



Industry White Paper Series

Monroe Bank & Trust

*A Case Study in How a Leading Community Bank is
Transforming Their Wealth Management Group Through
Investment Policy Statements and IPS AdvisorPro®*

Background

As part of our commitment to providing tools, information and best practices to help financial advisors succeed, we are pleased to present the following case study that illustrates how Monroe Bank & Trust, a leading community bank in Monroe, Michigan, enhances its Wealth Management Group's service offering through the use of Investment Policy Statements (IPS) and the technology platform of IPS AdvisorPro®.

We invite you to learn more how your firm can benefit from the use of IPSs and the advanced technology of IPS AdvisorPro® at www.IPSAdvisorPro.com.

Introduction

“On the surface we may look like a small community bank, however, we are actually doing institutional quality work on the wealth management front, including providing an Investment Policy Statement (IPS) for each and every client.”

Monroe Bank and Trust (MBT) was founded nearly 150 years ago, tracing its origin to the back of a grocery store in the small, but growing town of Monroe, MI, located about fourteen miles north of Toledo, OH. From these humble beginnings, MBT has evolved and grown over the years to become a leading financial institution, with over \$1.5 billion in assets.

The Wealth Management Group of MBT has over 65 years of experience in managing the complex needs of affluent investors and has recently undergone a transformation, “from a stodgy trust department to a dynamic, full service organization,” notes Senior Vice President and Investment Group Manager, Jim Arnold.

The Wealth Management Group serves over 1,200 accounts and represents over \$700 million in assets under management. “While on the surface we may look like a small community bank, however, we are actually doing institutional quality work on the wealth management front, including providing an Investment Policy Statement (IPS) for each and every client,” Arnold proudly stated.

Investment Policy Statements

“We made the decision two years ago to have an IPS in place for every client so that we would have an accurate picture of their investing needs...”

MBT is actively evolving and enhancing their service offering and access to a broad range of investment products and services. “As part of that service offering, we strongly believe in walking our clients through the IPS process. That approach takes us to the next level in discussing key life event issues with clients that are then brought into the equation of the IPS,” commented Jim. “This provides us with a complete view of the clients’ needs and ensures that we have a documented process to which both we and the client can refer back.”

“We made the decision two years ago to have an IPS in place for every client so that we would have an accurate picture of their investing needs and to provide both us and the client with a written document that details expectations,” noted Arnold.

“Before arriving here at MBT my previous career was in city retirement systems. In that role I learned that in order to protect yourself and the retirement plan, you never hired any investment manager without an IPS and I wanted to bring that discipline to the wealth management team at MBT.”

Technology-Driven Efficiencies

“IPS AdvisorPro® accomplished everything we wanted to accomplish at a very affordable price point.”

In the past, MBT relied on an ad-hoc basis for providing tools for advisors to create investment plans and IPSs. “We had a variety of software programs, but most of it was difficult to use and learn, along with being cost prohibitive to provide a license to every advisor,” noted Jim. “As a result, the technology wasn’t optimized and we would provide a minimal document that didn’t adequately serve as the IPS.”

After much scrutiny and a thorough technology evaluation, Arnold and MBT selected the technology platform of IPS AdvisorPro®.

In Jim’s words, “IPS AdvisorPro® accomplished everything we wanted to accomplish at a very affordable price point. We are able to customize our asset allocation models to provide the investment perspective that is pertinent to that client.

“It also gives us the control and flexibility to handle the complex needs of high net worth clients that require even further custom models. Additionally, IPS AdvisorPro® has given us a format for a standard discovery meeting and risk agreement that we can implement across our many advisors.”

“This standard process and the flexible templates in IPS AdvisorPro® allow us to create one format and approach for generating consistent documents from each advisor for every client with the appropriate disclosure language and our pre-determined asset allocation models. Without that, our compliance and supervisory requirements would grow exponentially if we had everyone using their own approach, wording and content.”

Conclusion

“What we’ve gained with IPS AdvisorPro® is not so much in a dollar sense, but in the enhancement in relationships with clients.”

Monroe Bank & Trust is an example of a successful institution with a rich, multi-century history. A key part of that long-term success is a focus on evolving with the needs of its clients.

“What we’ve gained with IPS AdvisorPro® is not reflected so much in a dollar sense, but in the enhancement in relationships with our clients. Our advisors are able to demonstrate on a daily basis the depth and ability of the Wealth Management Group and the IPS contributes to the client’s confidence that their advisor is a true professional, providing a well thought out approach when managing the client’s financial affairs. As we continue to evolve, we look forward to working with IPS AdvisorPro®,” concluded Jim.

About IPS AdvisorPro®

Created by financial advisors for financial advisors, IPS AdvisorPro® is designed to work with all types of wealth management professionals and their practices. IPS AdvisorPro® offers a flexible solution to creating and managing Investment Policy Statements that are easy to use through an encrypted, secure web-based environment. With over 1,000 users and 15,000 IPSs created, IPS AdvisorPro® is the industry's leading technology solution. IPS AdvisorPro® was named in 2006 by Morningstar as the "Software of the Year" and was a CPA Wealth Provider "Financial Planning Awards Winner" in 2009. For more information, please visit www.IPSAdvisorPro.com

IPS *Advisor Pro*®

9130 South Dadeland Boulevard
Suite 1625
Miami, Florida 33156

www.IPSAdvisorPro.com