



THE ELITE WEALTH MANAGER

BUILD A SIMPLE AND ELEGANT WEALTH MANAGEMENT BUSINESS

**NAIL THE WEALTHY
CLIENT EXPERIENCE**
REGULAR PROGRESS MEETINGS

VIDEO TRANSCRIPTION

John Bowen: Now we come to the fifth meeting and the consultative client management process, regular progress meeting. Before we show you this meeting, let's, once again, review the four key things you should know about this meeting.

First, how to prepare for it effectively. Two, the objectives that we'd like you to accomplish in this meeting. Three, the client experience that you'll be delivering. And then lastly, the results that this meeting will produce.

Every regular progress meeting is an opportunity for you to continue to build your relationship with your client. This will enable you not only to go on meeting their needs, but also to gather qualified referrals and additional assets. All, one of the most critical keys to building your practice, being successful on purpose.

To be ready for the first regular progress meeting. Prepare the client's wealth management plan, addressing each of the four advanced planning areas. In most cases, you'll rely on your professional network of advisors to analyze the client situation and devise recommendations during the expert meeting. Every wealth management plan should deal with those four key areas of the client's financial life beyond his or her investments. Starting with Wealth Enhancement or looking to see what we can do to be more effective on income taxes. Wealth Transfer, dealing with making smart decisions on a state and planning for the estate and gift taxes as well. Wealth Protection, mitigating risk exposure and, when not possible from legal documents, to go ahead and transfer to other insurance companies. And then lastly, charitable giving. How can we make more impactful charitable gifts leveraging those areas and all four areas? See it's useful that when you're working, first with your expert team and then with a client in the regular progress meeting, to use mind mapping techniques to create the wealth management plan addressing each of these four areas.

See, creating a mind map of each of the Wealth Management plans has two very important benefits. First, it provides a one-page overview of every very important financial task that's required for achieving the client's goals. Second, it becomes a visual roadmap for your clients. As you proceed in implementing the advanced plans, each of these four areas, the mind map helps you, both to track their progress and to help them move forward deliberately. As always, prepare a concise agenda and follow it. Download it from the BT online.

There are several key goals that we'd like you to achieve in the regular progress meetings. First, they should ensure that the client remains on track to achieving all that's important to them. Maximize the probability of achieving all that's important to them. Second, the meetings should expand the scope of issues well beyond investments. Third, they should reinforce the client's position as your marketing apostle so that they want to share their experience with their friends

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and business associates. And lastly, they should allow you to capture any additional assets that aren't managed with you, as well as obtain referrals from the second opinion service.

In terms of client experience at these meetings, many of the same principles really apply. I mean, greet the client by name. Walk them through the agenda. Ask them about any major changes in their personal or financial life, using the total client profile. Let them mark off changes; additional grandchildren, business to be sold, new house, whatever. Present the Wealth Management pro. Deal with each of the four areas. Discuss and prioritize the action items and what we're going to accomplish between now and the next regular progress meeting. Answer any additional questions. Ask for additional assets and referrals. Schedule the next regular progress meeting and then immediately send out the confirmation for the next meeting. Again, download that from BT online.

Regular progress meetings will reinforce the powerful client experience your delivering. And it's going to give you more access to any assets that you're not managing, create a referral path to other substantial new clients and, most importantly, creating a marketing apostle who will sing your praise to their affluent friends and business associates. And now let's go to the regular progress meeting and see how you can execute it very powerfully.

Bill, Rita, it's been awhile since we've been together and we've got all the investments stuff together now and we're back for our first, and their very first, regular progress meeting. And I've had a chance, we meet with our expert team and you know, a lot of things that we can go over. But I'd like, as always in the meetings, to start out on the agenda and make sure that we're aligned.

I mean, the very first thing I'm going to be asking about is, as always, going forward, if there were any changes in your personal or financial situation. And then what I'd like to do is review the investment progress that we're making with the market and so on. And are we on track to achieving all your goals? And then I'm going to walk you through the Wealth Management plan; the four areas of the advanced planning that we talked about. The recommendations that our experts had on what are the action steps that they would take if they were in your shoes? And then from there I will see if there's any questions on the area. And then, really go back and talk about the second opinion service again just to make sure if there's any friends or business associates that we should be doing the discovery meeting with to help them out. And then, really, continue the process, is schedule the next regular progress meeting. Is there anything else that we should add to the agenda at this time?

