

HLB North America Annual Conference

Network Development

Agenda

Priorities

2013 Global referral picture

2013 Regional referral picture

Global most probable scenario

Global Attraction and attrition rates

Global Pipeline

Regional most probable scenario

Regional Pipeline

Regional Development approach

Regional Development Objectives

■ Referral section of the GCS/Intranet

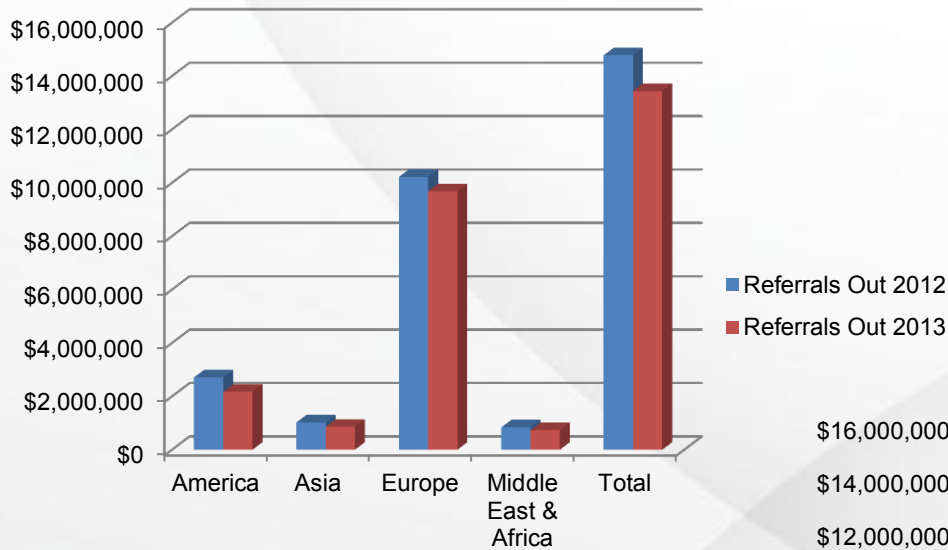
- **Referral Guidelines:** Read and always follow the guidelines of the Referral work code of conduct
- **Tenders:** Follow instructions in the area “tender guidelines” for joint proposals. Also, Always contact Susanna Spada spa@hlbi.com and Marco Donzelli md@hlbi.com in the first place, should you have to refer clients overseas or to propose a joint proposal to other countries.
- **Responsiveness:** At least acknowledge receipt of email within 24 hours if received a referral enquiry from the EO or a member firm
- **Reporting:** Accurately report all information on the new referral system. Contact Abu Bakkar at ab@hlbi.com for any difficulties
- **Support:** Susanna Spada spa@hlbi.com and Marco Donzelli md@hlbi.com will be available to discuss any issue related to referrals including complaints on responsiveness/quality, or other related topics.

■ HLB Figures and Fees

- **Responsiveness:** Please always respond timely to the EO’s requests of information (i.e. collection of eoy fee income or IAB surveys)

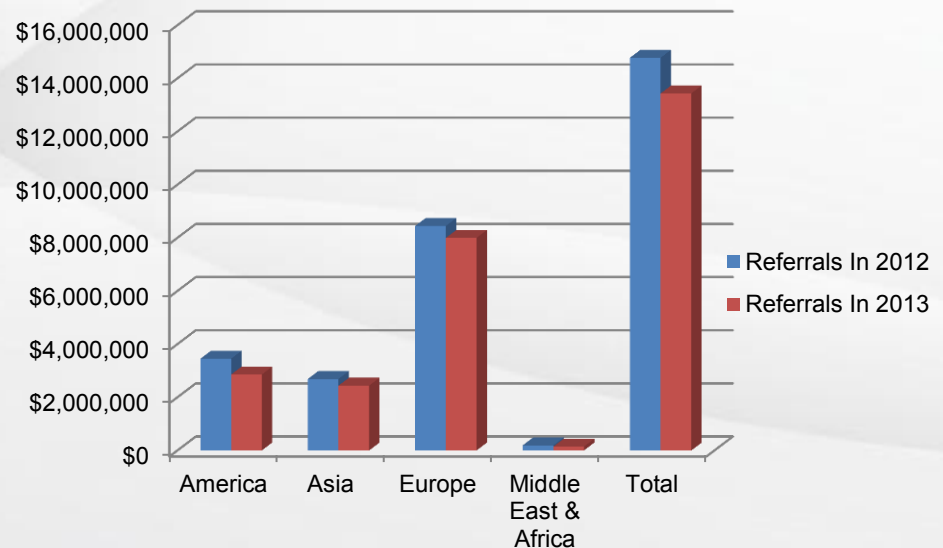
2013 Global Referral Picture

Decrease in referrals due to exclusion of ex-firms referrals. Referred work only across member firms stable at USD \$ 12.6M



