



LIFESTYLE PROTECTION PLANNING  
FOR BUSINESS OWNERS

**Feel safe  
about your  
business.**

# Business *and* Wealth Management Planning

Every time the stock market jolts up or down, it's relaying information about expected risk and return. For many, this jolting sends a shiver down their spine. Business owners who rely on the sale of their business to provide the majority of their retirement assets experience an additional shiver when the competitive forces of the business cycle threaten their revenues, profits, and cash flows.

When you feel this market turbulence threatening your success, you may find Synergy Asset Management's *Lifestyle Protection Planning Process (LPPP)* a welcome solution. The LPPP **integrates business financial planning and analysis (FP&A) with personal financial planning and analysis**, providing you with a coordinated and comprehensive strategy for financial security.

The core of FP&A is business valuation, which includes a process for increasing the market value and sale price of your business. The core of personal financial planning is investment management, which includes estate management procedures that safeguard your wealth.

Think of these two financial planning components as though you're on one side of a bridge, working to get to the other side. The side you're on is the current value of your business

and personal wealth, and the side you want to attain is your well-funded retirement. The middle of the bridge is the gap between what you have now, and what you need to have. The successful sale of your business is the essential key to crossing this bridge.

## What is your business worth and is it enough to secure your retirement?

You really won't know until you have your business valued according to standard valuation practices, not according to your subjective analysis and guesswork. Most business owners are surprised to learn their business is not worth as much as they thought. Our process helps you answer the questions **that bridge your gap to retirement** and help **augment your business' value for eventual sale**. We also help with your personal wealth investing so you achieve a balance between investments with return characteristics and investments with risk management characteristics.

Finding the right combination of business financial planning and personal financial planning while continually monitoring and adjusting your plans as conditions change inevitably leads to your success.

## Here is how it works.

### THREE SIMPLE STEPS TO PRESERVE YOUR LIFESTYLE:



1.

Perform Lifestyle  
Wealth Assessment



2.

Establish  
benchmarks



3.

Build your  
lifestyle portfolio



STEP 1

# Lifestyle Wealth Assessment

The Lifestyle Wealth Assessment has two parts.

The first part identifies and prioritizes your business goals. The second part identifies and prioritizes your qualitative lifestyle goals. Lifestyle goals are uniquely yours, and your preferred order of importance is also unique.

1. Business goals	2. Lifestyle goals
<div>FOUNDATION<ul style="list-style-type: none"><li>✓ Valuate business</li><li>✓ Review buy-sell agreement</li></ul></div> <div>SHORT TERM<ul style="list-style-type: none"><li>✓ Establish or review 401(k) plan</li><li>✓ Reduce taxes</li></ul></div> <div>MID TERM<ul style="list-style-type: none"><li>✓ Business expansion and rapid growth</li><li>✓ Identify a successor</li></ul></div> <div>LONG TERM<ul style="list-style-type: none"><li>✓ Retire</li><li>✓ Sell business</li></ul></div>	<div>FOUNDATION<ul style="list-style-type: none"><li>✓ Prepare wills &amp; trust</li><li>✓ Evaluate insurance</li></ul></div> <div>SHORT TERM<ul style="list-style-type: none"><li>✓ Evaluate investment portfolio</li><li>✓ Reduce taxes</li></ul></div> <div>MID TERM<ul style="list-style-type: none"><li>✓ Wealth accumulation</li><li>✓ Pay for college</li></ul></div> <div>LONG TERM<ul style="list-style-type: none"><li>✓ Leave an estate</li><li>✓ Income planning</li></ul></div>

After identifying and ranking your goals, our discovery process reviews your current situation. We analyze your business’s value and also study your personal assets, liabilities, taxes, cash flows, and the financial facts important to both your business’s success and the preservation of your lifestyle. Together, these two sets of information provide a comprehensive understanding of what we call the **Lifestyle Planning Portals**, allowing us to now advance your progress.

