

Morgan Stanley

# Women and Wealth

Personalized Client Experience

At Morgan Stanley, we have witnessed the power of education and trusted guidance to transform a woman's relationship with money. There's no doubt about it — women face a unique set of financial challenges. That is why we are committed to empowering women with the knowledge and tools needed to achieve your goals: whether you're buying a home, starting a family, navigating a divorce, caring for a loved one, or giving back to a cause you care about.

Throughout your life, you will move through four stages of wealth: Accumulation, Planning/Preservation, Utilization and Transfer. These stages overlap, and the transition between stages may be gradual. As an accomplished individual, you have unique lifetime goals financially, personally and professionally. Which means your path through the wealth management cycle is rarely linear and transitions can be abrupt. Given these intricacies, you need comprehensive, customized wealth management strategies that can change as your goals and career changes.

**Here is an approach to thinking about — and planning for — your future and family during every chapter of your personal and professional journey.**

**Life Stage:**

- Starting your Financial Journey
- Defining Your Life Goals
- Preparing for the Future
- Retirement

**Wealth Management Stage:**

**WEALTH ACCUMULATION** — During this phase individuals are primarily focused on acquiring the assets they are likely to need to help meet their long term financial goals while balancing their short-term financial needs

**WEALTH PLANNING/WEALTH PRESERVATION** — As individuals move further into their financial journey, the focus may gradually shift from asset growth to thinking about how they are protecting their families and their portfolios from unexpected adversity or market volatility and how they can continue to do so in the future.

**WEALTH UTILIZATION** — At some point, most individuals will need to draw on their accumulated resources to fund specific needs, such as college tuition costs or retirement expenses.

**WEALTH TRANSFER** — Many affluent individuals hope to leave a sizable legacy for their children, their grandchildren, and/or their communities.

## Considerations To Explore When Developing Your Family Wealth Management Life Plan<sup>1</sup>

### Family Wealth Management Life Plan



#### Financial Planning

##### GOALS ANALYSIS

- Needs, Wants, Wishes
- Evaluation of Alternatives
- Probability Analysis
- Monitoring Progresses

##### BUDGETING AND CASH FLOW

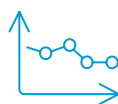
- Budget Evaluation
- Cash Flow Management
- Saving Strategies for
  - Education
  - Retirement

##### DEBT ANALYSIS

- Borrowing Needs
- Secured vs. Unsecured
- Buy vs. Lease/Rent

##### SPECIAL CIRCUMSTANCES

- Marriage/Divorce
- Disability/Illness
- Non-Traditional Families
- Job Change and Job Loss
- Dependents with Special Needs



#### Investment Planning

##### ECONOMICS AND BUSINESS CYCLES

- Fiscal Policy
- Monetary Policy
- Economic Indicators
- Business Cycles
- Inflation, Deflation, Stagflation

##### ASSET ALLOCATION

- Risk Tolerance
- Strategic and Tactical
- Active and Passive
- Rebalancing

##### INVESTMENT SELECTION

- Portfolio Construction
- Manager Selection
- Discretionary vs. Non-Discretionary
- Performance Reviews

##### TAX EFFICIENT INVESTING

- Taxable vs. Tax Free
- Tax-Loss Harvesting



#### Retirement Planning

##### LIFESTYLE REVIEW

- Retirement Vision
- Evaluating Needs, Wants, Wishes

##### RETIREMENT INCOME

- Coordination of fixed and variable sources of income
- IRA/401(k)/403(b)
- Annuities
- Effects of Longevity
- Inflationary Risk

##### SOCIAL SECURITY AND PENSION ANALYSIS

- Benefit Commencement Decision

##### HEALTHCARE

- Healthcare Spending Accts.
- Medicare
- Long-Term Care



#### Wealth Planning

##### WILLS AND LEGAL DOCUMENTS

- Records Organization
- Health Care POA
- Living Will
- Durable POA

##### LEGACY PLANNING GIFTING AND USES OF TRUSTS

- Annual Gifting
- Lifetime Gift Exemption
- Revocable & Irrevocable trusts
- Testamentary trusts
- Grantor trusts

##### FAMILY GOVERNANCE AND DYNAMICS

- Protect the Wealth Plan
- Family Mission Statement
- Family Councils

##### CHARITABLE PLANNING

- Charitable Trusts
- Direct Bequests
- Donor Advised Funds
- Private Foundations



#### Asset Protection Planning

##### CAPITAL NEEDS AND DISABILITY ANALYSIS

- Life Insurance
- Disability Insurance

##### PROPERTY /CASUALTY AND SPECIAL INSURANCE

- Umbrella Liability Directors and Officers
- Employee Practices Liability Insurance (EPLI)

##### EXEMPT ASSETS AND ENTITIES USAGE

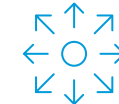
- State Exempt Assets
- LLCs
- FLPs

##### TRUSTS

- Spendthrift Provisions
- Domestic Asset Protection Trusts

##### PERSONAL AND FAMILY SECURITY

- Home
- Travel
- Identity Theft



#### Executive Planning

##### BENEFITS AND INCENTIVE COMPENSATION ANALYSIS

- Types and Provisions
- Income Tax Implications

##### STOCK OPTIONS

- Vesting Analysis
- Optional Exercise Strategies

##### CONCENTRATED POSITION ANALYSIS

- Risk Analysis
- Diversification Strategies

##### EXECUTIVE STOCK MONETIZATION

- Sales of Restricted Shares under Rule 144
- Rule 10b5-1 Trading Plans
- Loans and Hedging Strategies



#### Business Owner Planning

##### BUSINESS NEEDS

- Ownership
- Control and Liquidity
- Key Opportunities
- Key Challenges

##### CASH MANAGEMENT AND CAPITAL NEEDS REVIEW

- Deposit/Treasury Services
- Lines of Credit
- Growth Capital
- Key Challenges

##### RETIREMENT AND BENEFITS ASSESSMENTS

- 401(k)/Profit Sharing and Defined Benefits Plans
- Non-Qualified Deferred Compensation

##### RISK MANAGEMENT

- Continuity Planning
- Buy Sell Agreements
- Key Employee Life
- Split-Dollar Life

##### SUCCESSION OR EXIT PLANNING

- Valuation Maximization
- Strategic Sale
- Financial Recapitalization
- Employee Stock
- Ownership (ESOP)

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