



WEALTH

SUCCESSION

Welcome to a world
where **financial prosperity**
meets **purposeful guidance.**

wealthsuccession.co.za



Introduction to the Wealth Succession Family Office

Wealth Succession is an independent, multi-solution financial advisory firm serving established African entrepreneurs and top executives. We provide our clients with expertise, advice and access to networks, acting as their trusted advisor for both business and private matters.

As a purpose-driven brand, our focus is on effective generational wealth management and transfer. We are committed to preserving legacies while adapting to modern financial landscapes, ensuring that family wealth is expertly managed and seamlessly passed down through generations. Our logo signifies a harmonious blend of tradition and innovation, symbolising our commitment to bridging the past with future trends.

We are part of the Carrick Group, which manages over USD 1 billion in assets and has a footprint across the African continent. The group has won numerous industry awards, and we pride ourselves on exceeding clients' expectations in governance, structures and investments. Equally important is our focus on multi-generational planning - preparing and upskilling families to understand their respective roles and responsibilities in continuing the family legacy.

We recognise that entrepreneurs are naturally focused on building their next business venture. This drive can sometimes mean that managing their existing achievements takes a back seat. Our goal is to help them safeguard and optimise what they've already created, ensuring they continue to thrive without taking unnecessary, uncalculated risks.

Our business has grown by building trust and exceeding expectations. Our proven success is supported by end-to-end processes focusing on exceptional service and solution-driven strategies.

We believe independence is of paramount importance in an environment that can be complicated and opaque. Our complete independence gives Wealth Succession unrestricted access to the best global players in the market, allowing us to provide truly objective advice with no conflict of interest.

We work alongside our clients as trusted advisors, to help you address some of the key personal and business challenges you face, such as:

- Will my family be protected, and can my business continue if something happens to me?
- How will my family be affected if something disruptive happened to my country or my business?
- How can I strategically grow my business and get access to the international capital markets?
- Do I have the right succession planning structure in place for the transmission of my wealth?
- Do I have the right banking partners, asset managers and trustees, and am I paying the correct fees?
- Is my asset allocation correct? Am I taking too much risk on my investment portfolio and am I seeing all options available at the correct fee?



Our Offering

A few very simple, but important fundamental principles underpin our offering:



Details and data matter greatly and should be a critical starting point to any advisory process. It is of no use to have strategies and plans in place when you do not have a clear understanding of your asset universe and the structures in which wealth is kept. The guiding principle is that one should guess neither the law nor math, and neither should you allow your advisors to do it - we don't do either.



Scenario planning is critical, and the scenario planning must be based on accurate data. The data, the family dynamics and the legal and tax environment also change over time, and so should the scenario planning - it should constantly adjust to an ever-changing environment.



Reliance on memory is not good enough as our memories are selective and often frail, and more importantly our memory also passes away with us. That is true for the family but equally so for the advisors. The longer the historic relationship with an advisor, the more reliant a family becomes on the inevitable frailty of an advisor's own human memory.



We should be jealous about our data, and we should possess the data in a manner that represents a single shareable version of the truth. The advisors of wealthy families should be invited to the data. Your data should not live in a dispersed manner across the non-integrated systems of several different advisors and firms they operate in.



You can have multiple advisors, but they should all align and assist in developing a uniform strategy, whether on asset allocation, investment decisions or succession and tax planning.



We should be educated on all asset classes available for investment portfolios. There are tools and products which can be used to reduce the risk and increase diversification. Alternative investments such as hedge funds, structured notes, private equity and private credit are some examples of this and are all accessible with daily liquidity.

Scope of Services



Family Business

- ✓ Governance
- ✓ Family Strategy
- ✓ Leadership & Succession
- ✓ Crisis Management
- ✓ Family Conflict
- ✓ Family Alignment & Sustainability
- ✓ Ownership Planning
- ✓ Wealth Sustainability
- ✓ Profitable Business Growth
- ✓ Education
- ✓ Individual Development



Investment

- ✓ Total Wealth Strategy
- ✓ Strategic Asset Allocation
- ✓ Liquid Investments
- ✓ Traditional Investing
- ✓ Institutional Investing
- ✓ Impact Investing
- ✓ Private Equity
- ✓ Real Estate
- ✓ Hedge Funds
- ✓ Consolidated Reporting



