



WAYS TO MAKE YOU A MORE *HOLISTIC* ADVISOR

Using life and long-term care (LTC) insurance products as financial tools allows you to be a more comprehensive resource for your clients and their families. In addition, these products will help diversify your firm's revenue with new and existing clients.

TAKE ADVANTAGE OF INDUSTRY CHANGE AND CONTINUE TO GROW YOUR PRACTICE WITH THESE SIX RESOURCES!



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As you continue to dig into the Department of Labor's (DOL) ruling and navigate its implications, there are a few opportunities that will arise with the change. One extraordinary opportunity is adding additional lines of business that remain less-regulated yet highly valuable. Two specific sectors of financial services needed and demanded in holistic planning include life insurance and long-term care planning. The more holistic an advisor can be in making recommendations and solving client issues, the more opportunity for success an advisor may have. But more importantly, the more they become closely aligned with the definition of a client fiduciary. For example, what is more fiduciary than including a plan to protect a client's retirement income and assets in the event of a long-term care (LTC) event? If you haven't thoroughly investigated options, are you truly encapsulating your client's best interest? Or, when dealing with clients in higher income tax brackets, if you're not discussing alternative ways to generate tax-free income to them or their beneficiaries, are you really acting as a fiduciary?

The more holistic your approach, the better you can navigate the post-DOL era. Using life and long-term care insurance products as financial tools allows you to be a more comprehensive resource for your clients and their families. In addition, these products can help diversify your firm's revenue, and in some cases, without having to acquire a brand new client. For example, how many of your Baby Boomer clients have their plan in place for an LTC event? Industry statistics vary, but only a very small percentage of Americans own any type of LTC Insurance, yet most advisors shy away from this conversation when your clients need you most. Using the asset-based LTC approach, consider using a piece of one's portfolio so that the entire portfolio is protected. Again, fiduciary. And again, diversify your revenue stream. While there are many third-party distributors in the life insurance industry, advisors can easily get lost in the sea of options and potentially miss out on all the resources available to them at a particular distributor.

THE INTENTION OF THIS GUIDE IS TO PROVIDE AN ADVISOR WITH A MENU OF SERVICES AND RESOURCES AVAILABLE THROUGH THIRD-PARTY DISTRIBUTORS DESIGNED TO MAKE THE PROCESS OF RECOMMENDING LIFE INSURANCE STRAIGHT-FORWARD, EFFECTIVE, REPEATABLE AND PROFITABLE.

The following six resources will help you grow your practice in light of industry changes.





1

MARKETING RESOURCES AND LEAD GENERATION

Having the right amount of people who want what you sell is paramount in any business. You might have the greatest idea, product, or service in the world, but if no one wants it, you don't have a business. In our industry, you might know all there is to know about life insurance, but if you don't have anyone to talk to, you don't have a business.

It all starts with marketing. Marketing isn't a one-time thing – it's an all-the-time thing. Today's top advisors take a systematic and targeted approach to getting in front of and staying in front of their prospects and clients. They've identified their ideal client, their firm's brand and messaging reflects their target audience and they know their strengths. Some advisors like public speaking so they'll conduct college courses, seminars, or workshops. Others like to write blogs, host client events, and do radio shows. And some like to do it all. But one thing is common for top advisors – they plan, budget, and execute on their marketing plans.

Any top-notch marketing plan details and exposes all the firm offers. Whether you're are a financial planner charging fees for advice or an insurance professional; prospects and clients need to fully understand all you do. A proactive strategy to marketing life insurance and LTC is simple: add-on to existing marketing plans, and leave no questions in the minds of clients.

Because life insurance is sold in multiple markets; high net worth individuals, business owners, young couples, children, etc. – there are always opportunities under your nose, especially if life insurance isn't your firm's main focus. Perhaps you specialize in retirement income planning for the Baby Boomer demographic. That pre-retiree or retiree client is a life insurance prospect, their children are life insurance prospects, and their grandchildren are life insurance prospects. Whereas, it most likely wouldn't be a relevant topic to discuss guaranteed lifetime income to a Boomer regarding their five year-old grandchild.

