



ANAHEIM
2009

The Annual Conference of the Financial Planning Community

TRACK:	<i>PRACTICE MANAGEMENT & TECHNOLOGY</i>
SESSION: 979015	WEALTH MANAGEMENT-DELIVERING ON THE PROMISE
	SUNDAY, OCTOBER 11, 2009
	8:15 AM - 9:30 AM
PRESENTER:	Peter R. Wheeler, CLU,ChFC,CFP®
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Pete is President and Chief Executive Officer of Wheeler/Frost Associates, Inc. and founder and Managing Director of FamilyOfficeNetwork, LLC. He has over forty years of experience in the financial services industry. Serving the needs of the owners of successful privately held corporations, Pete has a particular expertise in employee stock options and grants and is the author of *Stock Options + Grants: The Executive's Guide to Equity Compensation* and *An Executive's Guide: Incentive and Nonqualified Stock Options*. He has been a speaker on stock options and grants at the FPA's Retreat and NAPFA's annual convention. Pete is also a contributing author for *Strictly Business – Planning Strategies for Privately Owned Businesses*. In 2000, Pete founded FamilyOfficeNetwork L.L.C. and serves as Managing Director. FamilyOfficeNetwork enables independent advisors to offer comprehensive wealth management services to their clients through an Internet based information-sharing environment. Pete is recognized for his advanced knowledge in insurance, estate, business, and pension planning, and has been featured on numerous television and radio programs and in many financial publications. He was selected as one of the top 250 financial advisors in the nation by *Worth* magazine and was the cover story for *Financial Advisor* magazine's February 2003 issue. He has been listed as one of the "Top Wealth Managers" every year by *Bloomberg's Wealth Manager Magazine*.

FPA Annual Conference
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***Wealth Management:
Delivering on the
Promise***

Peter R. Wheeler, CLU, ChFC, CFP
Founder & Managing Director
FamilyOfficeNetwork, LLC

Question

What is Wealth Management?

Question

What is the Promise?

What is important to the Affluent?

- ___ prefer to work with a single individual
- ___ want to consult with an expert
- ___ like to plan ahead five to ten years
- ___ want to deal with people who know them by name
- ___ prefer to invest through a large nationally known firm
- ___ need help preparing a plan
- ___ are not sure if their own financial decisions are right
- ___ need help making investment decisions

- CEG Worldwide

Advisors to the Wealthy

- Accountant – Personal
- Accountant – Corporate
- Agent
- Attorney – Estate
- Attorney – Tax
- Attorney – Corporate
- Banker
- Bookkeeper
- Investment Manager
- Family Counselor
- Financial Consultant
- Employee Benefits
- Elder Care Specialists
- Health insurance agent
- Investment advisor
- Life Insurance Agent
- Pension Administrator
- P/C Agent
- Mortgage Broker
- Travel Agent
- Trust Officer

Collaboration

- What collaboration really means
- Various methods we can collaborate with today
- How collaboration can save you time and money
- How collaboration will grow your practice

Collaboration

- If there is any magic in financial services, it certainly resides in the people who are at the heart of the company. But empowering employees means more than giving them more software and training. It means making it easier for them to bring their unique talents, experience, and judgment to bear in situations where they can make a difference.
- Collaborate with colleagues down the hall and around the world
- Access information using tools that are security-enhanced, widely known, and unobtrusive
- Close the gap between information and action

- Microsoft

Fiduciary Responsibility

“We believe that an advisor’s fiduciary obligation to its client includes the obligation to take steps to protect the clients’ interests from being placed at risk as a result of the advisor’s inability to provide advisory services after, for example, a natural disaster or, in the case of some smaller firms, the death of the owner or key personnel. The clients of an advisor that is engaged in the active management of their assets would ordinarily be placed at risk if the advisor ceased operations.”

SEC comment on rule 204

Requirements for Collaborative Wealth Management

Confidential Information

“This email, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain confidential information. If you are not the intended recipient of this email, please do not disseminate nor copy any portion of this message, nor any of its attachments. If you have received this email in error, please notify me by telephone and kindly delete the original and any copy of any email and any printout thereof. Thank you for ensuring the privacy of others.”

