the Register

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• IN THIS ISSUE •

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Members Who Recommended New Members

Referror of the Month
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CALENDAR OF EVENTS

Business Owner Consulting Workshop
December 1, Middletown, OH

Business Owner Consulting Workshop
January 6-7, 2012, Hong Kong

Business Owner Consulting Workshop
January 13-14, 2012, Hong Kong

MDRT Experience
February 9-11, 2012, Bangkok

Business Owner Consulting Workshop
February 9, 2012, Middletown, OH

IARFC Board Meeting
February 10, 2012, Middletown, OH

Business Owner Consulting Workshop
February 16, 2012, Tampa, FL

IARFC CE @ Sea™
Bermuda, (Holland America, Veendam)
May 20-27, 2012

Great News!

IARFC is on LinkedIn

LinkedIn is a free service that lets you keep in touch with professionals through the exchange of ideas, discussion and industry information. What's happening? Join today to start connecting with other IARFC members.

- Display the RFC group designation with the logo on your profile
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- Start or participate in discussion topics
- Share practice concerns and solutions
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Log onto www.LinkedIn.com to join and access the International Association of Registered Financial Consultants group

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The IARFC is pleased to provide contact information on persons who offer coaching, mentoring or tutoring services.

Some extend free time or a discount to IARFC members. This listing is not an endorsement or guarantee — as RFCs are qualified to judge who can help them in the areas where services are most important. This roster is alphabetical by last name.

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Leverage Your Voice and Gain Benefits As Well

The US Chamber of Commerce is generally viewed as an organization that focuses on the interest of the nation and in particular, the large corporations.

Local Chambers of Commerce focus their efforts on regional issues. Some are primarily composed of locally owned businesses and representations from local units of national or international companies. Many Chambers are heavily involved and supportive of local civic and non-profit organizations. However, in general, the focus is on how to improve the local economy.

The National Federation of Independent Business is the leading small business association representing small and independent businesses. A nonprofit, nonpartisan organization founded in 1943, NFIB represents the consensus views of its members in Washington and all 50 state capitals.

NFIB's mission is to promote and protect the right of its members to own, operate and grow their businesses. NFIB also gives its members a power in the marketplace. By pooling the purchasing power of its members, the National Federation of Independent Business gives them access to many business products and services at discounted costs.

NFIB also provides timely information designed to help small businesses succeed. The *My Business* magazine regularly highlights what is happening in Washington that will affect your business as well as in your state capital. The NFIB's Young Entrepreneur Foundation, Research Foundation and Small Business Legal Center are mission critical components.

NFIB
The Voice of Small Business®
MEMBER

While big labor takes money from union dues to fund political operations, NFIB depends on the generosity of its members to make voluntary contributions in financial support of the organization's political positions. With those contributions, NFIB's SAFE Trust PAC supports proven business candidates who have committed to keeping small business in business.

Spend just a few minutes investigating this organization on the www.NFIB.com website and you will quickly realize this organization not only can provide a benefit for your small practice but it clearly understands and reacts to the issues that are most important to your business owner clients.

The IARFC and FPC are currently enjoying some of those benefits through a special reduced cost Worker's Compensation plan, and a special NFIB sponsored health care plan we joined several years ago. We occasionally contribute to the Safe Trust Action Committee because it aligns well with our views and interests.

We urge you to check them out and join today. Leverage your voice in Washington and your state.

Contact: 800 532.9060 x10
mark@IARFC.org
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www.NFIB.com

Captive Insurance Companies
Attract Affluent Clients With A "Unique" CIC Structure

by Roccy DeFrancesco

Most advisors are looking to set themselves apart from others in their local marketplace. Most advisors would rather work with affluent business owners than with W-2 employees making less than $75,000 a year.

If these are your goals, you should become familiar with the proper use of Captive Insurance Companies (CICs). This article is just an introduction to CICs to make readers aware of them and determine if it makes sense to take an in-depth look at them for future client use.

What is a CIC?

A CIC is just what it sounds like; it literally is a client's own insurance company that can sell insurance to a number of different entities (although most of the time the CIC will sell insurance to the client's own small business).

Most CICs today fall under Section 831(b) of the Internal Revenue Code.

Proper uses of a CIC

1) Insure risks that are currently uninsured by a business
2) Build wealth in a tax-favorable manner inside the CIC (with good claims history)
3) Transfer wealth to the next generation without gift taxes
4) Purchase of life insurance with tax-favorable dollars

Who is a candidate to use a CIC?

Profitable businesses who have surplus income each year of between $100,000-$1.2 million and risks that are currently uninsured.

Think about it. Most businesses have many risks that are currently uninsured. Additionally, what do business owners who make an extra $250,000 a year who don't need the money say at the end of the year? Wow, what a great year! No. They gripe about having to pay income taxes on the money.

What are the typical tax-mitigation tools? The main one is a qualified retirement plan such as a profit-sharing or defined-benefit plan.

However, the problems with both plans are the limits that can be contributed, the contributions needed for employees, and, most of all, the fact that all the money coming out of such plans in retirement is subject to income taxes.

Wealth building in a CIC

CICs are unique tools. Premiums paid by employers to a CIC are 100% tax deductible to the company and are received completely tax free by the CIC. Additionally, after money accumulates in a CIC, when it comes time to shut down the CIC and access the money, the CIC owner pays taxes on the assets accumulated at the long-term capital gains tax rate (which is much more favorable than the ordinary income tax rate).

Pitfalls of using a CIC

The pitfalls of using a CIC are mainly tied to the CIC administrator use. Like many tools that involve income taxes, many not-so-reputable firms have gravitated to this subject matter and are aggressively marketing their services to CPAs, financial planners, attorneys, and insurance agents. Many of them are providing what I would deem non-compliant programs.

What could be non-compliant? Two items:

1) Real Insurance Underwriting. Believe it or not, there are firms that will allow a doctor to purchase international terrorism insurance even though the doctor's business is not an international business. It is vital that a reputable actuary determine the types of risk that can be insured and the appropriate fair market value for such insurance.

2) Risk Sharing. There is an element of risk sharing put forth in the IRC that must be met to have a legitimate CIC. Many structures I've seen are not properly sharing risk.

The consequences of using a CIC administrator who does not do 1) or 2) correctly is that the client's deductions will be disallowed and, potentially, be hit with penalties and interest for taking inappropriate deductions.

Costs of a CIC

The typical cost of a well setup and run CIC are not insignificant. First year setup fees typically range from $35,000-$75,000. Annual administration costs are typically $30,000-$40,000 a year. This is expensive which is why the typical client will need to be able to pay a premium of $400,000 or more in order to make a single parent standalone CIC economically viable.

The affordable CIC

There is one structure out there that was built to be financially viable for businesses that can pay a premium as low as $100,000 a year. That structure is known as the affordable CIC. The setup fees are $5,750 per $100,000 of premiums and 11%-12% of new premiums every year as the annual fee. To learn a little more about the affordable CIC, you can go to www.affordablecaptives.com.

If you are looking to make yourself unique in your local marketplace and are looking for a very powerful tool to help you with your current profitable business clients and to pick up many new profitable business clients, you should choose to take the time to learn more about CICs.

Roccy M. DeFrancesco, Jr., JD, CWPP™, CAPP™, CMP™, is the Founder of The Wealth Preservation Institute, and the Co-Founder of the Asset Protection Society. Roccy is the Author of *Bad Advisors: How to Identify Them; How to Avoid Them©, Retiring Without Risk©, The Home Equity Management Guidebook©, The Doctor's Wealth Preservation Guide©, The Home Equity Acceleration Plan (H.E.A.P.)©*, and the Editor of: *Wealth Preservation Planning: A "Team" Approach©*, by The National Society of Accountants.

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COMPLIANCE-FRIENDLY MARKETING

Think of It as a Business: Start Playing Football (part 3)

by Katherine Vessenes, JD, CFP®, RFC®

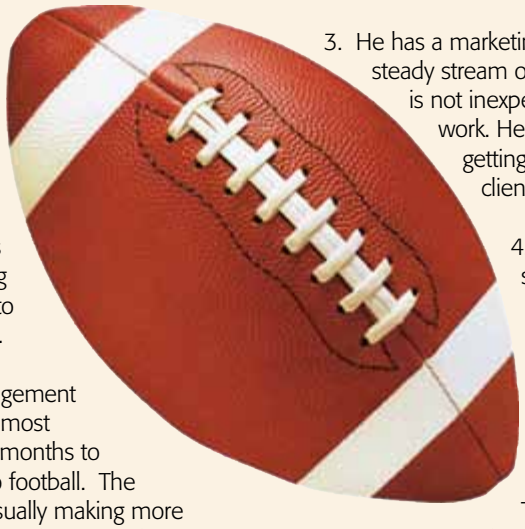
Are you playing golf, basketball or football? Here are some questions to ask yourself to determine where your practice is and how to get it to the next level. Put a check mark in each box that sounds like it describes you and your business. Then add up each column to see where you stand today. The column with the most checks wins.

Practice Management Scorecard – What Game Are You Playing?