Structuring

- ✓ Ownership Structures
- ✓ Holding Companies
- ✓ Internationalisation
- ✓ Liquid Investments
- ✓ Capital Gains Optimisation
- ✓ Cash Pooling & Deployment

Central Reporting Platform

It is very difficult to manage that which you cannot measure. Wealth Succession has developed software to assist with the aggregation of all assets, not just financial assets, for reporting purposes. The software allows for hierarchical viewing access to family members, and the servers hosting the data are extremely well protected in Ireland, in terms of the data laws that apply in the country. This tool allows for information to be interrogated on multiple planes to assist with the asset allocation decisions required.

The system provides for advisors to be invited to the data, instead of that data being dispersed to service providers. Access and authority levels can be granularly set for all users. We design and maintain the architecture in-house.

Historical & Generational Context of The Wealth

Wealth exists within a historical context, and understanding the generational momentum is critical to the advisory process.

We also understand the importance of our analysis incorporating a three-dimensional perspective of our client's broader family group and historic reality.

Succession Perspective

As a family tree expands, providing succession and structuring advice without gaining a deeper understanding of the different family groups would be ill-advised.

The further the level of consanguinity between beneficiaries, the lower the chance of harmonious co-assistance within the same wallet. This is why more stringent structure is required when you have a very broad group of beneficiaries.

At the same time, we believe in finding simplicity, but the simplicity we need to find sits on the other end of complexity. We work through the complexity of the family, the wealth, and the desired succession outcomes, prior to arriving at solutions that are simple to present and understand. It will eventually be our job to absorb the complexity on behalf of your family.



Family Office Design

Introduction

The design of a family office cannot be done on a standard template basis. The wealth structures (and asset allocation for that matter) are designed around the unique requirements and circumstances of the family(ies). The family members are the starting point of the process.

The Family Council

The needs, requirements, or entitlements of the various family groups would usually be aggregated and presented to a Family Council.

The Family Council is not a legal structure. It would consist of representatives of the different family groups, a small core of advisors (CIO and Legal Liaison), the Trustees of the family trust, and the executives of the holding company.

The main purpose of the Family Council is to allocate resources. On one side, resources must be made available to the beneficiaries, and on the other side, resources must be allocated to investments.

The allocation to investments must balance maintaining and sustaining the draw-down against the wealth with the growth and renewal of the wealth.

Three factors pull against the additional accumulation of wealth: consumption, inflation, and dilution.

The only element that can be controlled within the family is consumption.

The higher the continued contribution of family members to their own wealth and sustenance, the lower the consumption. The lower the consumption, the higher the ability to invest against the effect of inflation and the higher the ability to grow the assets faster than the dilution that is inevitable with each added generation.

Getting this right is therefore absolutely critical and must be done at the highest hierarchical level.

Usually, a family charter would be drafted to determine how the Council functions, who the members are, how the members are elected and remunerated, how all the interest groups are represented, how voting and decision-making will work, and what principles and values drive the family and the decision-making for the collective.

The Family Council would represent the top decision-making body for the family. It would receive demands made against wealth from the family group and would filter the demand through a fairness and feasibility lens.

The meetings of the Family Council need to be carefully minuted to ensure that the discussions do not create unintended management and control consequences. The jurisdiction of the meetings and the jurisdiction where decisions are taken would be important.

Investment Approach

Being a boutique, specialist investment manager with a competitive value proposition requires a sharp focus, a consistent investment philosophy, a dynamic and committed investment team and an excellent support system. The balanced combination of these factors is what makes Wealth Succession an attractive partner in the management of your wealth.

The Wealth Succession Investment Committee was created to ensure clients have access to the best investment solutions possible. Diversification is a key focus and ensures that when one investment goes down or is not doing well, you are insulated from the result because of the others you have in place. Spreading your assets among investment types, styles, and markets is one of the few time-tested strategies for investors with long-term financial goals. Desire and impulse are never good substitutes for rational thought and a disciplined plan. Just because an investment type or style outperforms one year, there is no guarantee that it will outperform the next.

Wealth Succession focuses on providing clients with sophisticated risk management with respect to investments. Our services are underpinned by a disciplined and rigorous investment process, helping our clients achieve their investment goals.

