

Advanced Planning

Overview: Following is an exploration of the elements and importance of advanced planning.

Wealth management works hand in hand with portfolio management, adding value beyond the importance of a prudent investment philosophy. The experience begins with crafting a holistic plan designed to help you in achieving your vision of financial success. That customized plan should address financial objectives, values related to money, concerns that keep you up at night and challenges that lie ahead.

The concept of wealth management takes shape through the process of **advanced planning**, which integrates tax planning, estate planning and measures to manage risks you could encounter along the way.

Think of advanced planning as a blueprint that provides guidance, purpose and confidence that you are on the right path going forward for your future and your loved ones.

Process for Advanced Planning

The advanced planning process begins with your willingness to share your desires, concerns and experiences with your advisor. In order to build your plan, an advisor must gain a thorough understanding of who you are and what you wish to accomplish. Similar to how a doctor cannot diagnose without first examining, an advisor cannot advise without first knowing your story and situation. An open dialogue and continued communication are the building blocks for developing the appropriate plan for you — one that evolves as your life evolves and circumstances change.

The Four Elements

- **Wealth enhancement** helps to produce the best possible investment returns consistent with your level of risk tolerance while minimizing the tax impact on those returns.
- **Wealth protection** helps to mitigate the risks associated with liabilities, creditors, predators and divorce.
- **Wealth transfer** refers to your legacy. In order to have a peaceful and orderly distribution of that legacy, documents are sometimes not enough. A definitive, well-thought-out plan can help soothe potential conflict among remaining family members, minimize estate tax and preserve your family's wealth for many generations.
- **Charitable giving** involves personal philanthropic decisions that may take place during one's lifetime or at death. Proper planning can be rewarding.

Keys to Advanced Planning

Communication: Investors should be honest and open with themselves, their loved ones and their advisor. Your plan is based upon the goals and needs you communicate. To create the best plan for you and to make sure your advisor is helping you in every way he or she can, communication needs to be prevalent and ongoing.

Responsibility: The advisor has a responsibility to continually evaluate your situation and monitor progress to make sure the plan in effect remains appropriate and on track. However, you also have a responsibility to keep the advisor aware of life changes, decisions or events that greatly impact your situation so your plan can be adjusted accordingly.

Adding Value: Strategic and timely planning with your advisors adds value. This includes collaborating with your tax professional, estate attorney or other trusted advisors on a continual basis.

Objectivity: Changes to your plan should be carefully considered. They need to be driven by events or turning points in your life. An unexpected challenge can trigger a necessary change, but so can reaching a goal. Changes to the plan should not be emotional, market based or rash. They should be well-thought, necessary alterations that further enhance your future.

Who Should Plan?

The answer to this question is simple: Everyone. Whether you have \$100,000 or \$100 million, everyone has areas of their lives that could benefit from a plan that continues to develop through advanced planning. Plans can range from core services to very sophisticated strategies. The governing factors are desires, needs and concerns, not dollars. Advanced planning offers foundational services that could benefit everyone. The hope is for investors to build a secure future upon those services.

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