Bill: Well if you're asking if there's been any change.

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John Bowen: Well let me go to that right away here, Bill, because one of the things we've put together is this wealth- the last part, part three of the Wealth Management plan, which is really the advanced plan. And what I want to do is, let me take you through this. As, what we've been doing is, the investment plan, it's all about how we set the stage to make smart decisions about our money so that we have effective communication and that we review it over time, these three goals. And what we've done is we've put together, as you know, our total client profile here. And we went over the values and goals, the relationship assets, and it sounds like something's changed. What's changed since the last time?

Bill: As you know, we put a bid in for a house. The dream house near the sea.

John Bowen: And where are we on that? I know we talked about how we might do it, but we didn't know if it was going to come together.

Bill: Well, happily it did. And we got a good price because of the fluctuation.

John Bowen: The boxing for the beach house here.

Bill: Beach house. Yeah. As you might remember, we were worried that we might have to go as high as nine or 950 but we did. Because of today's market, we were able to get just a great house. At least put a bid on it for 800 even.

John Bowen: Okay. Okay.

Bill: 800,000 even a nice-

John Bowen: Now, and you have three bedrooms.

Bill: It's in escrow, but not closed. It's not closed yet.

John Bowen: Okay, and you're both real happy with it?

Rita: Yeah, it's got great bones.

Bill: Great bones, that's right. We can't wait to shake them bones.

John Bowen: I'm excited for you. I know that's something you've been working on. And as we go over the advanced planning side, we're going to talk about, really those areas outside of

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investments. And we knew that we're well positioned, we had reserved the cash and how we wanted to structure the financing on this as well until we're well positioned for all this. But we want to make sure that we have our titling right. And we'll want to add that on the advanced planning side as well.

Rita: Yeah, thank you. Because we're also concerned. In the event, down the road who will have our home. We will keep it in the family, essentially.

John Bowen: You think the kids, they're going to enjoy coming down to visit you there.

Bill: Oh sure.

Rita: They're already planning it.

John Bowen: They've got it all scheduled?

Rita: Yes.

John Bowen: Okay. Well excellent. Any other changes in our personal situation? I mean, with anything else going on, on a personal or financial life that we should go over today.

Bill: Selling the building is going to come sooner than it was at our very first discovery meeting months and months ago. But it's still a year or so off. We want to kind of do one thing at a time and we have a lot to do with the second home now.

Rita: Yeah.

John Bowen: Okay. That's going to be important when we really review the advanced planning recommendations. There are some ideas that might be applicable for part or all of a sale of the building that we should be considering. So, I want to share those with you too. And then we can talk about some of the action steps from there. Okay. Anything else we should go over?

Rita: No, I was just impressed-

John Bowen: Kids are doing fine too?

Rita: The kids are great. Yeah, it's been really great. We're, again, blessed.

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John Bowen: Okay. And I cut you off Rita. What were you-

Bill: No. It's been really, kind of, fun. Because you said in the beginning that you know you're going conservative but yet we're doing pretty well. And so, I'm wondering if this is par for the course, if we should be expecting more smooth sailing. It's kind of put my risk fears, this first quarter, and maybe it's just beginner's luck. But is this something we can count on more often?

John Bowen: Yeah, that's a great question. And you remember when I was talking last time about the short-term perspective versus long. The markets are pretty volatile, and gains are concentrated in very short periods. On average, up here, most of the money is made in one month. And so, we want to be careful. We've been fortunate by last quarter since we got together about 90 days ago. It's just been a really good market. And what we don't want to do is extrapolate this. And matter of fact, on average we're going to get together- let's say we got together four times a year, there's going to be one quarter you're going to go, "geez John, it's so good working with you. I love it". And then the other times are going to kind of go, "what are we doing here?" And that's why it's a long-term. And what's nice is normally what happens many of the clients feel, when they first make their investments, that they cause the market to go down. So, you didn't do that here?

Bill: It's all us.

Rita: I'm Catholic so the guilt is always with me.

John Bowen: So, no, we're making really good progress on it. We've gone where you read it over the phone. Where you had some questions earlier. We touch base. But the progress we're making, we're right on track. We don't want to get too excited in 90 days.

