



The Importance of Liquidity



PRINCIPAL PARTNERS

Leaders in guided wealth



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Liquidity Underpins Your Plans

It underwrites your needs and everything you do in life.



Lifestyle Choices



**Continuity
of Income -
Personal or
Business**



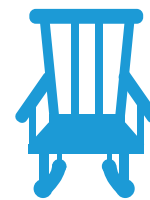
**Manage
debt/Living
Costs**



**Provides Family
Security**



**Delivers Peace
of mind**



**Retirement
funding**

So, is liquidity important to you?



Liquidity - What are your sources?

- **Cash at bank (Reserves)**
- **Continuity of personal exertion income**
- **Investment income**
- **Asset base to borrow against (your home)**
- **Business dividends**
- **Retirement benefits**
- **Family support**



Liquidity can be defined as

... One or more of three asset types, and one other highly important resource.

Cash

- ▶ Cash at bank
- ▶ Term deposits etc.

Shares

- ▶ Listed company holdings
- ▶ Private entities

Property

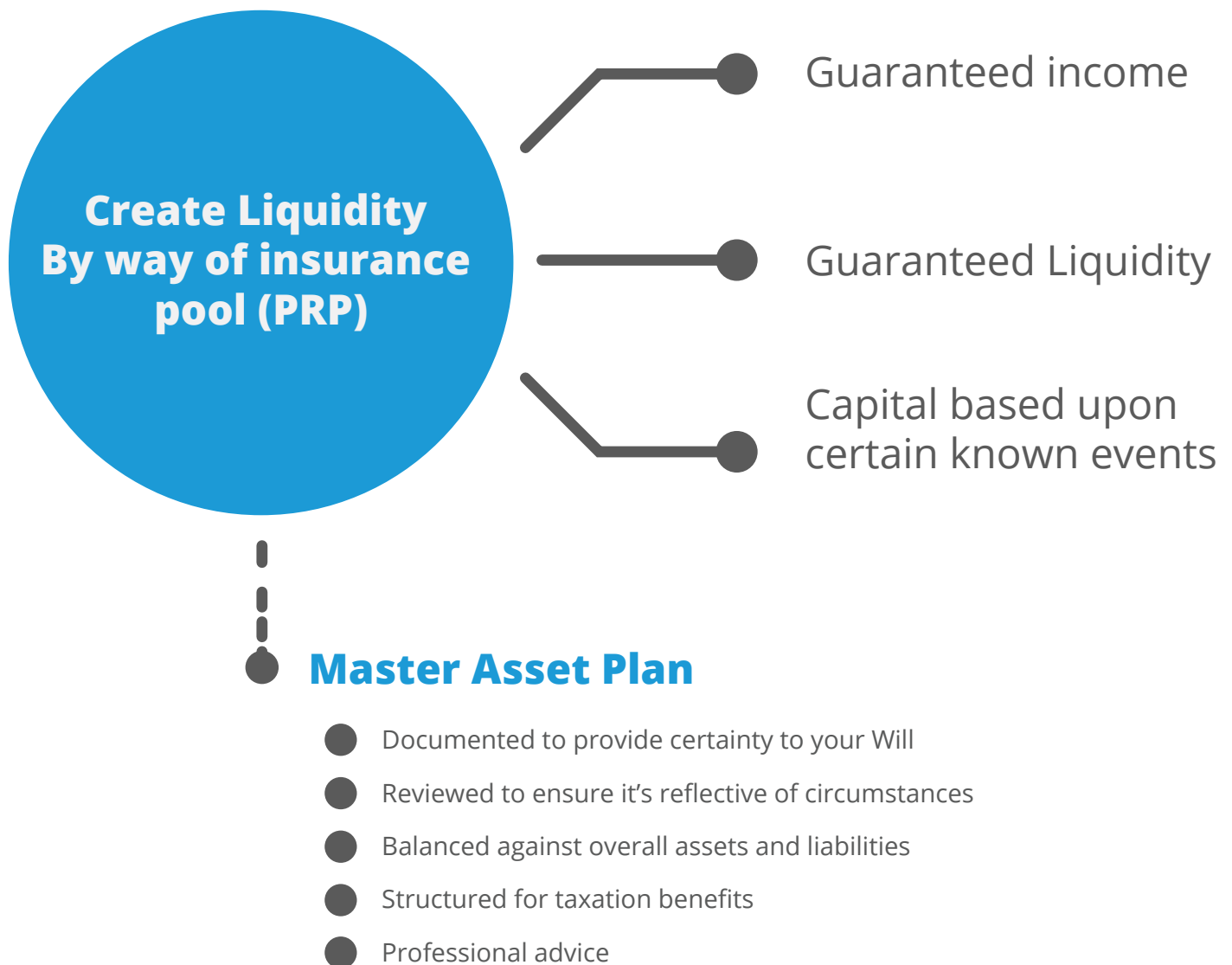
- ▶ Principal residence
- ▶ Investment property
- ▶ Business property

