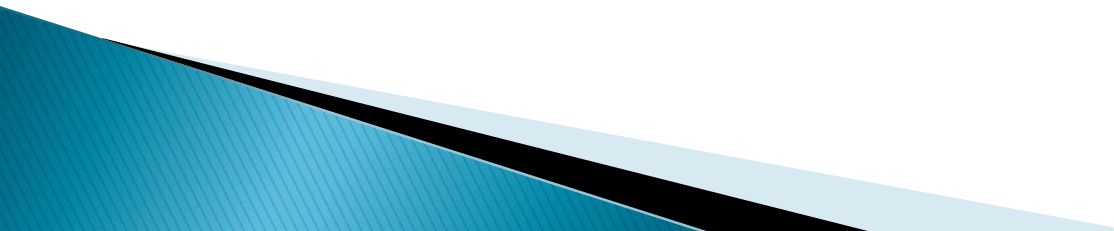


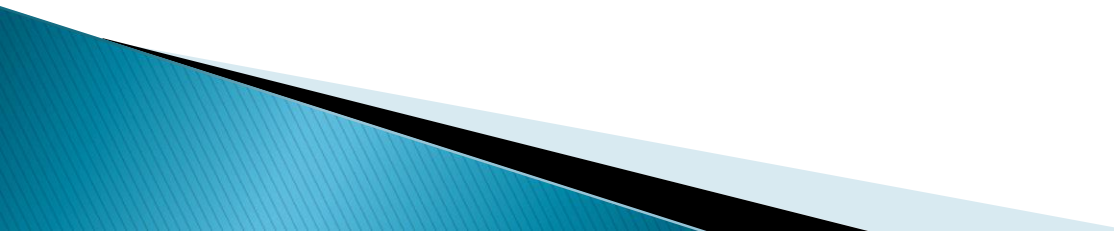
# Training & Development

The future of financial advice

# WC Fields said

- ▶ Smile first thing in the morning,
  - ▶ Get it over with.
- 

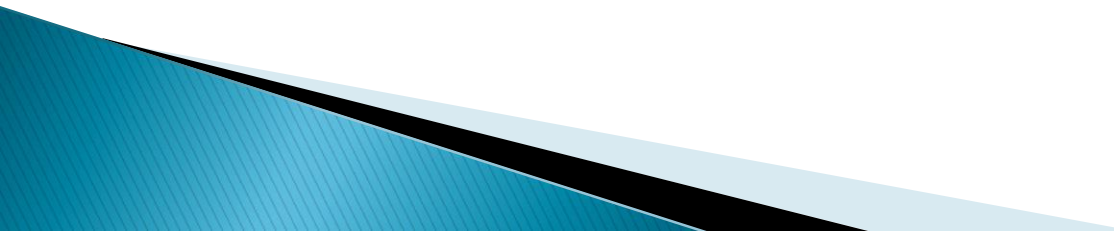
# The RDR

- ▶ Higher qualified advisers
  - ▶ Fee paying clients
  - ▶ Segmentation of clients
  - ▶ Clearer charges within products
  - ▶ Whole of market – IFA – or restricted advice
  - ▶ Greater protection due to capital adequacy rules
  - ▶ Better quality advice
- 

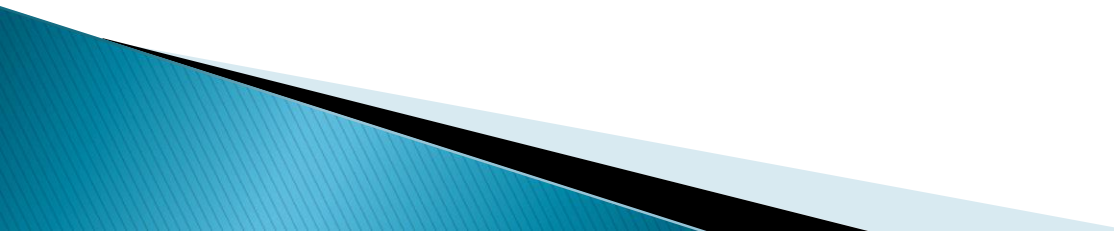
# Goldie Meyer said

- ▶ Don't be so humble
- ▶ You're not that great.

