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Excelsior Wealth Management at Morgan Stanley

Craig Pastolove, CIMA®, CPWA®, PRP®, Managing Director–Wealth Management, Financial Advisor
 Scott Sklar, Managing Director–Wealth Management, Financial Advisor
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“How can structured settlements and financial planning work hand in hand?”

By Craig Pastolove

Excelsior Wealth Management has always focused on clients with significant net worth who needed our services to help them accumulate, preserve and ultimately transfer their wealth. We predominantly attract entrepreneurs and people from various segments of finance. But what I didn't initially realize was that there was an entire group of people who could benefit from our capabilities on a much larger scale.

A year ago, a personal injury attorney explained to me how the courts are mandating that injured plaintiffs take a structured settlement for a portion of their upfront compensation—instead of the entire award being paid to them outright. Although I had heard the term “structured settlement” before, I didn't fully understand the strategy.

I reached out to a firm specializing in this area—Plaintiff's Settlement Services (DBA ESS Settlement Services). The two principals, Brian Schachter and Randy Levine, explained that structured settlements are guaranteed tax-free periodic payments designed to provide income to injured parties for all, or a significant portion, of


their lives. Their job, they explained, is to design the structure, which can be quite complex, and negotiate with a large group of highly rated insurance companies that guarantee those payments so they can implement the structure.

Our biggest concern for clients is the upfront monies being paid, because even though a portion has been structured, the attorneys oftentimes found that when they revisited clients years later, the other money was gone. That meant the client was in trouble because, although the structure took care of all or most living expenses, they had no other security to cover emergency funding, rising costs and expenses like education or the purchase of a home.

I immediately realized that combining financial planning with a structured settlement would aid these clients. I began putting together a business plan that would allow my team to help out.

Today, I have an alliance with Plaintiff's Settlement Services and have increased my staff to include a CERTIFIED FINANCIAL PLANNER™ who

focuses only on these injured parties to help them plan for their lives after injuries, in conjunction with their settlements. Our planning seeks to incorporate inflation-protection strategies, education funding, special-needs trusts, Medicare spending accounts, estate-planning and growth-oriented investment management.

We are pleased with the work we do for our mutual clients and the feeling that our entire team has helped people who have oftentimes experienced life-altering injuries. Although the work is not pro bono, it feels as though we are making a real difference in these parties' lives by providing services that historically have been unavailable to them. This is very different than planning for ultra-high net worth families because planning for injured parties can potentially impact whether or not they can pay for proper medical care or educate their children. **If the upfront money is squandered early on, it is too late at that point to recover, as these plaintiffs' lifestyles will be permanently impacted should they lack the ability to earn more as costs rise over time.** 

Craig Pastolove is a Financial Advisor with the Wealth Management division of Morgan Stanley in New York, NY. The views expressed herein are those of the author and may not necessarily reflect the views of Morgan Stanley Smith Barney LLC, Member SIPC [www.sipc.org]. Morgan Stanley Financial Advisors engage Worth to feature this article. Craig Pastolove may only transact business in states where he is registered or excluded or exempted from registration (www.morganstanleyfa.com/excelsiorwealthmanagement). Transacting business, follow-up and individualized responses involving either effecting or attempting to effect transactions in securities, or the rendering of personalized investment advice for compensation, will not be made to persons in states where Craig Pastolove is not registered or excluded or exempt from registration. The strategies and/or investments referenced may not be suitable for all investors. Morgan Stanley Smith Barney LLC (“Morgan Stanley”), its affiliates and Morgan Stanley Financial Advisors or Private Wealth Advisors do not provide tax or legal advice. Clients should consult their tax advisor for matters involving taxation and tax planning and their attorney for matters involving trust and estate planning and other legal matters. CRC 1078481 01/15