## 6 Lifestyle Planning Portals

<div>ESTATE PLANNING<ul style="list-style-type: none"><li>✓ Wills and trusts</li><li>✓ Powers of attorney</li><li>✓ Health directives</li><li>✓ Charitable giving</li><li>✓ Family limited partnerships</li><li>✓ Limited liability companies</li><li>✓ Gifting strategies</li></ul></div>	<div>REAL ESTATE PLANNING<ul style="list-style-type: none"><li>✓ Commercial (buy/sell)</li><li>✓ DSTs</li><li>✓ 1031 Exchange</li><li>✓ Residential (buy/sell)</li><li>✓ Private REIT’s</li></ul></div>	<div>TAX PLANNING<ul style="list-style-type: none"><li>✓ Income taxes</li><li>✓ Estate taxes</li><li>✓ Gift taxes</li><li>✓ Generation skipping taxes</li><li>✓ Excise taxes</li></ul></div>
<div>INSURANCE PLANNING<ul style="list-style-type: none"><li>✓ Life</li><li>✓ Health</li><li>✓ Disability</li><li>✓ Longterm care</li><li>✓ Property and casualty</li><li>✓ Assessment</li></ul></div>	<div>BUSINESS PLANNING<ul style="list-style-type: none"><li>✓ Valuation assessment</li><li>✓ Buying</li><li>✓ Selling</li><li>✓ 401k’s</li><li>✓ Pension plan</li><li>✓ Employee benefits</li><li>✓ Succession planning</li></ul></div>	<div>INVESTMENT PLANNING<ul style="list-style-type: none"><li>✓ Retirement income</li><li>✓ Asset allocation</li><li>✓ Wealth accumulation, preservation, and distribution</li><li>✓ Longevity planning</li><li>✓ Stocks, bonds, ETF’s, mutual funds, etc.</li></ul></div>



STEP 2

# Establish Benchmarks

Our next step is to use the information we’ve learned to establish **two benchmarks**, one for your business, and one for your investment portfolio.

Your Lifestyle Return Benchmark™ (LRB) is the rate of return your portfolio **needs to achieve your lifestyle goals and aspirations**. Importantly, we **incorporate the value of your business into your LRB** along with all your assets and liabilities.

The LRB process converts your lifestyle goals and aspirations into your personalized rate of return objective. Additionally, it establishes your customized rate of return benchmark, which is far more reliable than a random benchmark, like the S&P 500, which is an unrelated measurement and has no bearing on your precise personal financial requirements.

We establish your LRB through our **proprietary required rate of return (RRR)** process. Each year we compare your LRB with your portfolio’s actual return to ensure you are progressing in the right direction. If your portfolio is not fully on track, we reevaluate your plan and make the necessary adjustments that are economically possible. Moreover, we educate you on the other available options you have to stay on course. As a special benefit, every other year or so, we update your business valuation report so your LRB stays accurate.

Investment success depends on the integration of our client’s unique circumstances with prudent long-term strategies having a high probability of achieving our client’s financial goals.

