

Wealth Preservation
for
Family Office & Affluent Clients

The Biltmore - Coral Gables, FL

21 October 2010

*P*riate
Wealth

Considerations

- The affluent perspective on wealth protection
- The asset protection gap
- Personal protection concerns
- Wealth management & protection

The Components of Protecting Wealth

Liability Management/P&C 

Asset Protection Planning 

Personal/Family Security 

Wealth Protection

Characteristics of Wealth Protection

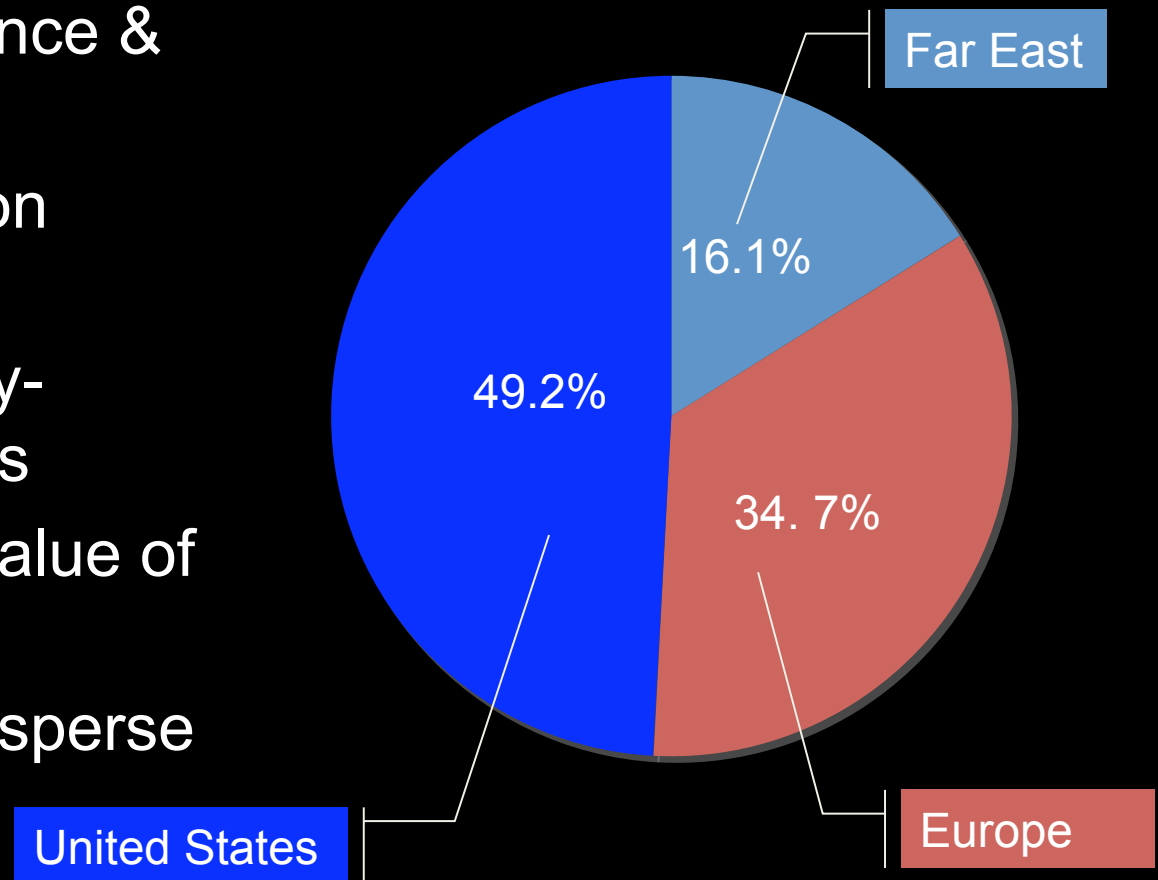
- The service mix is highly attractive to the wealthy
- The three components are interrelated in the mind of the affluent
- Holistic approach to dealing with their overall concerns

