



THE ELITE WEALTH MANAGER

BUILD A SIMPLE AND ELEGANT WEALTH MANAGEMENT BUSINESS

NAIL THE WEALTHY CLIENT EXPERIENCE

THE MUTUAL
COMMITMENT MEETING

VIDEO TRANSCRIPTION

John Bowen: Now we come to the third meeting in the consultative client management process and mutual commitment meeting, one of our advisor's favorite of the five. Before we show you the meeting, however, let's review four key things.

First, how to prepare for the meeting so that you're extremely effective. Two, the objectives that we want you to accomplish. Three, the experience you should deliver to the client, so it delights them and wows them. And lastly, the results that the meeting will produce.

Before the meeting, be sure to prepare all of the paperwork necessary to execute the investment plan recommendations. It should all be done in advance. Review the investment plan so you really make sure you understand it and have a copy of it ready for the meeting. Also, review the entire client file. Take a look at the total client profile. You've got all the notes and if you did make a recording, review that as well.

Understand what the key concerns that the prospect has and is likely to raise during the investment plan meeting. You'll want to ensure that you're completely up to speed on the prospect's situation. Where they are now, where they want to go, what the investment plan is. So that you can answer any question confidently.

What we find among top advisors ... The biggest distinction between top advisors and average advisors, is their confidence. And this is a meeting that it's very important to have that confidence. Also, you should have some proof statements available. And what we're talking about when we talk about proof statements, are articles and books that address issues that you're anticipating from the prospect. They should, ideally, be written by you or by authors who are aligned with your investment philosophy. If you are recommending a specific strategy, it's useful to have an article on hand.

As with other meetings, make sure you have an agenda. Never go into a meeting without an agenda. And all five meetings have the agenda in BT online, download it and make it yours.

There are two main objectives we want you to accomplish in these meetings. First, we want you to make the mutual commitment meeting. The mutual commitment to work together. And execute all the necessary agreements to get it all started. Second, you want the prospects to provide you with qualified referrals. This referral process is where many of your best new clients will come from. So be sure to include this in this meeting. And you'll see on the agenda that we provided for you, it's there. As for the experience you want to deliver to the client, there's several key things to keep in mind. As always, welcome the prospect by name. Next collect all the questions that they might have.

VIDEO TRANSCRIPTION

What we want to do is get all of them at once and then address them one at a time as completely as possible. Execute the documents. Congratulate the clients. They should be really proud of the steps that they've taken to get the initial part, the investment consulting part, making smart decisions about their money. And now positioned well for the advanced planning side.

But caution them about buyer's remorse. Explain that concentrated nature of investment gains. How they're going to have some volatility and we can't judge the success of the program in one quarter. Implement the referral process using the second opinions, schedule the next meeting, close the meeting, and then send them the confirmation in the next meeting that you can download in BT online. By the end of this meeting ... I mean, it's going to be a great meeting. You will have converted a very good prospect into a solid new client with a great relationship moving forward.

Take a moment to congratulate yourself and your team but remember that the real work begins now. We need to wow the clients and deliver on everything we promise. To become indispensable to affluent clients, you must continually deliver a great experience. The wealth management consultative process, the whole process that wows them and justifies their faith in you and your recommendations. Let's take a look at the mutual commitment meeting in action.

Bill, Rita, it's great getting together again. And I continue to be excited about the plan and the progress that we're making. As I reflect back on all our meetings, the two key things that we wanted to accomplish ... One, was to make sure that we're making smart decisions about our money.

Rita: Mm-hmm (affirmative)

John Bowen: And the second, is to provide the peace of mind. So that we can achieve all the things that we want to. And I think we have that. What I'd like to do is review the agenda that we have and then see the next steps that we should be taking.

From the agenda standpoint, I want to first ask if there's any questions that we have on the plan and then I'm going to review the documents. Assuming that we're moving forward and executing this. How those will work, and then, really show you how things are going to progress over the next quarter. And from there, go over how this will work, from quarter to quarter. And then lastly, just bring it together for the next meeting that we would have, the 45-day meeting. Does that sound like an agenda? Is there anything we should add to the agenda?