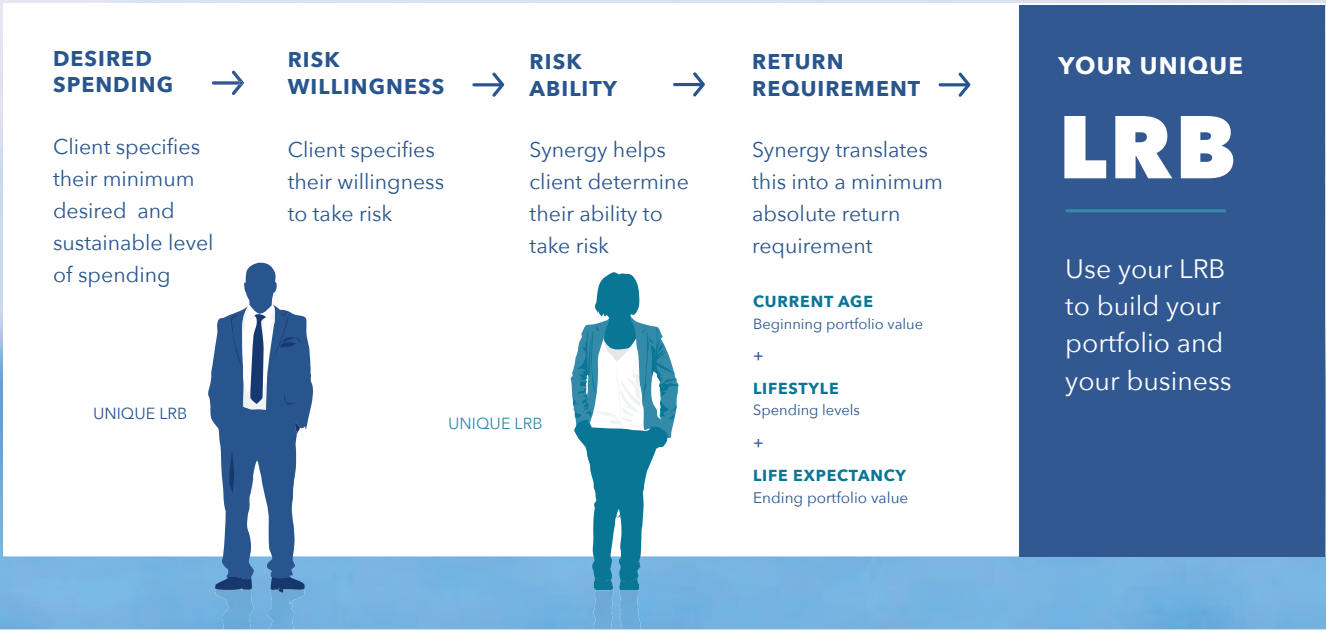
BENCHMARK 1

The market value of your business, established through a business valuation.

BENCHMARK 2

Your Lifestyle Return Benchmark™ (LRB).

## The RRR process



Now that your business’s true market value and the financial baseline of your lifestyle have been defined and calculated as a number (LRB), it’s time to use your LRB to build your portfolio.

We accomplish this in tandem with your business’s risk and return profile. If, for example, you have a more unpredictable business, we accommodate this by being more conservative when building your investment portfolio. On the other hand, if your business is more predictable, there is more leeway for risk in your investment portfolio.

GOAL

Build a portfolio that aims to achieve your LRB with as little risk as possible.





STEP 3

## Build Your Lifestyle Portfolio

Our objective is true wealth accumulation, preservation, and distribution through sensible and thoroughly tested portfolio construction practices which result in market-level returns with reasonable risk. If your lifestyle planning calls for a more conservative approach, we can achieve that for you, too. This tactic may result in a slightly lower rate of expected return, but it provides better protection in the event of a severe bear market.

Most business owners prefer a plan ensuring their standard of living against severe short-term loss while allowing them to maintain and improve their lifestyle over time. The goal is not to beat the S&P 500, but rather, and most importantly, to **earn your precision-crafted, personalized lifestyle return benchmark™ (LRB)**.

To accomplish your objectives, we use a proprietary mix of safe and conservative investment strategies, **core portfolio strategies, satellite (alternative) portfolio strategies** and, if appropriate, a combination of real estate and business assets. Annuities and insurance can also play an important role in a broadly diversified portfolio to buffer sudden shocks and unexpected perils. Based on your Lifestyle Protection Plan, we can always adjust the size of your safe and secure investment so you can afford to withstand more risk elsewhere if you wish.

# 22

core portfolios



6 stock



15 asset allocation



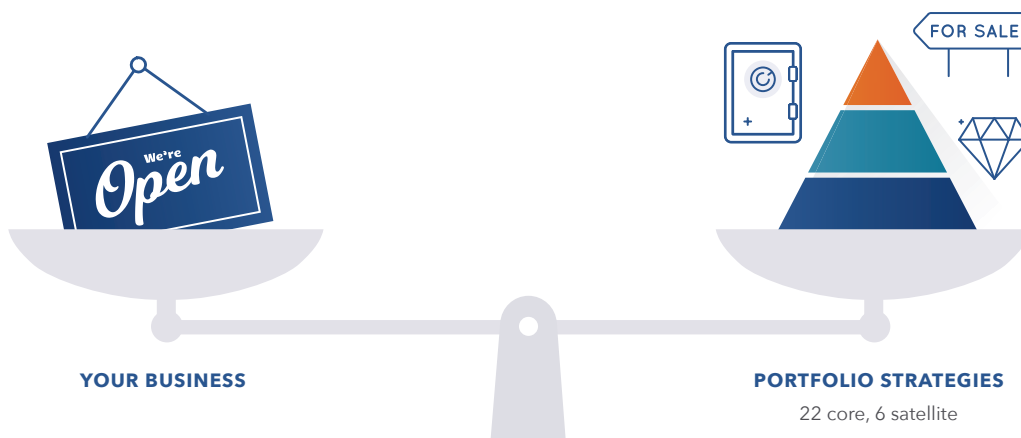
1 bond

# 6

satellite portfolios

[LEARN MORE](#)