	Golf	Basketball	Football
1.	You answer your own phones.	Someone screens the calls for you.	Someone screens your calls and handles all the service issues. You rarely are needed for service.
2.	You prepare all the paperwork necessary for a client meeting and to submit the business.	Staff assists you with paperwork.	You never touch the paperwork and rarely even look at it.
3.	No staff or no job descriptions.	Staff has no job descriptions.	All your staff have clearly written job descriptions.
4.	All the money in the checkbook is yours and you treat the practice like your own piggy bank.	You have separate checkbooks for personal and business funds.	You pay yourself a salary and take bonuses based on profitablility.
5.	No staff or limited staff focusing on what you don't like to do.	Staff is not clear what to do to support you and bring in more business.	You and your employees have clearly defined positions.
6.	No bonuses.	Staff receives bonuses irregularly based on your discretion.	Staff receives bonuses based on profitability.
7.	Clients call and always ask for you.	Clients call and ask for you 80% of the time.	Clients call and ask for one of your service team. You get called less than 20% of the time.
8.	You have no defined process or procedures. Every case is a one-off.	Some parts of the business are systematized, others aren't. Lots of things are falling through the cracks.	The entire business is systematized. Someone other than you manages all the systems and it is very rare for anything to fall through the cracks.
9.	You don't need any reports because you are the report.	Staff are not orgainzed enough to provide reports and don't know what to track.	Staff provides you periodic reports on the key areas of the business: compliance, technology, sales, marketings, HR, company financials, processes/procedures and strategic planning.
10.	You are very dissatisfied because you know you could be happier and making more money, you just don't know where to start.	You work crazy hours and are constantly waking up in the middle of the night fretting about the business.	You sleep like a baby, knowing you have a great business and a steady flow of income.
Totals			

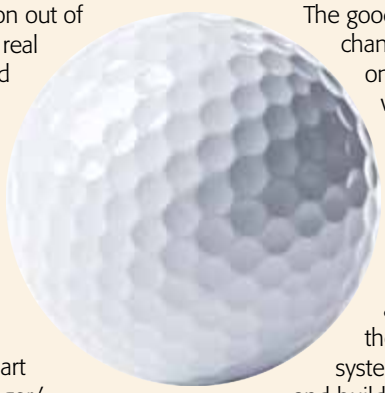
Now that you know where you really stand, take some time to think about what kind of business you would like in the future. Take a look at each of your answers and see if you can move to the next step across the row. Every incremental step should bring you more relief and more income.

It is much more difficult to move a financial advisory practice from basketball to football than golf to basketball. The transition can be overwhelming. This is a hurdle few advisors are able to manage. Most of the ones who do, need help from a coach or consultant. We tell all of our clients to think of this as eating an elephant, we need to do it one bite at a time.



With our practice management clients we have found, most advisors take 18 to 24 months to completely transition to football. The good news: they are usually making more money after 4 months, and after 12 they are making a lot more money.

Take the case of Steve Gordon out of Colorado Springs. Steve is a real advisor, but we have changed his name and a few facts to protect his privacy.



When we first started working with him four years ago, he was 28 years old and was generating about $300,000 in annual revenue. His brother, Sam, was assisting part time as a client service manager/ Para planner and he had Marie as a part time administrative assistant. Four years later Steve's personal production was up to $1,000,000. He also owns the entire company and now has more than a dozen reps in his organization and a staff of 30. The company's total gross production this year is estimated to be $8,000,000. Next year the business should be valued at $10,000,000!

How did Steve move from a successful practice to a wildly successful business? There are a number of factors that contributed to his success. Here are what we consider the top ones:

1. He was humble enough to ask for help. He knew he had never done this before and he was willing to spend the money on consultants/coaches to help him reach his goals.

2. From the beginning he treated it like a business.

3. He has a marketing system that puts a steady stream of derrières in chairs. It is not inexpensive, but it does work. He frequently says, getting in front of more clients is not his problem.

4. He perfected his sales process, carefully tracking the numbers to make sure he could predict how many new prospects and clients they would secure every year. This figure allowed them to predict their income, expenses and profit.

The good news for you: even small changes can have a huge impact on your bottom line and the value of your business.

Katherine Vessenes, JD, CFP®, RFC®, president of Vestment Advisors, speaks nationally to thousands of advisors every year, giving them a bumper to bumper system to break down barriers and build up their business. The creator of the NO-Sell Sale®, she is considered the country's leading consultant on building a multimillion-dollar business (Dearborn) and the country's best known authority on the legal and ethical issues of financial advisors (Bloomberg).

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Solving The Financial Challenges Middle Income Families Face Today!

We need to start focusing on helping our friends, family, neighbors, clients and prospects to *"Live Debt Free and Truly Wealthy"*… Your Friends, Family, Neighbors, Clients and Prospects Desperately Need & Want Your Help...

Conventional Wisdom From Our Grand Parents, Parents and Friends

Most of us grew up hearing "go to college, get a good job, buy a house, pay it off as soon as possible, save a little each month and you will be set for life." It was good advice for past generations. However, the world has changed dramatically in the past 50 years.

> *"Today's worker earns far more than did his counterpart from 70 or 50 or even 30 years back. He saves less. The old rules don't work."*
> — Rob Bennett *"Passion Saving"*

It's a Different Middle America

In previous generations, Middle American families had only one income earner who supported the whole family. Today, it takes at least two wage earners per family, just to survive and put food on the table. And, with both parents working, there are the added expenses of a second car and childcare.

In years past, Middle American families lived in the same home for their entire lives. Their home was paid off before retirement. Today, people are buying a new home every 5 to 7 years and will likely have a mortgage payment even in their retirement years.

In most cases our Grandparents and Great Grandparents were married to the same person for all of their adult lives. According to the Census Bureau, in 2010 the divorce rate is still around 50%. The National Fatherhood Initiative Marriage Survey (NFIMS) found that fewer than 40 percent of first marriages **"seem to be reasonably successful after 20 years."** Now families have only one parent in the home! What kind of financial problems does that cause? How about their ability to save for retirement?

Our Grandparents and Great Grandparents were lucky if they lived to age 65, so they only had a few years in retirement. Today, the average life expectancy is already over age 84. Consider, future generations of retirees are going to live to beyond age 90. During their 25 years or more of retirement, how is inflation going to impact their standard of living? If people are struggling to survive at age 65, what is it going to be like at age 75 and beyond with inflation eroding their incomes?

And, with people living longer and the advances in medicine, isn't there the increased need and expense of long term care?

Most of Middle America worked for one company during their entire lives and their company provided them with a solid pension income. Today, the average person will work for six or more companies and never have a vested company pension. Won't their retirement income depend solely on what they are able to save themselves during their working years?

> *"Since 1985, the number of DB plans (Defined Benefit Pension plans) insured by the U.S. Pension Benefit Guaranty Corporation (PBGC) has declined from 114,500 to less than 32,000, a 72 percent drop."*
> — George F. McClure, www.todaysengineer.org, March 2005

Most companies paid for a complete benefit package for each employee. Today, with the high costs of health care and other benefits most companies have been forced to reduce their employee benefits and their employees now have to share a major portion of the costs of health care.

Prior to the fifties, there was no such thing as credit cards. Our Grandparents and Great Grandparents had to save for everything they wanted. They were great savers. As late as 1975, as a nation, the US was among the best savers in the world, saving over 9% of our incomes annually. Today, credit card debt is out of control; keeping most people from forming the saving habit. Consequently, today we are some of the worst savers in the world saving only a little over 1% of our incomes.

> *"As recently as 1994, the savings rate was nearly 5 percent. Go back 25 years and double-digit savings rates were the norm. The annual rate for 2004 was 1.8 percent; the last time the annual rate was lower was 1934."*
> — Chris Isidore, CNN/Money senior writer, August 3, 2005

The Commerce Department reported that in 2005 the savings rate fell into negative territory at minus 0.5 percent, meaning Americans not only spent all of their after-tax income but also had to borrow money or plunder their savings. This is the first time the savings ratio has gone negative for an entire year since 1932 and 1933, when the US was struggling to cope with the Great Depression.

Changes in Social Security Income

Our Grandparents and Great Grandparents could count on social security as being a major part of their retirement income. Consider, our Grandparents and Great Grandparents received two Social Security retirement incomes, (husband and wife) based on one wage earner per family. So, if the wage earner received a Social Security Income of 25% of their working income and the spouse received 25%, then their

total Social Security Income was 50% of their previous working household income.

Today, both spouses are working and they get Social Security Income based only on their individual incomes. So, ultimately Social Security is only replacing 25% of their total household income. And, to make matters worse, now Social Security Retirement Income is subject to income taxes... which reduces their retirement household income even more! Plus, the retirement age for collecting full Social Security has been extended, further reducing the retirement income we can expect from Social Security. And, that doesn't even take into account all the problems Social Security faces as the Baby Boomers enter retirement!

> *"There are currently as many as 22 million U.S. families that lack a basic checking or savings account and who are often forced to cash checks through such services as check cashers, which charge high fees."*
> — *Many ways to boost U.S. personal savings, by Dar Haddix, UPI Deputy Business Editor 4/1/2005

We Must Change the Traditional Financial Advice

Is there any question that many things have dramatically changed in Middle America since our Grandparents and Great Grandparents generations? Most people probably won't have a Company Paid Pension Plan. Social Security, if it is there at all, probably won't play a major role in our retirement income. We'll likely to still have a mortgage payment, a car payment and credit card payments during our retirement years. And, we can expect to be retired for 25 years or longer, with inflation constantly nipping at our heels!

