

Caribbean Association of Indigenous Banks



**Building Business in Times of Uncertainty
“The Wealth Management Solution”**

**Presented by Al Townsend
President
TMC Group, Inc.**



A Candid Assessment

- The run-up to the financial crisis has been 10 years in the making
- The U.S. financial crisis quickly spread worldwide, damaging all the macroeconomic drivers of GDP, savings, and consumption
- Clients lost trust and confidence in their primary bank (46%)
- Clients lost trust and confidence in the financial system (76%)

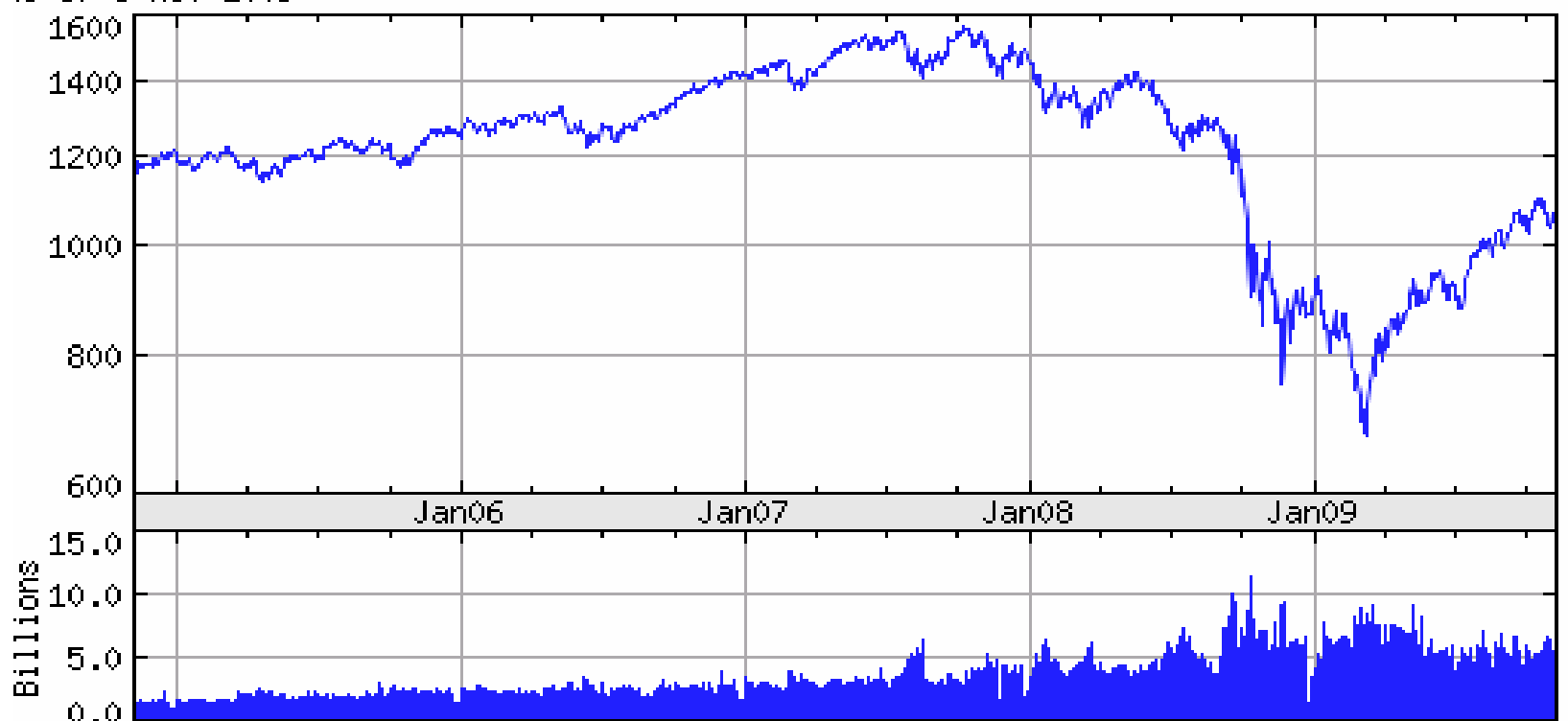




Where Are We Going?

S&P 500 INDEX (STANDARD & POOR'S)

as of 5-Nov-2009



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From Performance to Managing Risk!



Managing Risk

Individual Goals and Needs

Cash flow needs

Other assets

Financial assets

Net worth

**Ability to weather
shortfalls**

Regional preferences

Event risk

Lifecycle stage

Aligning risk exposure to goals and needs

**Protect
(Personal Risk)**

**Maintain
(Market Risk)**

**Improve
(Aspirational Risk)**



Today's Environment

- “Offshore banking” is losing it’s strategic advantage
- “Flight to safety” has shifted AUMs to lower margin products
- Regulatory change and competition for clients are forcing banks to change the way they do business
- Client retention is tied to their perception of value and performance



Wealth Management Solution

“Wealth management firms significantly outperformed traditional banks in 2007 and 2008.”