In each quarter I'm going to be reviewing this to see how we're progressing so that we stay on track to achieve all that's important to us, to have that peace of mind. So, we know where the financial security. That we can fund the lifestyle we want and with the grandkids and the kids. Just, really everything well positioned. And that's where the regular progress meetings, to just check in.

Rita: Okay.

John Bowen: Yeah, no, making great progress. But the next part, what we'd like to do, too, is to take a look at, from a standpoint of the advanced planning side, what we've done.

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I mean, we go through, we went through and we did the discovery meeting where we started. And that was our first meeting and took a look at where you are now, where you want to go and what are the gaps. Then we did the investment plan meeting where we said, "if we were in your shoes with our team of experts, what we would do. Where you are now, what we would do". And in the mutual commitment meeting, we committed to your success. We wanted to maximize a probability of achieving all that's important to you both. And so, we executed the agreements, got everything in place we took care of the investment consulting side.

But there are other concerns that we had, and we said, "well first we wanted to make sure we got organized" and I can see, Rita, you brought the notebook in and we're all organized. And are you able to keep up with everything as it's coming in?

Bill: She's getting better at it.

Rita: I am actually. We have more time on her hands and I love to read. So yes.

John Bowen: Oh good, good. Yeah. And if there's ever a question doesn't hesitate to give me a call. And if I'm not available, one of my team members will walk you through. Because there's oftentimes a little bit of material. But I think you'll get the hang of it really quickly. And now we're at the first regular progress meeting.

In the regular progress meeting our role is a Personal Chief Financial Officer. You're the co-CEOs of your family business. Our job is to bring some great ideas to you. And we did on the investment side. Now what I'd like to do is walk through the four areas of the advanced planning.

Wealth Enhancement. So, what should we be doing on an income tax basis? To minimize income taxes. We want to pay our fair share, but is there anything that we can be more effective? Wealth Transfer. The estate and gift planning to be very effective. Wealth Protection from the risk mitigation. They're both legal documents, like how we hold title of the beach house as well as all our assets. Our living trust is 1996. The world's changed to that. The family's changed. The tax laws changed. We've got to keep those current. And then Charitable. We're making outright gifts should we be considering some other areas.

And so, in working with our team of experts, what we did is, we started, and we looked at Wealth Enhancement first. And what these are recommendations that we have for you and what we'll be doing is color-coding them. When you say, "Don, geez, that's not something I want to do", We can take that off the list. Or and we'll collar that, that it's been deferred or dropped as an idea. We'll also have ideas that we'll prioritize. First, I've asked my experts, our top estate

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planning attorney, a very high-end insurance specialist and then also our tax expert from the accounting standpoint, to work with me. And I reviewed with them, I changed the name, so we kept everything confidential, but your total client profile. And these are the recommendations that they came back, if they were you, what they would recommend as next steps.

So, on the Wealth Enhancement side, one of the things that came back is that, what we might do is reach out to Jack Robin, your CPA. And, really do a review of the last two years of tax returns. He's got all that information. It's really handy, you can pull it up electronically. And what you've been doing in the past is we've filed the returns each year, but we haven't been proactive.

As we're getting closer to the end of the year, one of the things that we have an opportunity to do; some tax planning. And to really make sure we're minimizing the taxes here. By having a pro form of the current year, which is the second box here, we can go ahead and really see if there's any fine tuning from the investment in the advanced planning. And this would be good preparation when we get together with the Estate Planning Attorney. We've evaluated the plans that we have on the IRAs and we've made some changes with the transfer on the investment and we want to take a look there. You still have one plan that we didn't transfer. We wanted to make sure the beneficiaries are taking care of there. We want to analyze, going forward, really any of the education plans. Because what we have here is, with the kids, in particularly the grandchildren, we have the opportunity for these 529 plans and some gifting that we want to consider.

We also want to look at, as we're buying the beach house, what's the right credit facility. And what I'd like to do is to put you in touch with the right Mortgage Broker and now, so we can see the different options of how we might finance a small portion of that. As we're looking too, what we want to do, and I'd put it down as making smart decisions, everything that we're going to be doing will be being specific, measurable, achievable. Okay. And the result-oriented time bound. So, as we go through these, one of the things my job is, as your Personal Chief Financial Officer, is facilitate these and coach you.

