



Inside a Complex Asset Case

The 3 Decisions That Mattered

A Case Decision Brief for Advisors Working With HNW Clients



Client Snapshot

- **Client profile:** High-net-worth individual with long-term private market exposure
- **Primary asset:** Private equity interest held for several years
- **Liquidity outlook:** Anticipated exit within the next 6–18 months (timing not yet finalized)
- **Philanthropic posture:** Charitably inclined, but giving has historically been episodic
- **Advisor posture:** Comfortable discussing philanthropy; cautious navigating private equity complexity

This is a familiar scenario for advisors working with HNW clients: meaningful wealth tied up in illiquid assets, a future liquidity event on the horizon, and a planning window that feels important but undefined.

The Situation

The client has a large private equity position in their portfolio with significant gains. The fund is about to wind down assets, and the client is concerned about a large, taxable event. Philanthropy has not yet entered the discussion.

The advisor recognizes that waiting until after the exit may limit planning flexibility, but hesitates to introduce charitable planning too early, given the complexity of the asset and uncertainty around timing.



Decision Point #1: When to Introduce Philanthropy

The tension:

- Raise philanthropy too early and risk confusing the conversation
- Wait too long and miss a key planning opportunity

What mattered:

The advisor chose to introduce philanthropy **before liquidity**, framing it as part of overall planning not a commitment to give, and not a values-driven discussion.

The conversation focused on:

- Creating optionality ahead of the exit
- Understanding what could be possible if timing aligned
- Positioning philanthropy as one of several planning levers

Key insight:

Advisors don't need certainty around timing to introduce charitable planning, only a credible reason to explore options.

For additional context on why pre-liquidity planning matters, see the Private Wealth Guide, pages 12–13 (Planning for liquidity events).



Decision Point #2: How Private Equity Changed the Conversation

The tension:

- Private equity introduces valuation, transfer, and due-diligence considerations
- Advisors often feel pressure to explain mechanics they don't fully control

What mattered:

Rather than leading with technical detail, the advisor focused on **what makes private equity different** in charitable planning:

- Illiquidity requires earlier conversations
- Timing can materially affect tax outcomes
- Specialized support may be required—but not immediately

The advisor positioned charitable planning as:

- Flexible
- Iterative
- Supported by specialists when appropriate

Key insight:

Confidence came from process, not expertise. The advisor did not need to explain how a private equity gift would be executed only when it was worth considering.

For a deeper overview of charitable planning considerations for private equity and other illiquid assets, see the Private Wealth Guide, pages 7–8 (Philanthropy and complex assets).



Decision Point #3: Advisor Confidence vs. Client Readiness

The tension:

- Fear of sounding out of depth
- Uncertainty about how many details the client expects

What mattered:

The advisor made it clear that this was an exploratory conversation, not a recommendation.

Language focused on:

- Next steps, not solutions
- Collaboration, not certainty
- Bringing in specialists when it added value

This reinforced the advisor's role as a strategic partner who knows when to widen the bench.

Key insight:

Knowing when to involve charitable specialists increases credibility; it doesn't diminish it.

For perspective on when and how to bring in experts, see the Private Wealth Guide, page 19 (When to bring in charitable experts).

What Happened (and What Didn't)

- No immediate charitable vehicle was selected
- No technical commitments were made
- The client gained clarity around future options
- The advisor strengthened trust by thinking ahead

Optionality was preserved, and the planning conversation deepened.

Why This Matters for Advisors

- Complex assets don't require complex conversations
- Early framing creates flexibility later
- Advisors don't need all the answers to move forward

Charitable planning, when introduced thoughtfully, becomes a confidence-builder not a risk.

*For additional depth across charitable planning, complex assets, and liquidity events, advisors can reference Ren's **Private Wealth Guide to Elevated Charitable Planning** as a broader framework.*