VIDEO TRANSCRIPTION

Rita: Just my concern from the last meeting. The risk, also, I started thinking about it. Since we're moving so much all at once. How we communicate this to Jack Robbins, about our taxes. We don't want to be surprised at the end of the year and yeah ... So those are just the ones that keep coming up. The risk, and what's going to be in store for us when we go forward.

John Bowen: Okay, great. Great. Let's see, are there any other questions that are jumping up? Rita? That you have or maybe, Bill, that you have? That I should capture? And then let's walk through together.

Bill: Well, now that you mention it, my guy at Merrill Lynch, Bill Evans, who we've talked about ... I know I said at our last meeting that I was going to give him a little phone call and maybe give him a heads up on a new direction we might be taking, but I find that it's a phone call -

Rita: You can call.

Bill: I find that it's a phone call I'm not seeming to be making.

John Bowen: Okay.

Bill: - would it be possible for you to contact him?

John Bowen: Sure. I'd be more than happy to do that for you.

Rita: He's going to call you anyway.

John Bowen: Yeah.

Bill: You know, he might.

John Bowen: He may do that. I'll go over why we're ... With your permission, why we're moving ahead and doing this and then ... But I would expect a call too. And then if there's any additional questions on detail, just send them back to me and I'll be more than happy to review that.

Bill: That's a relief.

Rita: Okay.

Bill: Thank you.

VIDEO TRANSCRIPTION

John Bowen: Okay. Any other questions on the investments and how we looked at repositioning? That came up.

Rita: No.

Bill: Not at this time.

John Bowen: Okay, good, good. No, we'll be reviewing it at each of the regular progress meetings. And -

Rita: Okay.

John Bowen: - let me address then, the issues. We've got three that came up. The risk, the communication with your experts, including, really, Jack Robbins, our CPA. And then, taking care of Bill Evans.

Rita: Mm-hmm (affirmative)

John Bowen: Let's start with risk. One of the things that's ... It's just so important in today's world that ... Risk is a big element. I mentioned in the last meeting, when we were together, that there's four pillars of investments that we need to be concerned with. The real drivers of investment. And we start with returns, which is the market. And that's going to be volatile, the equity markets. But the fixed investments, we can incorporate those, and they mitigate that volatility. And we're really blessed because you've done such a great job of being a good steward of your money and you've accumulated the assets. We're really sufficient. So, we don't have to worry about taking big risks now to achieve our goals.

So, what we're doing is, we've got a large portion is very conservative, fixed. We've got a little bit of equity that we're going to see bouncing around, but over the long-term we're going to have some great returns. The probability is, we will have a risk premium that we capture for that. So, we've got returns, is the number one driver. We can't control that, but we can do an asset allocation that would reflect your risk. And that's what we've done, which is the second driver of the investments.

The third is ... What we've done is, we're going to be very cost effective. We're using some tools that are extremely cost effective. And the way we brought all the assets together, it's even more powerful. We have lower fees that ... And the last part is tax management. And while none of us

VIDEO TRANSCRIPTION

really like paying any more than we have to in tax, the way we've designed the portfolio, we've minimized the tax for your type of investments. So, it's mitigated.

So, we've really done a very good job. I think you'll be ... You should not only be excited about what we've done, but you'll see the results over the years here as we manage it together. And it will fund what you're looking to achieve. Does that make sense?

Bill: Mm-hmm (affirmative).

Rita: Thank you

John Bowen: Okay. Now let's go to communication. I mean, communication ... What we have is the challenge that, in today's world, we need specialists and certainly taxes. There's a compliance area there. So, we have to be able to actually develop and deliver tax returns each year. Well, that's where Jack comes in. And one of the things that we're really ... We do a great job of reporting the tax changes. And then at the end of the year, just before the year is over, oftentimes, if there is, what we call, tax management, that we can do. To harvest losses and to reduce the taxes even more on those securities that may have gone down. We do that. And we'll coordinate that with Jack, with your permission.

As well as, what we'll be doing is providing a detailed breakdown after the year for your tax filing. So, Jack's going to really enjoy this. And then as we go, we're going to the next step. We're going to go into the advanced planning side, where we're going to deal with the other concerns. Where we're going to use other professionals. And as we do that, then we'll be working to coordinate that too. Okay?

Bill: Mm-hmm (affirmative).

