



The Convergent Family Office™

Your Family's CFO



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When Coordination Becomes Your Second Full-Time Job

You're managing eight different advisors: your estate planning attorney in New York; your tax attorney in Delaware; your business attorney locally; your accountant; your financial advisor; your insurance broker; your business consultant; your family office manager—if you even have one.

Each is exceptional at what they do and each of them bills you accordingly.

But here is what keeps you up at night: nobody's making sure they're all working toward the same goals.

Your estate attorney designs a brilliant structure for transferring business ownership without coordinating with your tax advisor about the implications. Your financial advisor recommends an investment strategy without understanding your business might need that capital next year. Your insurance broker sells you policies that duplicate coverage you already have through the business.

You've become the general contractor, the translator, the integrator. You're the one catching conflicts. You're the one explaining your accountant's recommendation to your attorney, and vice versa. You're the one making sure nothing falls through the cracks.

And you're doing all this while running a business, leading a family, and trying to preserve a legacy that took generations to build.

The problem isn't that you have bad advisors. The problem is that nobody is responsible for making sure all these experts work together as an integrated team.

That coordination—making sure legal, tax, investment, business, and family strategies all align—is what family offices were created to do. And for family business owners with substantial wealth, that coordination becomes even more critical because you're not just managing money. You're managing a business that represents most of your net worth, family dynamics that span generations, and decisions that affect everyone from employees to grandchildren.





THIS GUIDE WILL HELP YOU UNDERSTAND:

- What family offices actually do (and the different models available)
- Why family business owners face unique challenges that require more than standard wealth management
- How integrated oversight specifically addresses the problems you're experiencing
- Whether your situation has reached the point where coordination matters more than independence

Let's start with the basics: what exactly is a family office, and why do families at your level of wealth consider them?



CHAPTER 1

Understanding Family Office Models

If you're not already familiar with the term, a family office is a private organization dedicated to managing the financial and personal affairs of wealthy families. Think of it as having your own internal CFO and support team, except instead of just managing your business finances, they're coordinating everything: investments, tax planning, estate strategy, philanthropy, family governance, and more.

The concept originated with families like the Rockefellers and Carnegies in the early 1900s. Once wealth reached a certain level, managing it became complex enough to require a dedicated team rather than a collection of independent advisors.

What Makes Family Offices Different

Here's what distinguishes a family office from traditional wealth management:

- **Coordination over execution.** Your current financial advisor executes investment strategy. Your attorney executes legal work. But who coordinates to make sure these strategies work together? That's the family office's primary role.
- **Comprehensive scope.** A family office addresses everything affecting your wealth—legal, tax, insurance, estate planning, philanthropy, family education, even lifestyle services. Not because you can't hire separate specialists, but because someone needs to integrate their work.
- **Multi-generational focus.** This isn't about managing your wealth for the next five years. It's about structures and strategies that work across generations as your family grows and circumstances change.
- **Customization.** Every family is different. A family office builds around your specific situation rather than fitting you into a standardized model.



The Three Traditional Models

Family offices generally come in three forms. Understanding them helps clarify what might work for your situation.



SINGLE FAMILY OFFICE (SFO)

An SFO serves one family exclusively. You essentially create your own wealth management company with full-time staff working exclusively for you.

- **When this makes sense:** Assets typically \$300M+, you want complete control and privacy, you need highly specialized expertise unique to your family.
- **The tradeoff:** You bear all operational costs, recruit and retain talent yourself, and handle all governance and oversight.



MULTI-FAMILY OFFICE (MFO)

Multiple families share a professional team, splitting the cost of institutional-quality expertise and infrastructure.

- **When this makes sense:** You want professional management without single-family-office costs, you value established processes and access to diverse specialists.
- **The tradeoff:** Services draw from established frameworks rather than being built from scratch for you, the team serves multiple families simultaneously.



VIRTUAL FAMILY OFFICE (VFO)

Technology-enabled coordination without dedicated physical space or full-time staff.

- **When this makes sense:** You're comfortable with digital service delivery, you value flexibility and modern reporting tools.
- **The tradeoff:** Coordination happens digitally rather than face-to-face, which may affect relationship depth.



