CWM® Program
Wealth Planning Review -

AAFM ®

ADVANCED FINANCIAL PLANNING & PRODUCTS

Advanced Financial Planning Concepts

Advanced Financial Planning

Client Risk Profiling

Personal Investment Strategies & Management

Wealth Management Products

Mutual Funds, Exchange Funds & Others

Global Specific Funds

Operation of Funds

Identifying and Selling a ‘good’ fund for your HNWI client

Advanced Financial Planning Concepts

Advanced Financial Planning Concepts

Time Value of Money & CAGR

Understand the 'Time Value of Money'

Congratulations!!! You have won a cash prize! You have two payment options:

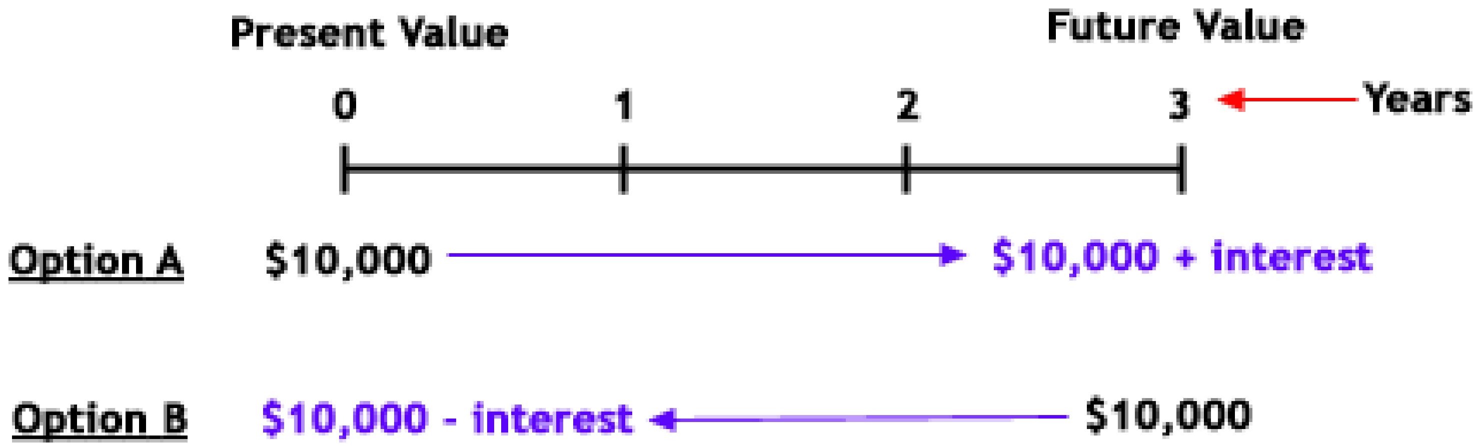
A. Receive $10,000 now

OR

B. Receive $10,000 in 3 years.

Which option would you choose? Why?

Time Value of Money



Under what circumstances should you recommend a client to choose Option B?

Power of Compound Interest

- Suppose you had invested $1,000 today in a 5% savings account.

- In Year 1 => $1,050 [$1,000 + ($1,000 x 5%)] => + $50.

- However, in Year 2, that same initial investment would be worth

  $1,102.50 [$1,000 + ($1,000 x 5%) + ($1,050 x 5%)] => + $52.50.

- In Year 3, the same $1,000 would be worth $1,157.63, yielding a $55.13 gain.

- By Year 10, the initial $1,000 investment would be worth $1,629 and by year 25 it would be worth $3,386.

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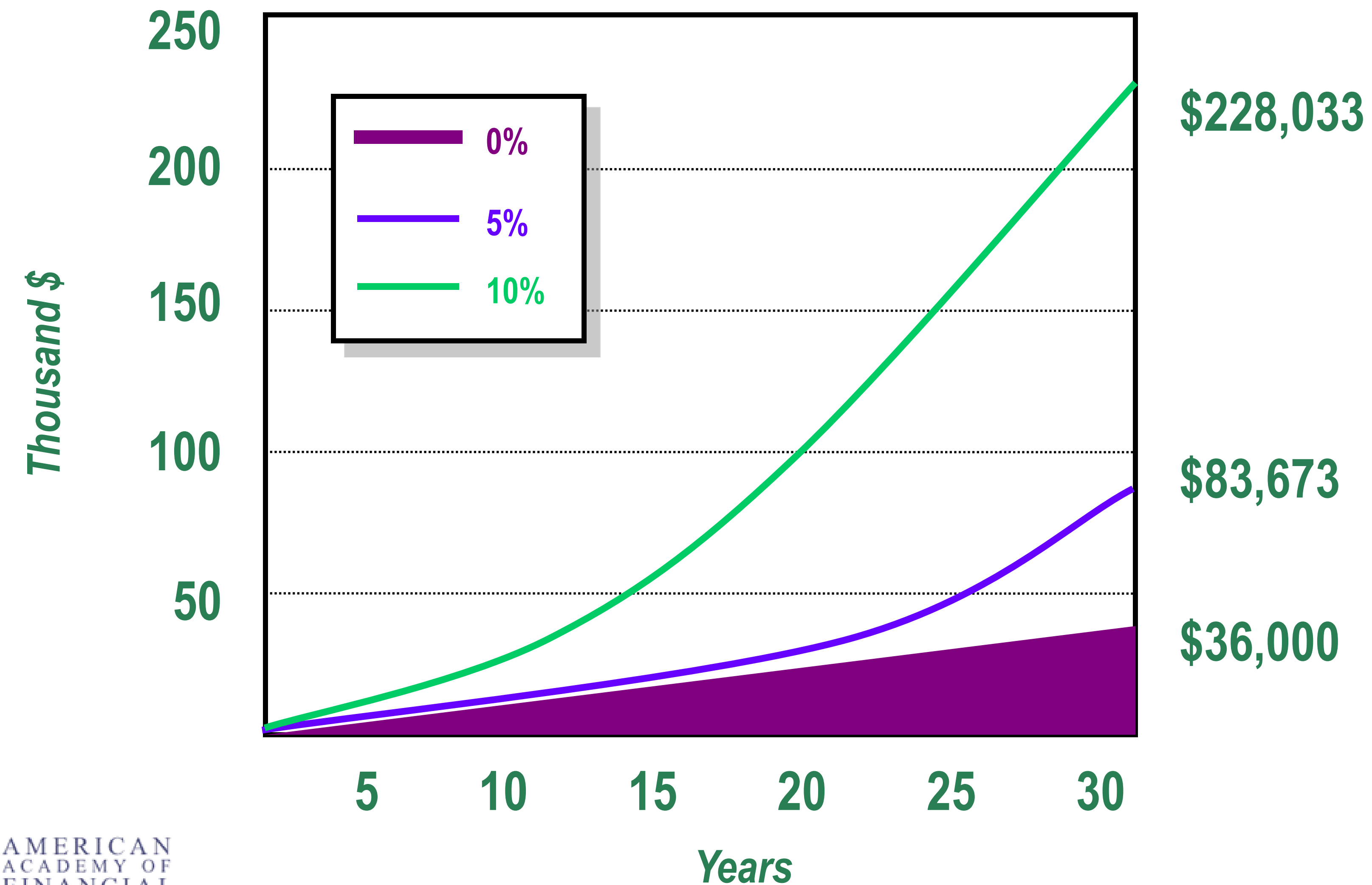
Compound Interest and Time