HERE ARE A FEW WAYS FINANCIAL INDEPENDENCE GROUP CAN HELP AN ADVISOR WITH THEIR MARKETING:

- Share direct access to marketing plans of our top advisors.
- Plan a successful marketing calendar over a 12-24 month period.
- Determine your marketing budget.
- Develop your brand presence to include a website and social media, positioning you as an expert in your community.
- Help you discover how to cross-market and cross-sell additional product lines to existing clients.



2

TRAINING AND EDUCATION

If marketing and lead generation is your “left hand,” then training and education is definitely your “right hand.” When the two talk together in the life insurance business, it’s a thing of beauty.

A good life insurance distributor provides an advisor with training and education resources specific to their business need. From a basic 101-level education to advanced conceptual training, it must be catered to the advisor’s need for overall development but also specific to a particular case or client. By being taught, for example, the differences between two insurance companies’ chronic illness riders, an advisor

can better choose the product solution based on a client’s specific need.

Effective advisor training benefits the end client as well. Educated advisors are equipped to discuss and teach clients what they need to know about life insurance from an industry level, and then specific to individual needs. Education will continue to be in high-demand from your prospects and clients.

Training should happen often, it should be reinforced with online resources, and it should be dynamic.

PRODUCT TRAINING

- What are the fundamental differences between whole life insurance, indexed UL, guaranteed UL, variable UL and term insurance?
- How do living benefit riders (i.e. LTC, Chronic, and Critical) work and what are the differences an advisor needs to be aware of?

UNDERWRITING TRAINING

- Which carriers work best with specific conditions or avocations?
- What should you include in a cover letter describing your client’s situation?
- How do various automated underwriting engines work at each carrier?

STRATEGY TRAINING

- What strategies exist that involve the use of a life insurance product?
 - *Wealth transfer planning*
 - *Life insurance as an asset-class*
 - *RMD maximization*
 - *Business planning*
 - *College funding*



3

ILLUSTRATION, DESIGN AND PRESENTATION TOOLS TO CREATE THE PERFECT STORYBOARD

Once an advisor has a prospect and is comfortable with the material to discuss with them, it's important to be equipped with the most useful sales and presentation tools in order to effectively convey a particular strategy.

Carrier-compliant life insurance illustrations can be very useful when discussing how a policy works; however, they can sometimes be misleading or confusing if used improperly or without context. We take pride in using these illustrations to objectively compare and contrast the values, benefits, and features of one policy to another. In addition, these illustrations often have supplemental reports that demonstrate an aspect of the policy that is specific to the financial discussion between the client and

advisor. For example, we can show the internal rate of return (IRR) on the premium outlay versus the cash value or death benefit of a policy – which again helps puts life insurance in context with a client's overall financial plan.

For advisors who like to use visual presentation aids in either a one-on-one or a workshop setting, we can provide general material, high-level strategy or specific concept presentations that can be customized for an advisor.

At Financial Independence Group, we use a variety of tools and the latest technology to help support our advisors' efforts in making presentations and having discussions about life insurance.

4

POLICY REVIEWS DESIGNED TO ENHANCE RELATIONSHIPS AND UNCOVER OPPORTUNITY

Top life insurance distributors around the country should establish a policy review platform and process for their advisors. This service can present new sales opportunities, it can increase goodwill between the advisor and client, and frankly, it's just the right thing to do for your prospects and clients.

A strong policy review strategy will dovetail into existing annual review methods. This will further demonstrate the commitment and intensity your firm executes to ensure attention to client and portfolio details. At Financial Independence Group, we have a dedicated team whose primary responsibility is to run our Comprehensive Analysis and Review (CAR) program.

CAR is our unique life insurance policy review program. Not only will our CAR team obtain in-force illustrations from the existing insurance company, they will analyze the policy, look for premium opportunity, and help determine if a new insurance policy is appropriate.

Oftentimes we find that we can improve a client's life insurance portfolio through our CAR program; however, if we determine that the existing policy is appropriate for the client's objectives, we will recommend no changes. When this happens, it further builds on the trusting relationship our advisors have with their clients, and it often leads to referrals.

