

A focused way of servicing Asia's wealthy

ZEDRA is taking a personalised approach to servicing clients in Asia, as it hones its strategy on the growing opportunities to provide structuring solutions to the region's wealthiest.

Asian business families and HNW individuals are generally going through a 'change of guard' for the first time in terms of inter-generational wealth transfer. Plus, the assets of Asian clients are often diverse, and not just financial in nature, given the preference for real estate and the fact that so much is tied up in the business.

As a result, says Wendy Sim, managing director for ZEDRA in Singapore, there is no place for cookie-cutter solutions. "Our approach is client focused and structured," she explains. "We believe in personalised service."

Being family owned, as ZEDRA is, everything is personal. "Therefore, for me,

"We are in a perfect position to help Asian clients because we have the institutional platform that is independent."

These and other differences in the approach of Asian HNW clients compared with their European counterparts (when it comes to creating, managing and planning their wealth), inevitably requires a different type of service.

moving to ZEDRA was empowering and invigorating," she adds.

A DIFFERENT MIND-SET

Having previously worked for a bank-owned trust company, Sim has found



WENDY SIM
ZEDRA

that the value proposition of an independent trustee ensures there are no concerns about any potential conflicts of interest; ZEDRA is able to work ob-

jectively with the right asset managers and banks which best suit a particular client or family profile.

She is also not subject to any short-term targets that might exist within large financial institutions – and hence is able to take the time to have the right conversations with clients and the relevant parties to put together a truly bespoke solution.

In terms of the trust arm of a bank, most of them tend only to look after financial assets and they have a certain number of types of trust structure

It is also sensitive to the demand in the region for low fees as well as the competitive nature of the market. “We don’t aspire to be the lowest-cost service model,” says Sim. “But we want to charge reasonable fees based on structure, risk and complexity.”

STARTING SIMPLE

The fact that the issues and considerations surrounding succession planning for business families and structuring are relatively new in the Asian context, means that Sim’s philosophy of “starting simple” resonates with clients in this region.

can form a proper decision-making Board to manage the assets themselves, but still require advice regarding fiduciary duties.

“Our role in such instances may be to act as consultants to the PTC board, to hand-hold the client,” explains Sim. “Hence, working on a needs and capabilities basis is recommended, and thus starting simple is an easier approach.”

PUTTING CLIENTS FIRST

Sim is also quick to advise her clients against creating any structures that they do not understand.

Given her legal training, her starting point is to think of worst-case scenarios and rationalise whether the structure would stand the test should it need to undergo court proceedings and be open to every challenge possible whilst factoring in transparency, compliance and client needs.

This is well-suited to most Asian clients, who have big families often with business reputations to uphold but also a need for privacy as to succession planning and business strategy.

And by taking honest and straightforward approach, Sim has found that it engenders more trust.

“Some of our bigger clients come to us and proactively ask what they should be doing given the changing regulations around transparency,” she explains.

“They are willing to pay whatever is needed in order to put proper structures in place and to report optimally. The new laws on reporting have not distracted our clients from succession planning or other larger goals.” ■

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available for a client to ‘fit’ into. “At ZEDRA, we are in a perfect position to help Asian clients because we have the institutional platform that is independent,” elaborates Sim.

More specifically, the firm has the flexibility to look at all types of client assets and different types of client profiles.

It can also fall back on its institutional platform and infrastructure to put structures in place and manage the trusts and ensure proper risk management procedures are adhered to.

As a result, the business is more suited to the types of assets and requirements of Asian clients, rather than any mass-market or volume-led offering.

“I want the client to understand what they are getting into, what it is for and how it can help them achieve what they want to achieve,” she explains.

As time develops, and as the clients get more familiar and comfortable with the structures, Sim then believes it is more appropriate to build in more complexity to achieve the end goal.

For example, not every client needs a private trust company (PTC).

As an adviser, therefore, Sim seeks to understand relevant factors such as the client’s perspective, who is available to be on the board of the PTC and who can run the board. Such a structure is a good option, for instance, when clients