The Asset Protection Gap

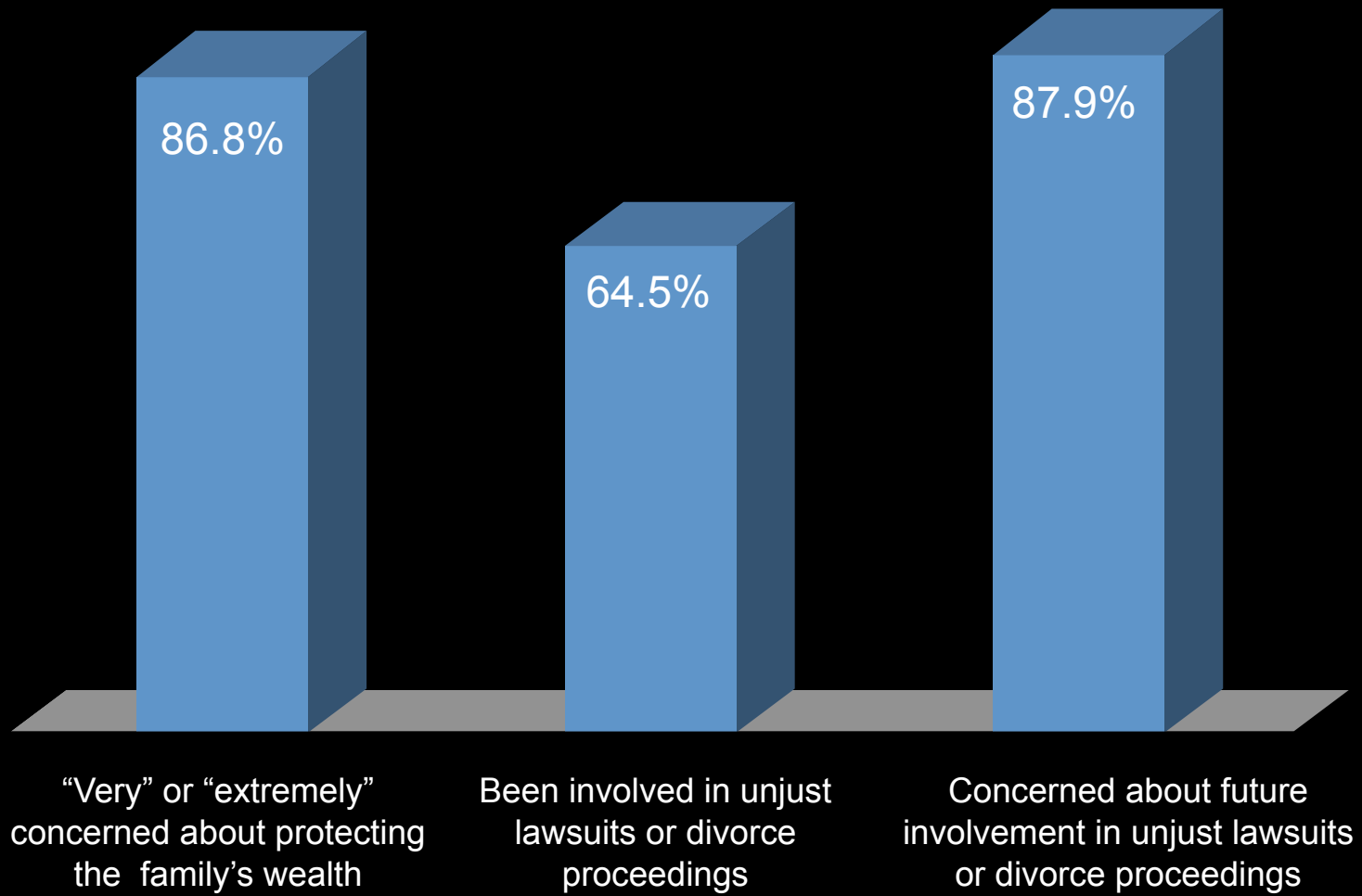
- Family-owned businesses
- Affluent physicians
- Middle-class millionaires
- Hedge fund managers
- Entertainers & professional athletes
- Mid-sized business owners

