



A strategic redeployment

To serve their clients as they saw fit, this team needed to move



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EXECUTIVE SUMMARY

Encountering more barriers than bridges from their broker/dealer, Tiago Lima and his partner, Mark Anderson CFP®, CLU®, ChFC®, RICP®, sought a new relationship – one that wasn't driven by top-down corporate objectives within the company's walled investment ecosystem. Under the circumstances, they were finding it difficult to serve their clients with holistic financial guidance in the way they believed was best.

They transitioned to Raymond James Financial Services, the firm's broker/dealer for independent advisors, and founded the Sovereign Wealth Strategies Group. More than one year in, the nine-member team in Colorado Springs, Colorado, has continued to appreciate the Raymond James approach, its offerings and its support resources.

But above all, they value the independence they have gained while still being able to rely on the support and resources of a major firm.

CASE STUDY

Tiago Lima and Sovereign Wealth Strategies Group

The kind of high-touch, goal-oriented wealth planning practice Tiago Lima and his colleagues had created was increasingly at odds with his former employer's volume-based goals and incentives. The relationship was growing untenable.

By this point, Lima had already received the greener grass speech from a former colleague, Brandon Stevenson, an advisor and former U.S. Army Special Forces member whose counsel was always welcomed. Stevenson had left to create Imperium Capital within the Raymond James independent channel a year earlier.

"He asked me what I was still doing there," Lima said. "He said I needed to call Raymond James. 'I think it'll be too hard to leave,' I said. He told me, 'Nothing worth doing is ever easy.'" It would be the last time Lima spoke to Stevenson, who passed suddenly in 2021.

Encouraged by the advice, Lima and his partner, Mark Anderson, toured the market, meeting with seven different broker/dealers. Raymond James was the seventh, but hit the mark over and over, Lima said. Soon enough, Sovereign Wealth Strategies Group was founded.

The team had sought an expansive advising platform – for investing, technology and client management – and an open door to pull in preferred vendors as needed. (Raymond James' proposal program is great, Lima said, but he's a Morningstar guy at heart.) With Raymond James, that's not a problem. The team wanted support, not directives. And they wanted resources without product pushing.

They also wanted to be able to serve their clients and create their own business model. They have since done this, doing some commissioned businesses – mostly related to 529s, and they're going to restart their insurance operation – but for the most part, they are now a fee-based advisory, which Lima said is more aligned with the way they serve their clients' holistic needs.

"That's one of the best things about being under the Raymond James umbrella. We set up our office how we'd like, decide what to charge, decide who we work with, who to hire, and still have the amazing support mechanism in this major financial services company," Lima said.

"It's the best of both worlds. Be independent and still be able to lean on these resources to help run our business. It's light years ahead of our prior experience."

AN UNCOMMON CLIENTELE

Even among military towns, Colorado Springs is a city known for being cast in brass. This has been an opportunity, Lima said.

Sovereign Wealth Strategies Group



Joined Raymond James

2022



Location

Colorado Springs,
Colorado



Business model

Primarily fee-based, with 529 and insurance commissions



Client niche

Military
community

A majority of Sovereign's book of business is with military veterans, senior enlisted and officers, a connection that goes deeper than business. Most in the nine-member team have personal connections to the military, through their own service as commissioned officers, through marriage or through family. The practice also supports organizations serving the military community. Military jargon flecks their daily communications.

This has nurtured a special kinship with their clientele.

Servicemembers are an often-overlooked clientele. But as a group, servicemembers are disciplined, enthusiastic and competitive, and have financial advantages and concerns that lend themselves to benefiting from professional advice, Lima said. Most servicemembers make good incomes, have complex benefit packages that need sorting, and are primed to retire with meaningful income relatively young. Then, many move on to high-earning second careers.

In an industry facing demographic challenges, the Sovereign team strives to stand out. It's a youthful group relative to the industry, managing a relatively young book of business. The practice is growing alongside its client base.

“Our process-streamlining technology also allows a practice like Sovereign to support a growing client base while maintaining their focus on individual clients and their financial goals.”

– TIAGO LIMA

Lima has been in three of his clients' weddings, a testament to how durable these relationships have become.

“As I got to know them, I saw that the Sovereign group's ethic was inspired by a higher calling to serve those who have put so much on the line for our country. They believed their clients deserved better than the limited, proprietary offerings available through

their previous insurance-based broker/dealer,” said Divisional Vice President Austen Karr, who worked closely with the team as they made their decision. “That approach is a natural fit for Raymond James and our commitment to holistic, client-first financial planning.”

“We had some other strong bonuses, too, as far as the team was concerned,” Karr added. “Cross-country moves are a standard part of their clients' jobs, so we had to be able to support a multistate practice. Our process-streamlining technology also allows a practice like Sovereign to support a growing client base while maintaining their focus on individual clients and their financial goals.”

ONE YEAR LATER

Sovereign Wealth Management made the transition on September 29, 2022. Their former broker/dealer sought to retain their clients, Lima said, but within seven months the team had hit its transition goal and won back nearly all the business they had hoped to carry forward. Since then, they have set a new high mark for assets under management.

“I joke it's the most fun I've ever had that I never want to do again,” Lima said of the transition, “but it was worth it.” He said he appreciated the level of support from the Raymond James transition team helping them open accounts, direct traffic and keep the momentum moving.

The experience also validated their decision to move, he said. His former broker/dealer talked about advisors running their own businesses, but the team couldn't incorporate, make hiring decisions, form durable partnerships or – as was clear during the transition – have confidence in knowing the book of business they had built was truly theirs.

They've continued to find things to appreciate in the Raymond James approach, Lima said, who noted the Succession & Acquisition Planning team in particular.

The Sovereign team also became quick fans of Raymond James Consulting Services, the firm's expansive SMA platform. Several of their clients have begun to take the opportunity to invest with nationally notable money managers through RJCS, and Lima said he expects that figure to continue to grow.

“These clients love the name recognition of these managers, they love to own individual equities,” Lima said, adding that the expense ratios are attractive. At his prior broker/dealer, if you invested from outside their direct mutual fund offerings, the process and fees would be a hindrance. At Raymond James, he said it’s much easier to take a holistic, client-centered approach to investing.

“It’s like being a kid in the candy shop,” Lima said. “To exceed what we had before was a low bar to hurdle. We were playing in the mud with sticks and stones. Now it feels like we’re in the 21st century. It isn’t even a fair comparison with the tools, the technology and the talent we have here.

“We’re very grateful to be here. If I had one regret, it’s that we didn’t do this sooner.”

A powerful partnership

Since partnering with Raymond James, Tiago Lima has:



Successfully transitioned
a vast majority of
existing clients



Maintained a
strong kinship with
veteran clientele



Strengthened client-
first service with tech
capabilities

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