



ARETE
WEALTH

&



CENTER STREET
SECURITIES™

Center Street FAQs

*updated July 2021

To a new year and new beginnings.

Center Street Advisors:

If you're in receipt of this letter, you're now aware that all Center Street entities are becoming wholly owned subsidiaries of **Arete Wealth**, effective late January 2021. We have a lot to say, all with excitement, but we'll keep this short since we'll answer questions in the pages that follow.

This is an incredible milestone for both of our businesses. This is a testament to the outstanding teams we have assembled, the rapidly-growing businesses we created, and the positions we are both in: not only to acquire a business, but to be the company another **wants** to acquire.

Over the course of our conversations in the past year, we have gotten to know each other very well, and every interaction has reinforced we share a common vision for the growth of our firms. It became clear we were the right partners, and that now was the right time.

We are incredibly excited about the potential this partnership unlocks for us in the years to come. That's because we believe we can move faster together than apart. With Arete Wealth's resources and Center Street's experience, we'll be able to serve - and attract - more HNW investors than with any other partner.

So, what happens next? With Arete Wealth, Inc., as the parent company, our collective jobs will be the same: helping elite investors acquire, grow, and manage their wealth. For that reason, we announced in July 2021 that **Center Street will retain its infrastructure to continue serving both advisors and clients**. This seemed the most logical strategic business decision as we strive to minimize disruptions to our newly-expanded team.

Thank you for being an important part of this milestone. We are confident we have many more accomplishments ahead of us to celebrate, with the strength of Arete Wealth, Inc. at the helm and the growth of Center Street supporting us into the future.



JR Thacker



Joshua Rogers

1. What is the relationship between Arete Wealth and Center Street?

Arete Wealth and Center Street have executed a stock purchase agreement whereby Arete Wealth, Inc. has acquired Center Street Holdings. **Both entities will continue to exist as they do now with Arete Wealth, Inc. as the parent company to Center Street and its subsidiaries.** Full-time employees of Center Street will migrate to Arete Wealth, Inc. status.

2. How does this affect my independent contractor relationship with Center Street?

All existing advisor agreements remain in place with Center Street. As previously stated, our number one goal is 100% retention of existing Center Street reps. We will work with each of you individually on your partnership terms whenever they next come up for a review and a continued extension with Center Street.

3. Where will my commissions and fees come from?

Commissions and fees will continue to be issued by Center Street.

4. What investment products do I have access to?

Both legacy Arete Wealth reps and legacy Center Street reps now have access to a single, comprehensive, expanded portfolio of bespoke alternative investments that represent the collective power of our networks. As we have expanded and are stronger together, both firms' reps will also have access to more clearing choices and RIA custodial choices, which will enhance the quantity and quality of investment products available to your clients.

5. Do I have to change my branding?

No. If you are currently using the Center Street brand in your practice, you may keep it. If you have a DBA with Center Street, you do not need to change it, although you may choose a new DBA at any time. Further, Center Street disclosure language in your materials will not require an update at this time. Finally, you are welcome at any time to transition and adopt the Arete Wealth brand should you desire to change your licensing and U4 affiliation.

6. When will I meet the team at Arete Wealth?

Our Arete Wealth Chicago home office and its team are available as resources to you. If you would like to talk or meet with anyone on the Arete Wealth team, don't hesitate to reach out; we'd love to schedule a call or meeting of any kind. The Center Street Nashville office will also remain in place to continue serving Center Street advisors and branches.

Arete Wealth is hosting an in-person Assembly conference in Chicago, Sept 22nd- 24th. All reps are strongly encourage to attend this meeting to meet your annual compliance requirements and also hear the latest directly from the firm and our product partners.

7. What should I tell my clients?

Arete Wealth was required to send a *negative consent letter* to RIA clients informing them Center Street had been acquired. The nature of this correspondence was that clients only sign and return the form if they have an objection. This was already handled. No other formal or regulatory communications are required at this time.

8. What are the biggest changes I should expect in this acquisition?

This partnership affords Center Street reps and their teams access to new, expanded services and tools to strengthen your practice.

- **E&O COVERAGE:** Arete Wealth revolutionized E&O insurance when they built their own insurance company offering this protection, Arete Shield Insurance. As a self-insured entity, Arete Wealth advisors are eligible to receive profit sharing dividends from the insurance company - the first model of its kind in this industry. More details on Shield will be available.
- **TECH:** Arete Wealth offers Virtu, a proprietary, custom-built advisory platform for both advisors and clients. Powered by Orion, Arete Virtu is the on-demand digital dashboard to see and manage client assets, inclusive of alternative investments.
- **LEGAL & COMPLIANCE:** Arete Wealth's Compliance team brings a level of experience and a track record for accomplished advisor protection unsurpassed in the industry. When you read their credentials, you'll understand why.
- **DUE DILIGENCE:** The firm's executive review committee for investment products has 6 experts who evaluate hundreds of products per year to find the best fit for your clients.
- **ART & WINE:** Arete Wealth Art & Wine Advisory is an exclusive service for advisors and their clients that explores the world of fine art, wine, and collectibles. Complimentary consultations from our expert lifestyle advisors include buying, selling, and insuring 'investable' assets that integrate with personal passions. Given this program's range and caliber of services, it's thought to be the only of its kind in the country offered by a financial services firm.

9. Who should I contact with questions?

There are many resources available to field your inquiries. Please start with Center Street executive **J.R. Thacker**, and we'll coordinate responses from there.