A Research-Based Approach

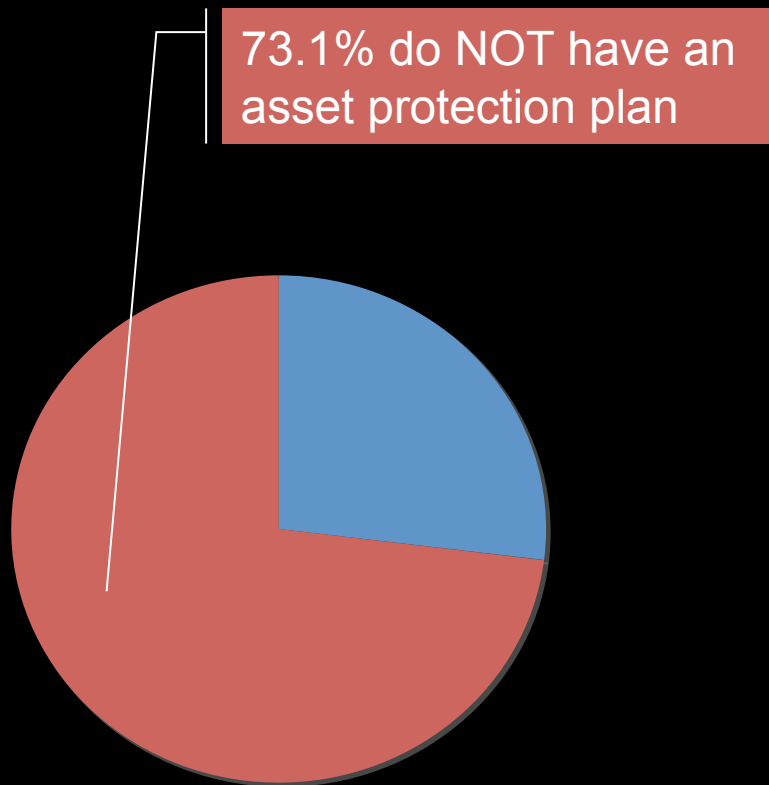
- Conducted by Prince & Associates, Inc.
- Phone or in-person interviews
- 242 affluent family-owned businesses
- \$731.2 M mean value of businesses
- Geographically disperse



