

HIGH NET WORTH BUSINESS – PART

Executive Summary \$VLD 3DFL;F QRZ KDV W
KLJKHVVW QXPEHU RI KLJK QHW ZRUWH
YLGXDOV DV ZHOO DV WKH KLJKHVV +
ZRUOG &KLQD KDV HPHUJHG DV WKH I
PDUNHW IRU +1: EXVLQHVV GULYHQ E
QHHGV IRU HVWDWH DQG OHJDF\ SODQ
LQFRPH UHPDLQV WKH WRS VRXUFH RI
QHVH +1:, V ZKR DUH PRVWO\ LQYHVW
LQ RUGHU WR DYRLG AXFWXDWLQJ UL
PDUNHWV 0DNLQJ WKH SURFHVV RI L
FOLHQWV DQG WKH OHJLWLPDF\ RI WK
FLDO DQG DOO DSSOLFDWLRQV QR P
ZLOO DQG DQ XOWUD KLJK QHW ZRUW
D SHUVRQ ZLWK D QHW ZRUWK RI DW
LQ ;QDQFLDO DVVHWV H[FOXGLQJ SU
OHFWLEOHV DQG FRQVXPHU GXUDEOH
VHOI PDGH SURIHVVLRQDOV HQWUHS
ZKR LQKHLULW ODUJH VXPV RI PRQH\
EHWZHHQ WKH DJHV RI DQG 7KHI
RI NH\ RUJDQL]DWLRQV WKDW VSHFL
ZRUWK PDUNHW LQFOXGLQJ EDQNV
DQFH FRPSDQLHV

Where are HNWIs?

What is important to HNWIs? DVWV WKH ODUJHVW Q
%MLQFHVV VV
KDP QB RL DQG QR I+WK M URWLRQHQJ\ FRRRQRQV
WJKHGS\ RJCEXEWJP&6 DQG DQG DQG DQG DQG
RR WHKHLURR\ RR KRW\ FRP D\ N\ MK \$PQJULNHD
L\ RR WHKHLURR\ RR KRW\ FRP D\ N\ MK \$PQJULNHD
SUH\ J\ H\ Q\ F\ H\ WR\ H\ K\ R\ P\ S\ H\ Q\ J\ K\ W\ C\ H\ X\ U\ S\ D\ V\ H\ D\ U\ F\ R\ A\ K\ R\ Q\ W\ L\ Q\ J\ W\ K\ H\ U\ U\ L\ Q\ W\ H\ U\ A\ D\ W\ H\ W\ J\ V\ S\ R\ L\ C\ P\ D\ Q\ Y\ ;S\ Q\ D\ X\ F\ P\ H\ G\ U\ Q\ J\ U\ H\ R\ Z\ E\ D\ W\ ;Q\ D\ W\ L\ F\ D\ Q\ Q\ H\ N\ W\ G\ L\ Q\ W\ R\ A\ R\ Z\ R\ H\ U\ O\ G\ Q\ Z\ R\ L\ Q\ H\ P\ W\ Q\ H\ T\ S\ D\ W\ H\ H\ M\ S\ P\ H\ W\ L\ W\ K\ H\ L\ Q\ D\ W\ H\ Y\ H\ V\ Q\ P\ H\ Q\ M\ F\ P\ D\ F\ D\ Q\ Q\ Y\ ;L\ Q\ J\ U\ R\ Z\ W\ K\ Q\ B\ U\ L\ H\ D\ O\ W\ H\ G\ L\ Q\ Y\ H\ V\ P\ W\ R\ F\ W\ K\ L\ U\ G\ S\ O\ D\ F\ H\ D\ I\ W\ H\ U\ -\ D\ S\ D\ Q\ D\ Q\ G\ & K\ L\ C\ <\B\ P\ Q\ R\ H\ V\ \$V\ L\ D\ 3\ D\ F\ W\ K\ F\ G\ P\ V\ S\ D\ B\ R\ U\ Q\ P\ D\ J\ \$V\ Q\ S\ H\ V\ L\ D\ W\ L\ Q\ D\ Q\ D\ & K\ L\ Q\ D\ & K\ L\ Q\ D\ Q\ P\ Q\ R\ P\ A\ Q\ I\ D\ ,\ Q\ Q\ G\ D\ 7\ N\ G\ H\ Q\ J\ R\ Q\ Q\ F\ Q\ M\ H\ D\ W\ H\ L\ Q\ U\ Q\ L\ W\ K\ H\ G\ L\ F\ R\ S\ X\ H\ G\ D\ W\ R\ V\ W\ U\ R\ Q\ J\ H\ T\ X\ L\ W\ D\ Q\ G\ U\ H\ D\ O\ H\ V\ W\ D\ W\ & K\ L\ Q\ D\ L\ O\ N\ H\ T\ S\ R\ I\ S\ K\ A\ 3\ W\ R\ 1\ (2\ A\ 1\ 8\)\ V\ K\ H\ V\ W\ U\ R\ H\ F\ R\ Q\ R\ P\ L\ F\ J\ U\ R\ Z\ W\ K\ X\ S\ W\ R\ +\ R\ Q\ J\ .\ R\ 8\ .\ D\ Q\ G\ W\ K\ H\ 8\ 6\ D\ U\ H\ D\ O\ V\ R\ F\ R\ Q\ W\ U\ L\ E\ X\ H\ S\ D\ O\ V\ L\ R\ O\ S\ D\ U\ W\ I\ E\ X\ O\ D\ U\ O\ V\ L\ O\ W\ K\ H\ ;\ C\