- Key drivers of success
 - Quality service
 - Portfolio performance
 - Advice based relationships
- Differentiating drivers of success
 - Risk management/due diligence capabilities
 - Fee structure
 - Statement and reporting quality



Wealth Management

“Wealth management means taking care of clients, their families, and their businesses as part of a long-term, consultative relationship. It’s a full-service platform that can offer advice on investment management, estate planning, retirement, tax, asset/wealth protection, cash flow, and debt management.”
“Harvard Business Review”



Wealth Management Model





“The Big Disconnect”

- Bank’s vision, mission, and strategy are not aligned to it’s business/sales practices
- Compliance, operations, product/service units, and relationship managers have separate agendas
- Communications top down, bottom up, and across the organization is not effective and/or is dysfunctional
- Compliance/operations have become the primary driver for managing client relationships



Vision/Mission

“ We believe in a comprehensive financial perspective. We provide our clients with an integrated approach to income, estate, business, and investment planning. Upon completion of a comprehensive plan, we proactively implement the plan to achieve the desired outcome.”

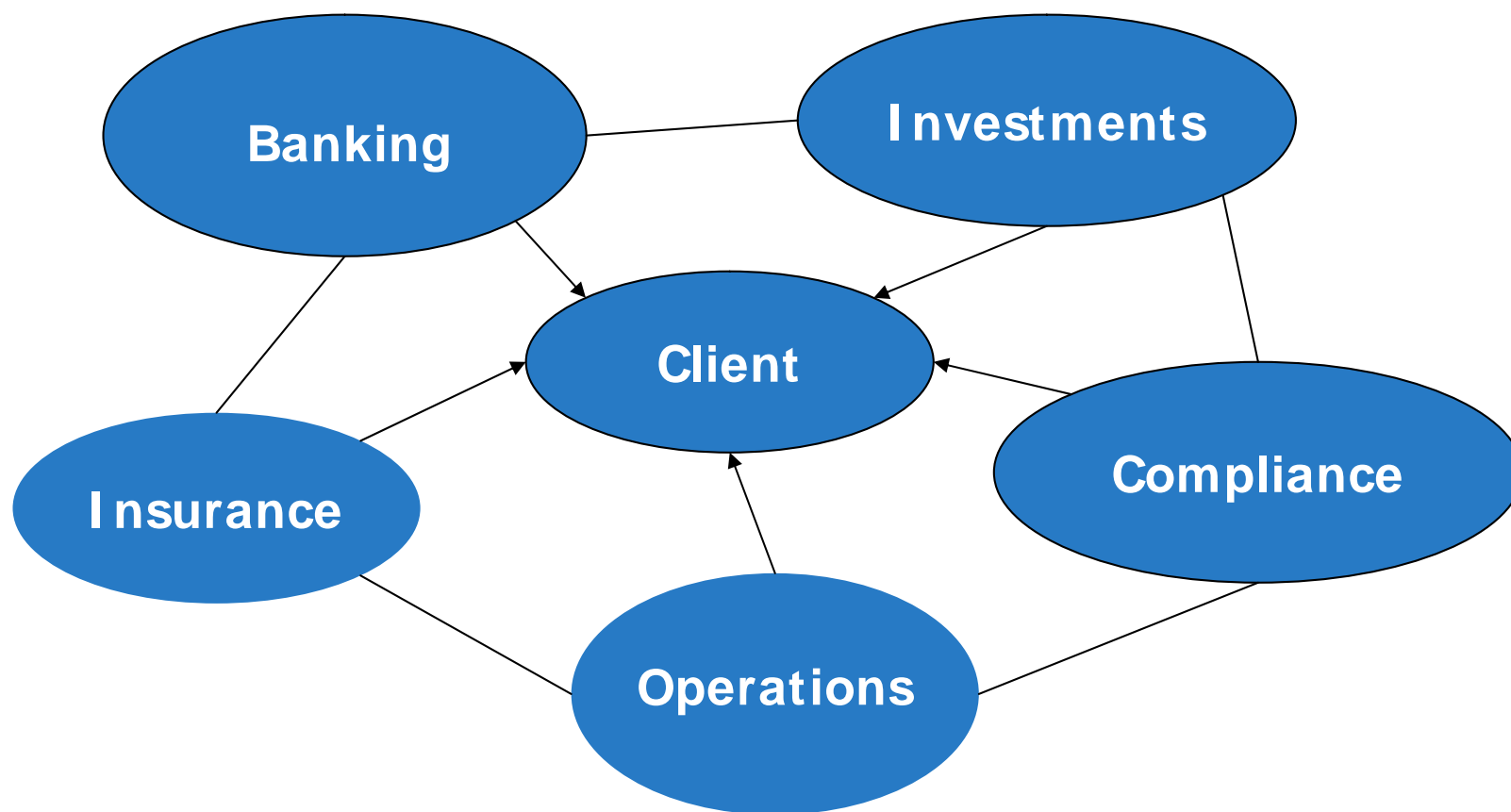


Wealth Management Strategy





“Re-Connect the Pieces”





Executing Against the Opportunities

- Perform a comprehensive and objective assessment of the Bank's business practices and competencies
- Define and incorporate wealth management into the Bank's vision and mission
- Create a dynamic business strategy with realistic short and long-term goals/objectives
- Progressively manage the organization to a proactive client centric sales culture
- Evaluate and train everyone to deliver the Bank's new "wealth management solution" to clients



How We Can Help You

- Access to experienced professionals
 - The TMC Group, Inc.
 - Financial Professionals Network
- Consulting Services
 - Investment/wealth management
 - Vision, mission, strategy
 - Operations/compliance/AML
 - Business and sales culture
- Training Resources

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“Thank You”

**Al Townsend
President
TMC Group, Inc.**