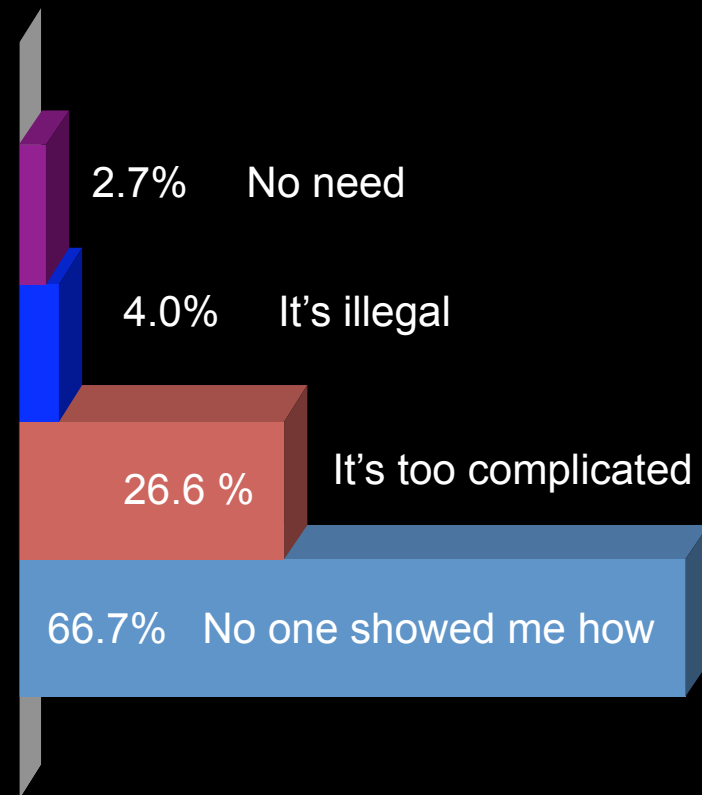
Wealthy Family-Owned Businesses



Wealthy Family-Owned Businesses



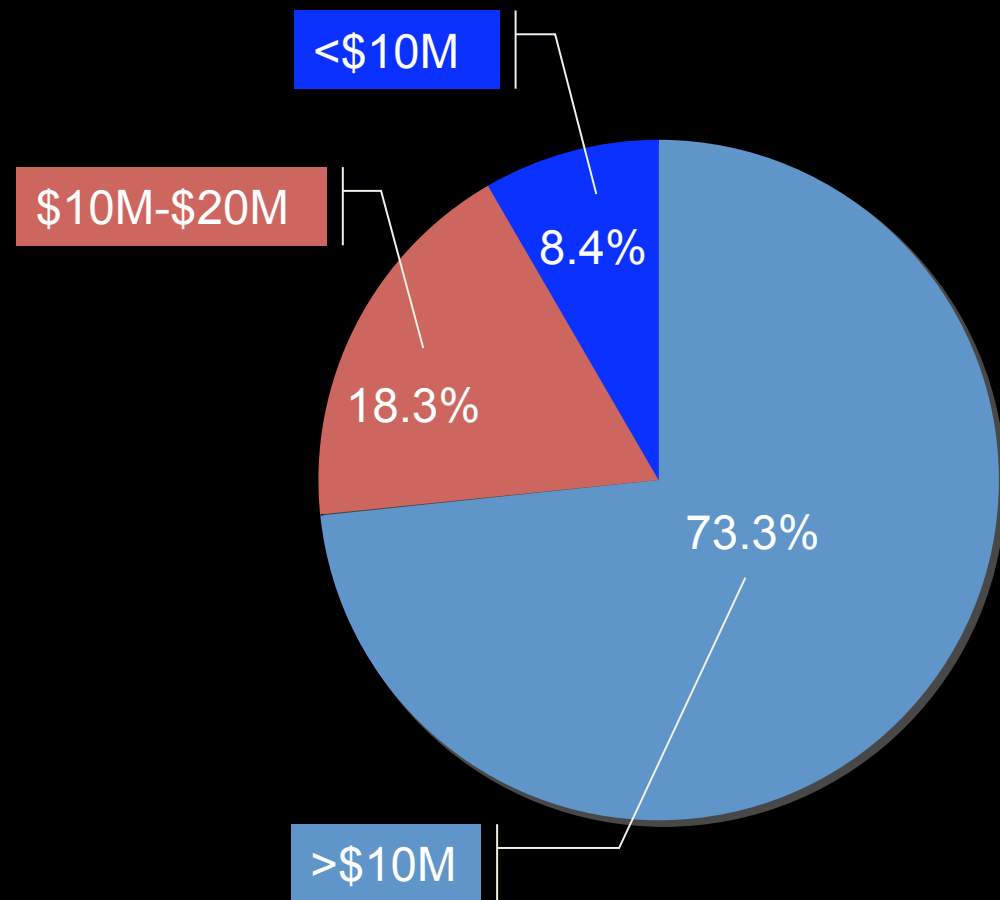
Why Not?