If we want to have a secure financial future, it's now totally up to us. And, unfortunately it's NOT going to happen following the traditional advice our Grandparents and Great Grandparents have given us. We need to start making 'ALL' of our money work for us, instead of us just working for our money, if we want to have a secure financial future.

We need to start by getting the message out to everyone, **PAY YOURSELF FIRST!** Saving as little as $20 a week now, can make a big difference at retirement time.

Example: If a person age 25, saves $20 a week, based on only a 5% return, they will have over $91,732 at retirement. Time and compounding of interest is what makes money grow. Retirement specialists recommend that people save at least 10% of their income, if they would like to have financial freedom during their retirement.

Now the question you may be asking: **"Where do I find the 10% of my income to save each week?"**

Let me assure you that money is there for savings, and we are going to help you find it. And, in most cases you can find all of it without dramatically changing your current life style.

Let's start off by asking a couple of questions… Did you spend $20 last week that you could have saved? How about the week before that? Is what you spent that money on last week and the week before that, more important than financial security for your family or your financial security during your retirement years?

How about if you could **'Find the Money'** so that you could be saving $100, $200 or more every week, without taking additional money out of your pockets and dramatically changing your life style? How much better off would you be?

> *"If you would be wealthy, think of saving as well as getting."*
> – Benjamin Franklin

Lew Nason, RFC®, RTIA, LUTCF

Lew Nason, RFC®, RTIA, LUTCF, with his sons Jeremy Nason, RFC, and Will Nason, are the creators of Found Money Management™, a complete 'Turnkey' marketing and sales success system dedicated to helping Middle Income Families to 'Live Debt Free and Truly Wealthy.'

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The Dirty Dozen!

12 Ways Sales Advisors Screw Up Sales Meetings – and How to Fix Them

Can you relate to this? You're looking across your desk into the face of a couple who would be perfect clients for you. You know what you can provide is perfect for them and you're 99% sure they will accept your proposal. Then something goes wrong. They walk, and you don't know why. Sound familiar?

We've all been there, some of us more often than others. Worse, many sales people will continue to face that situation, and not understand what continues to go wrong. The good news is, they serve as outstanding learning experiences. They also provide rare opportunities to examine and improve the way we connect with our prospects and clients.

Over the past eight years, we've analyzed this exact, specific point in the sales process. We now understand how professionals screw up sales meetings – and how to fix it. We believe that you can't fix something until you know it's broken, so let's begin with the 12 ways advisors screw up sales meetings and see how to fix them:

1. Focusing on yourself

You, your product, and your company are only valuable to the client to the extent you can solve his problem or give him what he wants. Some people think of this as "stakeholder value." The stakeholder is the client and he doesn't want to hear who you are, where you come from, what you value and what you do. All of that is completely irrelevant. They bring zero value to anyone but you, and they are not what the client wants to talk about. There really is one hard and fast rule: It's never about you – it's always about the client!

2. Talking too much

Nearly every sales professional falls into this trap. You'll be on a roll and realize that the client has stopped responding. Unfortunately, when you're talking, you're not doing the most important thing that is the critical to the sale – focusing on the client! The safe rule of thumb for the ratio of listening to talking is 80-20. If you're in a meeting and find yourself talking more than 20% of the time, just switch to a question and be quiet. In general, you might want to examine your selling process and look for ways to improve it. Remember, the key to selling (actually any situation involving influence or motivation) is to ask questions and help people come to the right conclusions on their own.

3. Not asking questions

Questions are the heart of an effective selling situation. They serve two purposes: 1) To involve the client and help him come to his own conclusions. Often, that's the conclusion you would have presented. The difference is, if the client comes up with it, he will believe it; but if you present it, the client doesn't necessarily believe it. 2) The other role of questions is to elicit information that will help you frame your product or service inside the client's values.

4. Asking the wrong questions

Some sales people ask way too many questions, or they ask irrelevant questions. The client must perceive the questions as valuable and relevant. The client must believe that your questions are important, and that his answers will enable you to create a better result for him.

5. Confusing the client

Our research indicates that the most common way for sales people to screw up client conversations is by confusing the client. Here's how this happens: you deliver too much information, use terms and references that aren't familiar to the client, or you do a "data dive." Remember this – a confused mind will always say NO. Confusion is uncomfortable and people don't say yes when they're uncomfortable. Further, most people go into an analytical mind set when they're talking with someone who is a professional in something they're unfamiliar with. The analytical mindset always says NO until it has gathered enough information to make an informed decision.

6. Excluding the real decision maker

When you see more than one person across the desk from you, it is your responsibility to connect with each one. At the very least you must identify the primary decision maker and address them. Never assume you know who the primary decision maker is. Too often in a situation with a husband and wife, the salesperson will assume that the husband is the primary decision maker. Big mistake. Give equal attention to each person.

7. Claiming credibility rather than demonstrating it

Saying you know x or have y credentials isn't relevant to the client, unless you are able to show how those things help the client. If the client hires you to fix his Lexus, your degree from Auto Shop Academy is only of minimal importance. The real test is if you actually have the ability to be effective on high performance import cars. The best thing you can do is provide proof.

How can you gain credibility before you get to demonstrate it? Simple – use the Law of Other Messengers. People believe what others say about you more than what you

9 Rules for Client Meetings
From the Client's Prespective

1. It's always about me (the client).
2. I need to be doing the majority of the talking (80-20).
3. Ask only questions that help me come to my own conclusions.
4. Respect my knowledge and input.
5. Speak my language.
6. Don't waste my time.
7. Don't press my buttons.
8. Provide evidence you're the person for the job.
9. Make it easy to do business.

say about yourself. For example, provide a book of endorsements, display photos of you with happy Lexus owners, and/or show certifications from Toyota.

8. Not speaking the "language"

We honor our clients by presenting information in a way that matches their mental preferences and personalities. If I am a visual person, it is your responsibility to recognize that and explain your product or service in visual language. If I prefer structure and a process, then it is your responsibility to provide the structure or step-by-step process. To be successful at this, it is vital for you to become proficient at reading your clients.

9. Making it difficult to work with you

Companies and individuals lose sales because the process of doing business is too difficult. If you ask me to fill out forms, provide scads of data or answer lots of questions, the value of the end result will be reduced proportionately by the hassle of my involvement. And, if you collect lots of information, you darn well better use it. Recognize that my time and energy are valuable to me. Anything you can do to make the process easy and painless increases your chances that I will initiate and complete the process. For example, life insurance firms often deliver applications that are already filled out. Simply sign here please.

10. Not recognizing "hot buttons"

Clients give you clues as to what excites them or angers them. Good salespeople recognize both the negative and the positive "hot buttons" and respond accordingly. For example, if you're paying attention to me, you will quickly see that one of my hot buttons is someone telling me they know what's best for me. If you do this before asking appropriate questions or getting to know me, I'll walk away and you'll have an adversary. The key to recognizing this is simply to pay attention and read the client.

11. Not showing respect

Once again, we go back to the hard and fast rule: It's never about you — it's always about the client! You may assume I don't know beans about cars or sound cards or financial planning, and that may well be true. But, if you act as though I'm an idiot, you'll lose me as a client and gain me as an adversary.

12. Being needy

We've all been needy at some point in our lives. We know what it feels like, and we've seen how other people retreat from us. We've done some fascinating research on the ability to read another person's emotional state. Neediness is a powerful emotional state that is easily and quickly perceived by other people. When they feel it, they get suspicious of your intentions. Needy people do not focus on the best interests of the client. They focus on themselves and satisfying their needs.

In Conclusion. You can't get to where you want to go until you know where you are. You can't fix a problem until you know what the problem is. What you've just read are the descriptions of the most common problems made in selling situations. The good news is, the solutions are simple, and when you implement them, you become a higher quality professional, attracting higher quality clients.

Your Reward. If you enjoy these quick tips, let me know and I'll send you our paper titled "20 Terrific Sales Tips." Just copy this paragraph from the *Register* and email it to me (michael@aboutpeople.com) with your contact information.

Michael Lovas

Michael Lovas is the author of twelve books, mainly on Professional Credibility and Psychological Communication in the financial industry. He currently writes several columns and has been published more than a thousand times since 1986. All of Michael's work teaches professionals how to use simple, effective psychology to write more business and inspire their clients to love them. Michael also holds the distinction of creating "Credibility Marketing" in 1991. He is also the cofounder and a principal of AboutPeople, a unique consultancy focused on helping advisors build credibility and relationships with their chosen target markets.

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Use Your Laser Focus To Say THANKS!

It's the Holiday Season and time to say 'Thanks!' to all of your existing clients and those prospective clients whom you've met with this year. Targeting those folks each month is important, but during the Holiday Season you could easily be setting up your January 2012 sales too. Really? Absolutely! Saying 'hello, thanks, and I'm ready to help you' are the principles behind all the best marketing and sales programs.

Targeting means getting the right message to the right audience at the right time, and then using the right approach in face-to-face selling situations. This should be your top goal that you create and then design it to fit your financial practice for next year.

Scattershot is the opposite of targeting. Sure, you'll manage to hit a few things firing at random, but you'll hit a lot more when you select your target carefully, aim and shoot with laser precision.

How can you deliver your message during the Holiday Season?