Top Receiver: Germany

Top Referrer: Germany

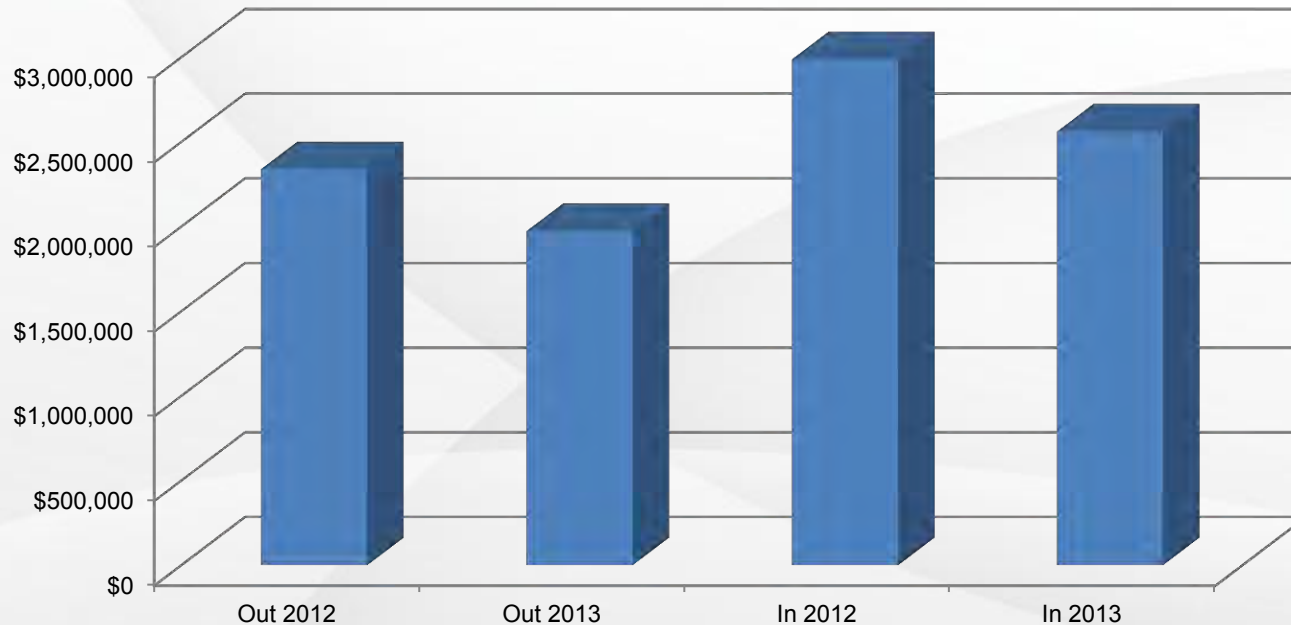


2013 Regional Referral Picture



Decrease in referrals due only to partial exclusion of referred work linked to some former member US firms from