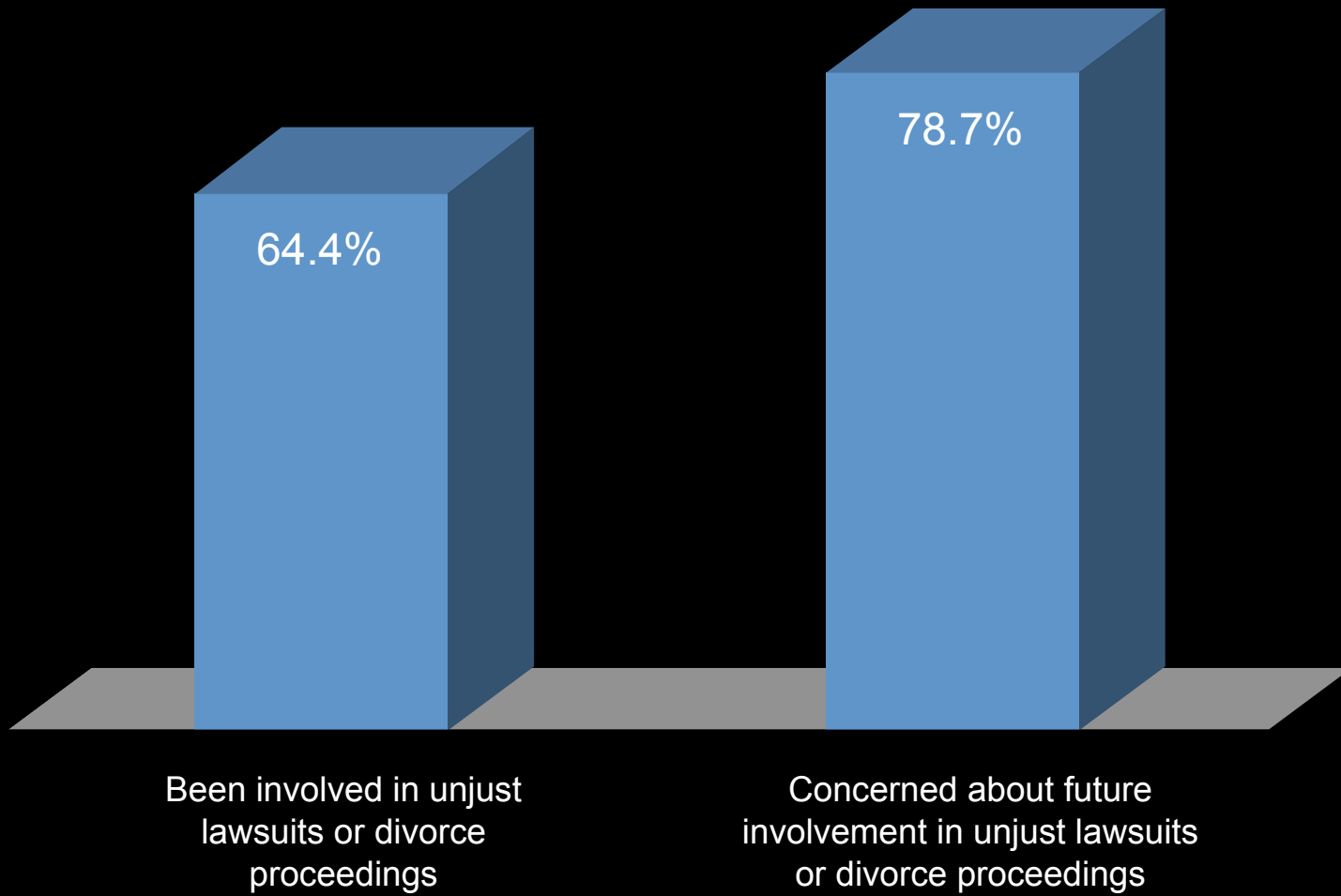
A Research-Based Approach

- Conducted by Prince & Associates, Inc.
- Phone or in-person interviews
- 1,402 mid-sized businesses
- In business 5+ years
- 5-100 employees
- Annual gross sales between \$2M-\$50M