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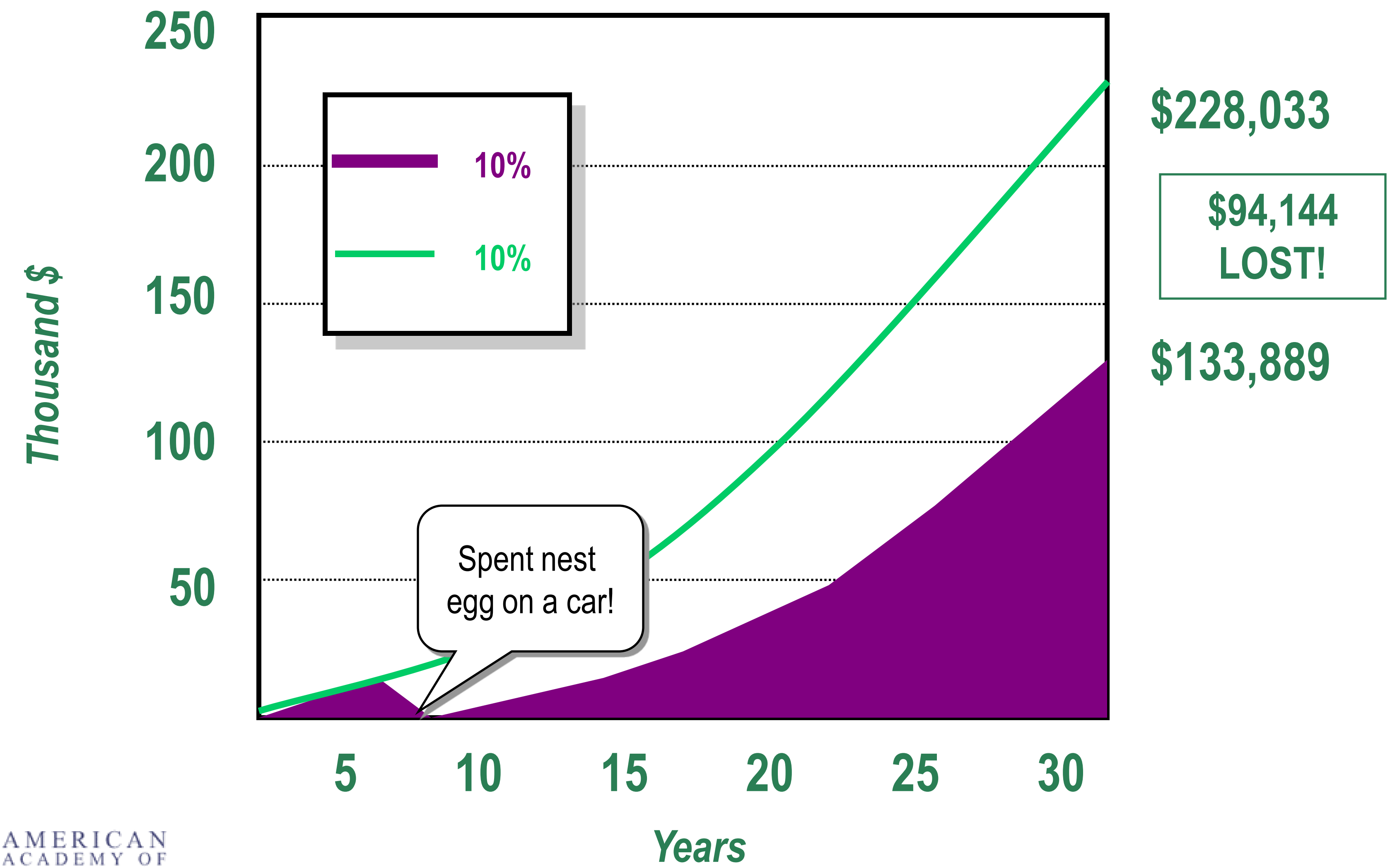
The Opportunity Cost

- The opportunity cost is the NET DIFFERENCE:
- Option 1 & Option 2
- Net difference = $7,953

  (a $2,457 gain versus a $5,496 loss).
- That means that by making a simple deferral decision (buying the car 3 years later versus today), you can get ahead by almost $8,000!

What should I recommend to the client?

Should I Spend That Nest Egg?



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Net Present Value

- NPV. The present value of an investment's future net cash flows minus the initial investment. If positive, the investment should be made (unless an even better investment exists), otherwise it should not.
- If the NPV of a prospective project is positive, then it should be accepted.
- However, if it is negative, then the project probably should be rejected because cash flows are negative.

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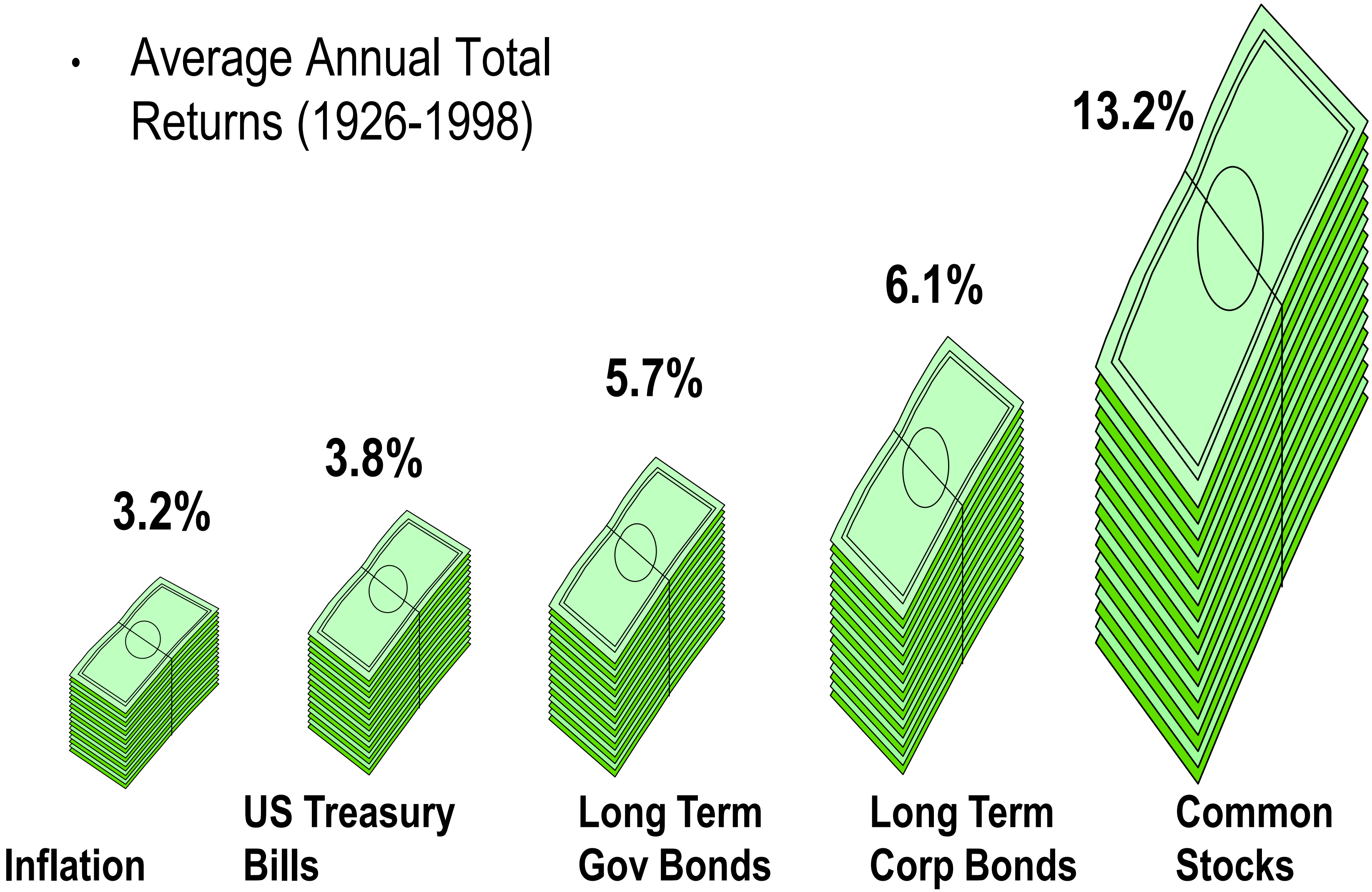
Effects of Inflation Over Time