North America

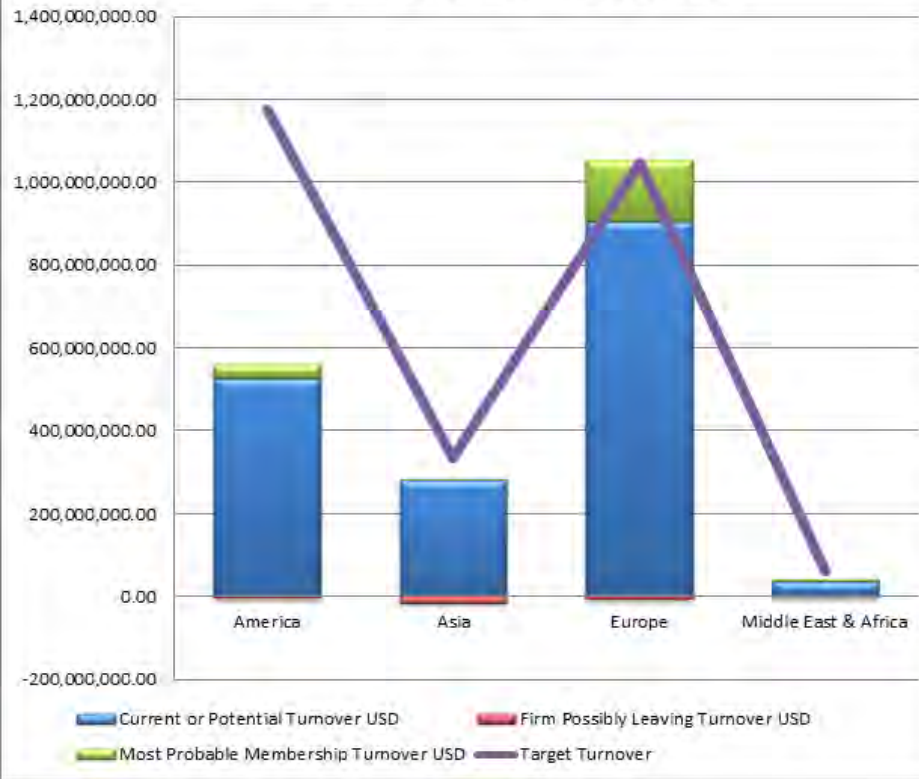


Top Receiving Country: US
Top Receiving Firm: Schwartz Levitsky Feldman LLP

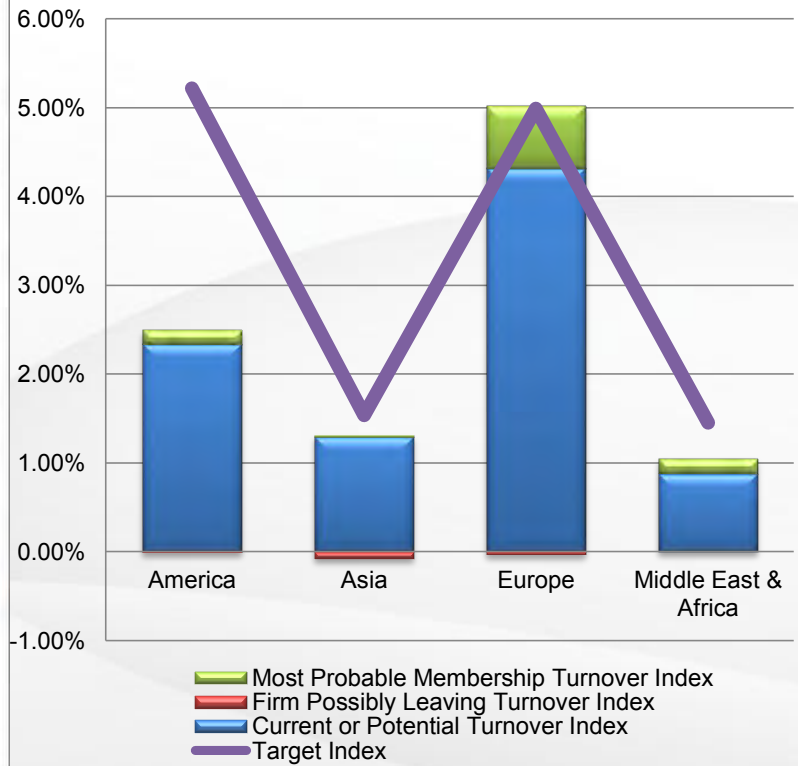
Top Referring Country: US
Top Referring Firm: HLB Tautges Redpath

Global Most Probable Scenario

Most Best Possible Scenario



Most Best Possible Scenario Index



- Most Probable Membership Turnover Index
- Firm Possibly Leaving Turnover Index
- Current or Potential Turnover Index
- Target Index

Current turnover picture

- Net increase of USD 31M globally from 31st Dec 2013
- Stable at 14th place in the global IAB ranking

Current Member Firm Turnover - Continent



Continent Name

- America
- North America
- Asia
- Middle East & Africa
- Europe

Current Member Firm Turnover - Region



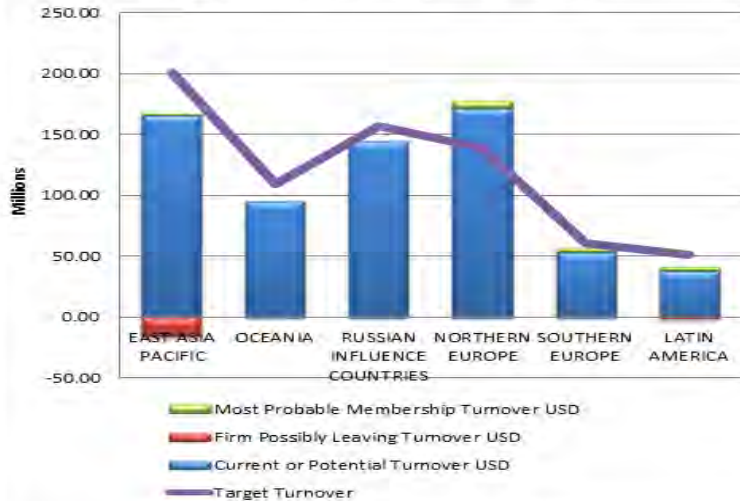
Region Name

- Central/Western Europe
- North America
- Oceania
- Southern Europe
- East Asia/Pacific
- Northern Europe
- Russian Influence Countries
- Other