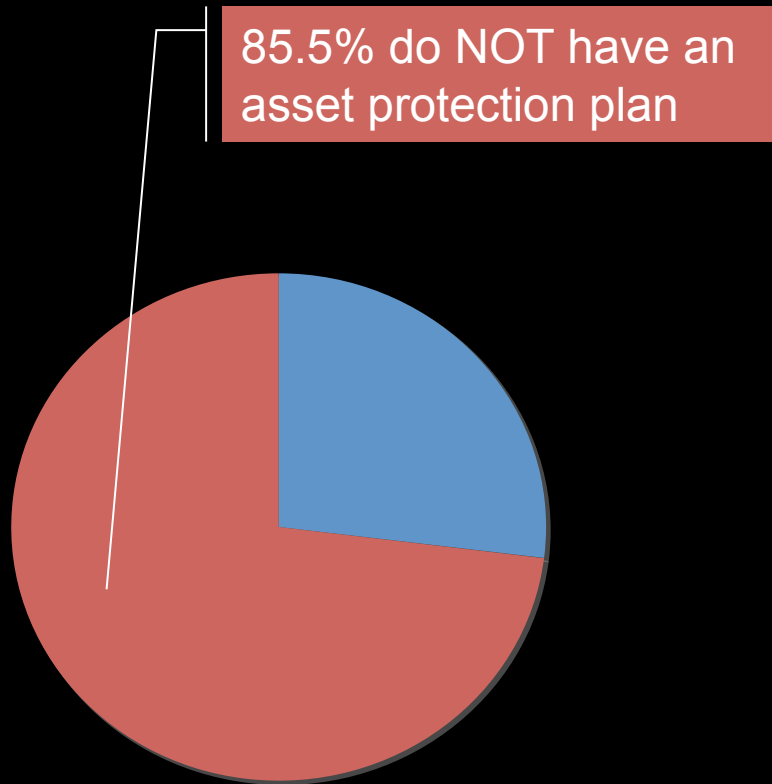
Net Worth of Business Owners



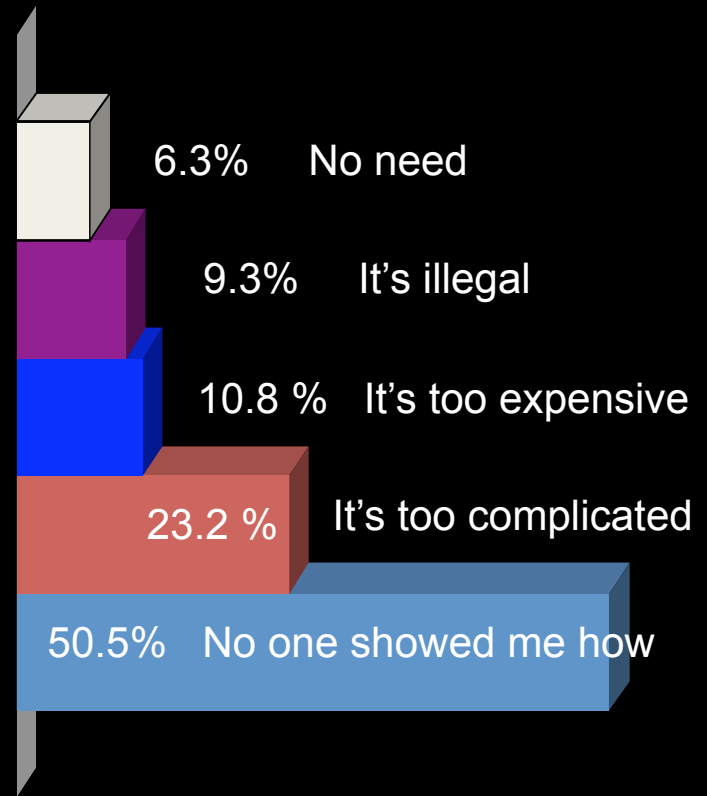
Mid-Sized Businesses



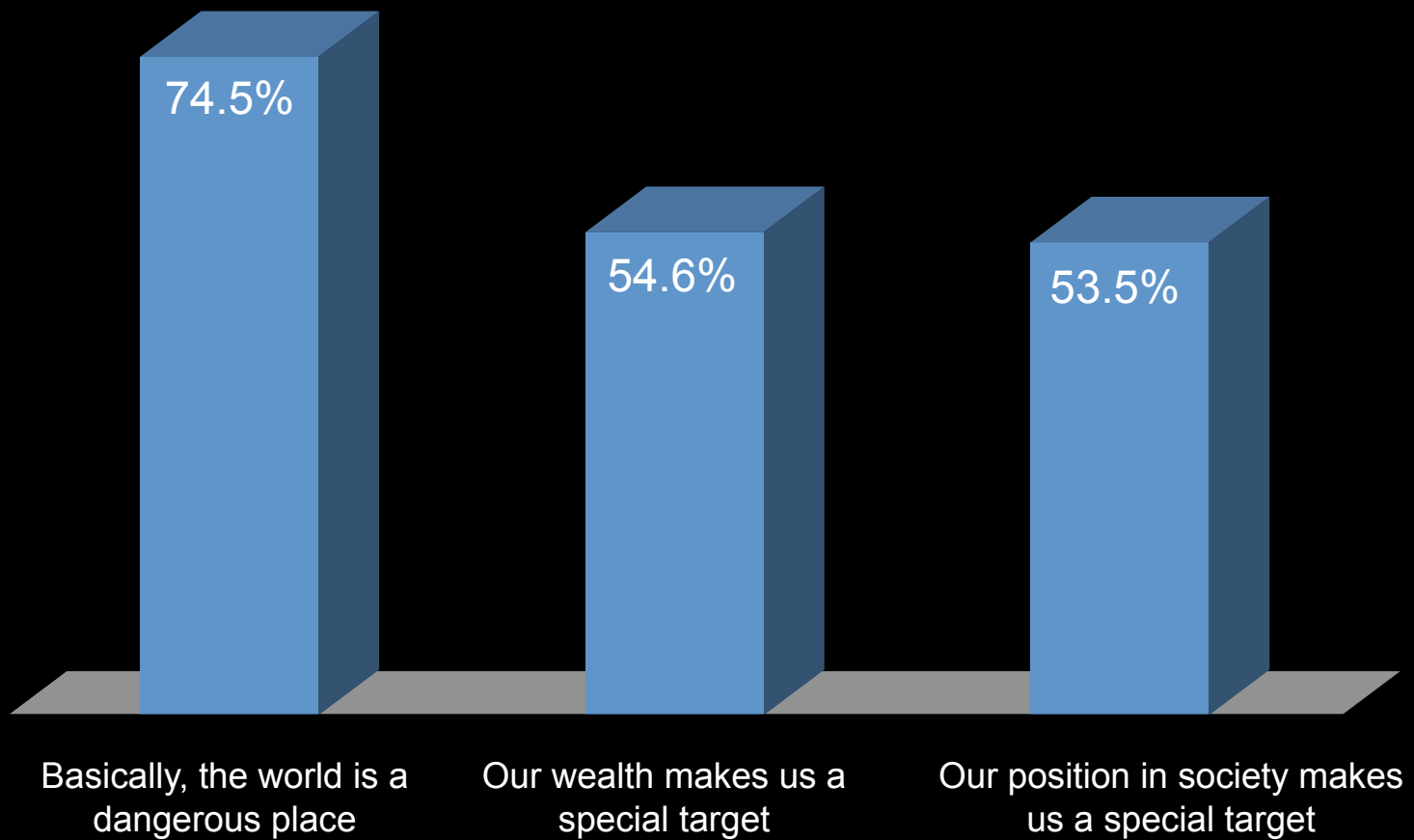
Mid-Sized Businesses



Why Not?