Wealth Transfer. I'd like you to get back and we've got to decide whether we're going to work with Steve or work with one of our experts. And the reason is that your 1996, the Estate Plan, is not current. And with everything going on we want to update that to make sure we've identified the Wealth Transfer. What you would want to achieve if something were to happen to you. Okay, how do we want to make sure that the kids are taken care of, as you've talked about, as well as the grandkids. Particularly the educational side.

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We've got to review the Estate Planning documents. And then identify the special situation, particularly with Andy we want to go through. And one of the things that we find so often is that the titles of the buildings, the house, some of the major assets, they're not titled correctly. Now we've done it for the investment side, but we want to actually verify. This is something one of our attorneys can do. Make sure everything's been transferred in. Beneficiaries, again, document these.

And then what we want to do is make sure, as we're doing it, that in the Estate Planning side you've done the liquidity. And that's what the second to die policy is, a \$3 million policy. What I'd like to do is our insurance specialists would like to review it to make sure it's cost effective. There's been a lot of changes in the insurance side and we may be able to find something a little bit more cost effective. Also, it may be even more liquidity than we need right now. We want to just take, with you both being in good health, it's a great time to reassess this.

And then coming over to the Wealth Protection. We want to really look through and evaluate the Property Casualty side. We find that as you achieve more affluence, as you've had, you've been really doing a great job, that we start out with the Property Casualty people that get our first car insurance and then our home. Well you've now accumulated a fair number of things and oftentimes they're not taken care of. Also, Rita, your community involvement. A lot of times our standard property casualty insurance doesn't cover that and there's liability and some of those things, potentially.

We also want to take a look at some of your professional, just so that, was that, what they call a, "tail policy?" That you took care of your liabilities and review that so that we don't have to worry about any past actions, constant lawsuits.

And also talk about some of gifting. Should we do some of the gifting now from an Asset Protection side?

And then lastly, Charitable Intent, is we're thinking about selling the building. One of the things we might do is put a portion of that into a type of charitable trust that could save on current income taxes and then fund your Charitable Intent long term, as well as increase, potentially, the income you're receiving now. So, there's a lot of flexibility here.

Bill: To structure it that way would have tax ramifications also?

John Bowen: Well the positive is what it does is it lowers the tax exposure. Because you have no debt on the building, we have some flexibility of what we can do. We can put a portion as if

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we were giving it to charity today but reserve the income right and get the tax benefits for giving it today.

Rita: So, help with the capital gain.

Bill: Yep. Exactly. Well and create a charitable deduction at the same time.

John Bowen: So there's a lot of this and when we are brainstorming with our expert team that really the thing that jumped out, and it's even more important now that we've got the beach house, is that, let's pick one priority that we're going to work on now. There's a whole bunch of things I have here. But the number one thing is to get together with a state planning attorney to review our documents that we have, update them with your current wishes and make sure that they call it funding, that the trust is funded, that everything's been actually transferred into it. And what we'll also want to do is do that right away so that we get the titling right on the beach house today.

Bill: Yeah. Good heads up. Okay.

Rita: Yeah, thank you for that.

John Bowen: Would that make sense?

Rita: Yes.

Bill: Yes sir.

John Bowen: Okay, great. So, what I'll do then is, would you like to continue working with Steve or would you prefer working with one of our experts?

Bill: You would want an answer to that today?

John Bowen: No, we don't have to. Matter of fact, what you might want to do is even meet with both. Then we want to move deliberately so that you can decide who you want to work with.

Bill: That might be best.

Rita: Yeah, so we can ask questions and just see who we feel answers them more to what we feel is in our best interest.

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John Bowen: Yeah, it's really, you know what you want to do when you're getting together. You want to look. In a professional relationship we always say, "look at character. The integrity that you have".

Okay. At the level that both these individuals are going to be, they're going to be great.

Bill: All right.

John Bowen: The next part, though, is chemistry. Who do you connect with? Who is empathetic with you? Who understands your issues? And then the competence. Asking smart questions. And that will help you. And you want to have somebody that you're going to work with long-term. Because we joked about life and truths, things change. We want to have somebody we can go back to. There's a strong possibility of the tax law is going to change along the way, probably several times during our lifetime and we need to have somebody that we can count on updating this as well.

Rita: Right.

John Bowen: Okay. Well let me get the information to provide you on John, our expert that we use. And then I would recommend that, what I'd like to do, because we're in escrow and I think, what about 60 days to close escrow? So, what I'd like to do is see if I could have you commit to getting together in the next 30 days with both of these individuals.