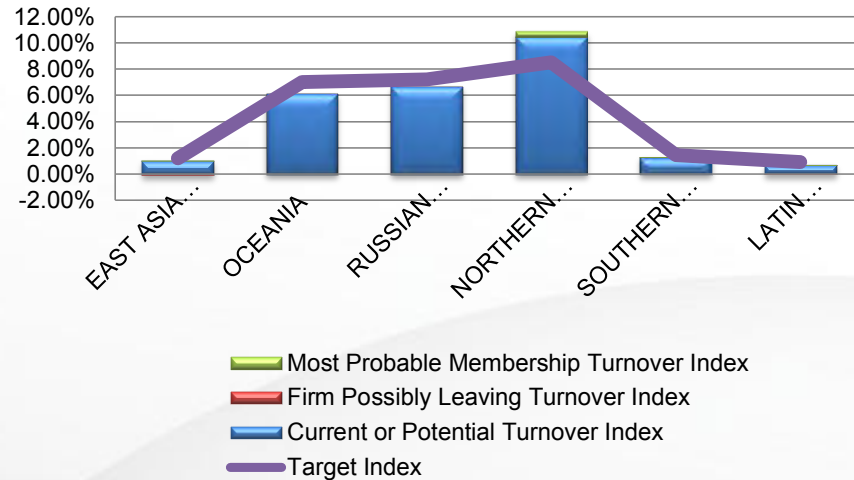
Global Most Probable Scenario – Major and Mid Markets



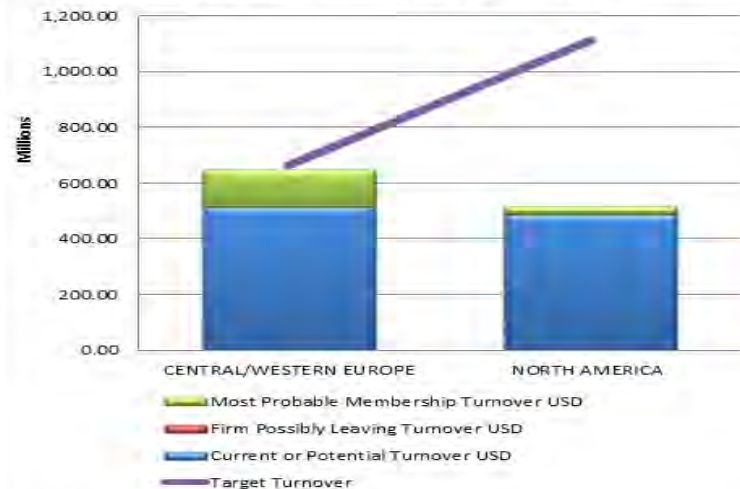
Most Best Possible Scenario - Mid Markets



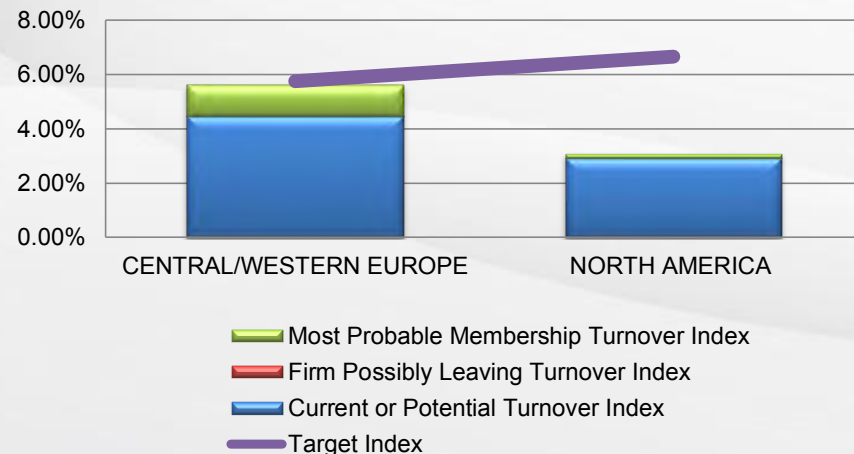
Most Best Possible Scenario - Mid Markets