Rita: Okay.

Bill: Okay. The last part is, as part of this coordination, I'll give bill a call today. A little later today, after you leave. To just check in with him, to give him a heads up of what's going on and to tell him he can expect the transfer. It's called an ACATS, and its how firms move assets between each other. Now it is, as Rita mentioned, it's very likely Bill may give you a call. You've worked with him for a long time, to just have a conversation. And you should have that if he calls. But if there's any details on what we're doing and everything, that's really ... As your personal Chief Financial Officer moving forward, you would just refer them back to me and I'd

VIDEO TRANSCRIPTION

be more than happy to address them professionally so that he's comfortable that you're making smart decisions.

Rita: Mm-hmm (affirmative)

John Bowen: Any other questions that come up here?

Bill: I don't think so. I just have to not watch the news and stuff. Not watch some of the pundits, because I do confess that occasionally I will be channel surfing and I'll see something and say, "Well that kind of seems to run a little contrary to what John told me." But I'll -

John Bowen: You'll need to -

Bill: I have faith in you, Sir.

John Bowen: Yeah, you will need to do that Bill because, what happens is that nobody can predict returns. Certainly, in the short run. We know equities, long-term, they tend to do well. But we can have periods where they really are ... It's a little painful. And the one thing, whenever there's bad news, the news, the newspapers, the TVs, the radios, they'll sing it very loudly. And they can create a lot of anxiety. We want to be careful of that.

And that's really what our job is. We bring that information together. We've got these great resources. You know, I've joked in the other meetings about our experts, like the Verizon people behind us again. Well that's the same thing here, is we've got access to so much information. We filter it. And now that we know your situation, we can then work with you and be extremely effective.

What I'd recommend is, let's get started in. To put this all into place, I just need to have each of you sign here and then we can go ahead and get started. Let me have you sign on the signature page here if you would.

Bill: Mm-hmm (affirmative).

John Bowen: And we're right here and here.

Bill: Okay, I'll go first.

Rita: Go ahead. Great. Yes.

VIDEO TRANSCRIPTION

John Bowen: (Silence) Okay, great. Great. Now what will happen is, I'll begin with my team to put everything in place and you'll start seeing some paperwork. Remember I joked last time that what happens is they cut a tree down in your honor? Well they do. And they slice it real thin and nail it. And no matter what firm you work with, unfortunately, there's a lot of paperwork. And it's really the regulatory process.

What I'd like to have you do though, is bring it back in. And what we're talking about here is, we've completed the discovery meeting, took a look at where you are, where you want to go, what are the gaps. I worked with my team to put together an investment plan, our philosophy. Reviewed that. We now just completed the mutual commitment meeting. Where we've gone ahead, executed the documents and we're ready to move ahead and we'll put those all-in place.

From there then, we're going to go to the 45-day meeting. And it's kind of a ... Why we titled it the 45-day meeting, we should get together about 45 days after the paper you received that and so on. I'm going to ask you to bring it back and when you bring it back in, definitely open it up, review it if you'd like. But bring it back in and we'll walk you through so you can see how to read it. And you can see. We'll actually put it in a notebook and organize it for you. So that you'll have that, and you can bring in for each of the regular progress meetings. Now, two things are going to happen during that 45-day meeting. Even though Bill, you mentioned that you're not going to watch the news as much as on, it's going to show up.

Okay. It's going to create some confusion. Let me give you an example. Let's do it outside the financial services. You've seen used car ads, haven't you? Either online or in the newspaper.

Rita: Mm-hmm (affirmative).

John Bowen: One of the most interesting research I've seen recently is, there's a study of who reads them. Is it really someone who's buying a used car? That's out looking for a used car. Are they the most frequent readers of these ads? Or is it somebody who is really out there and has already bought a car and wants to check, and kind of rationalize what's going on.

Well, the interesting research, it's actually the person who bought the car. And they want to rationalize, they made a smart decision, didn't pay too much and that they got the right car. That's what happens. What we find with our clients.

Once they put a new plan in place, they want to go out and read Money, Forbes, Fortune, US News Today, Wall Street Journal. Watch, CNBC all day long and so on. Certainly, you can, but what we find many of our clients end up canceling their subscriptions of these things because they have peace of mind as we're working together. And that's why we do the 45-day meeting.

