



# HIGHTOWER ENTERS RECAPITALIZATION AGREEMENT WITH THOMAS H. LEE PARTNERS

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*Securities offered through  
HighTower Securities, LLC |  
Member FINRA / SIPC / MSRB  
Hightower Advisors, LLC is a SEC  
registered investment advisor.*

**CHICAGO — October 25, 2017** — HighTower, one of the nation's largest Registered Investment Advisors, today announced it has signed a definitive recapitalization agreement under which funds affiliated with Thomas H. Lee Partners, L.P. ("THL"), a premier private equity firm, will acquire a significant stake in HighTower. In connection with this transaction, certain existing institutional investors will sell their equity interests in HighTower. To accelerate HighTower's next phase of growth, THL will also commit to invest an additional \$100 million of new equity capital after the closing, subject to certain approvals.

HighTower will leverage THL's deep industry experience and operating and business development capabilities to enhance its platform and build on its strong momentum. The partnership is strengthened by the two firms' cultural alignment and THL's support for HighTower's vision of delivering independent, objective financial advice to its clients.

"For ten years, HighTower has set a new standard for investors, delivering sophisticated financial advice without the conflicts of the conventional financial services firms," said HighTower CEO Elliot Weissbluth. "THL fully supports our mission of delivering objectivity, transparency and independent thinking to investors, while always putting their best interests first. Our partnership will help us reach more advisors and clients who refuse to settle for the industry's status quo."

"HighTower's elite advisors, unique business model, and culture clearly set it apart, and provide a blueprint for the future of financial advice and services in North America," said Ganesh Rao, Managing Director at THL. "We want to be at the forefront of the changes disrupting the wealth management space, and we proactively sought out HighTower as the ideal partner – they are driving change and have been succeeding at it for a decade. We are excited to support HighTower's outstanding team of advisors as they continue to pursue rapid growth and their mission to become one of the premier brands within the wealth management industry."

Dave Pottruck, the former CEO of Charles Schwab and the Chairman of HighTower's Board of Directors, remains one of the largest individual investors in the company. Mr. Weissbluth, HighTower's Founder and CEO, and Doug Brown of DLB Capital, HighTower's first large institutional investor, are not selling any equity in this transaction, reflecting their continued confidence in HighTower's future.

HighTower has signed a total of 22 advisor teams to date this year, and in May 2017 executed its largest acquisition to date by purchasing 10 financial advisor teams from WealthTrust. The new teams, along with HighTower's organic growth, have increased total client assets to approximately \$50 billion, a 27% increase of \$10 billion since the beginning of 2017.

The transaction is subject to customary regulatory approvals and closing conditions, and is expected to close in Q4 2017 or Q1 2018.



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J.P. Morgan Securities LLC served as exclusive financial advisor to HighTower. Wells Fargo Securities, LLC served as exclusive financial advisor to THL. THL was represented by Kirkland & Ellis, LLP, the Company was represented by Benesch, Friedlander, Coplan & Aronoff LLP and certain of the Company's institutional investors were represented by Willkie Farr & Gallagher, LLP.

## **About HighTower**

HighTower is reshaping the financial services industry from the inside out. As one of the nation's largest Registered Investment Advisors (RIAs) dedicated to providing advice, not selling a product, we are a relentless champion of the fiduciary standard. We believe the wealth management industry can and should do a better job of serving the needs of individual investors and their financial advisors. We built HighTower upon a commitment to put our clients' best interests first. For the 6th consecutive year, HighTower ranks on the Inc. 5000 list of the fastest-growing private companies in America (2012 – 2017). For more information, see [www.hightoweradvisors.com](http://www.hightoweradvisors.com) and [www.byadvisorsforadvisors.com](http://www.byadvisorsforadvisors.com).

## **About Thomas H. Lee Partners, L.P.**

Thomas H. Lee Partners, L.P. ("THL") is a premier private equity firm investing in middle market growth companies, headquartered in North America, exclusively in four industry sectors: Business & Financial Services, Consumer & Retail, Healthcare, and Media, Information Services & Technology. Using the firm's deep domain expertise and the internal operating capabilities of its Strategic Resource Group, THL seeks to create deal sourcing advantages, and to accelerate growth and improve operations in its portfolio companies in partnership with management teams. Since its founding in 1974, THL has raised over \$22 billion of equity capital, acquired over 140 portfolio companies and completed over 360 add-on acquisitions which collectively represent a combined enterprise value at the time of acquisition of over \$200 billion.

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