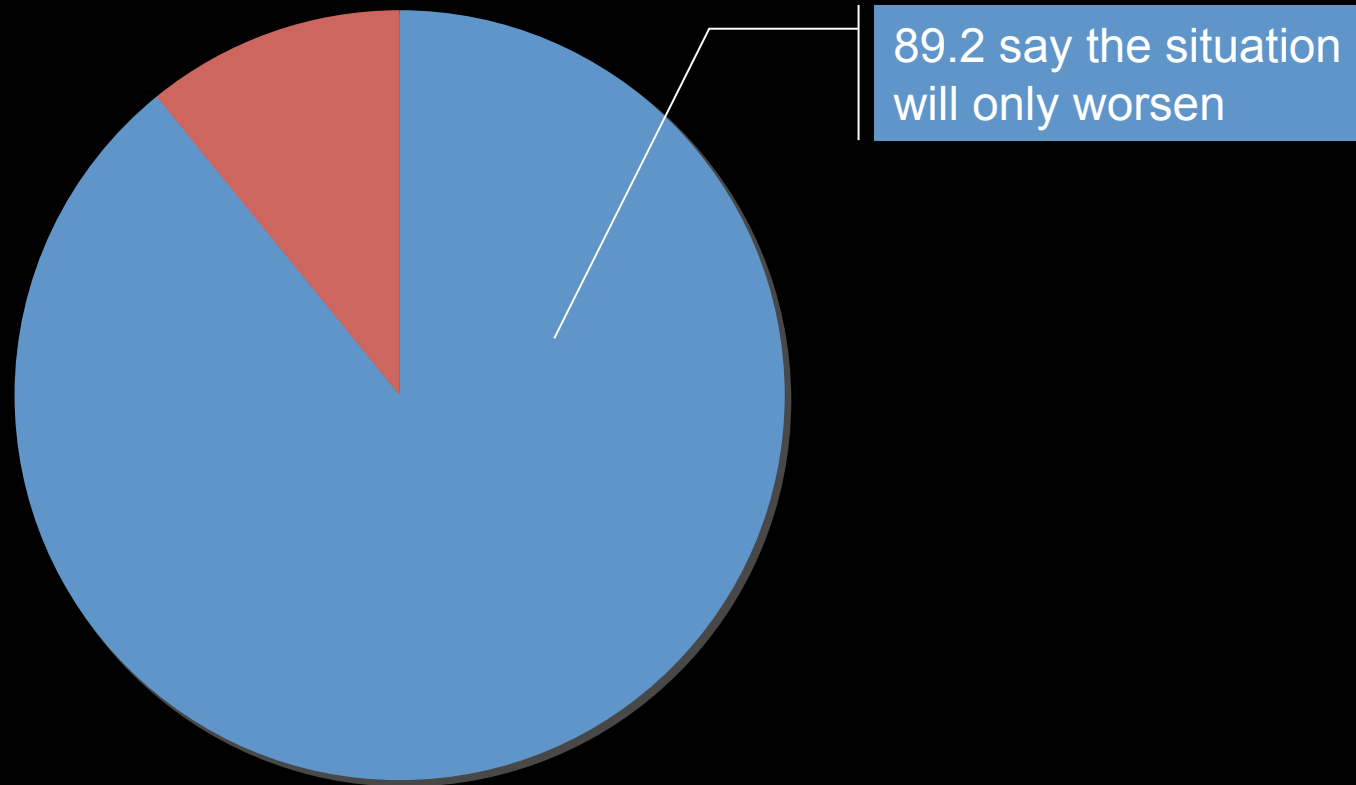


Personal Protection Concerns



N=427 individuals w/\$1M+

A Dismal Outlook



N=427 individuals w/\$1M+

Personal Protection

- The wealthy and their loved ones
- Confidential information
- Property and hard assets

The Wealthy & Their Loved Ones

- Crisis contingency planning
- Close protection services
- Transporter services
- Regular background checks

Confidential Information

- Education on keeping secrets, secret
- Identity assessments and checks
- Counter-surveillance services
- Encryption services