Requirements for Collaborative Wealth Management

Email Privacy Protection Not Available Under Current US Law

In June 2004, the US Court of Appeals for the First Circuit confirmed in its decision *US vs. Bradford C. Councilman* a lower court's decision that email service providers can legally copy and read email messages sent through and temporarily stored on their servers. The court agreed with the defendant's argument that when packets are stored — even temporarily — on a server, the owner of that server has the right to copy and read the messages because the messages are no longer "in transit."

Data must be encrypted

- California – Civil Code Sec. 1798.85 – “SSN can not be transferred via the internet unless the connection is secure or the SSN has been encrypted.”
- Massachusetts – “personal information transferred between computers must be encrypted.”
- Nevada – “anytime data is transferred electronically, it must be encrypted.”

Tools

- **GoToMeeting / Webex – Web Conferencing**
- **GoogleDocs / Sharepoint – Collaborative Writing**
- **Yousendit – Large File Sharing**
- **Skype / IM - Video Conferencing**
- **LinkedIn / Twitter – Social Networking**
- **Ask / GoogleSearch / Wikipedia – Collective Knowledge**

Tools

- ACT / Goldmine / Juncture - CRM
- Advent / Portfolio Center - Reporting
- IPS Advisor Pro – Special applications
- Money Guide Pro / Money Tree – Financial Planning
- eMoney / IAS Optima – Integrated tools
- Advisor Products / Lightport – Website, Portal
- Advisor Exchange / CashEdge – Dynamic Aggregation
- FamilyOfficeNetwork – Collaboration, Total Aggregation

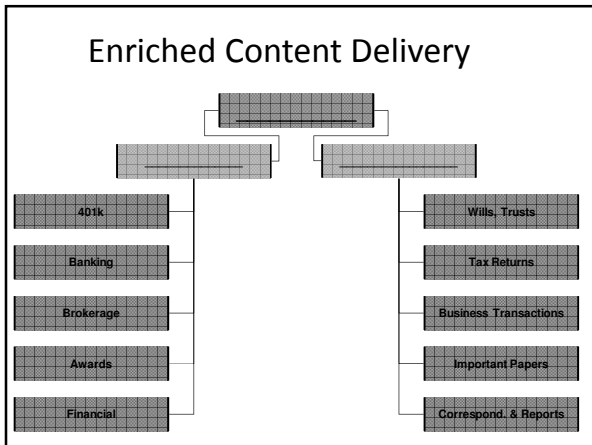
Requirements for Collaborative Wealth Management

- Secure data storage – lockbox
 - With sharing hierarchy
- Acceptance of most common data formats
- Advisor shared key client data
- Secure, client specific, non-changeable communications
- Advisor tasking
- Client data up-load
- Interface with client accounts and dynamic aggregators

Requirements for Collaborative Wealth Management

- Access to client portal controlled by Primary Advisor
- Ease of operation
- Flexible data organization
- Low entry threshold for other advisors
- Single input access for other advisors
- Web-based – highly secure
- Client focused
- Reasonably priced
- Network of users





How To Deliver

“Your ability to bring together and manage a network of professionals is absolutely critical to your success. Successful family offices recognize that they cannot be all things to all people. While they manage key items in-house ... **they outsource expertise in most other areas to specialists.** They make it their business to know all of the experts in every field related to the management of their clients’ affairs.”

- John Bowen, CEG

Client Centric and Engagement Technology are Key To Growth!

The more engaged your client is, the more profitable
you become

- ▶ Management of client data across business lines
- ▶ Relevancy of client communication
- ▶ Real time collaborative client engagement
- ▶ Personalized & Actionable communication
- ▶ Enriched content delivery

Why Change?

*“The message is clear: This new generation of
affluent Americans is seeking advisors who
can provide financial solutions that take their
entire scenarios into account. In short, they
want comprehensive wealth management.”*
Schwab

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