Given a modest 4% rate of inflation, look what $10,000 will be worth:

$6,765	$4,564	$3,083
In 10 years	In 20 years	In 30 years

Risk & Reward

- Average Annual Total Returns (1926-1998)



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Fear and Greed lead us to

- The Market is Going UP – greed
  - Our stomach says “Every body is getting rich – Let’s buy some and get rich too!”
- Buy high
- The Market is Going DOWN – fear
  - Our stomach says “This is the end and things will never recover! Sell before we lose everything!”
- Sell low

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This is the reverse of how to make money

- When the market is down is the time to buy.
- When the market is up is the time to sell.
- This goes against most investors gut feelings.
- If our clients are in the accumulation part of our retirement planning, a down market is the best time to buy

Advanced Financial Planning Concepts

What is it? Financial Planning

“The only group of people that think about money more than the Rich are the Poor”…

- Walt Whitman

- **Wealth Management** is a term that originated in the 1990s in the US with the Broker Dealers, Banks, and Insurance Companies. Wealth Management has generally evolved from high net worth financial consulting for persons who are top clients of any firm, to a high level form of private banking that provides various types of investment, insurance and bank products and services. With the repeal of the Glass-Steagall Act in 1999, financial firms were able to provide all three of the above services from the same offices.

- With the emergence of wealth management as a career opportunity as well as a professional service in high demand, certification programs such as the American Academy of Financial Management CWM® Certified & Chartered Wealth Manager program are providing customized wealth management executive training to corporations and individuals alike. As wealth management serves a much more affluent community, many Certified Public Accountants, Certified Wealth Managers, government-licensed lawyers, and sometimes an insurance professional who is a Certified Financial Planners are involved in this type of high-net-worth consulting. In the many countries only Lawyers and CPAs have a government license to provide legal or tax advice on complex wealth management, estate planning, tax law, retirement or other legal issues such as business succession or divorce. As a note, an RIA (registered investment advisor) with the SEC or a person holding an RIA license can charge fees for investment advice.

By: Prof. G. Mentz, JD, MBA, CWM……

What is Wealth Planning?

- Financial Services organizations are converging worldwide.
- Banking and insurance are two industries that are good example of this, started separate, now combined largely.
- By offering a holistic financial services approach, WMs can add IMMEDIATE value to their companies and clients.
- Emphasis on delivering high quality financial planning and advisory services.
- Create a customer-focused service.
- Empowers customers to satisfy their financial needs and achieve their goals.

Helping clients buy, rather than sell…..

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What is **Wealth Management?**

- **Comprehensive** wealth planning uses an integrated approach to monitor all aspects of someone's financial situation:
  - -Insurance & Risk Management
  - -Investment Planning
  - -Tax Planning
  - -Retirement Planning & Employee Benefits
  - -Estate Planning

Source: CFP Institute

Advantages of Wealth Planning

- **Enhances customer service** – providing convenience, simplicity and value in a ‘one stop’ environment.
- **Leverage of existing assets** – such as valuable, often vast, customer databases.
- **More income** - generated from an increase in overall product sales and increased sales per customer.
- **Better customer retention**
- **Greater productivity** – a Financial Planning sales person’s productivity has been measured to be 55% higher than the agency equivalent.
- **Quality sales culture** – that is customer driven
- **Improved staff retention** – higher levels of satisfaction among sales staff through good training and remuneration schemes
- **Cross-selling opportunities** – strengthening customer relationship management.

Reasons for Wealth Management

- Comprehend the totality of the situation
- Beat Inflation
- Minimize Taxes
- Understand the laws that affect you and family
- Manage the “Unexpected”
- Meet the Client’s Financial Goals
- Meet the Client’s Retirement Expenses
- Retirement
- Estates
- Taxes

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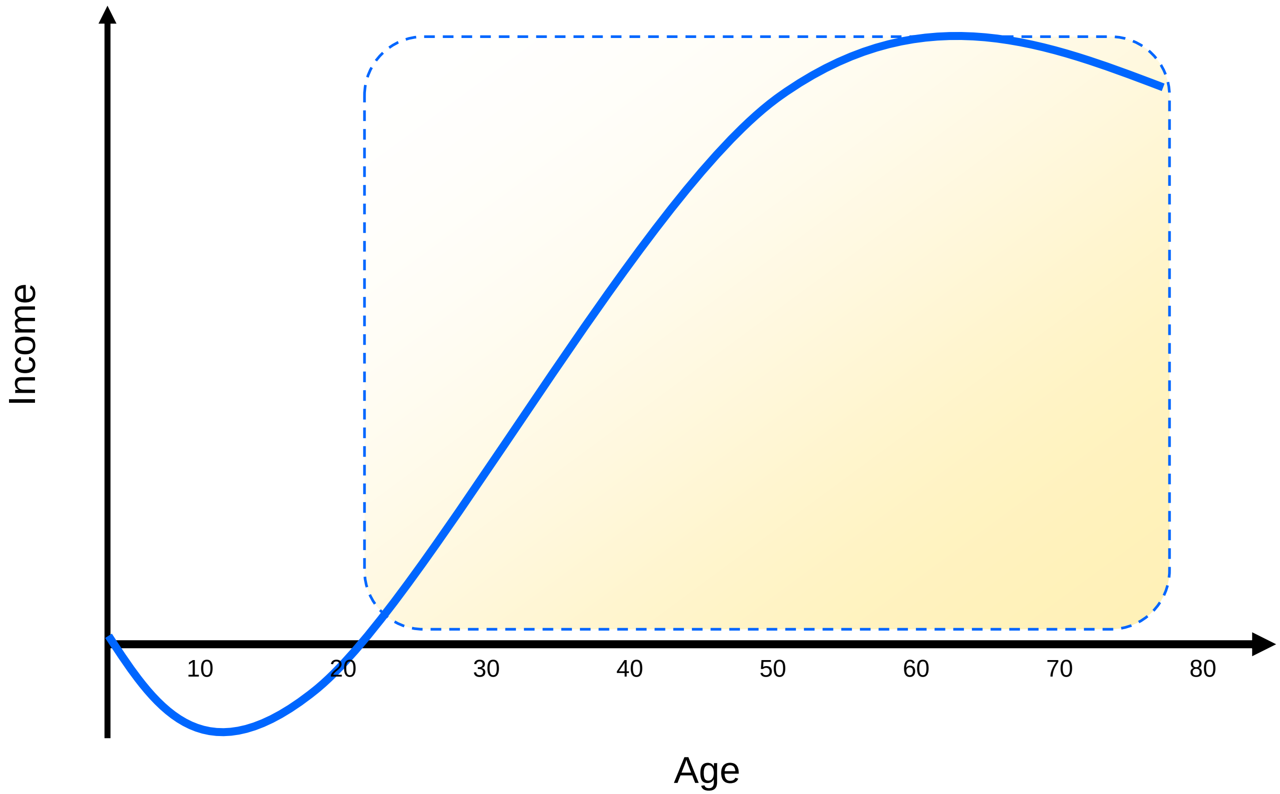
Wealth Management - Why It's Important