The Real Question Isn't Which Model— It's What Problem You're Solving

But what matters more than the model is if there is someone actually coordinating all the pieces of your financial life. Because at your level of wealth and complexity, the traditional approach—separate advisors working independently—creates specific, costly problems:

Your attorney recommends an estate structure. Your accountant flags tax issues with it. Now you're mediating between two experts, neither of whom will talk directly to the other. Who's responsible for figuring out a solution that works for both? You are.

Your business needs capital for an acquisition. Your financial advisor has your liquid assets invested in a five-year strategy. Nobody asked whether these two plans conflict. Who catches this before it becomes a problem? You do.

Your daughter wants to buy out your son's shares. Your accountant calculates a value. Your attorney drafts documents. Your financial advisor recommends funding sources. But nobody coordinated the timing, tax implications, and family dynamics. Who makes sure all these pieces work together? You.

This is the coordination burden. And it grows exponentially as your wealth increases, your family expands, and your business becomes more complex.

A family office, regardless of the model type, exists to take this burden off your shoulders. Someone becomes responsible for seeing the whole picture, identifying conflicts before they become problems, and making sure all your advisors work as an integrated team.

But what most family offices miss is that family business owners face challenges that go beyond standard wealth management. Your business isn't just an asset in a portfolio; it's intertwined with your identity, your family relationships, your employees' livelihoods, and your legacy.

That is why you need something more than a traditional family office. You need someone who understands not just wealth management, but the unique dynamics of family business wealth.

Let's explore what makes your situation different, and why it requires a different approach.





CHAPTER 2

The Unique Challenges of Family Business Wealth



Most family offices understand wealth management but few truly understand family business wealth management. The difference matters more than you might think.

The Concentration Reality

Traditional wealth advisors will tell you concentration is risky and you should diversify. They're not wrong about the risk, but they fundamentally misunderstand your situation.

Your business likely represents 60%, 70%, maybe 80% of your net worth. Traditional planning says this is dangerous. But what those advisors miss is that your business isn't just an asset. It's your primary income source, your employees' livelihoods, your family's legacy, and quite possibly your identity. You can't just "rebalance your portfolio" by selling half of it.

The questions this creates require coordination most advisors can't provide:

➤ **When your business is illiquid but represents most of your wealth, how do you plan for estate taxes?**

Your attorney suggests life insurance. Your financial advisor worries about premium payments reducing investment capital. Your accountant flags tax implications. Your business consultant warns about cash flow impact on operations. Who coordinates all this?



- When you want to diversify but selling shares would trigger massive capital gains, change control structures, and affect family dynamics, which strategy makes sense?

Your tax attorney has one opinion. Your estate planner has another. Your family expects input. The business needs stability. Who weighs all these factors?

This isn't a problem you solve with good advisors working separately. This requires someone who sees how business decisions, tax strategies, estate plans, investment approaches, and family dynamics all connect, and coordinates across all of them.

The Succession Complexity

Here is what makes succession planning in family businesses uniquely challenging: you're not just transferring ownership; you're navigating competing perspectives that can tear families apart.

- You've spent 30 years building this.

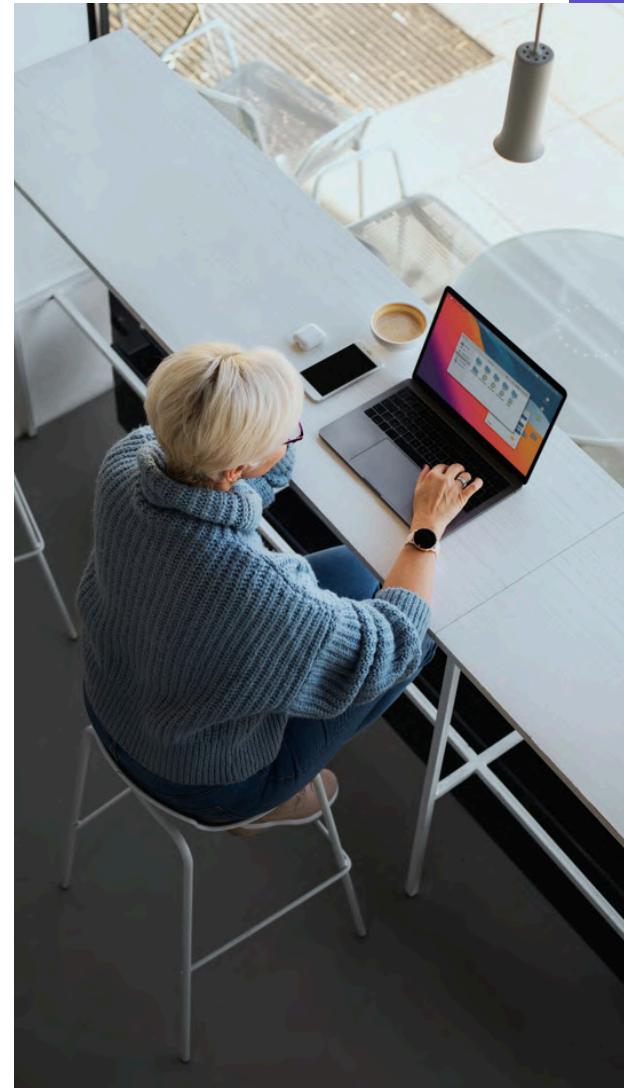
Letting go is hard. You worry the next generation isn't ready. You fear becoming irrelevant. You're not sure you trust their judgment on major decisions that could affect everything you've built.