1. Send out a card to everyone that delivers a genuine message just from you. For example, I use Send-Out Cards which allows me to create my own card with pictures and a personal message. We've uploaded everyone's name and address every month and after the card is created, with one click, all the cards are mailed out! It doesn't get any easier than that.

2. Have a Holiday Open House celebration in your office. Not everyone will show up but ask your clients to bring their best friend too. Those 'best friends' could become prospects for 2012.

3. Have a pie and coffee afternoon reception at a local restaurant. Ask your clients to bring a can or two of food to support a local food bank. Hire a Santa Claus for the Event and have your clients get a picture taken with Santa. The older folks will love it!

Let's look at how to create a targeted marketing program to sell LTCI next year:

Now that the CLASS portion of the national healthcare law has been removed, there's an opportunity to rev up your LTCI sales next year! When it comes to LTCI, there are distinct groups of buyers based on age: those in their 40s; people in their 50s and early 60s; and then, seniors 65 and better in age. These groups require very different and distinct sales approaches. And while the 65 or better crowd are your hottest prospects, remember that 33 percent of LTCI buyers are under 65, according to the American Council of Life Insurance.

Selling to 40-Somethings

Younger buyers are a tougher sale because they don't perceive urgency, so agents need special tactics to create the need and present the products that appeal to them.

Let's say your new client is a 42-year-old building contractor who is finally making a lot of money after years of hard work. His wife is 40 and they have two young kids. You might think this is an impossible sale. They're concerned about taxes, saving for retirement and what promises to be a pretty outrageous college tuition bill 10 or 15 years from now. The nursing home isn't even on their radar screen.

Or is it? When I asked about their parents, the told me that their folks are in failing health and will need support with assisted living or a nursing home.

This brings up a general principle: **when you're selling to 40-somethings, ask about their parents and their parents' health.** This will bring home the reality of long term care and not being a burden to their kids many years from now.

One more fact could clinch the sale: LTC premiums are 100 percent deductible as a business expense. And, unlike some benefits, LTCI doesn't have to be offered to all employees. It can be provided to just the owner or key executives.

Finally, even though the odds are low that a 40-something individual will need care, it can and does happen. A car crash or other accident can change one's life in a split second. Here's an amazing statistic: *40 percent of Americans receiving long term care are working adults 18 to 64 years old, according to the consulting firm Conning & Company.*

Selling LTCI to people in their 40s isn't easy, but it can be done if an agent looks at the situation from the client's vantage point.

Selling to the 50 to 65 Group

People in this age group can and will buy LTCI when given the facts. Because older working people don't see the need as clearly as retirees, they will need a lot of education and guidance.

People in their 50s and early 60s are more receptive than a 40-year-old because they probably know people who've been disabled or affected by degenerative diseases like Parkinson's disease, multiple sclerosis or early Alzheimer's. Minor problems like bad backs and aching knees are more common, and they can begin to visualize a time when their own health might

decline. Furthermore, people in this age group often have elderly parents and relatives who are in failing health. They may be caring for them already. That makes the issue very real.

With people in this age group, you should stress the need to protect the assets they've accumulated over many years of hard work. LTCI will also protect the money they may have inherited (or expect to inherit) from their parent or other relatives. LTCI is as much an integral part of estate planning as life insurance and a will.

Reaching the 65-Plus Group

Once people become eligible for Medicare, they can more readily visualize the need for LTCI — once you break their pattern of denial. Many are confused about their Medicare benefits and think that Medicare will provide them with a parachute. But once they realize that Medicare provides only up to 100 days of skilled nursing care but only after a 3-day hospitalization, **they realize that their health-care parachute has a big hole in it.**

The 65-plus crowd calls for the classic LTCI sales approach. After warming up the prospects with friendly small talk — don't rush this crucial step because this shows you're a caring, friendly person who is interested in more than the almighty buck — you can start talking about their retirement planning.

Remember, if you don't create need, you'll never get an application. This sale is not completely based on logic; it's based on creating an anticipated need for long term care insurance. You must be able to get your prospects to envision a time when their health will change. Most people, especially men, like to think they'll live forever or die peacefully in their sleep. You have to overcome their denial of what could happen.

During the interview, be sure to uncover and answer their objections as you go along. Yes, objections can be your ally! But you must know what their objections are as soon as possible and know how to overcome them. When you take care of any objections early, you'll find that closing is easy and natural.

One more Thought…

Start thinking like your client prospect and you'll sell a lot more!

Wilma G. Anderson, RFC®

Wilma G. Anderson, RFC® the LTC Coach, is America's leading LTCI sales trainer and a practicing producer who has personally sold over 7,000 long-term-care policies. She offers personalized coaching sessions, workshops, and routinely gives speeches about long term care, critical illness, the VA Aid & Attendance pension, and how to survive retirement pitfalls. Let Wilma show you how to sell more LTCI, critical illness insurance, annuities, and investments to the senior market with less effort!

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Ric Edelman

Serve the Best Interests of Your Clients

How did you first enter financial services?

I was a writer in the financial trade press during the tax shelter era of the 1980s. People I'd interview — brokers, promoters and the like — constantly touted the amount of money they were raising for their deals, but no one ever talked about how their investors were faring. That's because the investments were terrible, and clients were losing their money. But the brokers and promoters were getting rich. I mentioned to my wife one night, "If these guys can make that kind of money selling investments that hurt people, imagine how much money you might earn by actually helping people." That was the impetus; I soon entered the advisory field and Jean joined a large brokerage firm's back office. Our plan was for her to learn the operational side of the business while I dealt with clients and the advisory side. Our goal was to eventually start our own firm, which we did about 18 months later, in 1988.

What was your educational background?

My BA is in Communications from Rowan University. They awarded me an honorary doctorate in 1999. Back in the '80s, financial planning was largely self-taught. I've obtained six professional designations, serve on the FINRA Board of Arbitrators and am a certified continuing education instructor. I eventually taught personal finance at Georgetown University for nine years.

Were you successful at first?

Yes. Jean and I entered this field to help people. Back in the 1980s, the only people offering financial advice were the stockbrokers and insurance agents who were trying to sell you stuff. So we began our practice as financial educators. Our first seminars were given to elementary school PTA groups, and we quickly built a reputation as educators, not people trying to sell investments and insurance products. Word spread, and I was eventually invited to appear on a local radio show. The rest, as they say, is history.

What or who influenced you the most?

My father. He was an outstanding entrepreneur. I guess some of his business acumen and street smarts rubbed off on me.

What were your major obstacles?

Initially, my youth. I was only 28 years old when I started as a financial advisor. The people I was trying to advise were old enough to by my parents (and often grandparents), so convincing

them to trust a young kid who had no experience or credentials, and no big-name firm behind him, was a challenge. I knew I'd outgrow that problem, and looked forward to growing some gray hair. I was probably the only person in America who was thrilled to finally turn 30.

Tell us about your current practice or professional service:

Financial education continues to be the foundation of our firm, and word has spread about our dedication to serving each client's best interests. Today, we have 73 advisors in 30 offices from coast to coast, serving more than 15,000 clients. We manage about $7 billion in client assets. Barron's has twice named me the #1 Independent Financial Advisor in the country. We've won 80 other awards over the years.

How do you market now to acquire new clients?

We never engage in marketing. We focus on delivering financial education, and we use every medium to do it, including weekly radio and television shows, best-selling books, an award-winning monthly newsletter, website, seminars and more. By giving away our knowledge, expertise and advice to millions of people, every so often one of them contacts us for help. We're happy to serve them, and we've never turned anyone away, regardless of how little money they might have. We consider it an obligation (and an honor) to serve the community.

What are your major frustrations?

America's lack of financial literacy. Too many people know too little about personal finance.

Tell us about your business continuation plan?

Sanders Morris Harris acquired a 76% stake in my firm in 2005. In 2011, SMH was renamed The Edelman Financial Group (NASDAQ: EF) and I became co-CEO. We have an outstanding management team, and we have an entire team of financial educators who are active with writing, radio, television, and seminars. The firm is not dependent on me, and that's an important safeguard for our shareholders, employees and clients.

What feature or benefit of the IARFC has been of greatest value?

The magazine's profiles of other advisors is always helpful.

What should financial advisors be doing in this economy?

Providing reassurance to their clients, and helping them to stay focused on their long-term goals, not the daily gyrations of the market or the political theater in Washington.

What will be the impact of technology on financial advisors?

Huge. I've stressed to my employees and advisors for years that we are not in the financial business; we are in the technology business. Without technology, we can't deliver the services to our clients that they need, want and expect. Advisors who fail to embrace technology will be out of business.

What do you advise an RFC to concentrate on?

Concentrate on serving the best interests of your clients. The rest will happen.

What's looming on the horizon for our profession?

More regulation, more competition, demands for greater services from clients, lower margins — and more opportunity. Our profession's best days lie ahead, and I've never been more excited.

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Advisor Web Meetings for More Clients and Better Client Relationships

Most advisors have seen others in their office or firm use web meetings for great impact, but are unsure exactly how to integrate them into their own communications mix.

Whether you want to finally sit down with an elusive prospect, get two busy clients in the same place at the same time, or meet with a distant prospect or client, web meetings can be an important part of your weekly routine.