What are the risks related to this business?

QRZLQJ ZKR WKH FOLHQWV DUH DQG WKH OHJLWLPDF\ RI
WKHLU ¿QDQFHV LV FUXFLDO 7KH SULPDU\ FRQFHUQ LV
WKDW LQGLYLGXDOV PLJKW WDNH RXW ODUJH VXP FRYHU IRU
IUDXGXOHQW SXUSRHVH LQFOXGLQJ PRQH\ ODXQGHULQJ
RU WD[HYDVLVRQ ,W LV IUHTXHQWO\ GLI¿FXOW WR VRXUFH
UHOLDEOH ¿QDQFLDO HYLGHQFH RU WD[UHWXUQV IRU WKH VHOI
HPSOR\HG DQRWKHU SUREOHP LV REWDLQLQJ PHGLFDO
UHFRUGWR\$KHDOWK LVVXHV DPRQJ +1:,V LQFOXGH
QHFN GLVFRPIRUW LQGLJHVWLRQ PHPRU\ GHFOLQH IDWLJXH
DQG LQVRPQLD &KURQLF PHGLFDO FRQGLWLRQV LQFOXGH
UKHXPDWRLG DUWKULWLV GLDEHWHV DQG KLJK EORRG SUHV
VXUH +DOI RI +1:,V XQGHU VXIIHU IURP KHDOWK
LVVXHV ULVLQJ WR LQ WKRVH RYHU \HDUV ROG

\$Q\ ODUJH VXP DSSOLFDWLRQ UHTXLUHV WKLUG SDUW\ YHUL
¿FDWLRQ RI DFFRXQWV DQG ¿QDQFLDOV DQG H[FHSWLRQV
VKRXOG QRW EH PDGH LQ ZDLYLQJ HLWKHU PHGLFDO RU
¿QDQFLDO UHTXLUHPHQWV IRU VXFK FRYHUV \$GGLWLRQDO
+1: DSSOLF DWLRQ ULVNV LQFOXGH FXUUHQF\ ULVNV JHR
SROLWLFDO ULVNV DQG XQGHUZULWLQJ WKH HOGHUO\ +1:,
:KLOH QRW VSHFL¿F WR WKH 86 +1: PDUNHW VWUDQJHU
RULJLQDWLG OLIH LQVXUDQFH 672/, SROLFLHV DUH RI
SDUWLFXODU FRQFHUQ JLYHQ WKH SRVVLELOLW\ RI IUDXG RQ
KLJK YDOXH SROLFLHV 7KHHV SROLFLHV DOVR FDOOHG ³GHDWK
ERQGV ' FDQ EH VROG RQ WR LQYHVWRUV DIWHU WKH FRQWHVW
DELOLW\ SHULRG KDV H[SLUHG +RZHYHU WKHUH LV VXEVH
TXHQWO\ QR LQVXUDEOH LQWHUHVW DIWHU WKH SROLFI\ LV VROG
DQG WKH QHW ZRUWK RI WKH LQVXUHG FRXOG EH IDOVL¿HG LQ
RUGHU WR MXVWLII\ WKH KLJK VXP DVVXUHG

7\SLFDOO\ FRQWHVWDEOH SHULRGV PHDQ LQVXUHUV FDQ RQO\ FRQWHVW D FODLP IRU PLVUHSUHVHQWDWLHQ GXULQJ VSHFL \HG SHULRGV ZKLFK QRUPDOO\ UDQJH EHWZHHQ DQG \HDUV IURP SROLF\ FRPPHQFHPHQW \\$IWHU WKLV SHULRG FODLPV FDQ RQO\ EH FKDOOHQJHG IRU IUDXG &RQWHVWDELOLW\ SHULRGV RI OHVV WKDQ \HDUV FRXOG SRWHQWLDOO\ OHDG WR

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