- The next generation is ready for more responsibility.

They feel micromanaged. They see opportunities you might miss. They're frustrated waiting for authority that may never come.

- Active family members work in the business daily.

They believe their contributions deserve recognition beyond just ownership percentages. They want compensation reflecting their effort.



➤ **Inactive family members own shares but don't work in the business.**

They want fair returns on their investment. They worry about being excluded from important decisions. They need income their shares aren't currently generating.

➤ **Spouses want what's best for their immediate family unit.**

Their perspectives may differ from the broader family business. They worry about financial stability and fairness.

Each perspective is legitimate. Each person's concerns are real. And they often conflict.

Here's where traditional advisors fall short:

Your attorney can draft brilliant succession documents. But legal structures don't resolve emotional tensions about who's ready to lead.

Your accountant can calculate fair market values for buyouts. But numbers don't address feelings about whether distributions fairly reflect contributions.

Your financial advisor can plan retirement income. But that doesn't solve questions about when you should step back from day-to-day leadership.

Your business consultant can develop transition timelines. But they don't facilitate the difficult family conversations that need to happen first.

Succession planning requires all these pieces to work together while also addressing family dynamics that most advisors aren't equipped to handle.



The Fairness Dilemma

Perhaps no issue creates more lasting tension than fairness. And at your level of wealth, the stakes are high enough that getting it wrong can fracture families permanently.

➤ **Should all children receive equal ownership regardless of involvement in the business?**

This seems fair from a family perspective, but active children feel they're building value for inactive siblings and inactive siblings feel excluded from decisions about "their" business.

➤ **Should distributions be equal or based on need?**

Some family members need regular income from their shares. Others prefer reinvesting for growth. One distribution policy can't satisfy both.

➤ **Should compensation be market-rate or family-adjusted?**

Market rates might mean overpaying some relatives and underpaying others relative to actual contribution. Family-based pay creates resentment among those who feel undervalued.

➤ **Should one child lead, or should you create co-leadership?**

Choosing one child creates obvious tensions. But co-CEOs or leadership-by-committee often don't work from a business perspective.

Different families resolve these questions differently based on their values. There is no universal "right answer."

What we see repeatedly is families implementing structures that seem fair from one angle but create resentment from another because nobody coordinated across all the implications.

Equal ownership seems fair until active children realize they're building value they can't fully capture. Market-rate compensation seems fair until family members compare what they're paid to what they contribute. Reinvestment policies seem smart until inactive shareholders realize they'll never see meaningful distributions.

The challenge isn't choosing the "right" approach. The challenge is understanding all the implications of whatever approach you choose before you implement it and discover the unintended consequences.



The Liquidity Trap

Family businesses face liquidity crunches at exactly the wrong moments. And at your level of wealth, these aren't minor inconveniences; they can force suboptimal decisions worth millions.

- **Estate taxes come due when someone dies** and most of your wealth is locked in an illiquid business. Do you burden the business with a large distribution, take on debt, or sell part of the company? Each option has significant implications.
- **A family member wants to exit** and there is no market for their shares. How do you fund a buyout, at what valuation, and over what time frame? And who bears the cost—the business or remaining shareholders?
- **The business needs growth capital.** Do you bring in outside investors and dilute family control or take on debt and increase risk? Or do you reduce family distributions and create tensions? Each decision affects wealth planning, but often these conversations happen in isolation.
- **A divorce happens** and suddenly you're negotiating with an ex-spouse's attorney about business valuation and buyout terms. Were structures in place to handle this? Did anyone coordinate the business agreements, prenuptial strategies, and estate planning to prevent this situation?
- **A key leader becomes disabled** and the business needs immediate cash to manage the transition. The family needs income replacement and insurance should cover this—but does it? Did anyone coordinate the business continuity plan with personal wealth planning?