Web meetings help advisors better communicate your message and demonstrate your value, while saving time and money in the process. And, while surveys show the vast majority of advisors still prefer face-to-face meetings, many of your prospects and clients would prefer to communicate with you through web meetings for some or all meetings.

Last month we focused on a broad overview of web conferencing for advisors. This month we will focus on web meetings and how you might use them for best advantage.

The Basics of Web Sales and Client Meetings

Web meeting is a catch-all term used to describe an individual or small-group meeting that uses web conferencing technologies. These meetings allow all participants to view documents, share applications like financial planning or wealth management software, or see web pages in a meeting format that can be very interactive.

Examples of collaborative web meetings for advisors include a prospect sales meeting, project team meetings, client update review, or a meeting with a current or potential COI. These meetings usually include 2 to 6 participants and will be approximately 30 to 60 minutes in length.

These one-to-one or small group meetings can use an audio bridge, audio integrated with the web technology, or even a normal phone call. The agenda of a web meeting will often include a combination of informal conversation, a short slide presentation, and a demonstration of numbers with an application or spreadsheet.

Key benefits of web meetings for financial advisors include:

1. Bringing together busy people or hard-to-reach decision makers in a "meeting room" at the same time, without travel or wasting time.

2. Enhancing a normal audio call with visuals such as a presentation.

3 Simulating remotely much of what you could do in a face-to-face meeting room.

4. Showing visuals of numbers or complex financial concepts to non-financial people so they understand what you are trying to explain verbally. (For most people, the majority of learning happens visually.)

5. Running custom calculations, projections, and scenarios right alongside the prospect or client.

6. Experiencing fewer rescheduled or cancelled meetings.

7. Increasing the number of prospecting and client education meetings for more commissions and fees.

For example, a veteran independent advisor in Southern California was trying to get sales meetings with business owners and dentists in his region. It was tough sledding just to get a 30-minute in-person meeting. And counting travel and traffic, each prospecting call would take a half day from his schedule. Out of frustration, he started proposing an introductory web meeting. The result? He increased his number of first meetings by 33%, saved over 3 hours of his own time for each meeting, and experienced the exact same conversion off the initial call. And the feedback from the prospects is that they actually enjoyed the process.

Understanding Web Meeting Technologies and Technology Options

The number of different web conferencing technologies and providers has increased considerably over the last five years. That growth in service offerings is expected to continue, which is evidence of industry analyst projections for continued year-over-year increases in the number of web conferencing users.

The majority of users in financial services today select a provider-based "hosted" option, where the web conferencing software is hosted on the provider's server and accessed by the user with a secure login and password. These services are frequently offered at a monthly or annual flat rate for an unlimited number of web meetings. Some services can be billed on a pay-per-use billing model which is billed at a set rate per minute, multiplied by the number of participants (including the host). A good Conferencing Service Provider (CSP) will offer multiple web conferencing services with different features and price ranges and will help you select which one is the best fit for your needs.

Web conferencing service can also be obtained directly from a web technology vendor which will offer only their particular products; however, they may offer multiple pricing plans and feature options. When

purchasing from either a CSP or from a web technology vendor, you should ask about available training options and the availability of live technical support and troubleshooting. You may find reaching a salesperson is considerably easier than obtaining live technical assistance. A good provider/vendor will offer easily accessible 24X7 live support and won't charge you for training or technical support.

Depending on the web conferencing service selected, you can also determine what voice or audio option will be used by participants during the web meeting. Once again, there are a range of options to consider. Frequently, a toll-free number and/or a toll-number are included with your service for you to share with all your meeting participants. Some providers will also offer voice-over-IP (VoIP), which enables your participants to communicate through their PC or MAC over the internet. Be sure to check on the pricing and billing terms for the audio options you are considering as they can vary considerably between providers.

Five Strategies for Advisors to Begin to Tap The Power of Web Sales Meetings

Here are 5 strategies advisors can leverage to begin to take advantage of the potential power of web meetings to save time, get closer to current clients, and add new clients and assets under management.

1 **Begin with "Low Hanging Fruit"** — Consider starting with an area where there is only upside, such as doing a web sales meeting with a prospect in another state. Or, if a couple or multiple decision makers never seem to be available in the same place at the same time, suggest a web meeting. That offer will eliminate any excuses about availability so that you can move the process forward to closing the sale or advancing the relationship.

2. **Select the Right Technologies** – When it comes to selecting technologies, consider a good Conferencing Service Provider who will be able to offer a range of web meeting service options and help you select the right solution. Skimping on a technology to try to save a few dollars is not recommended as they can have limited features, provide little to no company support, or lack compatibility with your prospect or client's computers.

3. **Use Familiar Content** – Your initial web meetings will work best if you are doing a prospect or client meeting that you have done hundreds of times before in person or just with the phone. Once you are comfortable with the web technology, then you can move to new agendas or advanced interactions.

4. **Pilot Your First Meetings with Support** – Consider running initial meetings with an assistant to run the technology piece so you can focus on the content and the client or prospect. If you pick the web meeting technology correctly, with a few meetings practice you can probably do the meeting entirely on your own.

5. **Don't Forget Questions and Interactions** – Especially if you are new to web meetings, remember the human element. High-tech, high-touch strategies can include questions upfront to direct your presentation, checkpoints and pauses frequently during the meeting to allow prospects or clients to jump-in with questions, or information elicited from clients for custom examples or financial simulations.

The bottom line is that prospects, clients, and advisors can all benefit from web meetings, so find your own way of leveraging them in your practice and start experiencing their benefits.

Bob Hanson

Bob Hanson's QLM and ConferencePlus offer IARFC members a full suite of web conferencing services for advisors including web and audio technology, marketing, content and planning, and event and success support.

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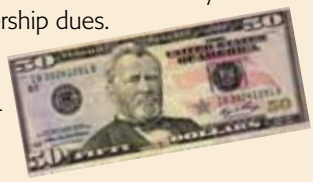

Please nominate one or two financial professionals who may be interested in the honor and benefit of acquiring the RFC® or RFA® designation. By providing prospective member names, you are granting your permission to mention your name as our source, and you will be eligible for the reward.

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How To Overcome Any Obstacle

You've got the vision. You're thinking big. You've set specific, measurable goals.

You're taking action and yet, you're still not seeing the results you would like. What do you do?

Take out your business plan. You know, the one you're creating right now with all good intentions of setting the world on fire in 2012? Good. Now, write down all the obstacles you encountered along the way to achieving this year's goals.

Now, take your goal and double it. Yes, double your goal. I know what you're thinking, "I didn't even come close to achieving my goal for this year, and you want me to double it?

Isn't that de-motivating?" This one always takes people by surprise, and is often a stretch.

It even ruffles a few feathers, but that's exactly what needs to happen.

Be A Contrarian

From my days of running a nationwide financial planning and investment business, I learned how to become a true Contrarian, and it turns out to be a very successful strategy.

To quote Sir John Templeton, one of the greatest global money managers of all time, "To buy when others are despondently selling, and to sell when others are greedily buying, takes the most emotional fortitude, but pays the greatest financial rewards."

People get so engrossed in their emotional fear and greed, they end up making all kinds of excuses to justify why they're doing it backwards. Because no one can predict the future, Wall Street and the media are famous for making up reasons afterwards, why something went up or down in price. Or as I like to say, "Ours is not to reason why, just buy low and then sell high."

We can transfer this concept of being a Contrarian to the process of accomplishing goals and human behavior in general. What do most people do when they get stuck? They either keep knocking their head against the same wall, compromise their goals, or give up altogether. But all those options violate the first rule of goal setting, which is to think big. It doesn't say think big unless things get difficult or even frustrating, and then it's OK to think small and shrink from your dreams.

This backwards way of thinking has led to an entire genre of goal setting that says you should set "reasonable" or "attainable" goals. Those people are saying, "Let's not even try for anything too big or difficult, because we don't want any chance of failing. We want guarantees!" I don't even really call that goal setting. In every case I have seen, where advisors have the courage to overcome obstacles by thinking outrageously big, they far surpass their original goal.

We All Have Selective Perception

The mechanics of how this works is fascinating. When you bump up against an obstacle, the universe is telling you something, and many times what it's trying to tell you is, "Think Bigger!" It does you no good to play small and settle for something less than what you truly want. Even if you get it, you still won't be happy. You are destined for greatness, but you have to step up to the plate, and not let fear get in your way.

The Universal Principle at work here is what you put your attention on grows stronger in your life. It's impossible for us to take in the billions of pieces of information that we're bombarded with everyday. So we carve out our own little piece of reality. We all have selective perception.

Dogs hear high pitched sounds we can't. Bats see things through sonar that humans can't, etc.

It all comes down to the power of our attention within the limits of our capability.

For example, if you go out to buy a new car, and let's say you purchase a Toyota Camry, because you really like the car and the blue color you picked out. And to top it all off, you got a bargain, because it was on sale. Now, for the next few weeks, what do you notice on the highway? A lot of Toyota Camrys…especially the blue ones! And here's the interesting part. They were always right there on the road, driving along side you. And they were always on sale! You just didn't notice because you had no reason to. It wasn't part of your world. Perception is everything. It's a state of mind.

If you don't smoke, you're probably not looking for an ashtray. It's not part of your awareness, not part of your consciousness. Just like the radio waves that bombard the room you're in right now. There are a multitude of stations playing, but you can only hear the one you're tuned into. And your radio must be working properly, too!

