



**We call Financial Planning,
“Financial Empowerment.”**

To the often asked question: “Do you have a Financial Planner?” The answer is the same about 90% of the time: “Oh yes, we have someone who takes care of all that.”

Upon closer examination, “all that” boils down to not much more than giving advice on portfolio risk, asset allocation, and fund selection. The goal of such a “planner” is really that the client's assets are brought into the firm to be managed for a high fee, which can exceed 2.5% of assets under management (the advisor fee is generally around 1%, but the unseen third-party manager, custodial, and platform fees combine to frequently add another 1.5%).

In other words, managing money for a fee is the primary business objective, while provision of actual financial thought leadership is quite secondary, if it exists at all.

What is Financial Empowerment at Story Capital?

- The Story Capital advisory team works collaboratively to deliver Thought Leadership for business owners and Senior Leaders of *Fortune 500* companies with substantial equity compensation and complex benefit plans.
- We use modeling technology to build pictorial cash flow models for each client. The comparative scenario analysis of our modeling tools empowers our clients to gain confidence that they are making informed decisions around their most important life questions.
- We use specialized analytical technology to leverage specific tasks, such as measuring the remaining statistical upside in an option grant or valuing a business enterprise.

Financial Empowerment is a distinct service apart from the process of delivering tax effective, investment management advice. Great Financial Empowerment utilizes great technology to enhance the value of delivering insightful human counsel, or what we like to call “Human Alpha.”

So what are some of these “life questions” that people seek Story Capital to discuss?

Here is a small sample of the kinds of questions and requests clients frequently explore:

- None of our advisors talk to each other, we have too many complicated investment accounts and no tax coordination. We desire a comprehensive review and relationship.
- How do we create a philosophy around exercising my stock options?
- What's the optimal balance between our spending and saving to achieve an exit from the company by age 58 so we can explore charitable passions and other interests?
- We are not worried about dying too soon, we are more concerned about living too long. What should we be thinking about?
- Should I be deferring 100% of my bonus into the company deferred comp plan?
- How can we protect assets we leave our children from a divorcing spouse, state income tax, and further erosion from state and federal estate tax or South Dakota jurisdiction?
- Am I optimizing the use of my benefits? Our plans seem so complex.
- We don't have time to recover if the market takes another 40% drop; what should we be thinking about to protect ourselves? What kind of risk should we be taking at our age?
- We want to custom design our investment portfolio to reflect our value system.
- Shouldn't we prepare our children for the large inheritance we will be leaving them? What is a Directed Trust, we hear it might be optimal for inheritance purposes?

What else should we know about Story Capital?

- Each engagement with a family or business is different and calls upon the need for different analysis based on the most important concerns of our clients at the time they engage with us.
- We desire that our client relationships become life-long, collaborative partnerships which extend from one generation to the next in their family.
- The entire family is our client and young members of our team interact directly with the young adult members of our client families.
- The complexity of each prospective client's situation is vastly different; therefore, we create a flat engagement fee designed to permit the proper allocation of intellectual resources to to produce a pleasing result for each client.
- Story Capital engagement fees have nothing to do with the Story Capital investment management process and fee structure and, therefore, we do not charge for Financial Empowerment by over charging for investment management. In fact, at Story Capital, we do not require that clients bring their assets under our management in order to initiate a relationship with our firm.