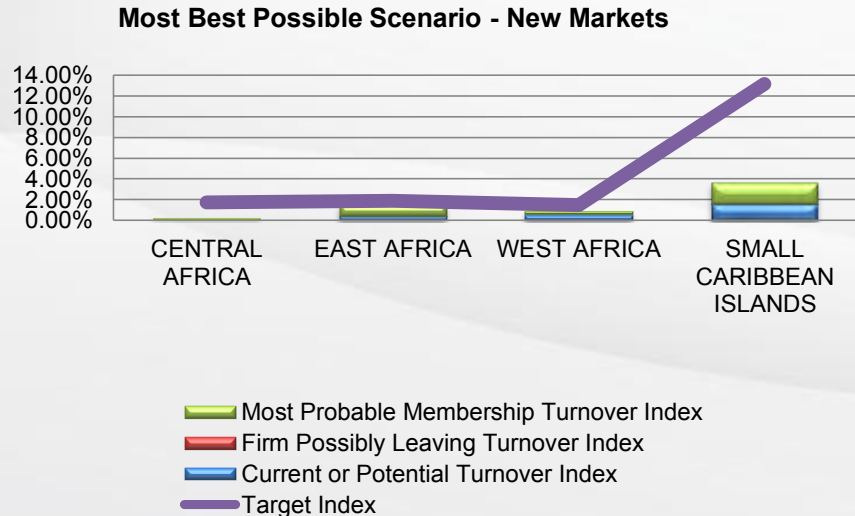
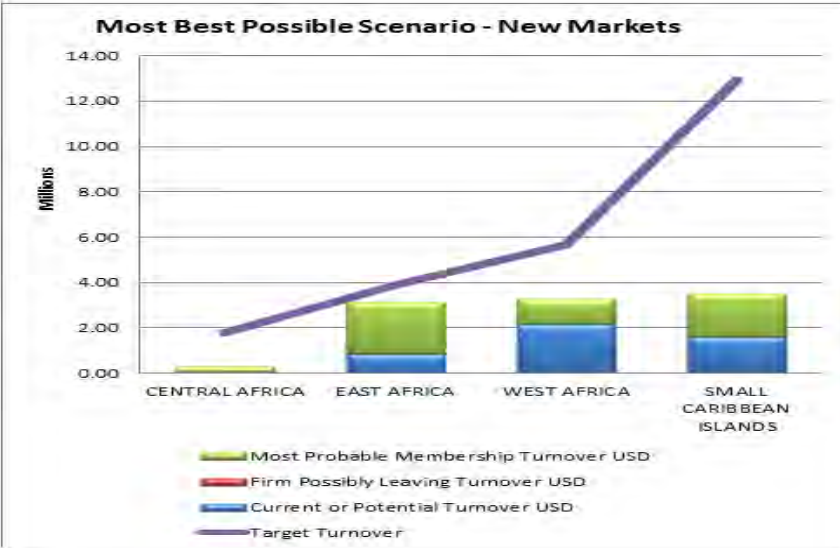
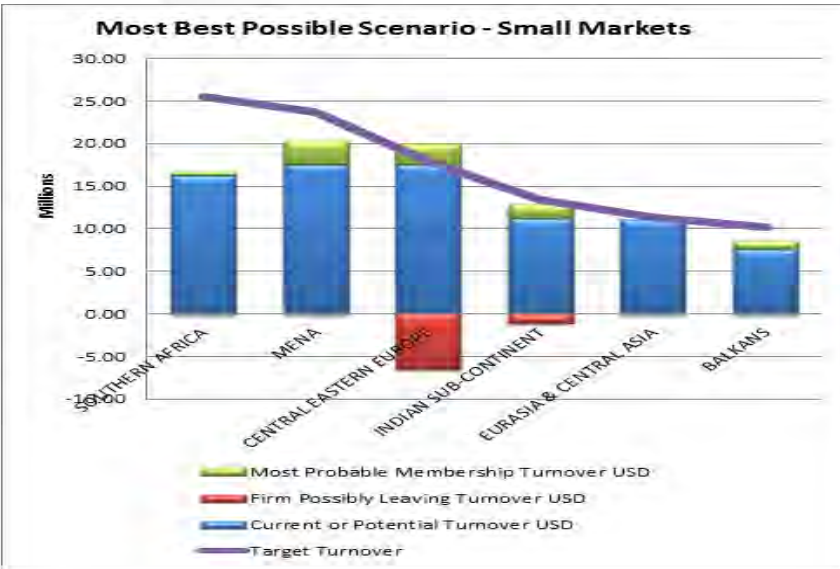
Most Best Possible Scenario - Major Markets