Thinking Big

So when we come up against obstacles, very often we cannot see the solutions because we aren't looking in the right places. We aren't searching high enough. Our attention is stuck on lower levels of perceiving, interpreting and thinking. Einstein said, *"You cannot solve a problem on the same level of consciousness that created it. You must rise above it to the next level."*

Opening up your mind to seemingly "impossible" goals allows the filters of your perception to broaden, pick up on ideas, meet the people, go places and do things you would not otherwise have done, leading to success beyond your wildest dreams. But to succeed beyond your wildest expectations, you've got to start with some pretty wild expectations.

Einstein also said, *"Imagination is the preview to life's coming attractions."* He claimed his success was due not so much because he was smarter than anyone else, but because he spent more time solving problems and used his imagination. This is how you develop wild expectations. Most Advisors are taught to be problem solvers, but not to use their imagination.

Creativity is a key element of success, even in Financial Advising.

Which Way Are You Facing?

To paraphrase Oliver Wendell Holmes, it's not so much where we stand, but what direction we are moving in that counts. The only prudent way to start down the road to success is to move your feet one step at a time. Once you take action, you'll find the entire universe moving with synchronicity to support those intentions which are life supporting and right for you at that time. Pretty soon, you'll find yourself running just to keep up. Then the question will become, "How much success can you stand?"

Change your attitude and you change your life. In order to change your habits you must first change your thinking. You must have a shift in consciousness. If you try to change your behavior without changing your thoughts, it will just be a strain. Rather than just thinking outside the box, successful Advisors get rid of the box altogether.

Your income can only grow to the extent that you do. Invest in yourself, expand yourself, expand your awareness, your creativity, and your mind as well as your heart. Figure out what you need to change about yourself in order to allow your business to grow, attract the right kind of clients, and even have some fun along the way. Success is a state of mind.

Max Bolka

Max Bolka is a 28-year veteran of the financial services industry. Today he "Builds First-Class Financial Advisors & Enlightened Entrepreneurs" through his professional speaking, writing and practice management coaching program. To sign up for his free monthly practice management e-tips, or find out more about his services visit his website listed below.

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Presenting Archive Cases – Documents & Tax Records

During the initial presentation of your financial planning services to a prospective new client you want to:

- Engage New Clients Quickly
- Gather Information More Effectively
- Increase High Quality Referrals

1. **Distinguish Yourself From Other Advisors.** At first all prospects are naturally wondering, "What is unique about you?" They are looking for re-assurance that you offer services not available from your competitors.

2. **Demonstrate Value.** Archive Cases for Documents and Tax Records (for both individual clients and business owners) will demonstrate thoughtfulness and serious intent. You are obviously trying to help them get and stay organized on a long term basis. Your goal is to swiftly indicate you are a professional who delivers value.

3. **Accelerate Data Collection.** Clients have indicated one issue that makes them reluctant to engage a financial consultant: they know they'll be asked to gather and furnish various documents and records needed to prepare a professional report. They know this will be a painful process. It is one reason for them to procrastinate. The Archive Cases reduce this resistance.

4. **Substantiate Your Professionalism.** Each step in your initial presentation is a building block that creates confidence in the mind of your prospective client – your pre-meeting preparation, your meeting file folders, your graphic presentation, your written plan and, of course, your demonstration of Archive Cases.

Changing the Attitude of Your Prospect

This is a gradual development within the interview, and at some point you will realize the prospect has crossed over from being a person with skepticism and interest, to someone with a positive intent and stronger interest and desire.

5. **Convert the Intangible into a Tangible.** Everyone finds it easier to pay a fee when they can physically handle portions of the process. This is why it is so important to have a client file folder, already prepared to contain all the documents and forms you will be presenting. The prospect will also be able to handle (but not keep) the sample financial plan.

6. **Test the Waters.** When you present prospective clients with the Archive Cases, they will have an opportunity to briefly handle them, and examine the titles of the folders. It is extremely unlikely that your prospects are this well organized. They will instantly want to be better organized. When they have finished glancing at the section labels they must do something with the Archive Case.

   a. They can hand it (or them) back to you. This indicates that they may not have resolved to proceed with the planning. They could have some reservation or some question that is still unanswered. You have some more probing to do. Maybe you'll need to ask more questions to get at the reasons for their indecision. The issue is not, "Do they like the Archive Case?" It is something else. You need to discover it, and overcome their objection or reservation, before attempting to close the engagement.

   b. They set the Archive Case down next to them. This indicates they are very favorably inclined to engage your services. It is a "buying sign" of valuable proportions. In fact, it is very unlikely that any prospect will set an Archive Case next to themselves and then later decide not to engage your services.

Think of this as if you were shopping in a grocery store and received two filets from the butcher – all cut and wrapped just for you. Yes, you could take it back before checkout and not buy it, but it is very unlikely you will do so, after placing it into your "possession" in the shopping cart.

High net worth clients and corporate executives really appreciated these organizational tools, and the thoughtfulness in furnishing them. We also recognized that many clients do not need 25 separate sections for their personal Tax Return Records – a smaller number (15) would help draw the distinction between the Document Archive for continuous use and the Tax Archive which might be used annually.

Archive Materials. This is a metal bordered hard fiber case with locking latches. The manufacturer is Vaultz, and they have the appearance of strong protection. Inside we use hanging files. The file labels can be printed with an attractive type font.

Section Titles. If most of your clients prove to have very complex tax matters you might decide to create a set of 25 tax sections and use the larger Archive case for both versions. We felt that there was some perceived value to have different sizes, and that 25 tax sections was a bit of "over kill."

Delivering the Archive System

During the Introduction Presentation (to an individual prospect or to a business owner) you will have two opportunities to introduce the Records Archive case(s). The first opportunity is early in the presentation when you are *reviewing* the planning process. The second is during the data information gathering portion.

Personal Planning Introduction to the Archive System

You might say the following:

It has been our experience that many persons are frustrated with all of the records and papers they must retain. In fact, they often lose important papers or contracts, especially when moving. This can be very time consuming. It can also be expensive.

Some persons have lost legal papers – and had to pay an attorney to draw new documents or get a court to re-issue a certificate.

Many persons have paid too much in taxes, because they could not file returns with confidence. They had forgotten about payments or lost the required evidence.

We furnish our clients with an **Archive System***, for preventing this from ever happening to them.*

*Open the larger Archive box and display the folders.

This is our ***Document Archive.*** *You'll notice that these are "hanging" file folders. As you gather all of the information for us to prepare your personal financial plan, just place items into the appropriate file folders.*

*Hand the Document Archive case to the client.

Wouldn't you agree that this is a very effective way to gather and retain all those important items?

*Wait for their comment or answer.

This will be your ***Tax Archive.*** *During the year you will place into the most appropriate folder all of the records, receipts, checks and statements that are part of the Tax System. This way you won't miss any deductions – and will not be over-paying your taxes.*

Our clients all tell us that having their records all in one place helps get their tax returns prepared – but more importantly, it gives them a great feeling of confidence. If they get audited by the IRS – which can happen to anyone – they are ready!

*Hand the box to the prospect.

Wouldn't you feel more comfortable having a system like this to use?

*Hand the Documents [and Tax] Archive cases to your prospect.

Watch What the Client Does Next!
If they make positive statements, or nod their heads, you are moving ahead. If they set the Archive case(s) down on their side of the table, they are indicating a favorable "buying sign." However, if they hand the Archive case(s) back to you, then you know they still have some reservations or questions.

Should You Present Two Archives to Individuals? This is a matter of choice and cost. Obviously it will cost you a bit more to give clients two cases, one for documents and another for tax records, rather than just one. However, if you are charging an adequate planning fee, and you are working with affluent clients, the cost is not an issue.

Personalizing the Archives. You can do this easily with special Avery self-adhesive labels, and we provide a pre-formatted template. The biggest name on the Archive label should be that of the Prospect or Client. Since labels are easily removed, you create quite an impact by offering Archive cases to your prospect with their name already affixed.

If they don't become clients, you can replace the name labels. Can you really imagine them handing them back?

Let's Summarize! By using the Archive Cases you will be dramatically enhancing the perceived value of your services when making your first presentation to a prospective client. You will be immediately offering a tangible benefit to new clients – one that they can immediately appreciate. You will facilitate and accelerate the delivery of the financial information that you need to prepare the initial financial plan. You will be distinguishing you and your firm from your local competitors, who do not deliver such a professional and tangible benefit.

When your prospect is a business owner, there will be a reference and photo of a Documents Archive Case in the presentation you acquired as part of the Business Owner Consultanting Workshop.

Ed Morrow, CLU, ChFC, CFP®, RFC®

Ed Morrow is the chairman and chief executive of the IARFC and has been a practicing financial advisor for forty years. His advice and systems are used by thousands of financial advisors in the U.S. and across the world. As the CEO of the IARFC he is one of the developers of the Financial Planning Process course materials and a frequent instructor, both nationally and in many countries.

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IARFC CLIENT ARCHIVE SYSTEM

Client Archive System. This system is designed to be given to your clients at the time of engagement and will enable them to maintain a level of organization that is unsurpassed in our industry. You, as the financial professional, will ensure that they are able to accurately maintain their financial records for both their personal finances and their tax-related issues. In this special offer from the IARFC you will receive a full set of cases ready for immediate use. You will soon be able to provide your clients a new value-added benefit that will enhance your already lofty status as their trusted advisor.