Each of these situations requires coordination across legal, tax, business, and family advisors. But when these advisors work independently, nobody's stress-testing the plans against real-world scenarios until it's too late.





Why Standard Coordination Isn't Enough

You might be thinking, "My advisors do coordinate. They talk to each other when needed." But that is not the same thing.

Ad hoc coordination ("Let me loop in your accountant on this") doesn't solve the problem. Because nobody is responsible for proactively identifying where strategies might conflict. Nobody is asking, "How does this estate plan affect the business succession timeline?" or "Does this investment strategy account for upcoming business capital needs?" or "Have we stress-tested this ownership structure against potential divorce scenarios?"

The coordination you need isn't reactive, it's proactive, systematic, and continuous.

It's someone who sees the complete picture—business operations, family dynamics, ownership structures, individual needs—and makes sure every strategy works across all four areas.

That's what the Convergent Family Office™ model was designed to do.





CHAPTER 3

The Convergent Family Office™ Approach

Now that you understand why family business owners need something beyond traditional wealth management—and why even standard family offices often miss critical elements, let's explore how the Convergent Family Office™ delivers integrated oversight specifically designed for your situation.

The Hub-and-Wheel Framework

Think of the Convergent Family Office™ as the hub of a wheel, with your various advisors as the spokes. This isn't about replacing anyone. Your attorney, accountant, business consultant, financial advisor—they all continue doing what they do best. We're not suggesting they're failing you.

What changes is the coordination. Instead of working independently and hoping their recommendations align, they operate as an integrated team with clear communication and shared objectives. Instead of you serving as the general contractor managing all these relationships, we handle the coordination, translation, and integration work.

You focus on what only you can do: running your business, leading your family, making the strategic decisions that shape your legacy.



What Makes This Different

The Convergent Family Office™ blends the best elements of single-, multi-, and virtual family office models while addressing what they typically miss:

From single-family offices: Deep customization. Your business isn't like anyone else's. Your family dynamics are unique. Your wealth management shouldn't be standardized.

From multi-family offices: Professional infrastructure and institutional-quality expertise without the cost of maintaining a dedicated team serving only one family.

From virtual family offices: Modern technology for communication, real-time reporting, and secure collaboration that makes coordination more efficient.

What makes Interchange Capital Partners different is we understand the four areas that must work together in family business situations: individual needs, family dynamics, business requirements, and ownership structures. We don't just coordinate financial services. We help you navigate decisions that affect all four simultaneously.

How This Solves Your Specific Challenges

MANAGING CONCENTRATION WITHOUT FORCING DIVERSIFICATION

We design investment strategies that explicitly account for your business concentration rather than pretending it doesn't exist or forcing you to sell what you're not ready to sell.

We model different scenarios: What if you diversify now versus later? What if you bring in growth capital? What if you maintain concentration but structure other protections? We show you the tax, legal, family, and business implications of each path before you commit.

We coordinate estate planning strategies that address business succession, wealth transfer, and liquidity needs as one integrated challenge, not three separate projects.



NAVIGATING SUCCESSION WHILE PRESERVING RELATIONSHIPS

We facilitate the difficult conversations before anyone drafts legal documents. What does each person actually want? What are they afraid of? Where are real disagreements versus simple misunderstandings?

We work with your advisors to design structures that work technically while also feeling fair to everyone involved. Yes, the structure needs to be tax-efficient. But it also needs to preserve family relationships—because a succession that destroys the family isn't successful.

We coordinate timing across legal, tax, and business considerations so ownership transfer aligns with leadership transition, liquidity needs, and family readiness.

DESIGNING FAIRNESS THAT ACTUALLY WORKS

We help families understand implications before implementing approaches. If you give all children equal ownership, here is how that affects distributions, control, and future flexibility. If you differentiate based on involvement, here is how inactive shareholders might experience that.

