's been less than a year, and you're already going to be beyond where you would have been by staying, which we think if most advisors could predict that or had certainty at the crystal ball, they would certainly make the move sooner.

Monish Verma:

Yeah. Louis, to your point, we've been calling our client base and working with clients that we've liked and enjoyed working with, if there were certain clients that perhaps we weren't the best fit for, we introduced them to other advisors along the way and made sure that they were comfortable. So we've been always of the mindset of always making sure that our platform is the right fit for the client and the right client was the right fit for us. So we've always had that mentality that we want to make sure that the client is not wasting their money on working on a platform that's just not servicing them properly. So we've always been in that thought process of making sure that the fit was always there for clients both



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

ways. So I would say that we probably had a handful of clients that probably like you said, should be shrunk by a few percentage points, but we didn't have a lot to shrink to grow.

Monish Verma:

Through my coaching in the past, I had done that a couple of occasions where we invited clients to work with other advisors that were probably more aligned with their needs. So we did shrink in the past a few times. So my hope was at this point to truly hit the 80% mark of clients that we would bring over, I believe we invited I'd say probably high 90s of clients, percent, to join us. I can't say that we invited all 100%, but we were reasonably happy with our success rate and fortunate and blessed to have our clients join us and continue our relationship with them.

Louis Diamond:

Yeah, it sounds that way. Two more questions for you. The first of the last two is, how has your lifestyle changed since going independent? Now, the transition period is probably wrapping up. So now that it's more steady state, what is a day in the life look like differently than when you're at UBS? And are you working more and is your team working more?

Monish Verma:

I would say my team, we went 21 days straight when we first made the move and then we were working six days a week, full time, then we went down to five and a half days a week. And then I listened to my team and they really liked the idea of working a little bit more during the weekdays and not on the weekends so that when we went to basically a longer day on the weekdays. So I would tell you that we're probably still working longer than we were before, but that's to be expected that we'll probably continue to shrink that at least for the team as we go forward as we're wrapping up that phase of transition which I would say will probably be wrapped up by October. But I will tell you that my day in the life, I'm not a 9:00 to 5:00 kind of guy, I have calls tonight, between 9:00 11:00 p.m. with other clients all over the country. I continue to do that and operate that way.

Monish Verma:

I do feel that the extra piece of running, paying the bills to run the office, for example we're renovating our office right now. We went through phase one just to get it reasonable for us to open our doors but now, we're getting to the way, we have the vision to enjoy it for our clients and ourselves going forward, so we're doing that now. So there's an extra piece of that that we're working on or I'm working on, but it's fun stuff. It's fun because I'm making those decisions. It's the colors of the office, it's the furniture in the offices, some people may have enjoyed doing that, I enjoy it. So I like the idea that it's really mine



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

and we're really mine and our team is really making the decisions for everything that involves our clients and Summit support on that is really impactful, but it's an enjoyable piece.

Monish Verma:

So I do have to find time now so I learn how to find time of managing the office, paying the bills, working with a good bank, to have automated as much as possible. I'm doing that myself, I know some people I've talked to in the RIA world have people on their team that do that. For now, I wanted to do it to just have a true grasp of everything that's going into it. But I do feel that that's taking some time, but I would tell you, that's an extra maybe hour a week that's really taking time up. But I'm still working the hours I worked in the past, 50 plus hours a week, nights, weekends. I don't see myself slowing that piece of it down because that's just what I was doing before. But I do feel cognizant and mindful that I wanted to make sure my teammates were, and be more respectful of their family life. So we have to tone that down a bit to their happiness, I should say.

Louis Diamond:

Yeah, but it sounds like as a business owner, it's your choice to decide how much work you want to put in. I'm sure if you wanted to, you could work less, but for you, just your personality and where your goals were, you have a certain vision for what you're trying to accomplish and you're not going to stop at anything until it's achieved.

Monish Verma:

I have always told my team, people sometimes in our industry maybe slow down certain times of the year like the summers and they go 50 miles an hour and then they'll go 100 miles an hour sometimes. I told them we're in a marathon, but we're at 75 miles always. We want to overtake people and we want to make sure that we're growing but we're also being mindful of making sure we're taking care of everything for our clients that they have as far as needs go. So that's why I like to overstaff and deliver more than we tell our clients that they're expecting from us. And we get the feedback and we get the referrals because of that. And I have to tell you that it's the credit to my team because they really do put in the time and the energy, I'm getting emails on the weekends from them.