- Increased Emphasis on Self Reliance
  - Less From Government; e.g. Social Security
  - Less From Employer; e.g. Reduced Role of Traditional Retirement Plans
- Achieving Financial Independence
- Coping with Economic Uncertainties and Shocks

Financial Success and Financial Independence

- Financial Success: Obtaining Maximum Benefits from Limited Financial Resources
- Financial Independence: Having Sufficient Income or Financial Resources To Be Self Reliant

Personal Income PEAKs – When?



Source: Personal Financial Planning, AFPJ

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What Are Your Goals in Life?

- Nonfinancial Goals
- Financial Goals
  - Current Consumption
  - Future Consumption
  - Savings

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Important Economic Trends

- Continuing Inflation--How High? 3-4%?
- Persistent Business Cycles
  - Is Your Job Safe?
  - Do You Have Cash Reserves to Weather a Storm?
- A Perplexing Tax System
  - High Tax Rates
  - Selectively Rewarding

Setting Client Expectations

- Set measurable goals.
- Re-evaluate the financial plan periodically.
- Start now - don’t assume planning is for people that are older.
- Start with the basics - don’t assume planning is only for the wealthy.
- Wealth planning is about “taking charge” – the client is in control of the financial planning engagement.
- Look at the big picture - financial planning is more than just retirement planning or tax planning.
- Don’t confuse planning with investing.
- Don’t expect unrealistic returns on investments.
- Don’t wait until a money crisis to begin planning.

Planning Models

- There are several hundred different financial planning models
- Which is the best one?
- It depends on 4 parameters:
  - The client's needs
  - The available products
  - Your expertise
  - The financial/legal/tax environment

Key Planning Areas

- Consumption and savings planning
- Debt Planning
- Insurance Planning
- Investment Planning
- Retirement Planning
- Estate Planning
- Income Tax Planning

Plan Suggestions

- The Plan is a “discussion document” NOT a “mathematical formula”
- The purpose of the financial plan is to “highlight and summarize” areas of financial considerations/needs, NOT a product brochure
- Good note taking of the CLIENT’S FEEDBACK & RESPONSE is important, as this is fundamental to the Financial Plan.
- Explain to the client, circumstances change, some within his/her control, some outside his/her control. Therefore it is necessary to review this, at least annually.
- The Financial Plan is just the “1st step” in fulfilling the needs. It is a relationship document, not a FINANCIAL statement.

Wealth Management Process

Wealth Planning — **Wealth Protection** — **Wealth Accumulation**

Identify Needs & Financial Objective

Risk Tolerance Analysis

Identify Net-worth Assets & Liabilities

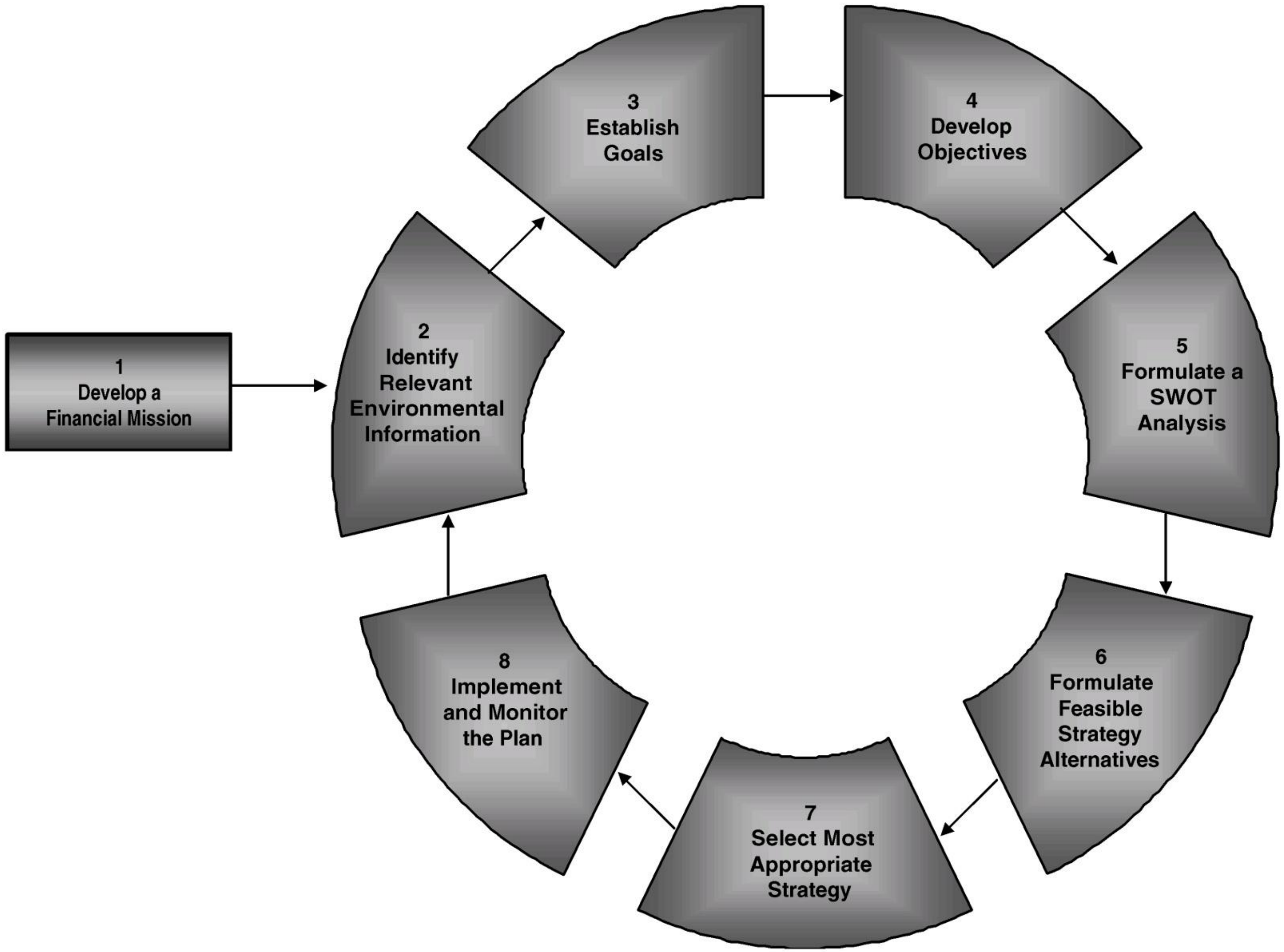
Cash Flow Analysis

Action Plan

- Cash Flow Planning
- Protection Planning
- Retirement Planning
- Savings Planning
- Tax Planning
- Estate Planning
- Investment Planning

