



**SELECT PORTFOLIO  
MANAGEMENT, INC.**  
Integrated Wealth Management  
A Registered Investment Advisor



**TOUGH  
DECISIONS  
AHEAD**

Concept Paper:

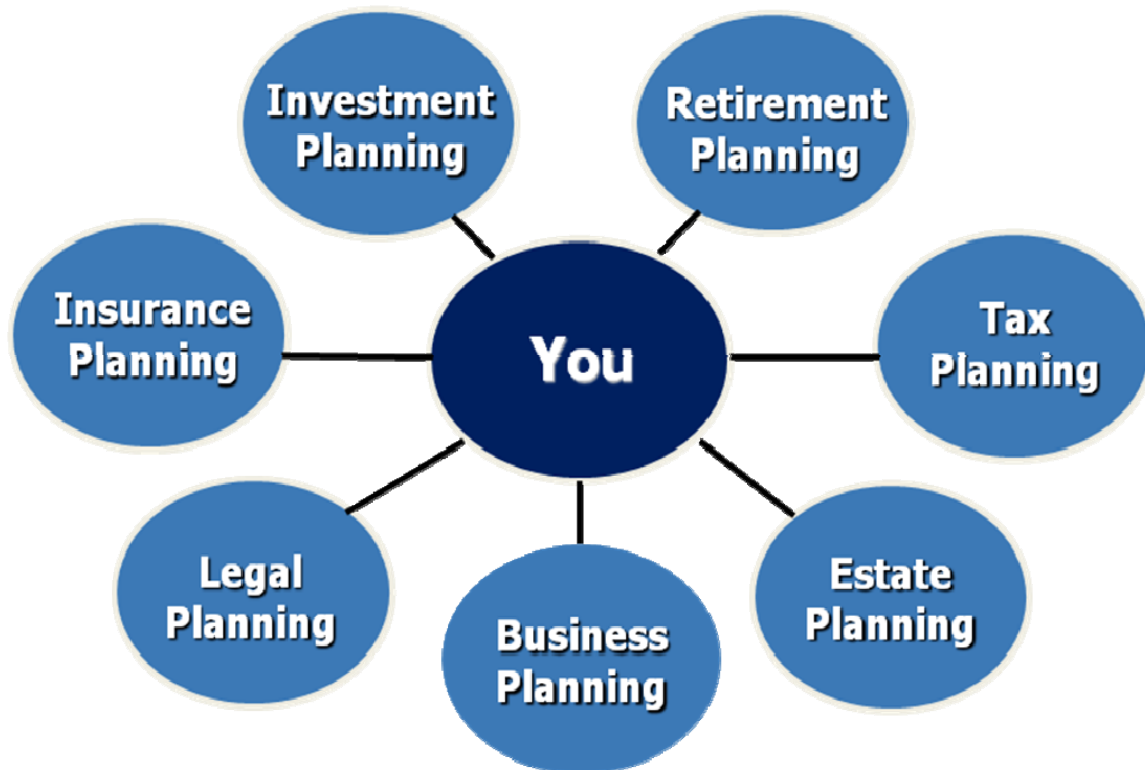
*SPM's Unique Approach*

*David M. Jones, MBA, CFP®*

***“Nobody plans to fail, but many fail to plan.”***

Integrated wealth management is more than just investments. It is a holistic approach to planning and encompasses a broad range of services in order to accumulate and grow assets, while preserving, protecting, utilizing, and ultimately transitioning those assets in a tax-efficient manner to future generations and charitable causes.

Unfortunately, the average investor has at best a fragmented approach to integrated wealth management. Overall implementation is done by a variety of individual professionals specializing in different areas, leading to a lack of integration and fragmented planning. The challenge is getting everyone on the same page.