VIDEO TRANSCRIPTION

The second part we're going to do is, we're going to go ahead and I'm going to begin working with our wealth management team to put together the plan for our next meeting. Where we'll walk through four areas. Remember we've dealt with preserving your wealth. That's the first thing. Then we're going to go and we're going to look at a plan to minimize income taxes, what we call Wealth Enhancement. We'll also be addressing wealth transfer. How we'll take care of your heirs and, really, the kids now. And the grandkids and so on.

And then we'll also talk about, from the standpoint of wealth protection. So, we mitigate. Being a professional. Your professional business as an architect, you know liability, unfortunately, in today's world. So, we want to make sure we've taken care of those areas too. The wealth protection. And lastly, charitable giving. And we'll talk about some of the areas where we might be more impactful in the areas that you really want to support. For example, the Catholic church and how we might make that even more powerful.

Rita: Right. Thank you.

John Bowen: Well the last item on our agenda ... We've made really ... We got started on the investment side. We've got everything executed and you should be proud of yourself. But really what ... The other thing that we always ask at this point is, there's an opportunity. And there's an opportunity to help some of your friends and business associates. And what this is, it's a new service that we've put in with all the volatility in the market.

I mean, you know how peace of mind really ... You brought it up and just concern on financial independence. You both brought up, with this volatility. There was a little bit of uncertainty in your own mind moving forward. And now we've worked through that and we're on a journey of really getting the whole wealth management, taken together, and put in place. So, the idea here is that we've offering a new service to our top clients like yourself. And we call it the Second Opinion Service. And really what it is, is that ... There's an article here that I'll give you, from the Wall Street Journal. And it talks about, that four out of five affluent clients are concerned with switching their advisors. They're actually thinking of switching their advisors and it's not that different than your experience. They want to make sure they're making smart decisions about their money.

And so, what we do for our top clients is, we have a service, just like what we've done with you. Over the last few meetings, is taking a look at where you are now. Where you want to go, and those gaps. We offer that to you for the people who you care about. Your friends, your business associates. And if you'd like, we'd be more than happy to walk them through this discovery process. And see if they're making a smart decision by really staying where they are. Because in some cases that's the right thing to do. In others, it may be appropriate for us to consider

VIDEO TRANSCRIPTION

working with them. But, as we talked about, we only work with, really, a select number of successful families here in the community, that we can have a major impact. And if we're not the right ones, we'll point them in the right direction. Now does anybody come to mind that you think might benefit from this experience. That's been worried about, the financial markets and how they're doing?

Rita: I don't know.

Bill: Not immediately, but ...

Rita: Right.

Bill: But you know, people ... Just in the course of conversation, I think it'll just happen by an organic process. That they'll be -

Rita: Curious.

Bill: Yeah. We'll just be getting current with our friends and family and they'll say, "Wow, what's ... So what? You seem to have a lot of new insights. What's going on?" And it'll come up. And then we can, maybe by our next meeting, have a couple of names for it.

John Bowen: Yeah, I think that that's the right way to approach it. Because, it will come up. So many people are so concerned right now and by sharing this experience, what happens is, they're going to get the peace of mind and have the financial independence that you have too. And maybe they're well positioned, but just knowing that can be very powerful. So really, as we go forward in each of the next meetings, I will be asking you this because what we find is many of our clients just love the experience of helping your friends out, their business associates.

Let's go ahead and schedule, then, our next meeting. And we call it the 45-day meeting. Let's schedule it 45 days from today.

Bill: All right. Sure. Mornings are best for us.

Rita: Yeah.

John Bowen: Would -

Rita: We're morning people.

VIDEO TRANSCRIPTION

John Bowen: - you want to continue, 9:00 AM?

Bill: Mm-hmm (affirmative).

John Bowen: Is that convenient?

Bill: That's fine.

John Bowen: Okay. Why don't we do nine o'clock, Wednesday, 45 days from today.

Bill: Excellent.

John Bowen: Okay. Thanks again.

Bill: All right.

Rita: Thank you.

John Bowen: Be proud of the experience that you're making. It's a quite a journey.

Rita: Appreciate it.

John Bowen: Okay. Bye now.