Implementation → Monitor → Review → Rebalance

The Advanced Approach



You can't plan for everything…

- Premature Death
- Divorce
- Health Problems
- Unemployment
- Casualty and Theft Losses
- Being Sued
- Significant Investment Losses

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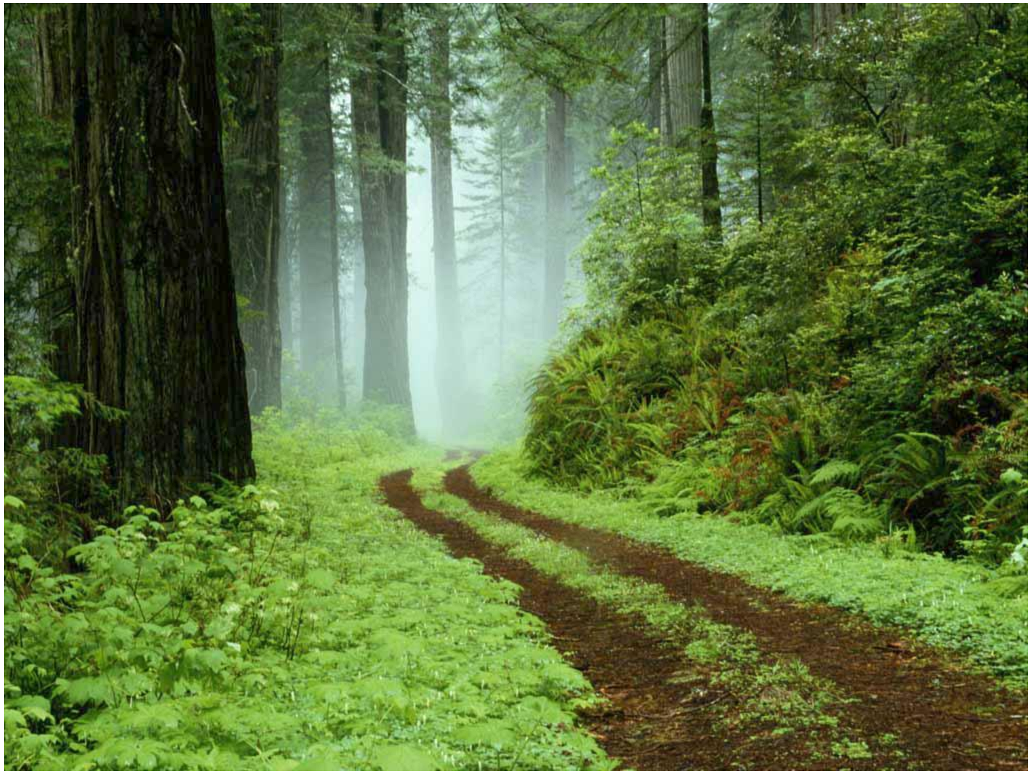
BEGIN WITH THE END IN MIND



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A Wealth Planning Approach

- Define a Broad Goal – Retire With 100K per year of income Adjusted for Inflation.
- Break it Down To Manageable Sub-goals
- Create an Action Plan to Achieve Sub-goals
- Periodically Evaluate the Action Plan
  - If Successful, Keep Up Good Work
  - If Not, Find New Action Plan or New Goal

THE "Wealth Management Process"

A formal, six-step process, formulated by the Academy of Wealth Management, designed to address, in whole or in part, life's financial issues and opportunities.

Stage

1

Establish the Client Engagement

Your WM will:

- Explain issues and concepts related to the overall financial planning process that are appropriate to you
- Explain the services he or she will provide and the process of planning and documentation
- Clarify your responsibilities as a client
- Clarify his or her responsibilities as your WM. This should include a discussion about how and by whom he or she will be compensated.

You and your WM should:

- Discuss the scope of the client-WM engagement
- Agree on how decision will be made

Stage

1

Gather Data, Determine Goals/Expectations

2

Your WM will:

- Obtain information about your financial resources and obligations through interviews or questionnaires
- Gather all the necessary documents before giving you the advice you need

You and your WM should:

- Define your personal and financial goals, needs and priorities
- Investigate your values, preferences, financial outlook and desired results as they relate to your financial goals, needs and priorities

Stage

1

The "Fact Finding" Mission

2

- Clients will not share openly with you UNLESS you have gained their trust…
- Inaccurate information from the client because the client does not trust you will simply waste your time.
- The "Fact Find" is not something that can be completed in 1 meeting, but it is a CONTINUAL PROCESS for you to better understand the client.

Stage

1

Defining Goals

2

Planning is important because it helps your client identify a range of goals that they're working to achieve:

Short-term goals

You can invest for things you hope to have in a couple of years, like a new car or a new home.

Mid-term goals

You may have expenses to meet several years in the future, like tuition payments or a vocation home.

Long-term goals

You probably have hopes for a comfortable retirement, the opportunity to go places and do things you've always wanted, or a chance to provide security of your heirs.

Stage

1

2

Get The Personal Financial Goals

Personal Financial Goals					
Name: ____________________			Date: ____________		
Time Frame	**Goals**	**Priority (low/med/ high)**	**Date to achieve**	**Financial resources required**	**Remarks**
Short-term	Minimise tax burden				
	Start an emergency fund				
	Reduce debt				
	Invest in the stock market				
	Start a budget to control expenses				
	Oher short-term goals				
Medium-term	Start putting aside money to acquire car, house and other items				
	Protect against risk of life, property and personal liability				
	Increase insurance coverage				
	Start own business				
	Other medium-term goals				
Long-term	Set up retirement fund				
	Start an education fund for children				
	Distribute estate to heirs efficiently				
	Other long-term goals				

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Source: Personal Financial Planning, AFPJ

Stage

1

2

3

Examine Current Net Health, Probs & Opps

Your WM will:

- Analyze your information to assess your current situation (cash flow, net worth, tax projections, etc.)
- Identify any problem areas or opportunities with respect to your:
  - Capital need
  - Risk management needs and coverage
  - Investments
  - Taxation
  - Retirement planning
  - Employee benefits
  - Estate planning
  - Special needs (i.e. adult dependant needs, education needs)