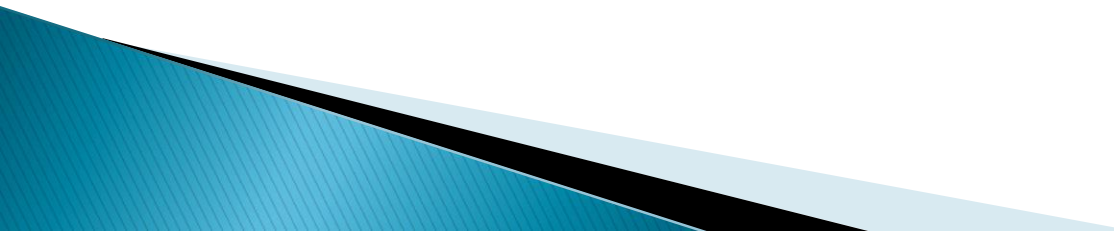
# Our regulator

- ▶ In April 2011, the Financial Services Authority is to split into the Financial Conduct Authority and the Prudential Regulation Authority.
  - ▶ Will this lead to better outcomes?
  - ▶ The FSA does not have a good record of stopping market abuse and has not had the expertise to identify risk correctly or to foresee events, such as the credit crunch
- 

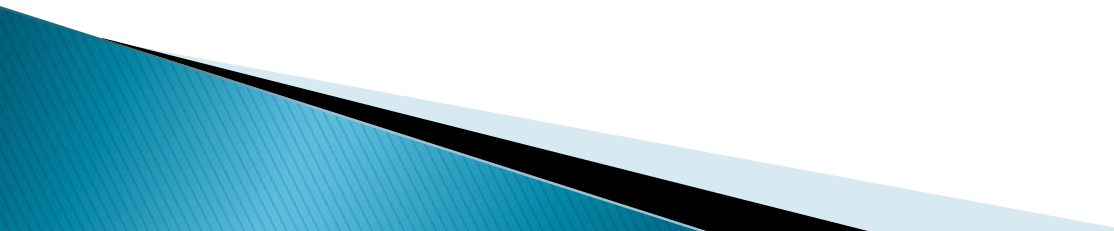
# Groucho Marx said

- ▶ These are my principles
  - ▶ If you don't like them, I have others.
- 

# Why do people need advice?

- ▶ Most people need guidance to plan
  - ▶ Most people do not have the knowledge to obtain the products that they need
  - ▶ Unfortunately, people have not always been given the service or advice that they need
  - ▶ Study showed that clients when clients are being advised, they transfer the ability to decide to their adviser.
- 

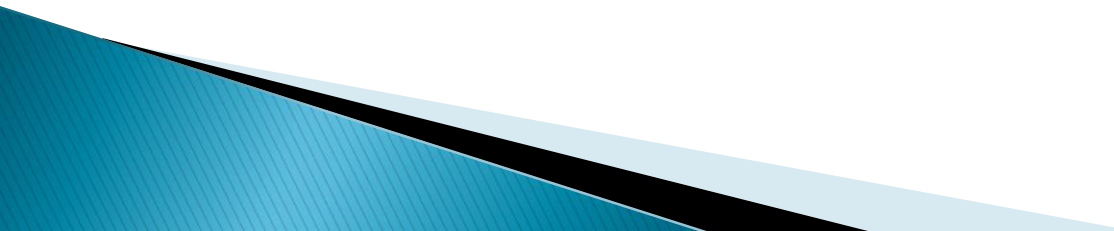
# Common misconceptions

- ▶ I can trust my bank
  - ▶ My property is my pension
  - ▶ I can use my SIPP/SSAS to help my business
  - ▶ I need a claims company to get compensation
  - ▶ Life settlement funds are toxic
- 

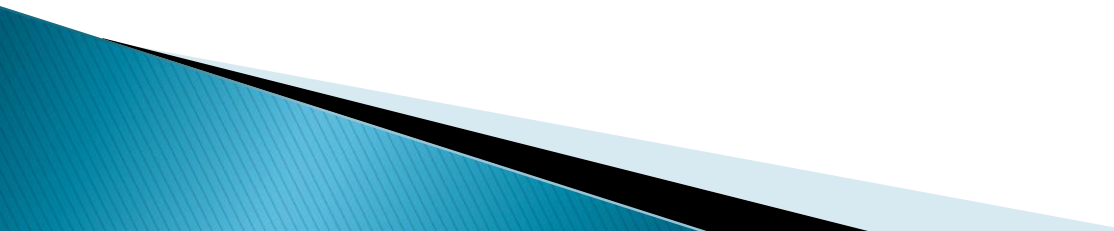
# Oscar Wilde said

- ▶ I have the simplest tastes
- ▶ I am always satisfied with the best.