We believe that staying focused on long-term goals achievement versus short-term performance offers the best opportunities for investors. We use a combination of quantitative and qualitative tools in our rigorous portfolio construction process seeking the optimal balance between risk and reward. We believe our collaborative investment approach of blending active and passive strategies allows us to optimally construct portfolios, adapting and reacting to ever-evolving market conditions.

Investment Philosophy

- ✓ **Strategic asset allocation** remains the single most important consideration in constructing a portfolio.
- ✓ Markets are inefficient at times, allowing for **active management (alpha)**.
- ✓ For all other times, cost-effective, **passive strategies** are more suitable (beta).
- ✓ **Multi-management** optimally blends the best skills and style of more than one fund manager because we believe that no single-fund manager can consistently outperform in all market and economic environments.

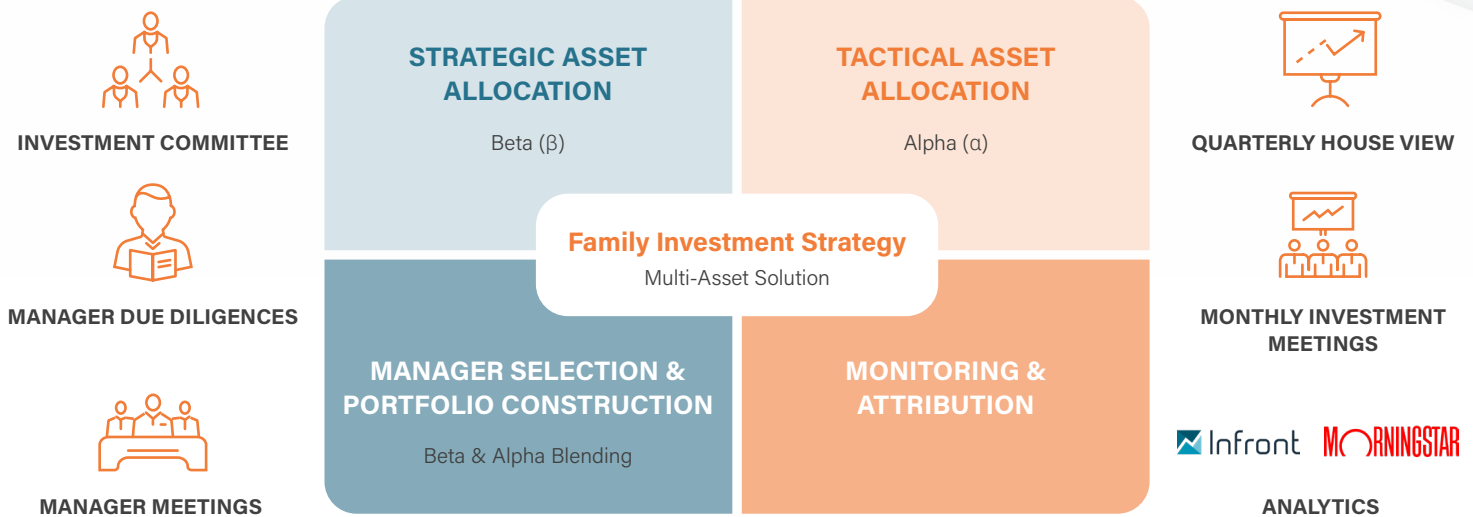


Asset Allocation

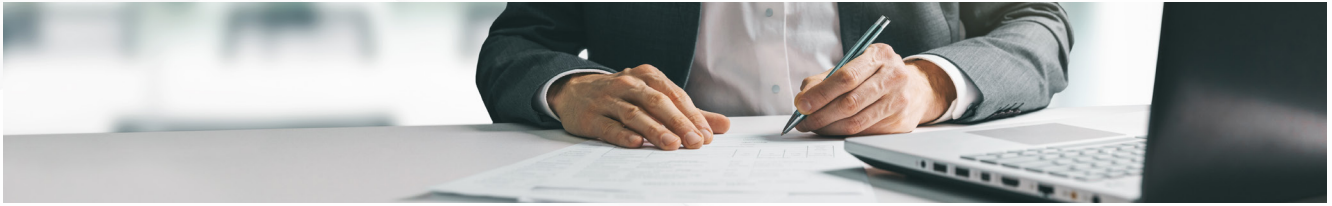
- ✓ Determine what proportion of a portfolio should be allocated to Growth Assets, Defensive Assets and Uncorrelated Assets.
- ✓ **Value-focused asset allocation** – measure prevailing valuations, allocating to assets that have the highest average annual expected return adjusted for risk.
- ✓ **Risk management** – adjust investment allocations to manage the risk of the overall portfolio.