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Stage

1

2

3

Analysis Ratios

4 Ratios for assisting in the analysis & monitoring of progress:

1. Solvency Ratio
2. Liquidity Ratio
3. Savings Ratio
4. Debt Service Ratio

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Stage

1

2

3

Solvency Ratio

- **Solvency Ratio**
  - If total liabilities exceed total assets, then you are "insolvent"
  - Solvency ratio tells you by how much the value of your assets can fall before you are insolvent
  - It is an indication of your ability to withstand financial problems
  - A low number suggests you should find ways to improve your net worth

$$\textbf{Solvency ratio} = \frac{\text{Total Liabilities}}{\text{Total Assets}} \times 100$$

($541,490 / $861,980) x 100 = 62.87%

Stage

1

2

3

Liquidity Ratio

- **Liquidity Ratio**
  - Liquidity ratio sows how long, in percentages, you can continue to repay current liabilities with existing liquid assets in the event of an income loss.
  - A low figure will be a problem…then try to increase it
  - "Best figure" depends on your "comfort level"
  - Generally, 25% to 50% is advisable…between 3 to 6 months

$$\textbf{Liquidity Ratio} = \frac{\text{Liquid Assets x 100}}{\text{Total Current Debts}}$$

($10,000 / $54,110) x 100 = 18.50%

Stage

1

2

3

Saving Ratio

- **Savings Ratio**
  - The savings ratio shows how much of your “after-tax” income is saved.
  - The higher the figure, the better.
  - Experts generally feel around 15% or more is advisable

$$\textbf{Savings Ratio} = \frac{\text{Cash Surplus} \times 100}{\text{Income After Taxes}}$$

($12,980 / $ 131,680) x 100 = 9.86%

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Stage

1

2

3

Debt Service Ratio

- **Debt Service Ratio**
  - Debt must be paid off
  - The debt service ratio allows you to monitor your debt obligations
  - Use “long term loans” only, not current liabilities
  - The lower this ratio, the easier to pay of debts
  - Try to keep under 35%

$$\textbf{Debt service ratio} = \frac{\text{Total monthly loan payments} \times 100}{\text{Monthly gross income}}$$

(\$4,385 / \$12,307) x 100 = 35.6%

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Stage

1

2

3

4

Develop & Present the Plan

Your WM will:

- Develop and prepare a financial plan tailored to meet your goals and objectives, values, temperament and risk tolerance, while providing projections and recommendations
- FOCUS on PRIORITIES
- FOCUS on Cash Flow
- Present the plan to you and establish an appropriate review cycle

You and your WM should:

- Work together to ensure that the plan meets your goals and objectives

Stage

1

2

3

4

5

Implementation of the plan

Your WM will:

- Assist in implementation the recommendations discussed. This may involve coordinating contacts with other professionals such as investment funds sales representatives, accountants, insurance agents and lawyers.

Stage

1

2

3

4

5

6

Monitor the Plan

You and your WM should:

- Agree on who will monitor and evaluate whether your plan is helping you progress towards your goals

If your WM is in charge of the process, your WM should:

- Contact you to review the progress of the plan periodically and make adjustments to the recommendations required to help you achieve your goals

Group Discussion

- How often should the client's plan be reviewed?

Advanced Financial Planning Concepts

AAFM : Wealth Management with Risk Mitigation

The Need For Protection Before Investing

Generally, people are keen to find ways to invest come income or improve the return on their investments, but tend to be less focused on protecting their income or investment.

In providing a financial advisory service we are looking to PROTECT before we INVEST. The standard financial priorities are:

1. Protect income source (YOU and your existing income & assets)
2. Save
3. Invest
4. Protect and manage wealth

The role of a Wealth Manager would be much easier if people bought things according to their needs before their wants. It is the role of the Wealth Manager to help people realize and address the need to protect before investing.

RIRSI

The other tool that you can keep in mind is RIRSI, an acronym for

- Risk Protection or Insurance
- Income
- Retirement Pension
- Saving
- Investment

This serves as a reminder when you are structuring a recommendation to your clients.

Live Events & Goals

- Understanding Life Events is KEY to Financial Planning

Education Planning

Retirement

Family Matters

Wealth and Inheritance

Career Moves

American Academy of Financial Management

Family Matters

- Getting Married
- Starting a Family
- Buying Your First Home
- Facing a Disability in the Family
- Caregiving and Long-Term Care
- Coping with the Death of a Loved One

What are the WANTS?
What are the NEEDS?
What are the products?

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Education Planning

- What If I Started Too Late?
- Teaching Your Kids Financial Responsibility
- Staying On Track With Your Own Financial Goals

What are the WANTS?
What are the NEEDS?
What are the products?

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Retirement Planning

- Surviving vs. Prospering in Retirement
- Thinking About Your Future Needs
- Company Plans
- Insurance Plans Annuities
- Options
- Tax Plans like 401Ks
- IRAs

What are the WANTS?
What are the NEEDS?
What are the products?

Wealth & Inheritance

- Investment Strategies
- Wills
- Trusts
- Estate Planning

What are the WANTS?
What are the NEEDS?
What are the products?

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Career moves

- Losing a Job
- Getting Ahead
- Going Back to School

What are the WANTS?
What are the NEEDS?
What are the products?

Advanced Wealth Concepts

RIRSI: **Protection**

Risk Protection or Insurance
Income
Retirement Pension
Saving
Investment

Protection Needs

Medical Protection | **Life Protection** | **Disability Protection** | **General (non-life)**

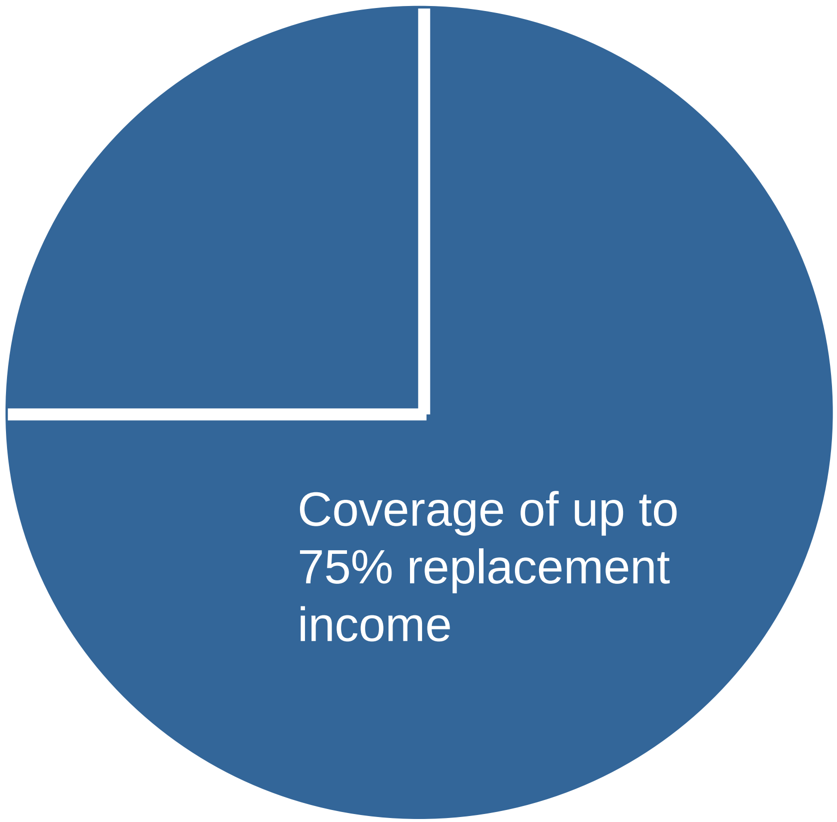
Medical Protection

1. Major Medical (Hospital & Surgical)
2. Hospital Cash
3. Critical Illness
4. Personal Accident
5. Long-term Care

General (non-life)

1. Homeowner & Rental
2. Earthquake & Flood
3. Car
4. Credit
5. Personal Accident
6. Long-term Care
7. Investment Insurance (i.e. Jewelry, Artwork, etc.)