Most Best Possible Scenario - Major Markets Index

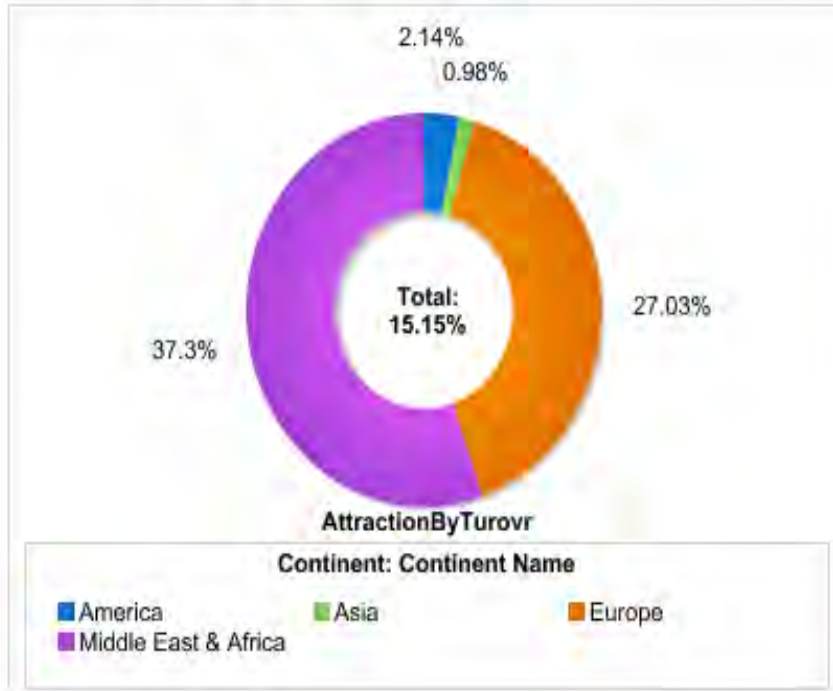


Global Most Probable Scenario – Small and New markets

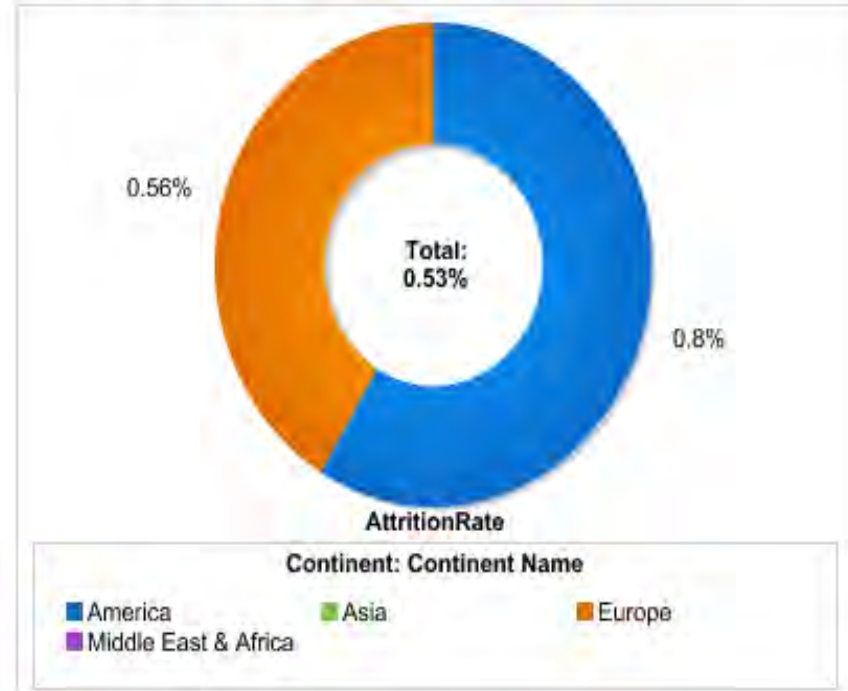


Global Attraction and Attrition rates from 31st Dec. 2013

Attraction Rate - Total



Attrition Rate - Total

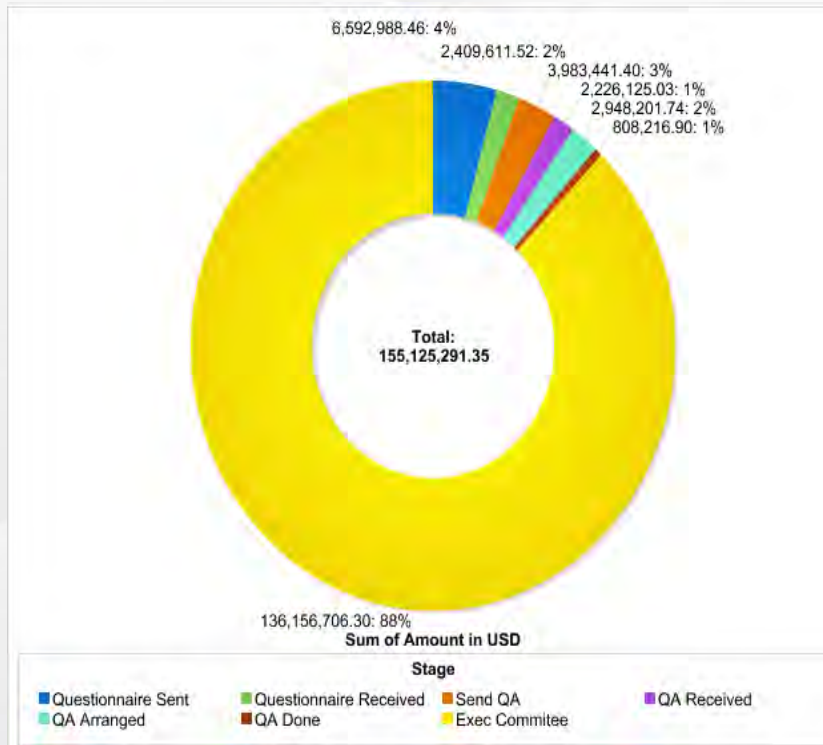


Global Pipeline

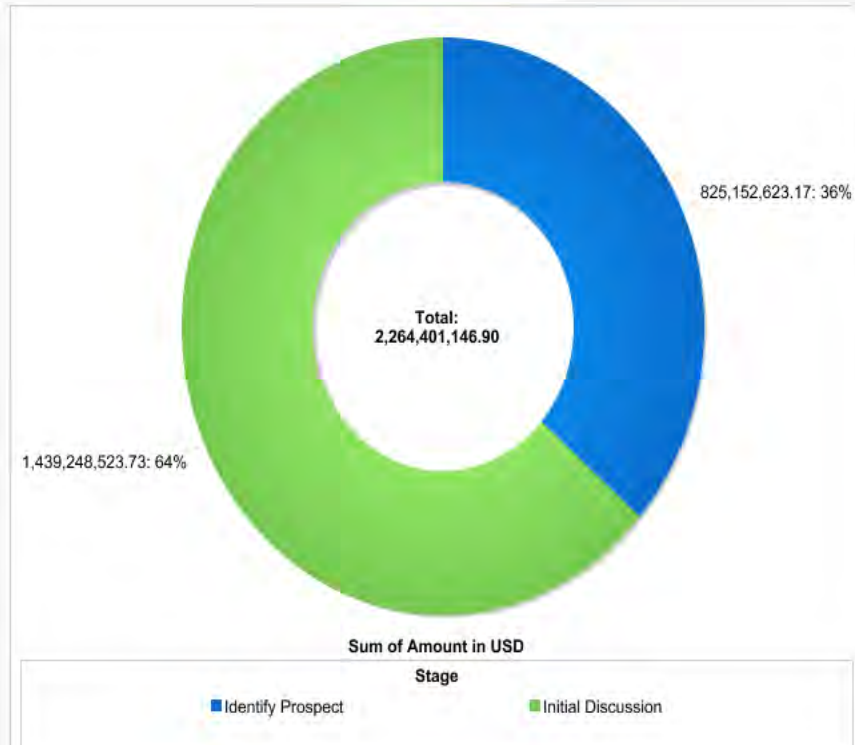


Main priorities: USA, France and China

Opportunity Pipeline Advanced Discussion



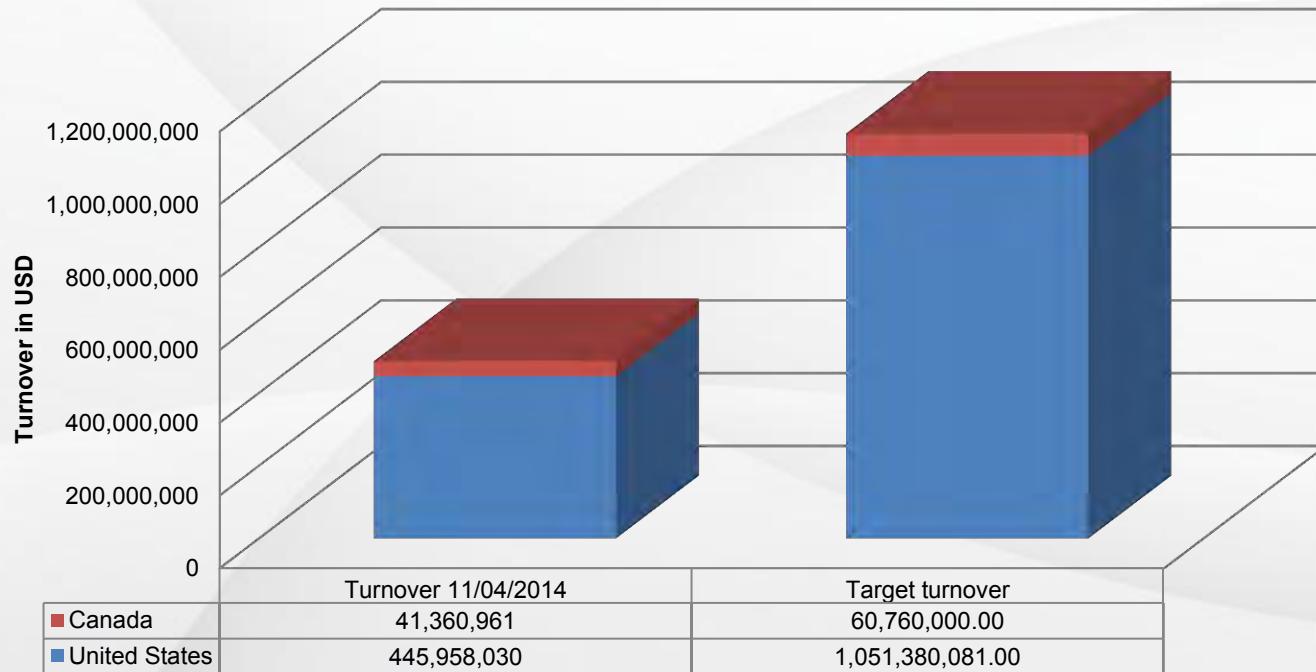
Opportunity Pipeline – Initial stages



Regional Development Objectives

Ranking: we are n.14 but if we reach our objectives, we would become n.12.

North America Development



Regional Pipeline – most recent open discussions



Canada:

Facet Advisors, Calgary and Vancouver, USD \$ 6M

D&H Group, Vancouver, USD \$ 10M

Hendry Warren & Co, Ottawa, USD \$ 4M

US:

Kerber-Eck & Braeckel Partner, Illinois, USD \$ 15M

Cohen, Ohio, USD \$ 30M