# I can trust my bank

- ▶ Banks rely on the inertia and ignorance of their customers
  - ▶ Banks do not give free advice
  - ▶ Most products sold by banks are not great value
  - ▶ The banks get the most complaints going to the Ombudsman
- 

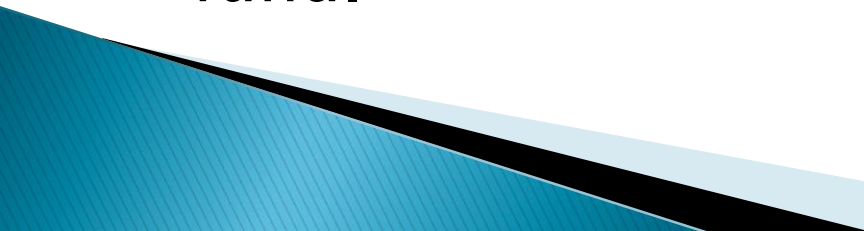
# Bob Hope said

- ▶ A bank is a place that will lend you money,
  - ▶ If you can prove that you don't need it.
- 

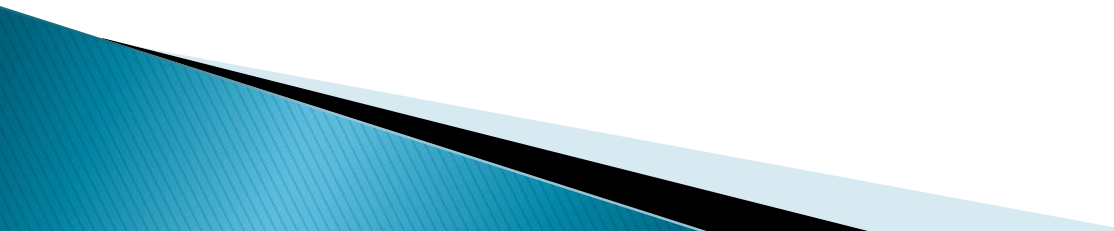
# My property is my pension

- ▶ If your property is your pension, what are you going to live in when you retire?
- ▶ To generate £10,000 per year of income, the property needs to be worth £800,000.
- ▶ £10,000 per year annuity @5% will cost £200,000.
- ▶ Equity release at age 65 is likely to be 25% of the property value. Therefore, to raise £200,000, property will need to be valued at £800,000.

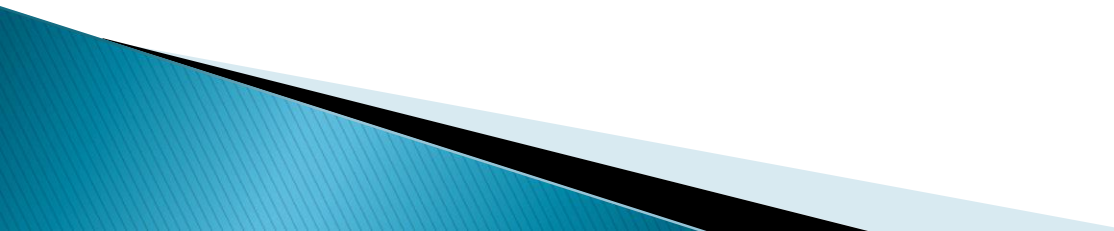
# I can use my SIPP/SSAS to help my business

- ▶ A business can borrow from a SIPP or SSAS, but only on the basis that it is to the benefit of the pension fund and the loan is on a commercial basis and secured.
  - ▶ Some business owners are borrowing from their pension funds, but the security is Intellectual Property, such as logos and branding.
  - ▶ If the business does not thrive, the money does not get paid back into the pension.
  - ▶ Bleak retirement with a stripped out pension fund.
- 

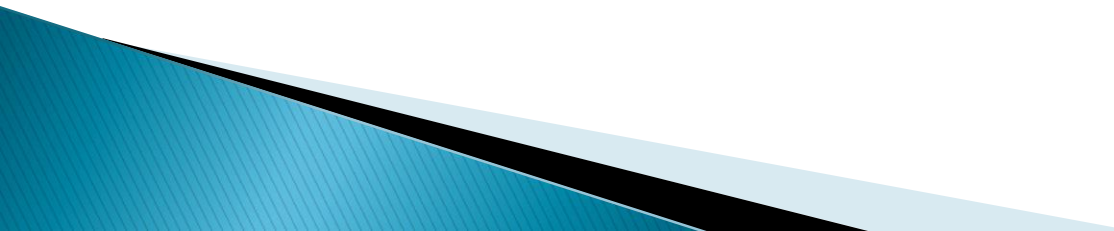
Noel Coward said

- ▶ I like long walks
  - ▶ Especially when they are taken by people who annoy me.
- 