The IARFC **Client Archive System** includes two archival storage cases, hanging file folders, pre-printed section labels, blank labels, customizable client labels, a set of client supplies, instructions for use, and a CD-ROM with templates for producing additional labels.

Item #AS100
Client Archive System

2 Archive Cases — Documents and Tax Records
40 Hanging Folders (25 & 15)
40 Pre-printed Tabs (25 & 15)
1 CD-ROM — pre-formatted labels and full instructions to secure new client engagements.

Item #AS100
Client Archive System

IARFC Client Archive System

	Price	Quantity	Total
❑ Item #AS100, 2 Archive Cases — Documents and Tax Records	$175.00	_____	$_____

Plus Shipping & Handling
U.S. Shipping Only **$20.00**

Total Cost **$**_____

Ohio Residents: Sales Tax 6.5% must be added

Name _____ (Please print)

Firm _____

Address _____ (Please no P.O. Boxes)

City_____ State_____ Zip _____

Card No._____ Expiration_____

Phone_____ Fax_____ E-mail _____

Your Signature_____ Date _____

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Economic Perspective from Hudspeth Road

As the year 2011 draws to a close, all investors contemplate the prospects for the coming year. Markets have been hijacked by central bankers. Economies have been perverted by gooberments and their interventionist regimes. Real economic data has been compromised by mendacious gooberment propagandists. Corporate data has become nothing more than a derivative of the derivative valuations that get counted as modern day earnings. But what is the real story? What is the truth? If we are going to invest money, we should at least have some contact with reality. Where can we find that reality? Reality is where we should gain economic perspective.

Actually, we could gain a lot of perspective with a trip down Hudspeth Road.

As Yogi Berra once said, "You can observe a lot just by watching." Let's take that trip down Hudspeth Road and see how the economy looks from there.

Since most readers have never heard of Hudspeth Road, allow me to elaborate.

We must start with NASCAR racing. National Association for Stock Car Automobile Racing (NASCAR) began in the Carolinas with the transportation of illegal moonshine whiskey. The people that transported the moonshine had to have fast cars to outrun the law. They spent their time learning how to 'soup-up' ordinary cars, or stock cars bought from car dealers, to make them faster.

The natural progression of things led to racing those cars. Race tracks were developed throughout the Carolinas and Sunday races were held in Rockingham, North Wilkesboro, Darlington (SC), and of course Charlotte. In close proximity, race tracks developed in Bristol (TN), South Boston (VA), and of course Daytona (FL) and Talladega (AL).

For those of us born and raised in the Carolinas, we were engrained with NASCAR racing. When I was young, every Sunday afternoon we could find our adult male

relatives huddled around somebody's car. The doors would be open. The windows rolled down. The car radio would be on and the volume turned up a tad. The race of the week had all the listeners' attention. The culture of racing is simply in our blood.

As Southerners, the attitude passed down from the moonshine runners makes up part of our resolve. Many of us drive our passenger cars as if we were racing. At night, it is not uncommon to come upon a curve in the road and then reach for the headlights to turn them off for a moment. If we can't see headlights coming in the opposite direction, we know there won't be oncoming traffic. We can cut the headlights back on, take an outside-to-inside approach to the curve, and thus carry much more speed. This is known as 'straightening out the curve'. The sport is in our blood. The sport reflects our life and culture.

Blood must flow through a heart. When it comes to NASCAR racing, that heart is the Charlotte Motor Speedway. This speedway hosts the most important race in the world on Memorial Day every year. Yes, some may argue with that last statement but one of the all-time great NASCAR drivers was Richard Petty. Nicknamed 'The King', Petty still refers to the race in Charlotte as it was originally named – The World 600. Yes, there is some artificial sponsor appointed name linked to the race now but none of us will ever argue with The King. The World 600 is the epicenter of all racing. The Charlotte Motor Speedway is the heart of all racing.

Now, if the reader is unfamiliar with NASCAR fans, allow me to expand my point. The NASCAR fan is unlike any other sport fan in the world. NASCAR racing is not only in the blood of its fans, but it is also a pillar of life to its fans. Taking a step back in time, the organization of the sport reflected its roots. Originally the racing circuit was known as the 'Winston Cup Series'. Born in the Carolinas, tobacco was a dominant crop and

tobacco companies were some of the original sponsors. Winston-Salem, North Carolina was the center of tobacco production and no doubt cigarettes and sooped up stock cars went together like politics and liars. Unfortunately, even racing bowed to the political correctness of society and the sport of stock car racing had to drop its alliance with tobacco companies. The Winston Cup Series became the NASCAR series. Something dramatically changed in NASCAR.

Old school drivers were mechanics and gear heads that knew every nut and piston head in a car. They smoked cigarettes and drank cheap beer. Dale Earnhardt was a driver who grew up not far from Charlotte and worked in his father's garage as a youngster. His father raced local races and young Dale worked as one of his mechanics. All he knew was cars and racing. He became an absolute icon as a driver and remains so after his tragic death at Daytona crashing on the final lap of a race that his son, Dale Jr. won. If you want to know what it is to be a NASCAR fan, talk to a Dale Earnhardt fan. The race team that he founded sits just off a rural road not far from Charlotte in a compound of several buildings. I have passed by the Earnhardt headquarters thousands of times as my mother-in-law lives nearby. Often times, there will be cars stopped along the road, some people taking photographs of the shop, others simply weeping still hurt by the passing of their hero. What I find so absolutely extraordinary is this was the most popular and most revered driver in all of racing. Yet, there is not a single sign on this rural road nor anywhere on the outside of the building identifying this compound as Dale Earnhardt Enterprises. How do people find this place? NASCAR fans are the most devoted fans of any sport on the planet.

There are actually two races during the season at the Charlotte Motor Speedway. The World 600 in late May, and another race in October. The track seats some 100,000. Many, many more than that show up. And, they don't just arrive on Sunday for the race. They come a week ahead of time. They camp out; some fans arrive in RVs, some bring camping trailers, some just bring a tent and a sleeping bag. The week of the race is a spectacle as camp sites fill up with race fans. They camp in the grassy fields adjoining the race track. A few years back, the weather was horrible and rain was constant in the weeks leading up to the big race. It didn't matter. Fans camped in the rain and mud. Those who can't get a ticket for the race simply huddle at their camp site and listen on their radios or televisions. Die hard doesn't even begin to describe a NASCAR fan.

Hearts of course have chambers that restore oxygen to the blood. If the Charlotte Motor Speedway is the heart of NASCAR, and to a large degree the heart of real people, then Hudspeth Road is the left ventricle. Only a few miles long, Hudspeth Road runs adjacent to the speedway and then intersects with the main road along which the speedway sits. The properties along Hudspeth Road vary from commercial to residential. On race weeks, nearly all the land along Hudspeth Road becomes the campgrounds to the fans. Real NASCAR fans don't stay in hotels! If we want to know what is really happening in our economy, maybe we should get a perspective from Hudspeth Road.

In years past, locals knew not to travel this road on race week. If they did, they would pass a store selling hard liquor. They would pass the offices of a race team or two. They would pass a residence or two. They would pass a race shop, a garage or two with race team trailers parked outside, and a few more residences. They would come to sharp curve with a spattering of old residential trailers just off the road. (I'm not talking about a mobile home. I'm talking about a trailer. People who live hard know the difference.) They would see the Confederate Battle Flag proudly flying. They would see the American flag flying as well. A few more old houses. A few more race shops. Everything is connected to racing. Everything is connected to real life. This is the blue collar world. This is the world where people work hard just to get by in life. In years past, this area would be a beehive of activity on race week.

This year, I went to lunch on the Thursday before the big race in October. I was confident that traffic would not be a problem as it was in years past. I know the truth. I turned down Hudspeth Road. There was only one car at the liquor store. The first race team office only had a few cars out front. On the other side of the road, a 'For Sale' sign stood in the front yard of a residence. Signs were everywhere offering camping sites. There seemed to be very few customers. The garages were empty. Several of the commercial buildings were empty. Several sported 'For Sale' signs and 'For Lease' signs. Clearly something was different this year. I know that race fans would crawl over barbed wire to see a race. But this year, it is clear that something has fundamentally changed in America. The heart is not pumping as strongly as it once did. The blood is not flowing as it once did. The poor have become poorer. The rich have become richer. The people in the middle have largely gravitated to the poor end of the scale. From zillow.com, I found one of the residences up for sale on Hudspeth Road. It originally listed for $189,000 in 2009. A few months later it was taken off the market. It is back on the market now for $129,000.

My son attended the race with four of his friends. As they approached the speedway, they met a guy who was giving away tickets. This is an event that has always been a sellout. Now, the sponsors are giving away $50 dollar tickets to try and fill the speedway. I noticed the voluminous empty seats as I watched the race on television. Where have all the fans gone. What has happened to America? What has happened to our jobs and our economy?

As I approached the sharp curve on Hudspeth Road, for the first time ever I noticed that the Confederate Battle Flag that had so defiantly flown beside the cluster of trailers was no longer flying. Neither was the American flag. Hudspeth Road doesn't tell lies. Good luck in the coming year!