Protection Needs: Disability Protection



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How much Life Insurance is enough?

- This is a “subjective” matter
- Depends on a lot of things:
  - How much you can afford.
  - Years of income to replace
  - Risk tolerance
  - How much you have in savings
  - How much debt, expenditures, etc. to pay off/pay for
  - The degree of risk you want to transfer and can do so
  - The cost of transferring this risk
- Amount to be determined can be derived from:
  - Amount need to be paid/covered
  - Standard formula
  - Etc.
  - There is no right answer…

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Life Insurance Calculation

Years of Income to Replace	*Multiply Annual After-Tax Income By*
5	4.5
10	8.5
20	15
30	20

So, if you are 35 years old, making $50,000 of After-Tax Income, and want to buy another 30 years of protection:

30 years of income protection
$50,000 x 20 = $ 1 million worth of life insurance coverage

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Rough Estimation Technique

To estimate the amount of coverage you need to replace 75% of your take-home pay for the years you would have been working, multiply your salary by the factor at the intersection of your salary and your current age. In this example, it's $720,000.* i.e 80K times the factor of 9 equals 720,000

Annual Pay (before taxes)	Current age of person insured						
	25	30	35	40	45	50	55
$30,000	14	13	12	10	9	7	5
$40,000	13	12	11	10	9	7	5
$60,000	12	12	11	9	8	6	5
$80,000	12	11	10	9	8	6	4
$100,000	11	10	9	8	7	5	4
$150,000	10	10	9	8	7	5	4
$200,000	9	9	8	7	6	5	5

*Doesn't take into account any income survivors can expect from Social Security, investments, or other sources. More or less coverage may be needed, depending on individual family circumstances.

Source: Principal Financial Group

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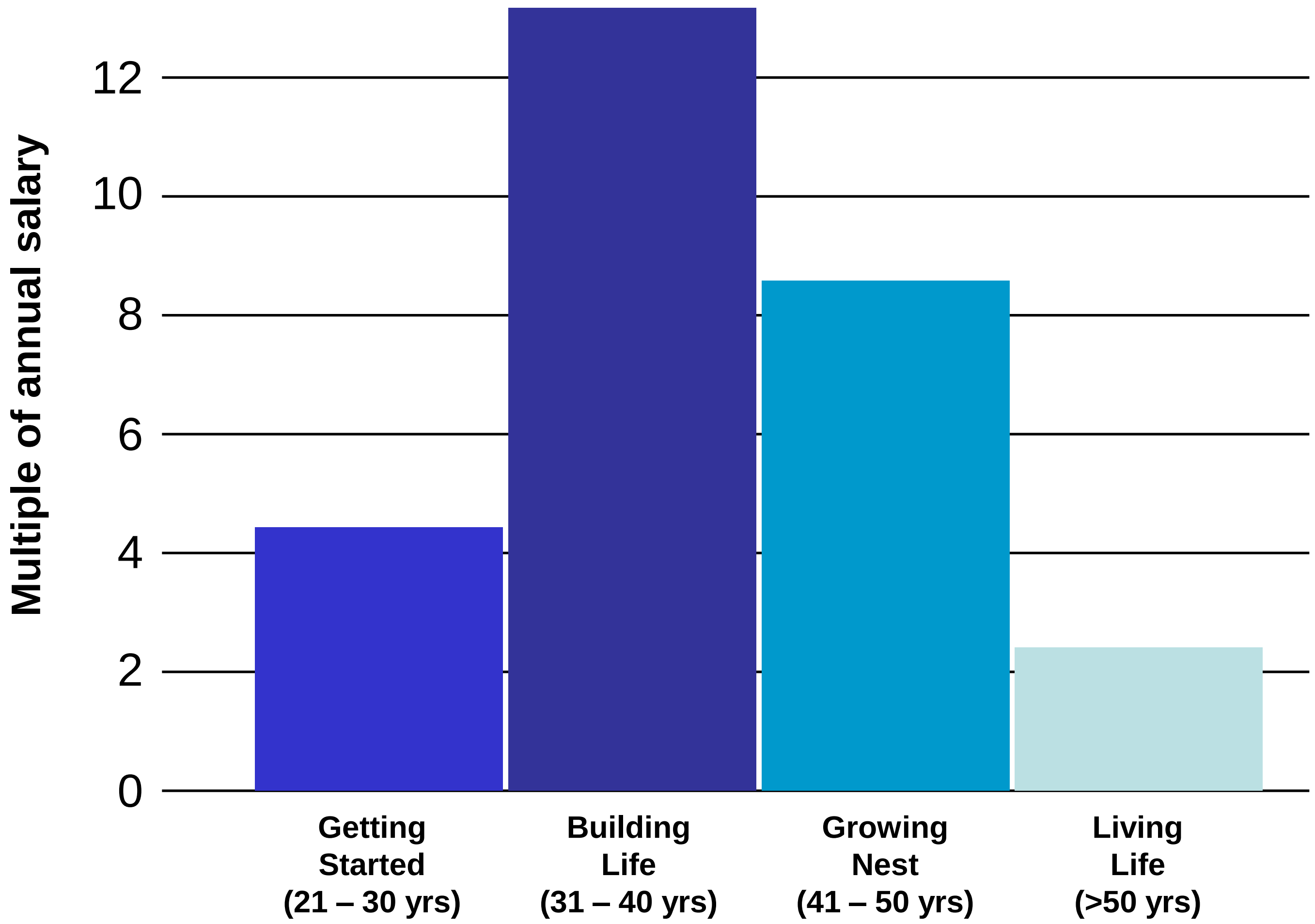
Protection Needs: Life Protection



x by remaining working years

Source: Standard Chartered

Protection Needs: Life Stages

This is the focus of needs during different stages in life…not necessary an action to buy, but rather, to plan.

Getting Started	Single, in early stage of career	Medical	Life	Disability
Building Life	Starting families	Medical	Life	Disability
Growing Nest	Families with teenage children, established careers	Medical	Life	Disability
Living Life	Individuals planning retirement	Medical	Life	

Source: Standard Chartered

Advanced Planning Concepts

RIRSI: **Savings**

Emergency "Fund" – How much?