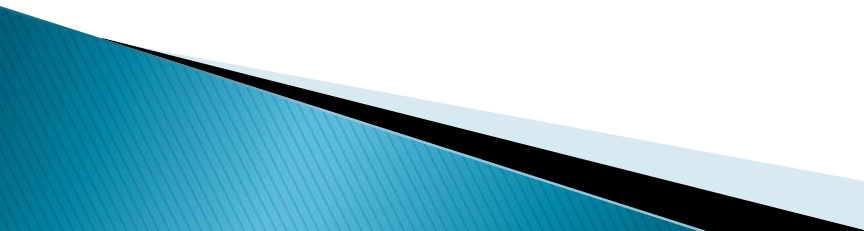
# I need a claims company to get compensation

- ▶ Claims companies have major marketing campaigns to get people to make claims. Claims companies do not always act ethically.
  - ▶ They take a large slice of any successful claim as the payment for their work.
  - ▶ Most claims are quite simple and could be made by simply contacting the company.
  - ▶ Most companies would rather deal with their clients direct.
- 

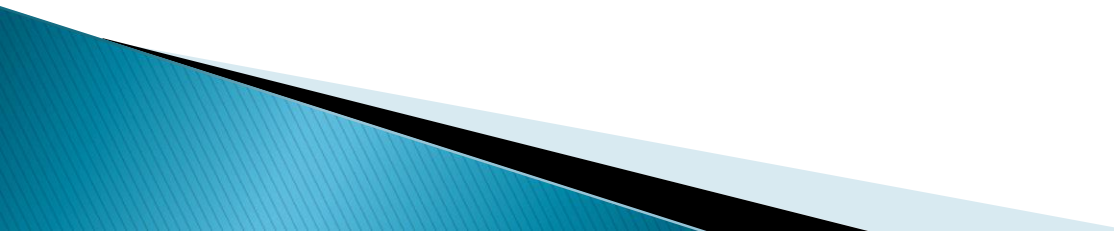
# David Lloyd George said

- ▶ Don't be afraid to take a big step
  - ▶ You can't cross a chasm in two small jumps.
- 

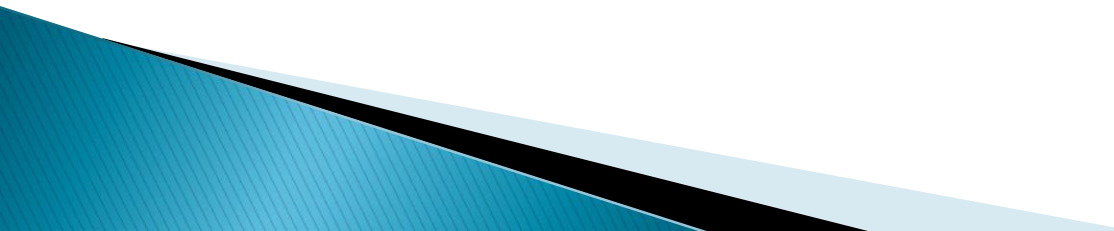
# Life settlement funds are toxic

- ▶ This is a great FSA misunderstanding of a decent asset class.
  - ▶ Life policies are bought from American Seniors, over 80s who no longer want their policies. The option is often surrender for no value or sell to the market.
  - ▶ All life policies bought are from first rate insurance companies .
  - ▶ The buyer factors in growth rate required, premiums for a number of years and the life cover value (maturity value). The cases are underwritten to ensure correct pricing.
  - ▶ Lifemark/Keydata and Arch Cru problems have been caused by management errors and fraud and not the underlying assets.
- 

# James Dean said

- ▶ Dream as if you will live forever
  - ▶ Live as if you will die tomorrow.
- 

# Training & Development

- ▶ In the current economic climate, change happens very quickly.
  - ▶ It is almost impossible for an adviser to keep up to date and continue to do good quality compliant business.
  - ▶ A good training & development program run by a competent and knowledgeable friend will provide the adviser with all the help that they need.
- 

Mother Theresa said

- ▶ Let no one ever  
come to you without  
leaving better and  
happier.