Monish Verma:

Still, even though we're not officially working or they're not officially working on the weekends anymore because it's not a job for them, it's a career. It's a part of a team that they want to be involved in and they are remunerated accordingly, we couldn't do this without all of us. I can't it by myself, I couldn't do it without them. So they have to benefit in all the growth and all the success as a team that we're going to have, and they do. I enjoy working with the people I work with, we have fun but we also have a very



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

strict work ethic, but we never slow down. We have to make sure that we always know that we have this timetable. We've talked to people in the other industries and said, well, why don't you take time off in the summers? Or why don't you slow down at this time of year? We're not built that way, so we won't.

Louis Diamond:

Last question for you. We alluded to I think part of the answer before, it's the question we ask everyone. If you can do this all over again, what's something that you either wish you knew or wish you did differently?

Monish Verma:

First of all, I think the feedback that I would say to that is that I wish I would've done this to maybe a topic earlier in my career. I just turned 50 this year, so I still have a lot of runway left, but I would've loved to have been able to do this maybe five or six years ago and been able to capture more of the benefits for the clients that we're seeing there earlier, rather than now. So, that would be something that I wish I would've done earlier. What I wish I would've known is I got to tell you, we were pretty schooled in what to expect from Summit. We were told that crunch, I do think it was a very daunting 90 days when we moved. I do think that there was a lot of late nights and early mornings and full weekends, but I won't tell you that we were surprised by any of it.

Monish Verma:

We were told that we would have some of bumps in the road is to be expected, I talked to some colleagues that have done this in the past. They said, "Own it, move it, move on with it and just walk through it, your clients will understand." And they have, our clients have been very to some extent, surprising, happy with our success, encouraging of our success and wanting to see us do this and encouraging us along the way to continue that. So I don't see anything other than a regret of maybe not doing it earlier, I do think that we were told and advised what to expect, so we did feel it. And yeah, there were some days that you really just needed to take a breath but for the most part, I think it's been a great experience and we are still like I said, at the tail end of it.

Monish Verma:

So we're working through it, but I do think that I would encourage anyone who's thought about becoming more independent in their profession, especially in financial advising and being a financial advisor, to really look at it really hard. I think it's really right for a lot of people, but it's not right for all people, but definitely finding someone to guide you and give you the help of understanding what due diligence to do and mentally preparing you before you make the transition is very important. I think we



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

don't have a lot of regrets because we were prepared and helped to get there, and that's why I don't think we have a whole lot of regrets. But doing it earlier would be something... not like a few months earlier, but maybe five or six years ago, I think is my regret at this point. But we did it, so now we're moving forward.

Louis Diamond:

Perfect. Monish, this has been extremely helpful and instructive and we're so grateful that you took time out of your very busy week, especially still relatively fresh and transition to share your perspectives. So, thanks again.

Monish Verma:

I appreciate it. I appreciate you and your firm helping me along the path, providing a lot of the answers to the questions that I didn't have answers for, it's invaluable to have someone on your side to help be a sounding board for this. And you guys provided that and I appreciate you and your team for helping me along that path.

Louis Diamond:

Thanks, Monish.

Mindy Diamond:

Monish shares a journey that offers valuable lessons on how clarity of goals and vision can help lead you toward the right destination. And even when presented with what was an outstanding deal in the short term, he saw greater value and opportunity in the long term. I thank you for listening and I encourage you to visit our website, diamond-consultants.com and click on the tools and resources link for valuable content. You'll also find a link to subscribe for regular updates to the series. And if you're not a recipient of our weekly email, Perspectives for Advisors, click on the articles linked to browse recent topics. These written pieces are an ideal way to stay informed about what's going on in the wealth management space without expending the energy that full on exploration requires.

Mindy Diamond:

Feel free to email or call me if you have specific questions, I can be reached at 9734768578 or by email, at M.Diamond@diamond-consultants.com. Please note that all requests are handled with complete discretion and confidentiality. And again, if you enjoyed this episode, feel free to share it with a colleague who might benefit from its content. And if you're listening on the Apple podcast app, I'd be grateful if you gave it a star rating and a review. That will let other advisors know if it's a show worth their time to listen to. This is Mindy Diamond on Independence.



EPISODE TRANSCRIPT

Motivated by the Long Game: Why a UBS Breakaway Left a Deal Behind for Independence with Summit Financial - A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management

A conversation with Monish Verma, Managing Partner, Vardhan Wealth Management