Risk-return objectives: Ability & Willingness to take risk	Investment Policy Statement (IPS)	Constraints: liquidity, time horizon, tax, legal & regulatory, unique requirements
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Portfolio Construction



1 Emerging Market Equities

- Active vs. Passive
- Regional Tilts

2 Developed Market Equities

- Active vs. Passive
- Style Premia
- Geographic, Currency & Sector Preferences

3 Listed Property

- Active vs. Passive
- Regional Tilts
- Currency & Geographic Preferences

4 Global Bonds

- Active vs. Passive
- Modified Duration
- Sovereign Debt
- Investment Grade Debt
- EM Sovereign Debt
- Money Market Cash-Like Instruments

5 Alternatives

- Private Equity
- Hedge Funds
- Structured Products
- Infrastructure

6 Inflation Protection

- Commodities
- Treasury Inflation Protected Securities



Credentials

The business is led by **Louis Venter** and **Anthony Palmer**.



Louis Venter

Founder & Director of Wealth Succession

Louis qualified as an attorney in 2001 and holds B.Com (Law) and postgraduate LL.B degrees.

He created the fiduciary offering for Citadel Investment Services in 2003 and moved to RMB in 2009 to revitalise the fiduciary services for Wealth Segment clients. In 2012, Louis was appointed Senior Manager for Maitland Private Clients (now Stonehage), where he managed ultra-high-net-worth families in Africa.

During his tenure at Maitland, Louis looked after single-family office clients and acted as a local trustee on various large family trusts.

In 2016, he founded Wealth Succession, a unique independent specialist multi-family office offering in South Africa.

Louis is the thought leader behind the Four Pillar approach to managing family wealth, the principles of Generational Momentum and the Life Relay. He is a renowned public speaker and trainer in estate planning and multi-generational advice.

Louis believes in the power of relationships and quality conversations. For him, it's not just about managing wealth; it's about understanding your unique needs, family dynamics, and long-term goals, ensuring that your financial legacy thrives for generations. He would be a dedicated resource to your family.



Anthony Palmer

Managing Director of Wealth Succession

Anthony was born in Johannesburg and matriculated from Damelin College in 1991. He is a qualified chartered accountant, holding B.Com and B.Com Accounting degrees and is a member of the SA Institute of Chartered Accountants.

Anthony spent eleven years working abroad in structured credit sales and derivative marketing at JP Morgan in London and Deutsche Bank in London and New York. His last position at Deutsche Bank was as Managing Director and Global Head of the Alternative Risk Markets Group.

Upon returning to South Africa, Anthony started his own business in the finance and venture capital industry. After identifying an opportunity in providing offshore financial planning to South African residents, Anthony joined Carrick at its inception as a senior adviser, delivering product development, training, and strategic input.

Anthony is Chairman of the Carrick Investment Committee and a director of LNKD Investment Managers, our in-house asset manager. He brings a wealth of knowledge to his role as your senior private wealth manager. He is dedicated to offering personalised service, product development, training, and strategic insights tailored to your unique needs, ensuring your financial journey is both successful and enjoyable.

As Managing Director of Wealth Succession, Anthony complements Louis's fiduciary expertise by bringing his investment experience to the table.



WEALTH

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Unwavering commitment to our clients' and their family's financial well-being.



Pretoria

@Lynnwood,
474 Lynnwood Road,
Lynnwood, Pretoria, 0081

t | +27 (0)12 001 2704

Cape Town

The Forum
North Bank Lane,
Century City, Cape Town, 7441

t | +27 (0)21 201 1000

DIRECTORS

AD Palmer (Managing)
LS Venter (Founder)
Registration No.
2017/134330/07
VAT No. 4080278015