Regional Development Approach

Category	Networks/Associations	Approach
Large Players (USD \$ 50M+)	Baker Tilly and Praxity	Ongoing discussions with MPs – Slow decision making progress
Mid-sized players (USD \$ 10-50M), usually ranked in the top 15 of their HQ city	PrimeGlobal, BKR, DFK, MSI, AGN, Inpact	Through interconnections – Use of Carl George or other options

Other ideas?

- *Do you know any influencer who can also be interested in helping us?*
- *Which events can we attend to meet relevant US and Canada target firms?*

Regional Development Objectives



Prospect	State	Network
Clark Schaefer Hackett	Ohio	AGN International
Weinsten Spira	Texas	AGN International
Ostrow Resin Berk & Abrams Ltd.	Illinois	BKR
Mize Houser & Company PA	Kansas	BKR
Godfrey Hammel, Danneels & Co.	Michigan	BKR
Frost Ruffenberg & Rothblatt PC	Illinois	DFK
Geffen Mesher & Co	Oregon	DFK
Ellin & Tucker Chartered	Maryland	DFK
EEPB PC	Texas	DFK
FGMK LLC	Illinois	IAPA
Kerber Eck Braekel	Illinois	Inpact

Regional Development Objectives



Prospect	State	Network
Rea & Associates, Inc.	Ohio	Moore Stephens
Brown Smith Wallace LLC	Missouri, Virginia, West Virginia	Moore Stephens
Melton & Melton	Texas	MSI
Cohen	Ohio	No Network
McConnell Jones	Texas	No Network
Maxwell Locke & Partners	Texas	No Network
Arthur Bell	Maryland	No Network

Regional Development Objectives



Prospect	State	Network
BALESTRA	Ohio	PrimeGlobal
Cassady	Ohio	PrimeGlobal
KERBER ROSE	Wisconsin	PrimeGlobal
Krost, Baumgarten, Kniss & Guerrero	Texas, Kansas	PrimeGlobal
Watkins	Virginia, Maryland	PrimeGlobal
BLAND GARVEY	Texas	PrimeGlobal
Goluses & Company, LLP	Rhode Island	PrimeGlobal
Haynie & Company, PC	Texas, Colorado	PrimeGlobal
Pailet, Meunier and LeBlanc, LLP	Louisiana	PrimeGlobal
E. COHEN	Maryland	PrimeGlobal
CALVETTI	Texas	PrimeGlobal
Legacy Professionals	Indiana, Illinois	PrimeGlobal
Sikich	Wisconsin, Missouri, Indiana, Illinois, Colorado	PrimeGlobal