Barry M. Ferguson, RFC®

Barry M. Ferguson, RFC® is the President and founder of BMF Investments, Inc. an independent SEC registered Investment Advisory fee-based money management firm located in Charlotte, North Carolina. Barry has more than a decade's worth of experience in the financial services industry. He has a diverse background ranging from financial software consultant to registered representative of investment products to President of an Investment Advisory firm. His strong technology background has been beneficial in today's 'information age' market.

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College Planning: The New Era on the Horizon

There is one commonly overlooked piece of retirement planning; college planning. Most families and advisors haven't even considered discussing college planning, because the majority of our mindsets tend to be focused on the accumulations of savings for retirement assets put into 401ks & IRAs. Add to this, the currently challenging economy and instability of the marketplace and it's easy to see why most are focused only on having enough in the retirement nest egg. Thus, college planning is often overlooked.

When setting the course for a complete financial plan it is important to consider why Americans save money in the first place. Often when it comes to that question you can get a large variety of answers but there is one common thread. Most people save and plan because the goal is something near and dear to their heart. This is exactly where college planning fits in and unfortunately most American families are inadequately prepared for its arrival.

Studies show that the majority of Boomer families with college bound children do not know how they will finance their children's college education. This is a big concern due to the rising cost for college education with the current costs ranging from $50,000 to $200,000, depending upon school.

Paying for college is only one part of the puzzle. Matching the choice of the most suitable college or university and to navigate all the details of the process can be overwhelming and confusing. According to USA today, the number of high school graduates and their parents turning to professional education consultants for help, is expected to double in the next ten years. Another quote, according to *Money Magazine* simply put, a great number of colleges are now willing to pay to get the students they want. Many are offering financial aid to families that earn in excess of $150,000 per year. The students who typically receive the most lucrative college funding offers are those who know the most about the process.

In today's economy, it is a necessity to have a college degree to compete in the work place. We know that there are a fair amount of jobs out there that do not require a college degree, but typically they do not pay as well as the ones that do. The average student with a college degree makes almost double the amount of money over their lifetime as someone with a high school diploma. So planning for college funding is essential.

The misconception of actual college funding starts with most families looking to the private sector of funding from local employees, major corporations like Coca Cola, Visa, Insurance companies etc. who frequently give away millions of dollars per year in scholarships. Keep in mind this is only about three percent of all of the funding awarded each year. Families shouldn't spend 80% of their time going after 3% of the money.

Right now there are over 60 colleges with endowment funds of over 1 billion dollars. There are over 300 schools who have endowment funds over 100 million. Colleges are businesses too so when it comes to tuition costs why pay the sticker price? You should never pay sticker price. Obviously the colleges have more money than we do, so why not get them to contribute to the cost of the education.

As you can see colleges are the largest providers of gift aid. To maximize the amount of money from the school there are several important strategies: first, the student needs to take care of business in the classroom. Grades are as important as test scores. Next, colleges are now looking for students who are active participants in their community, because they want students that will be involved in their community while attending school. Schools are attracted to students who will, once they have graduated, be willing to give back to the endowment funds; this enables the school to continue to fund future students' education. Keep in mind, colleges do not look at gift aid as a handout, instead they look at it as an investment. As mentioned earlier, colleges are a business and they are looking for a good return on their investment and in this case the student is their investment.

The government and colleges use the FAFSA (Free Application for Federal Student Aid) to determine a student's financial eligibility for student loans. The FAFSA can be complicated and many families make mistakes when answering the questions. The information put into the FAFSA form then is evaluated and used to come up with a (EFC) Expected Family Contribution amount. This will determine the student's eligibility for financial aid and financial need. The lower the EFC score, the higher the chance is for eligibility for the college endowment funding. In the same way, the higher the EFC score, then the more the family is considered as having the ability to self-pay.

There are a variety of strategies that can help to lower the EFC and this is where the repositioning of excess assets, excluding the family's 401ks and IRAs would come in. If a family has excess assets above their traditional retirement accounts, those excess assets may count against them when determining their EFC, which will result in more out of pocket investment required of the family for education. Proper repositioning of excess assets into safe & secure insurance products such as life insurance and annuities will help to lower the EFC score because these are considered exempted assets according to the FAFSA calculations.

Currently within the economic conditions more parents have become concerned about their ability to fund a college education for their children. Take into consideration the repeated drops in the stock market and the effect this has upon 529 college plans, because the funds within them are exposed to market unpredictability and market losses. According to most recent reports, these plans have sustained significant losses as a result of the recent and repeated market crashes.

Last year the student loan amounts just exceeded the 100 billion mark for the first time and total loans outstanding exceeded 1 trillion for the first time in history. Americans now owe more on student loans than credit cards. This will plague our new generation of young people who are now

starting their lives out in deeper debt. Retirement advisors must embrace the college planning process for our Boomer families, as this is in great demand now but especially for the future generations.

When it comes to having the complete college planning process fully streamlined and complete, you must work with a college funding service that takes the time off your hands and gives you the blueprints for the complete planning process needed to lower the families out of pocket costs for college tuition and help the family through the whole process.

In summary, the Retirement Boom has just begun, with over 7000 Americans per day turning 65, which will cause retirement rates to rise significantly over the coming years, thereby reducing savings activity. Couple that with the projections of over 3,000,000 students who will start College annually and there is only one conclusion: How can you, as a financial consultant, in this market, not become educated and skilled in this already underserved market segment?

As a Business Development Advisor with Brokers' Choice of America I strongly believe that it is an important time to implement sound college planning concepts into your practice for 2012 and beyond.

Joseph Clark, CFEd®, RFC®

Joseph Clark, CFEd®, RFC®, Brokers' Choice of America (BCA) has been providing assistance to Independent Advisors throughout the country for thirteen years. His career in the Financial Services industry began as a Marketing Consultant with BCA. Joseph has earned his Certified Financial Educator (CFEd®) certification with the Heartland Institute. He teaches Medicaid planning, Income planning and Advanced Case Design with Life and Annuity products at the educational classes held at BCA.

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Business Mirrors Life

Cold Calling: A Skill that Pays Dividends for Life

Question: Are business skills transferable to non-business activities?

Answer: Yes and the best example is the ability to cold call prospects. Here is my personal testimonial.

At 5.30 pm on Friday while my competitors are stuck in traffic heading home, I'm just beginning to get my mojo. The timing is ideal. Secretaries are gone and the executives that I want to reach are still at their desks. They're finishing up e-mails to subordinates or calls to the West Coast. They even pick up their phones just in case the CEO is finally returning their call.

It's a perfect time for me to catch them at their desks and make my pitch.

"Hi my name is Hesh. We met last week at the "Women in Technology" event. Are you available for dinner Saturday night?"

"Who are you?" is the typical response and always said with total bewilderment.

I repeated my line and I added the clincher, "Remember I was the one who commented on your beautiful lavender shoes."

"The guy with the shoe fetish," she says. Great, she remembers me. "And are you calling me Friday at 5.45 PM for a date tomorrow?"

"Yes," I respond, "Why not? If you're available seize the opportunity. *Carpe diem."* Silence...a dial tone.

Now other guys would feel dejected, not me. I have learned as an experienced marketing guru not to take it personally. The odds are with me. I know if I make ten calls I will get at least one positive response.

Time is money; my computer is already dialing the next number. The software enters the critical details into my script and I'm ready for my next call. (I've reprogrammed my CRM software.)

"Hi my name is Hesh; we met last week at the "Women in Forensic Accounting" breakfast. You were the guest speaker and I asked that question about where you bought your lovely earrings. Are you available…." Hang up.

I'm not discouraged. I know my system works. I have done my homework. I have pre-qualified my prospects. I have at a minimum visually confirmed that the woman is attractive and that she is both a professional and single.

How do I know that a prospect is a professional? I attend meetings of every woman's organization in town and fortunately we have a lot; attorneys, accountants, financial advisors, and PR types. It's interesting, I never get asked why I am at the event, either the women are happy to see a guy at their meetings, or they just ignore me.

How do I know that a prospect is single? I used to look for a wedding band. However, I learned the hard way that the data was inconclusive. However, I did find a foolproof method. I ask other women at the meeting, they always know.

When I'm wildly successful (not only do I get the date but the woman actually wants to see me again) I'm in a quandary. Do I continue prospecting? I know from my business that If I get complacent and think I have enough clients, before I know it, my client list dries up and I have no new business. So, no matter what happens Saturday night, on Monday morning I'm back at my desk preparing to make more calls.

Fortunately my CRM database is very sophisticated and it can eliminate all prospects that may have a relationship with my 'active' account.

A tidbit of wisdom I would pass on to novices using my system. Don't start your calls until Thursday. I have found that prospects that make commitments early in the week often are reconsidering by Friday.

One problem I face is that my software crashes frequently. Many of my previous customers have hacked into my database trying to delete their profiles.

If you are interested in a trial version of the software just send me a check for $99.95. The price includes:

- cold calling techniques
- proven scripts for closing the sale

Please send proof that you are male and single.

Hesh Reinfeld

Hesh Reinfeld, an experienced journalist, passionately believes that a properly crafted bio or marketing profile will cause a prospective client to be sufficiently attracted to read it, and to feel, "I'd like to meet this person." Perhaps you would like Hesh to help you prepare a similar biography for you, or to assist you with writing assignments that will help you in your market.

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