- Depends on your job
- Depends on your personal expenditures
- General Rule:
  - 3 months of living expenses, if you have investments, family/friends that can provide short term support loans
  - 6 months of living expenses, if you have some instability in your job
  - 12 months of living expenses, if your income fluctuates greatly and you have no ability to get loans

Years to Reach US$1m

Annual return

Monthly Savings	2%	4%	6%	8%	10%	12%	14%	16%
50	177	105	77	61	51	44	39	35
100	144	88	66	53	44	39	34	31
150	125	79	59	48	40	35	31	28
200	112	72	54	44	38	33	29	26
250	102	67	51	42	35	31	28	25
300	94	62	48	39	34	30	26	24
400	82	56	43	36	31	27	24	22
500	73	51	40	33	29	25	23	21
750	58	42	34	29	25	22	20	18
1,000	**49**	**37**	**30**	**25**	**22**	**20**	18	17
1,250	42	32	27	23	20	18	17	15
1,500	37	29	24	21	19	17	16	14
2,000	30	25	21	18	16	15	14	13
2,500	26	21	18	16	15	13	12	12
3,000	22	19	16	15	13	12	11	11
4,000	17	15	14	12	11	10	10	9
5,000	14	13	12	11	10	9	9	8

Advanced Planning Concepts

RIRSI: **Investments and Risk**

Investment Risk Classification

Lower Risk

Low to Medium Risk

Medium to High Risk

Higher Risk

Broadly Diversified

Narrowly Focused

(by industry, financial instrument, geography, etc.)

2 levels of Risk Classification

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Investing: Key Factors in Risk

Systemic Risks

- These are risks you have no control over, including:
  - Market Risks
  - Global Instability
  - Interest Rate
  - Inflation Rate
- Example: SARS, terrorism, unstable government, etc.

Non-systemic Risks

- These are risks you can reduce through diversification, including:
  - Geographical Risk
  - Sector Risk
  - Company Risk
- Example: quality of management in a company

Source: Standard Chartered

Exchange Listings Requirement

Each of the major U.S. exchanges sets its own listing requirement. Any corporation that wants to be traded on a specific exchange must meet its criteria.

Exchange		Minimum number of shares issued*	Minimum market value*
NYSE New York Stock Exchange	New York Stock Exchange	1.1 million	$100 million
NASDAQ®	Nasdaq Stock Market	1.1 million	Variously $8, $18 or $20 million
AMERICAN STOCK EXCHANGE	American Stock Exchange	500,000 shares	$3 million

Planning for Investment Success

- Not building a contingency fund BEFORE investing…you need to have cash in case of unexpected events, instead of selling your long-term investments
- Only focusing on returns…no need, you can't control it…understand your risk appetite and the returns will take care of itself
- Timing the market…it won't work
- Not implementing your investment plan during "economic slowdown" periods

Common Errors in Investment Strategies

- No written plan
  - Fortune Magazine in 1999 said, people with a WRITTEN PLAN on average ends up with 5x more money than people that don't have any written plan.
- Not knowing what you want
  - What is the goal of the investment?
- Procrastination
  - When is a good time to start?
  - The longer you wait, the less time you have.
- Taking Too Much Risk
  - Investing versus "speculating"

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Common Errors in Investment Strategies

- Taking Too Little Risks
  - Low risk = low returns
  - Putting your money in a fix deposit…it may actually be negative return (considering inflation)

- Blindly Relying On Advertisements & Brochures
  - No company will advertise their “mutual fund” is bad.
  - Understand some basic financial concepts

- Chasing Performance
  - Flipping from one investment to another, to chase performance.

- Accepting Investment Advice From Amateurs
  - Talk to your wealth manager.

Common Errors in Investment Strategies

- Letting Emotions Drive Investment Decisions
  - Greed can sometimes get you "confused"
  - Do re-evaluate, but compare it to your original plan…has your plans changed? If so, adjust your WRITTEN PLAN first.

- Putting Too Much Faith In Recent Performance
  - Recent performance is not a good indicator of future performance.
  - Other financial/company/fund/market fundamentals are important.

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Dollar Cost Averaging

- Another method of minimizing risks is through dollar cost averaging.
- Dollar cost averaging simply means investing a fixed sum of money at regular intervals, regardless of whether the market is moving up or down.
- The use of a regular monthly contribution plan to invest will help you to even-out the fluctuation in the cost of the client's investment over time.

Asset Allocation

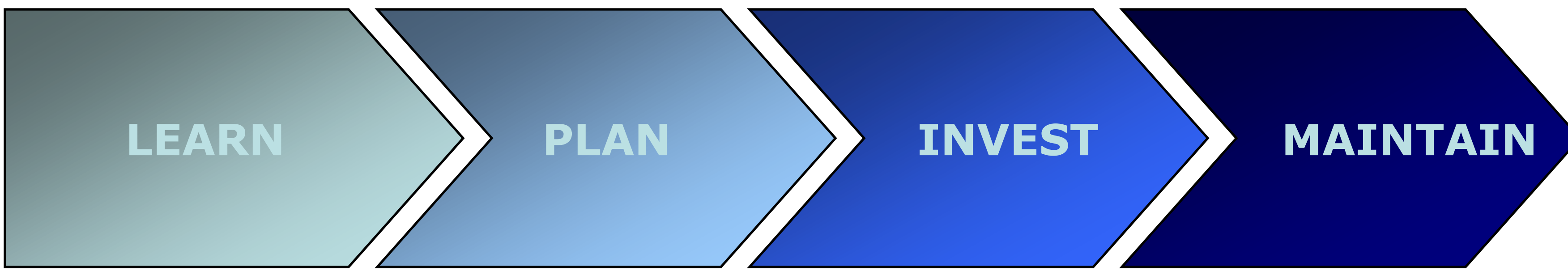
- Its critical for wealth creation
- There is no fixed rule for asset allocation
- But as the age goes up the risk assets such as securities and equity has to be lowered. Stocks..
- For instance if you are 50, you can restrict your exposure to equity between 50-60 per cent.
- Fixing target and profit booking are the two important key for wealth creation.

Advanced Financial Planning Concepts

Investment Planning – The Flow

Basic Investment Planning

- Typically a customer will go through the following processes in the Investment Cycle



Customer Journey (Investment)

LEARN → PLAN → INVEST → MAINTAIN

- Learning phase – key needs of an individual Investor:
  - Understand his personal financial situation
  - Understand scope of products and services available
  - Understand high-level goals
  - Understand tolerance for risk
- Planning phase
  - Select specific investment strategy
  - Allocate assets for investment
  - Short-list available products/vendors
- Investment Phase
  - Invest/Buy specific funds or products
  - Sign contracts
  - Transfer funds
- Maintenance
  - Monitor Portfolio performance
  - Rebalance Portfolio
  - Adjust Asset allocation
  - Switch fund allocation/mix
  - Buy/Sell Equity/ForEx
  - Seek taxation advice

The Wealth Manager

- The Wealth Manager or Private Banker, however, follows his own ‘plan’

Paperwork In Order

- Wills
- Deeds
- Trusts
- Powers
- Guardian
- Life Policies
- TOD POD and Cash
- Business Succession Planning
- Accounts, Passwords, And so on

End of Class

- Thank You…

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