



## PRIVATE TRUST GROUP OF AMERICA

A Strategic Resourcing Partner for Wealth Management Professionals

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Change is the incubator for success. We can embrace change and be energized by the opportunity, or we can shy away from it and become paralyzed by inaction.

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### Sharing Ideas ~ Building Relationships<sup>SM</sup>

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#### PATS OR EAGLES?

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### PTG and Regional New Hampshire Bank Sign Agreement

Private Trust Group of America (PTG) recently signed a Business Development & Strategic Resourcing Agreement with a New Hampshire Bank to provide a seamless, private label solution to support the Bank's trust products and related services.

The bank's trust department has shown rapid growth under strong leadership and was looking for a solution that would allow continued growth without straining its back office administrative and operational capacity.

Under the agreement, Private Trust Group of America will provide complete administrative and operational support for the bank's trust department, thus allowing management to focus on gathering assets and managing client relationships.

According to a senior bank executive, "The management team at Private Trust Group showed great interest in learn-

**"With Private Trust Group, we found a firm that is small enough to care and experienced enough to meet the future demands of our growing business."**

ing about our business needs and offered a complete solution to meet those needs.

They are good listeners who offered well-balanced solutions to not only service our current needs but to address our future growth concerns as well. With Private Trust Group, we found a firm that is small enough to care and experienced enough to meet the future demands of our

growing business."

"We are delighted that the bank chose PTG over the many qualified competitors in the marketplace", said Sandi Lotito, Founder and General Manager of Private Trust Group of America.

"In the end, I think it just came down to the fact that we have a highly experienced group of professionals that are sharply focused on providing extraordinary service", she added.



*How many days 'til spring?*

### What's in YOUR Will Vault?

While compiling some of the statistical information for the Industry Trends section of this month's newsletter, we wondered how many wealth management organizations take the time to search their will vaults for information that could lead to new business opportunities.

By being so focused on attracting new business from outside the organization, are you overlooking a primary source from within the organization?

Once estate planning documents

have been signed, indexed and stored in the back vault, they often remain there until someone dies or a beneficiary questions some aspect of the governing instrument.

A proactive oversight and review program can be a good way to stay involved in the ongoing affairs of those clients by keeping them informed of various changes in the law, or by reminding them of changed circumstances that may affect their original intent.

We will be producing an article shortly that will address some of the practical business reasons for maintaining an active oversight and review program for your will vault, as well as pointing out some of the legal risks in not maintaining one. If you would like to contribute to the article, please call Mike Arndt at: 978-463-9099, or send him an email at:

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## Industry Trends

► Family-owned businesses comprise 80 to 90% of all business enterprises in North America.

► The leadership of 39% of family-owned businesses will have changed hands in the next five years. (Arthur Andersen/MassMutual American Family Business Survey, 2003)

► 34% of family firms expect the next CEO to be a woman. (Arthur Andersen/MassMutual, 2003)

► The loss of a primary

business owner due to death or retirement will create the largest intergenerational transfer of wealth in U. S. history. About \$10.4 trillion of net worth will be transferred by the year 2040, with \$4.8 trillion being in the next 20 years. (Robert Avery, Cornell University, "The Ten Trillion Dollar Question: A Philanthropic Gameplan,"

**About \$10.4 trillion of net worth will be transferred by the year 2040 and 19% of family business participants have not completed any estate plan other than writing a will.**

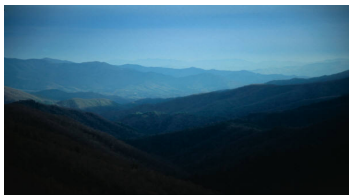
*Initiatives)*

► Inadequate estate planning is one of the leading causes for the failure of family-owned businesses. According to a survey of 800 family-owned businesses, the transition and ultimate collapse of the firm was precipitated by the founder's death 47.7% of the time. (University of

Connecticut Family Business Program website - [www.sba.uconn.edu/FamilyBusiness](http://www.sba.uconn.edu/FamilyBusiness))

► 19% of family business participants have not completed any estate plan other than writing a will; only 37% have written a strategic plan; and over 60% are positive about their company's future. (Arthur Andersen/Mass/Mutual, 2003)

## PTG Expands to Southeast



*Blue Ridge Mountains*

Private Trust Group of America (PTG) opens its first regional office outside of New England.

According to Mike Arndt, Director of Sales & Marketing for PTG, "With the recent flurry of activity in the southeast, we

thought it was important to have a more permanent presence there. Having an office in the Charlotte, North Carolina area sends an important message to our clients in the region."

The Charlotte office will coordinate

PTG's national sales and marketing efforts, while the Newburyport, Massachusetts office will continue to be the corporate headquarters and main processing center.

## Administration and Operational Tips

### *How to Prepare for an Audit:*

This is the fourth installment of a five-part series designed to assist trust department personnel with preparing for an audit. Les Revzon, who has over 35 years' experience in providing auditing, regulatory, operational and compliance services to the financial industry, assisted with the development of this series.

### *Part IV — Day One*

You knew they were coming and you assembled the requested information (*Part I of*

*Series*); you have carefully planned the logistics of where the auditors will be camping out (*Part II of Series*); and you have even determined who will be in control (*Part III of Series*). Now,

**Les Revzon** — Over 35 years' experience in providing auditing, regulatory, operational and compliance services to the financial industry.

it's time to get down to business.

*Greetings & Ground Rules:* After the usual introductions, deter-

mine the lead person for the examiners, provide him/her with the Informational Sheet, necessary security passes and review the ground rules.

*Review the material that has been compiled to satisfy the Request List (See Part I of Series):* This is

a good time to answer any "housekeeping" questions, but be brief and stay on point. Do not deviate from the information covered in the Material & Reports.

*Access & Surroundings:* Go over the master schedule of availabil-

ity and take examiners on a brief physical tour of the department. Take a deep breath and return to your normal tasks!

Next Installment: ***What will "they" be looking for?***

Following the next (and final) installment on *How to Prepare for an Audit*, PTG's own David Hemmerling will begin a series on *How to Structure a Service Level Agreement*.

**Private Trust Group of America** specializes in providing administrative and operational support to trust departments and wealth management offices nation wide. Our executive staff has over 100 years of combined trust and related technology experience, and our professional staff's average experience exceeds 22 years. Please take a moment to review our website at [www.privatetrustgroup.com](http://www.privatetrustgroup.com) for an overview of our services.