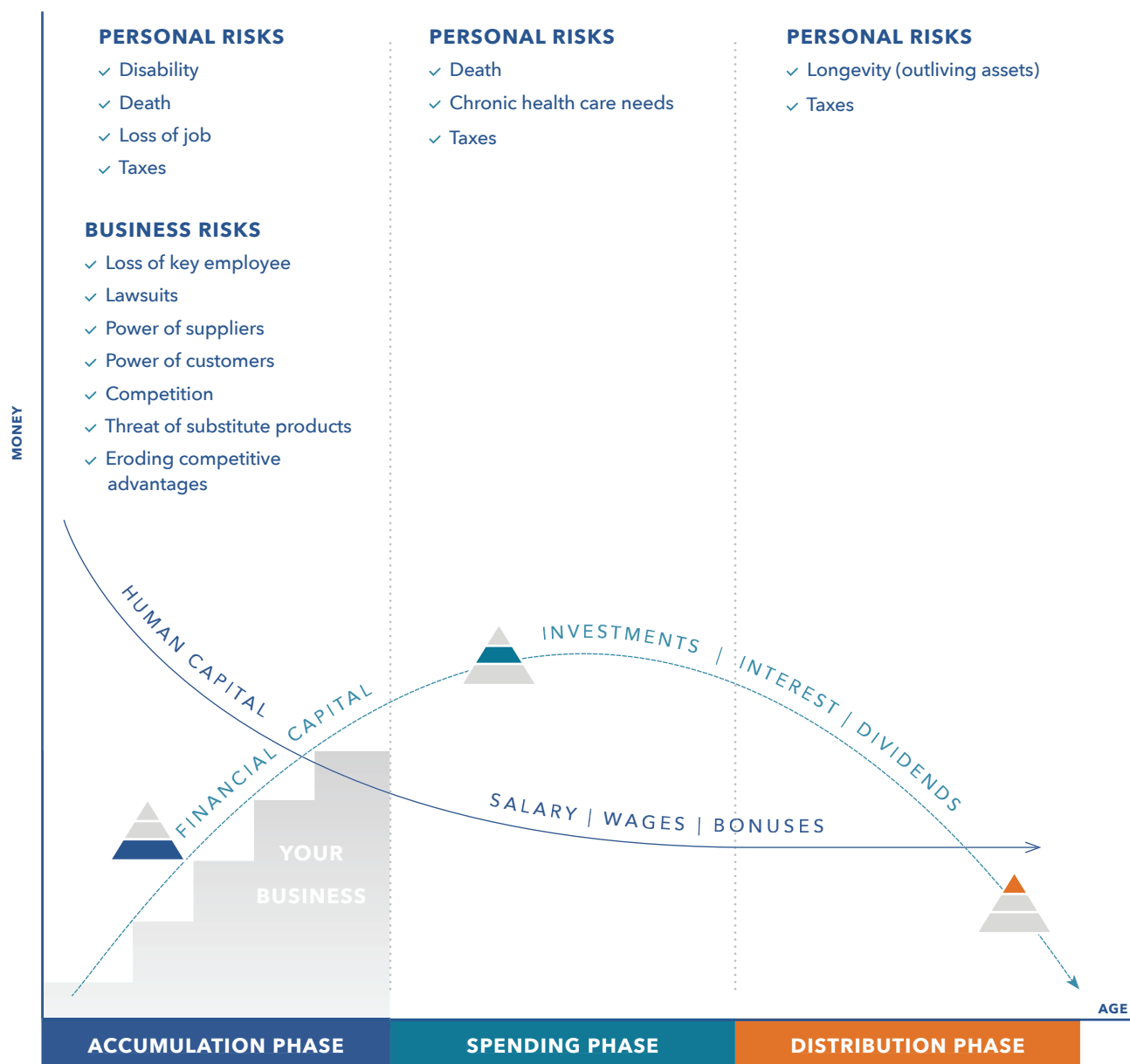
We include your business when building your portfolio.



We continually monitor and adjust as market conditions change.



# Risks and Phases



Synergy's Lifestyle Protection Planning Process builds solid goals-based portfolios by integrating investment management with financial planning. Regardless of what the markets are doing, our blend of proven strategies deliver peace of mind and the attainment of your financial success.

Joseph M. Maas, Chief Investment Officer  
CFA, CFP®, ChFC, CLU®, MSFS, CCIM, CVA, ABAR, CM&AA

Feel safe  
about your  
portfolio  
starting  
today.

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