A THOROUGH LIFE INSURANCE POLICY REVIEW WILL INCLUDE THE FOLLOWING:

- Review of current objectives and needs
- Summarize the existing in-force policy – type, ownership, beneficiary designations, payment modes, etc.
- Assess current medical underwriting
- Evaluate interest rate changes and insurance cost changes
- Establish financial ratings of the insurance company





5

ADVANCED INSURANCE PLANNING

Working in the advanced areas of insurance and financial planning can sometimes feel like you're hunting an elephant. Both can take a lot of your time, energy, and resources. On the flip side, if you can give an affluent client valuable expert advice, utilizing life insurance in context with other aspects of their financial situation to meet the client's needs, you stand to benefit greatly for your time spent.

It's important to engage the right resources at the beginning stages of an advanced case. Talking with an advanced planning attorney, reviewing specimen documents such as a buy-sell agreement, or even discussing financial underwriting on an estate

planning case are some examples of resources that must be available to you. These resources must know their field explicitly and continuously educate themselves on the latest insurance design, concept, and strategy.

In addition, at Financial Independence Group we have advisors who specialize in the advanced marketplace and assist advisors at the point-of-sale with affluent clients. Whether advisors need help identifying what the opportunity is or what strategies to employ, utilizing advanced insurance planning can help provide the right direction for affluent clients.

SOME OF THE PLANNING AREAS IN WHICH WE HAVE EXPERTISE ARE:

- Estate tax / family planning
- Charitable planning
- Premium finance
- Business planning / succession
- Executive benefits
- Private placement
- Wealth transfer
- Legacy planning
- Bond and stock alternatives
- Enhanced income strategies





USING TECHNOLOGY TO ENHANCE THE OVERALL BUYING AND SELLING PROCESS

The life insurance industry is making rapid advances in technology to modernize the way we manufacture, distribute, sell, and buy policies. As a life distributor, it's important to understand and embrace these advances in order to make the process easier for the advisor and client.

The first step in the process typically is to walk a prospective client through a life insurance presentation of some sort. Interactive, web-based tools are available to help educate a client about how insurance fits in with their overall financial portfolio, compare the various life insurance options, and even help them determine the amount of insurance they need.

Once the client is ready to move forward with an application, many new business applications – both term and permanent – can be submitted electronically via either e-application or through a drop ticket process. The e-application will typically require an electronic signature, whereas the drop ticket typically eliminates the need for the advisor to obtain the signature and puts the responsibility on the paramedical examiner to get it. In either option, the process is much easier, cleaner, and quicker.

In addition to the simplified application process using e-app or drop ticket, many carriers are either exploring with or have already implemented an automated underwriting program. Of course these

programs vary from carrier to carrier, however, they all have the same purpose – to eliminate certain medical requirements (exams, APS', etc.) by using other sources of information instead. For example, some carriers pull credit reports, whereas others might just use MIB, the Rx database, and an MVR. In order for a client to qualify for automated underwriting, they must meet certain criteria – some carriers will only allow their products to be underwritten in this fashion, and they set a maximum face amount to qualify, typically \$1 million or less. We understand the various programs available and can consult with you on which ones might be more favorable given your client's situation.

The last step of the process once a policy is approved and issued is delivery to the client. Fortunately, many carriers now offer e-delivery which can be done via email between the carrier, advisor, and client. This eliminates the need to physically meet with the client to deliver the policy, and for many advisors this can be appealing since it can increase overall efficiency.

We embrace technology and the benefit it can provide to everyone involved in a life insurance sale. We believe that technology doesn't replace the human touch, rather it helps enhance what an advisor brings to the table to create efficiencies and a better overall experience for the client.



CONCLUSION

The future is bright for advisors who embrace change and have the desire to become holistic in their approach. Financial Independence Group has the resources necessary to not only help advisors survive the post-DOL era, but to thrive in it.

FINANCIAL INDEPENDENCE GROUP, INC.

Financial Independence Group is a nationwide financial and insurance marketing organization with office locations in North Carolina and Arizona. We guide our financial professionals through annuity, life and LTC business with exceptional marketing and case support to elevate their practice to new heights. With the mission to under promise and over deliver, we provide a true partnership focused on products and driven by trust and stability for our financial professionals. For more information, visit www.figmarketing.com.

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