Bill: That's very doable.

John Bowen: Good. And then they can give us instructions on how best to title the beach house and then by the next regular progress meeting I'd love to see that the Estate Plan has been updated as well.

Bill: Right. So, we can take care of our guy. So, your guy John will maybe give us a call?

John Bowen: I'm going to reach out to John and have his-

Bill: Set up a meeting,

John Bowen: one of his staff members, his assistant, give you a call and schedule a time that would be convenient.

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Bill: Excellent.

Rita: Okay.

John Bowen: Okay, great. Great. Well let's go on and any questions on this? I know it went through this fast.

Rita: I'm stealing your idea with the color coding. For your honey-do list I'm prioritizing with that. It's genius. It makes things very simple as to what to focus on now. And then what's coming. It's really a simple thing that doesn't make it seem so overwhelming. It's very simple. Thank you for that.

John Bowen: Yeah, no, Rita. And then what we'll be doing every regular progress meeting will be three parts. We'll be checking in. Things change. For example, we're talking about the sale of the building, potentially, in the next year to three years. And as things change, we want to know that the same with the beach house. Obviously closing that and putting that in the right title and so on. And the right financing. So, we want to coordinate that.

So, we'll look for changes. I'll review the investment progress and then what we'll be doing is really checking off one or two items on our advanced planning list so that we make sure that we're getting our house totally in order. So that you can have the peace of mind that we started with. Really simplify it so you have that financial independence.

Bill: All right.

Rita: Thank you very much.

John Bowen: Okay, great. Great. The very last is, I always come back to this second opinion service. I mean, as a firm, it's just been so great. I've enjoyed doing it because for our top clients there, they've referred us, their friends, their business associates so they can share this Wealth Management Consultation process. This experience working together to see whether they're at the right place now with their advisor or whether they should consider switching, either to us or to someone else, would be better suited. And we're more than happy if they're not right for us. And you know how we limit our practice. Is there anyone that comes to mind today?

Rita: I actually, we met the nicest woman. She's widowed but she's a neighbor next to us.

Bill: In the new beach house.

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John Bowen: Oh really?

Rita: It's so funny cause we wanted a beach house for our grandchildren and our children. She wants a country house but she-

John Bowen: You're comparing notes?

Rita: We actually were, because it was really funny, we always thought about switching houses or something. But we told her our plan was in five years to get our beach house and that we decided the time was right. We are-

Bill: She inherited a substantial amount-

John Bowen: Oh, did she?

Rita: She did. But she really didn't handle the affairs, he did. And so, she's very weary, like I was, and I tried to talk to her, and I didn't want to seem like I was pitching. But I definitely told her that there were people that could give her advice and if they couldn't they wouldn't. And they would refer her. So, I definitely think that she-

John Bowen: might be a good fit?

Rita: A great fit.

John Bowen: Well thank you for thinking me. I know she'll appreciate this. What's her name?

Rita: Her name is Sharon Williams.

John Bowen: Okay. And as we did in the past with Bill is that- would you give Sharon a call and just give her a heads up that I'll give her a call tomorrow? Would that make sense?

Rita: Yeah, I have to get her number for you. So yeah.

Bill: Okay we'll call you later.

John Bowen: Give me a call or shoot me an email, whichever is easier for you.

Bill: We're making sure you get that today.

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John Bowen: Okay, great. Well, I really appreciate it. I mean, I am excited because when we think when we first met, you weren't sure of what you should do. And think of all the progress we've made.

Bill: We have.

John Bowen: Everything's getting in line and we've got this great track to run on. So, again, you should be really proud of the progress that you're making.

Bill: And we'll see you, well of course in 90 days, but also in less than that because we're going to meet with the accountant.

John Bowen: Yeah. Well you'll be meeting- first what I'm going to do is that we're going to set up the meeting. You're going to meet with your attorney.

Bill: Right.

John Bowen: And Steve that you've worked with about 13 years ago now. It's amazing how time flies. And then you're going to meet with our experts.

Bill: Oh, that's right.

John Bowen: Okay. And I'll have his office give be a call. And I'm also going to have a mortgage broker, one of the top people in the industry, so that we really make sure we get the right financing for the beach house too. Now we won't have to get together until the regular progress meeting, but if there's any questions that come out of these meetings, again, don't hesitate to give me a call. That's what we're here for.