or.. **Personal Risk Portfolio**

- ▶ Guaranteed Income and Capital

Personal Risk Portfolio

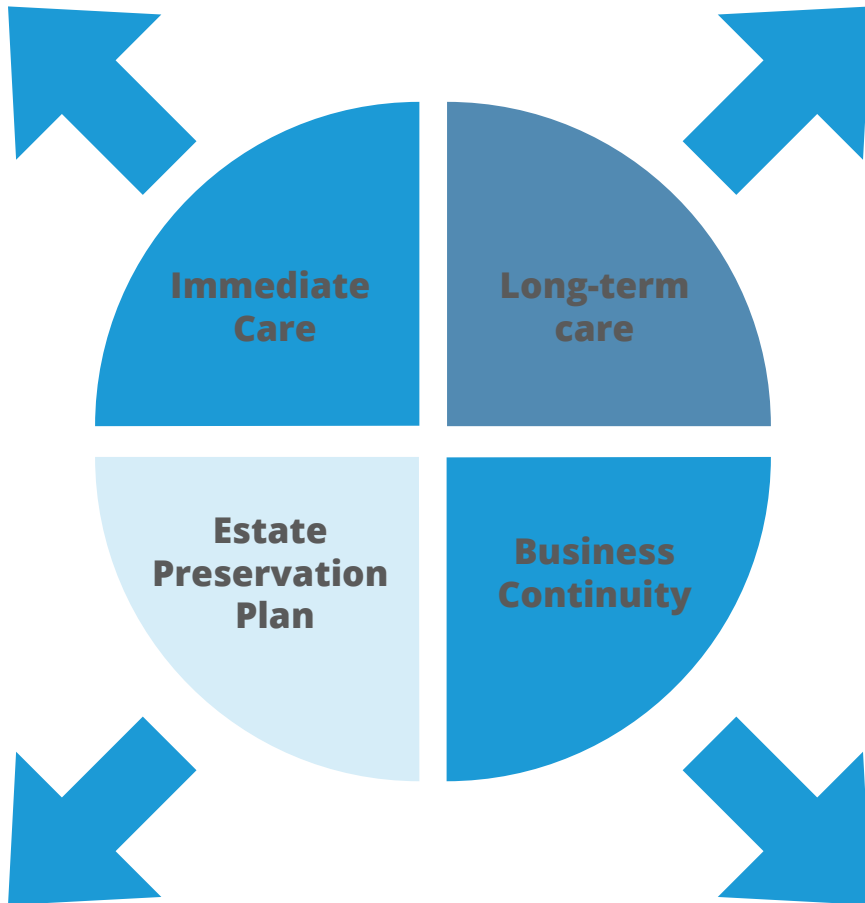
Liquidity can be Underwritten by **Implementing a Personal Risk Portfolio (PRP)** comprising a **Master Asset Plan/Estate Management**



Personal Risk Portfolio

**Defined event
payout for
short-term illness**

**Provide ongoing
income and capital in
the event of
longer-term disability**



**In the event of your death
to ensure there is a capital
legacy for family/
partners/beneficiaries**

**Capital and or income
provided to the business in
the event of illness or
disability of key people
/business owner**



Personal Risk Portfolio

Intermediate care

Objective is to ensure continuity of personal earnings and income due to short-term illness or accident.

Longer-term care

Objective is to ensure continuity of personal income over longer periods of incapacity that could lead to cessation of employment or your ability to participate in the workforce again.

Longer-term care also looks to provide a lump-sum capital payment based on certain known critical-illness-related events or permanent disability.

Business continuity (when applicable)

Objective is to provide capital and/or income into the business structure to underwrite the economic stability of the operating business.

Estate preservation plan

Objective is to provide a capital payment to your estate or nominated beneficiaries in accordance with your wishes and resolution of all debts upon death.



Technical issues - Considerations and Solutions

- **Appraisal of requirements based on assets, liabilities, family and business commitments**
- **Utilisation of any taxation concessions on all related funding costs**
- **Structured to ensure taxation of any capital or income payments is optimal**
- **Flexibility to amend structures to cater for personal changes during your lifetime**
- **Balance the actual capital and income needs by a dedicated review process during your lifetime**



Why choose Principal Partners

- ▶ **Our Personal Risk Portfolio is positioned and managed as an asset of yours**
- ▶ **Qualified independent advice**
- ▶ **Personal Risk Portfolio professional assessment of needs**
- ▶ **Ongoing review to re-balance requirements**
- ▶ **Claims point of management**
- ▶ **Included in your estate plan**



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