We design structures that separate different kinds of fairness. Maybe ownership is equal, but voting rights weigh toward active members. Maybe distributions are proportional to ownership, but compensation is market-based. Maybe governance creates different roles for different family members.

We model scenarios that test assumptions: Does this approach still feel fair when circumstances change? What happens in divorce? What happens when someone wants to exit?

PLANNING LIQUIDITY BEFORE CRISIS DEMANDS IT

We coordinate liquidity planning across all scenarios that might require cash—estate taxes, buyouts, business capital needs, unexpected crises.

We help design buy-sell agreements that specify funding mechanisms before someone wants to leave. We model different liquidity scenarios to stress-test plans. We create strategies that provide flexibility rather than forcing one-time decisions.

Most importantly, we make sure your estate team, business advisors, and financial planners all work from the same assumptions about what liquidity events might occur and how they'll be funded.



The Coordination Process in Practice

Here is a hypothetical example of how integrated oversight works:

The situation: You're considering selling 30% of your business to bring in growth capital.

Without coordination: You have separate conversations with your attorney (legal documents), accountant (tax reporting), financial advisor (investing proceeds), business consultant (growth strategy). Each provides good advice in their domain but no one checks whether these strategies work together.

With the Convergent Family Office™, we convene all your advisors before anyone drafts documents. We facilitate discussions where they identify potential conflicts:

- Your attorney's preferred structure creates tax complications your accountant flags.
- Your financial advisor's investment timeline doesn't account for the business needing capital reserves.
- Your business consultant's growth projections assume distributions that your family is counting on.
- Nobody considered how this affects your estate plan or wealth transfer timeline.

We develop an integrated approach that sequences actions properly. Your attorney and accountant design a structure that works for both. Your financial advisor positions liquidity to support both investment goals and business needs. Your business consultant's projections align with distribution expectations. Your estate plan gets updated to reflect the new ownership structure.

The difference: Nothing gets implemented that creates problems elsewhere. Your family understands what's happening before decisions are final. Every advisor works from the same set of facts and toward the same goals.

This is what coordination actually means—not occasional phone calls between advisors, but systematic integration across every major decision.





CHAPTER 4

Is This You?

Integrated oversight isn't for everyone. Some situations are straightforward enough that good independent advisors working separately can handle them fine. But certain situations create complexity where coordination becomes essential rather than optional:

- **You're managing six or more professional relationships.** Each advisor is an expert in their domain but no one is responsible for making sure they all work toward the same goals. The coordination burden falls on you.
- **You're dealing with five or more legal entities.** Operating companies, holding companies, real estate LLCs, family partnerships, multiple trusts. Each has its own requirements. Decisions in one affect others. Optimizing how they work together has become a management challenge.
- **You're operating across multiple states or countries.** Each jurisdiction has different rules. Your advisors know their specialties but may not understand how state and international tax differences affect overall strategy.
- **You have family shareholders spanning multiple generations.** Three shareholders with aligned interests are manageable. Ten shareholders across three generations with different goals, involvement levels, and geographic locations is exponentially more complex.



- **Important decisions keep getting delayed.** The succession plan you've meant to formalize. The estate plan update that's been on your list for two years. The ownership restructuring that makes sense but requires coordinating too many moving parts.
- **You've discovered problems after implementing strategies.** The trust structure that seemed smart for estate purposes created business complications. The compensation plan that made business sense caused family discord. These surprises happen when advisors work in silos.
- **Major transitions are approaching:** Retirement, business sale or partial exit, generational transition, potential health issues. When transitions loom, everything that wasn't coordinated becomes apparent, and fixing it under pressure is exponentially harder than planning ahead.

If you recognize your situation in these descriptions, you've likely reached the point where coordination creates real value. The question isn't whether integrated oversight is theoretically beneficial; the question is whether your specific complexity has reached the point where coordination matters more than independence.

Only you can answer that question. But if you're honest in your assessment, the answer is usually clear.



Reach Out

Managing substantial family wealth while running a business creates challenges that standard wealth management wasn't designed to handle. Your business isn't just an asset—it's intertwined with your identity, your family relationships, and your legacy.

The Convergent Family Office™ exists because family business owners need coordination that respects this complexity. Not coordination that replaces your trusted advisors, but coordination that helps them work together more effectively on your behalf.

To learn more about how Interchange Capital Partners can help coordinate your family's financial ecosystem, contact us at team@interchangecp.com or **412-307-4230**.

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