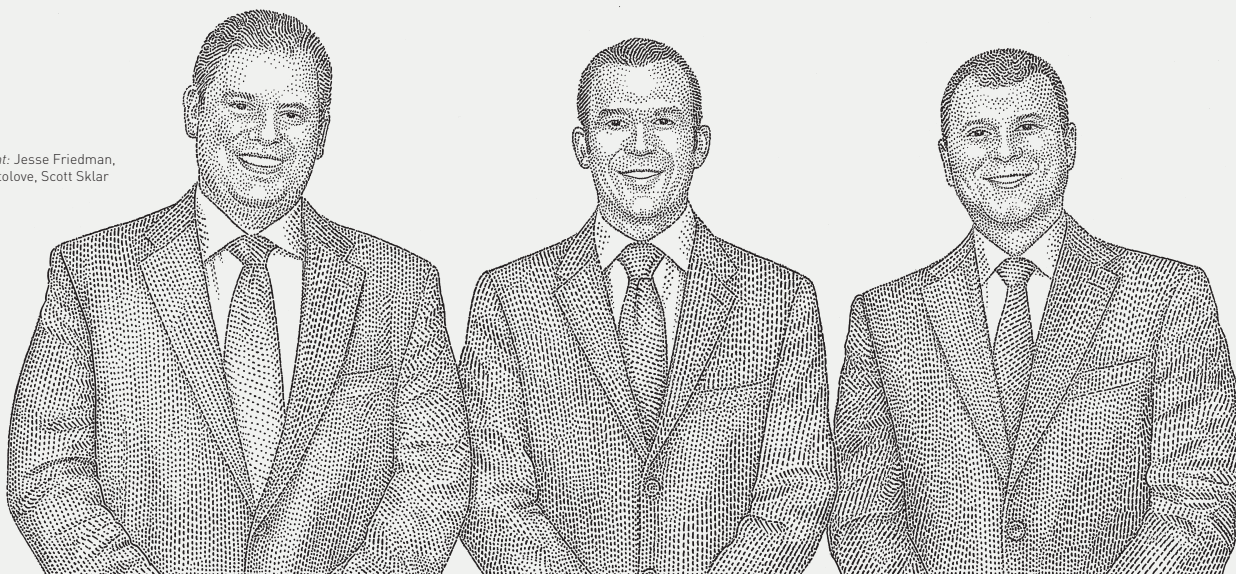
“Attorneys oftentimes found that when they revisited clients years later, the other money was gone.”

—Craig Pastolove

How to reach Excelsior Wealth Management

We look forward to hearing from you and can be reached at 212.296.1026.

Left to right: Jesse Friedman, Craig Pastolove, Scott Sklar



About Excelsior Wealth Management

In less than 15 years, Craig Pastolove, managing director in wealth management, has built a large, well-respected wealth management team. Clients include celebrities, senior executives at publicly traded companies, entrepreneurs and hedge fund principals and traders. Scott Sklar, managing director, has been providing capital market insights to the hedge fund industry for 20 years. His reputation for providing timely and competent advice has garnered relationships with many of the leading managers in the asset class. Jesse Friedman, vice president—wealth management, has worked with Mr. Pastolove since 2001 and manages the financial planning process from start to finish. He marshals thought leaders at the firm in order to brainstorm about clients before presenting the team with a plan. Mr. Friedman is also responsible for managing the other five members of the team.*

Assets Under Management
\$700 million (as of 10/31/14)

Minimum Fee for Initial Meeting
None required

Minimum Net Worth Requirement
\$3 million

Largest Client Net Worth
\$200 million (as of 3/31/14)

Financial Services Experience
50+ years (combined)

Compensation Method **Asset-based fees or commissions (customized structured products and syndicate)**

Primary Custodian for Investor Assets **Morgan Stanley Smith Barney LLC**

Professional Services Provided **Financial planning, investment management, family office services and institutional consulting**

Association Memberships
Investment Management Consultants Association

Website **www.morganstanleyfa.com/excelsiorwealthmanagement**

Email **craig.pastolove@morganstanley.com**

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*Please reference the biography section of our FA website to identify all team member titles and designations.

ILLUSTRATION BY KEVIN SPROULS



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