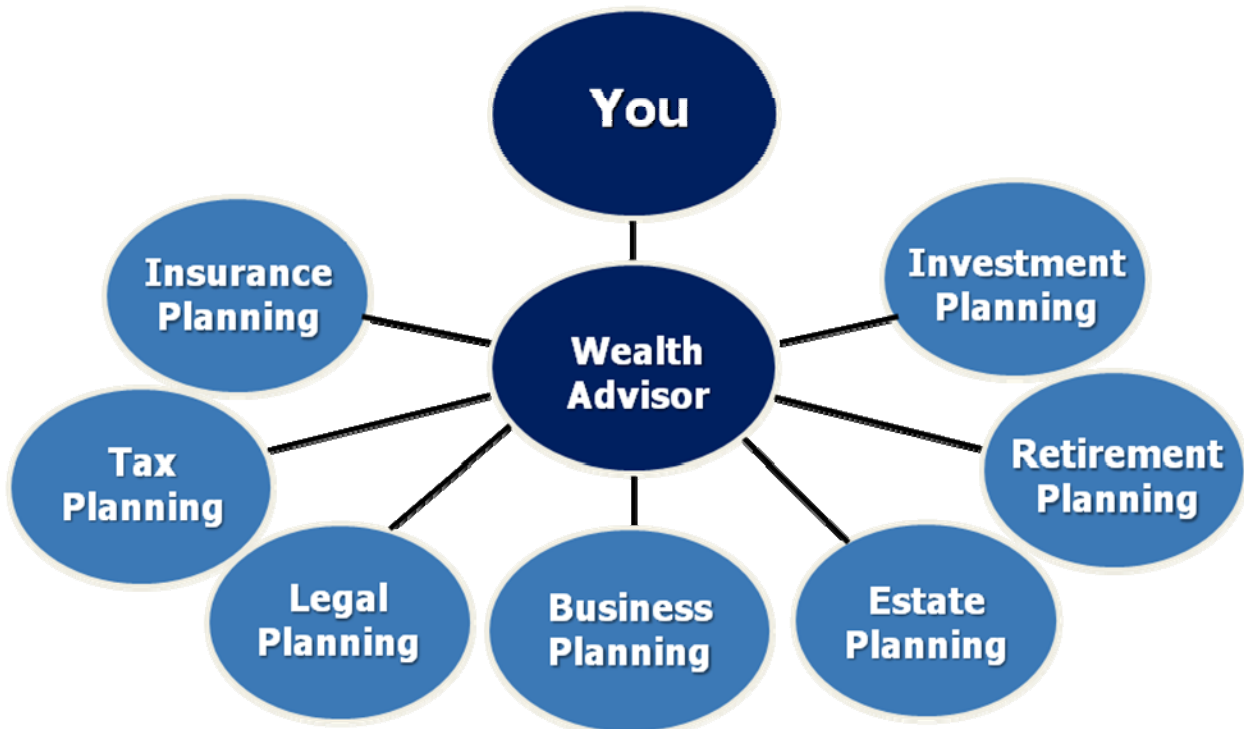
A lot of investors know there is a better approach, but they don't know who to trust with the capability to understand the different investment, tax, legal and insurance strategies and who can help them integrate all the professional advice into one comprehensive wealth management plan.

**The SPM Advantage**

With roots tracing back over 30 years, **Select Portfolio Management, Inc. (SPM)** is an independent federally regulated investment advisory firm that specializes in defining, designing, implementing, managing and monitoring comprehensive and integrated wealth management solutions tailored to their clients' individual goals, objectives, risk tolerance, income needs and investment time horizons.

The illustration below illustrates SPM’s approach toward wealth management. Working with a client, we become the single point of contact for a broad range of comprehensive management services.

In addition to providing high-level expertise and a comprehensive range of services, we take a client’s vision and purpose and integrate it into a multi-disciplinary planning process to develop one cohesive and integrated wealth management plan.



### **About SPM**

The “**About SPM**” document discusses our approach, objectivity and broad range of services we provide in order to deliver an integrated and comprehensive investment, legal, tax, and insurance wealth management plan.

Since SPM is independent, one of our key values is our objectivity. We are not “captive” to any one company, strategy or approach, so we can offer unbiased advice across multi-disciplines, companies and approaches in order to integrate the unique and specific investment, legal, tax, and insurance needs of a client into a comprehensive and integrated wealth management plan.

### **The SPM Process**

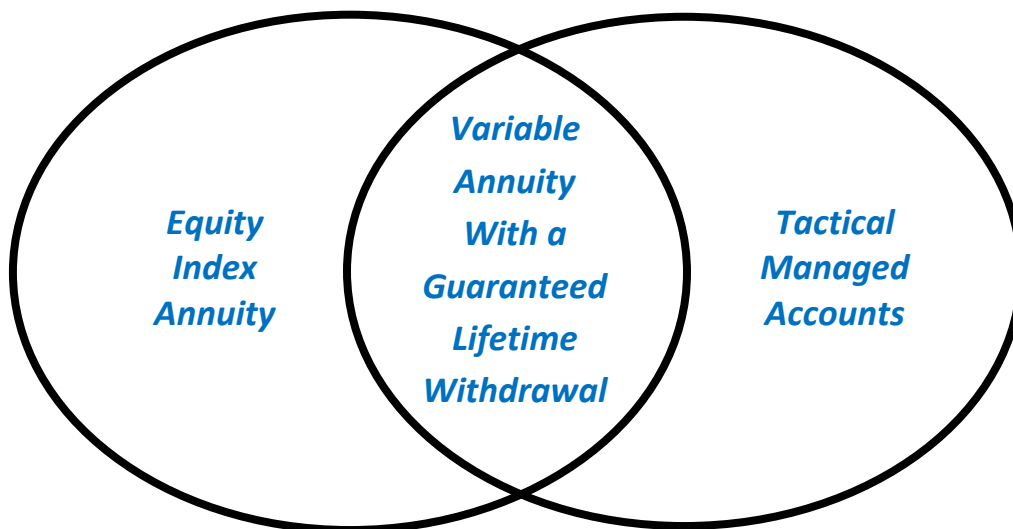
The “**SPM Process**” document discusses the five step process we use to get to know our clients unique needs and objectives, analyze what they need, propose potential solutions, implement the chosen strategies and provide ongoing monitoring and review over time. Key important points about this process are that:

- ✚ The “Discovery Session”, “Analysis”, and “Planning” steps are all **complimentary**.
- ✚ The planning and integration with our external network of professional services (e.g. Legal, Tax, Mortgage, etc.) or one of our client’s existing professional advisors may have a cost associated with those products or services, but the time spent by the SPM Wealth Advisor to work with our clients and these external advisors will also be **complimentary**.
- ✚ Before anything is implemented, whether it is a product or service recommended by SPM or one of our external network of professionals, our clients are made aware of any costs or fees associated with each particular product or service proposed in the implementation step of the process.
- ✚ We use a “consultative” approach, which is intended to educate and help our clients understand the benefits and considerations of various different approaches and strategies that may be appropriate to help them achieve their stated goals and objectives. Then they will be in a better position to decide with their SPM Wealth Advisor which of the approaches and strategies is best suited for them.

**SPM’s “Unique Approach” to Help Overcome Traditional Investing Pitfalls**

The “**SPM White Paper**” describes how traditional investing can fail “Baby-Boomers” in their retirement years. If the goal of someone’s lifetime retirement savings portfolio is to produce a predictable, sustainable, increasing, lifetime retirement income, the white paper provides additional information which can be useful.

During the wealth distribution phase, an investor needs to consider strategies that minimize the risks associated with traditional investment approaches. A Baby Boomer’s need for long term growth (to try to recapture a lot of what they have lost in their retirement portfolios), has to be balanced with their need for safety and liquidity in these uncertain times (since they can’t afford to absorb additional portfolio losses). An integrated three strategy approach, using a: (1) Tactical Managed Account, (2) Equity Index Annuity and (3) Variable Annuity with an Income Guarantee can help diversity risk, which is helpful if someone is within 15 years from retirement or currently retired.



In order to receive unbiased advice on how to best implement these strategies for a particular situation, an investor should seek out the help from a firm like SPM who offers and has experience in all of these strategies. There are trade-offs between these various strategies and there needs to be a discussion with an experienced financial advisor regarding specific goals and objectives, risk tolerance, liquidity needs, etc., to ensure they are implemented to suit the unique needs of an investor's particular situation.

The three strategies used vary in their long term growth potential, as well their safety, liquidity capability and fees. If structured properly, a balance between growth, safety and liquidity needs should be able to be achieved. The overall design and how much of a retirement portfolio might go into each of the three different strategies will be different, depending on an individual's long term income needs, risk tolerance, time horizon, liquidity needs, etc.

It should also be noted that these are just three strategies that could be used for a particular situation, but determining which strategy or strategies best fits a particular situation or what percentage of the assets would go into any of the three strategies outlined cannot be determined until we better understand a particular client's unique situation, goals, objectives, risk tolerance, etc.

#### **Additional Strategy Information**

The "Tactical Strategy", "EIA", and "VA" documents give an overview of these three different strategies that could be used together or separately, along with other strategies, products and services.

Even though the three strategy documents highlight product and services from three specific companies, we evaluate different strategies, along with companies and their various offerings in relation to our client's stated objectives. We then propose the strategies, companies, or products to implement an integrated approach which we feel is appropriate and suitable for our clients and their unique situation, goals, objectives, risk tolerance, etc.

#### **Summary**

Financial Planning can be a life-long process that assists individuals and their family in taking control of their financial future. By setting financial goals, developing and implementing financial strategies, and monitoring progress on a regular basis, the likelihood of achieving stated goals and objectives is greatly increased.

This SPM Introduction, along with the other documents mentioned, is intended to help someone understand how SPM can help them develop an integrated plan and achieve their unique financial goals and objectives.

Wealth Management is more than just portfolio management. It encompasses a disciplined professional approach to growing, protecting, preserving, utilizing, and transferring your wealth, using a broad range of services and an experienced team of advisors.

Dave Jones holds the CERTIFIED FINANCIAL PLANNER™ certification and is an Investment Advisor Representative for Select Portfolio Management, Inc (SPM). He is also a Registered Representative (Series 7, 63, and 66) with Securities Equity Group, member FINRA, SIPC, MSRB.

Dave specializes in retirement planning and specifically, how to successfully transition from the wealth accumulation phase to the wealth distribution phase of someone's life.

**Select Portfolio Management, Inc.**

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**Disclosures**

This material does not constitute the rendering of investment, legal, tax or insurance advice or services. It is intended for informational use only and is not a substitute for investment, legal, tax, and insurance advice.

State, national and international laws vary, as do individual circumstances; so always consult a qualified investment advisor, attorney, CPA, or insurance agent on all investment, legal, tax, or insurance matters.

The effectiveness of any of the strategies described will depend on your individual situation and on a number of other factors. After reviewing your personal situation, we may recommend that you not use any strategy in this document but instead consider various other strategies available through our practice.

David M. Jones is a Registered Representative. CA Insurance # OE65326

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