Property

- Detailed access protocols
- Safe havens
- Surveillance and alarm systems
- Transporter services

The Relationship between the Management & Protection of Wealth

Investments

Insurance

Banking

Brokerage

Credit

Asset Protection

Estate Planning

Tax Mitigation

Risk Management

Personal Security

Multigenerational
Planning

Charitable Giving

Wealth Transfer

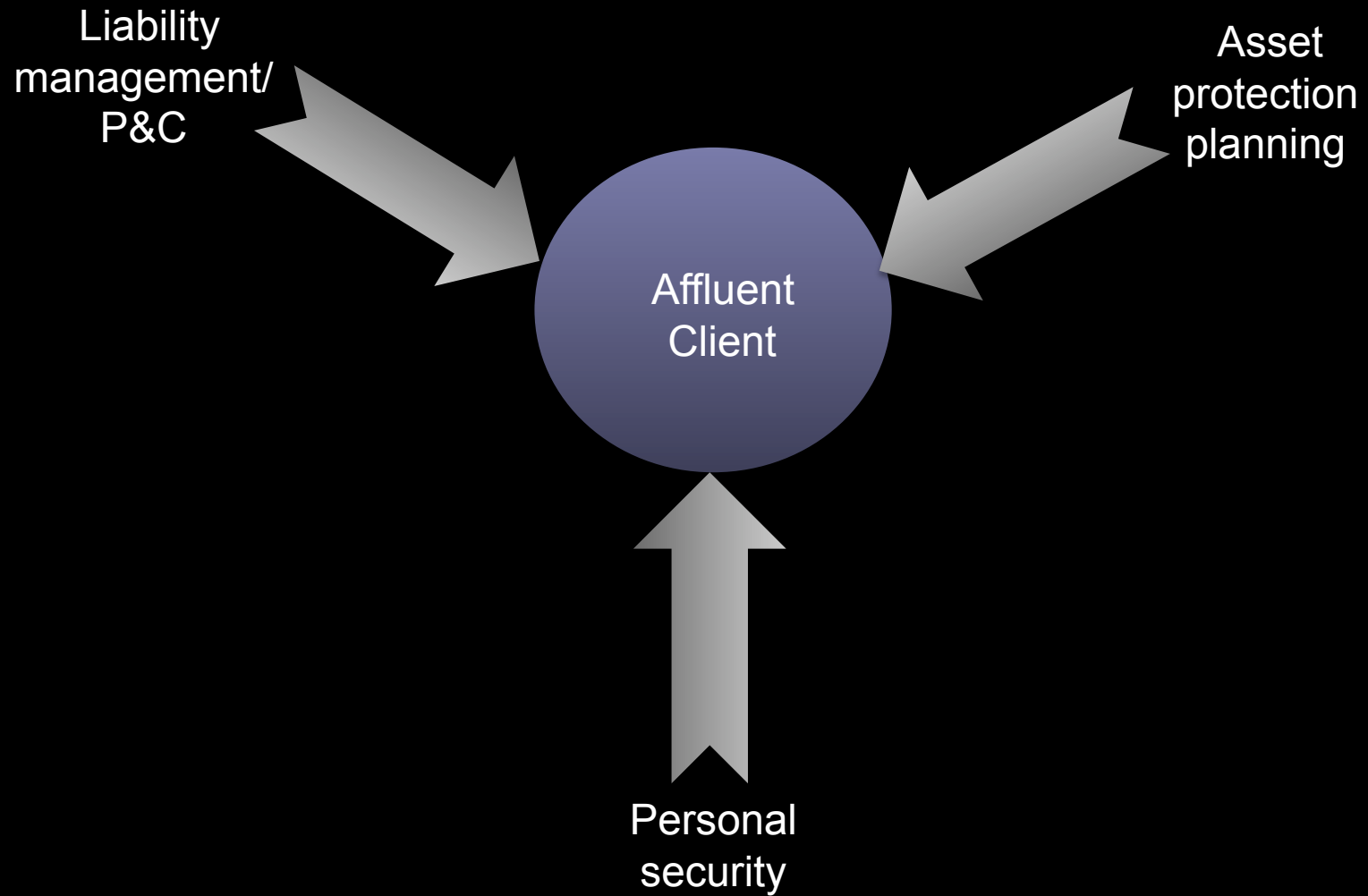
Lifestyle Support

Administration/
Reporting

80% Overlap in Critical Wealth Protection Services



Three Points of Entry



Q&A