



2019 MDRT Top of the Table Annual Meeting e-Handout Material

Title:	Converting Prospects to Clients Using Questions, Statements, and Observations
Speaker:	Simon Singer
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What to Expect

- How to gain access to new clients
- How to create a more meaningful 1st meeting
- How to create strategic alliances with Attorneys/CPAs
- What to say to get them interested and to take action

Don't Get Overwhelmed

I used to sit in these meetings and try to absorb all the information I heard, first I would get confused, then I'd forget, then get intimidated and then get depressed. So, here is a process we've come up with to assist you:

12 – 3 – 1

Convert a problem into process and it won't be a problem anymore!

**No Matter What Country You're From,
Ask Yourself the Following...**

- Do you have a product that everyone else doesn't have?
- Do you have tax law that everyone else doesn't have?
- Do you have strategies that everyone else doesn't have?

Our Industry Has Lost the Ability to Conduct Proper Discovery Interviews. Are We Planners, Or Have We Become Just ...

Numbers On a Page

Questions For You:

- Do You... Know where your next client is coming from?
- Need more ideas or more prospects?
- Want more time, more money, or more fun?

If Not, You Need to Become Experts in...

- Communication
- The art of questioning
- Answering objections
- Collaboration

I'm Going to Mix Into This Presentation

- Statements
- Observations
- Questions
- Answers to objections

ALL WRAPPED TOGETHER

Meeting a New Prospect

5 seconds to get
50 seconds to get
50 minutes

My experience on a golf course and what it taught me:

- ½ hour meeting on my time
- Get introduction letter

Create Goals and Objectives

- Always first, always in detail
- It is your roadmap
- No strategies until goals and objectives have been fully vetted and you have absolute clarity

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Find Objections and Concerns

- The sale is never simple, there are always objections or concerns, even if not voiced
- If they don't realize they have objections or concerns, point them out and/or create them
- We don't lose sales to People that say you're full of beans it doesn't work like that, we lose sales to the objections that the client never verbalizes

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Learn How To:

- Turn compelling statements and/or observation into questions.
- Asking questions assist in:
 - Building rapport
 - Gaining confidence
 - Collecting more and better data

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Questions – Estate Tax/Asset Protection

- Have you analyzed which asset to distribute, at what time, and in what order to increase the value to your children, charities, etc.?
- Do you think estate planning is all about taxes?
- After you're gone, will your children talk to each other?
- It took a lifetime to build your estate, doesn't it make sense to take a few moments to preserve it?
- Equal and fair are not necessarily the same thing. For instance, how do you divide a car or business into thirds?
- Do you know the difference between ownership and control?
- Did you know you already have an estate plan? It is the governments default plan.

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Questions – Estate Tax/Asset Protection

- Wouldn't you rather maximize the value of your assets and leave a legacy, as opposed to your heirs having to paying taxes?
- Why not let 1% of your estate pay the tax on 100%?
- Does your current estate plan reflect your values or the values of your advisers?
- Have you searched for opportunities available in your estate plan the same way you would with your other important business solutions?
- Who would you rather put together your estate plan – you or the (THEIRS)
- We can assist in protecting your family from divorce, bankruptcy, business reversals of your children – would that be of interest to you?

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Questions - Retirement

- Do you know how much liquid capital you'll need in order to be able to retire and maintain your after-tax lifestyle indexed for inflation?
- Are you on track or do you have a deficit?
- If there's a deficit, what are you doing about it?
- Which mistake would you rather make, having too much or too little money?
- How are you going to pay off the mortgage on your retirement assets?
- Isn't it better to have it and not need it, than need it and not have it?
- Which is more important to you, the return on your money or the return of your money?
- The type of investments you have, are they with or without guardrails?

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Questions – Business

- How much money would you take out of your business if you didn't have to pay tax on it and your CPA agreed?
- What is your exit strategy for your retirement plan assets or your business?
- What is your strategy for exiting your business?
- How would you like to be in business with your partner's widow, her attorneys, her children, and their attorneys, her new husband, his children and their attorneys?
- Did you know, if the business capital can't be use to absorb the tax, the tax will absorb the business?

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Questions – General

- Isn't it better to have it and not need it, than to need it and not have it?
- Why do you think you're here?
- What does estate or income tax planning mean to you?
- What have you accomplished so far?
- What do you like and dislike about what you've been doing?
- If we were sitting here one year from today where would you like to be financially?
- If you don't do this, what will you do?

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Questions – General

- If what you thought was true turned out not to be true, how quickly would you like to know?
- Have you maximized the leverage of your exemptions?
- Did you know that sometimes the biggest price to pay is doing nothing?
- Many people didn't do anything wrong, they just didn't do anything and that's what was wrong?
- Do you realize that failing to decide is actually a decision?

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Questions – Taxes

- What is your largest expense?
- Did you know that capital gains taxes are voluntary?
- How much do you have in your retirement plan or IRA
- How much of it is yours?
- Do You realize that there is a mortgage/ lien against that asset?

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Questions – Insurance

- I know you believe in term insurance, so do I, do you want temporary term or permanent term?
- Why did you buy your term insurance?
- Do you want to pay for your term insurance with pre-tax or after-tax earnings?
- Do you want to buy your term insurance at retail or wholesale costs?
- Do you know how much term insurance costs?
- What is your definition of permanent tax reform?

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It's Not What You Say, But How You Say It

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Answering Objections

- Generally Just because the client gives an objection- you don't have to answer
- **Objection to the cost** – of course there is a cost, but it is not even close to the cost of the other alternatives: For example, supporting a family
 - You can liquidate an assets which could cost 300%
 - Withdraw cash in a bank account which could cost 150%
 - Borrow from the bank which could cost 200%
 - Borrow from the government which costs 130%
 - Or, pre-pay the costs at 30%
- **I know about GRATS, etc., etc.**
 - Junior high orchestra versus the L.A. Philharmonic
 - Pasta sauce at \$5 a plate versus \$30 a plate
- **What do I care if my kids get \$20 or \$40 million?**

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Get Sign-Offs

You should have the client sign-off on everything.

It clears up an confusion and is good marketing and good public relations with a strategic advisor.

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Best Marketing Materials

I have been asked over the years, what is your best marketing materials?

I always answer with my own:

- Pension plan
- Family limited partnership
- Corporation
- Foundation
- Cash value insurance
- Annuities

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How Can You Gain Access to More/ Larger Clients

By creating strategic alliances

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Strategic Alliances

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Be Well Introduced

1. Profile your target, obtain a proper introduction - Ask
2. A client might refer you to them - Ask
3. Professional advisors might refer you - Ask

Like everything else, it starts with you asking questions.

- Script introductions
- Never go in without a proper introduction

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Preparation vs Presentation

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Control the Controllables

- John Wooden
- Profile the strategic advisor
- Profile of the client
- Language as a tool

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Setting the Stage

- Letter of introduction
- Shock and awe packages

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How Can You Create Relationships with CPAs or Attorneys ?

1. Obtain a proper introduction
2. A client might refer you to them
3. Professional advisors might refer you

Like everything else, it starts with you asking questions.

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Meeting a New CPA

- Remember 5-50-50
- They don't understand our industry
- They don't trust our industry
- They don't trust us
- They think we make too much money
- Why should they refer you?
- What's in it for them?

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Interview the Professional Advisor

What I used to do....

What I do now!

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Ask Questions to Create Goals and Objectives

Some professional advisors may not be willing to admit that they need something, so it is up to us to help them uncover some wants, needs, and desires, just like you do with your client.

Do they want more:

- TIME
- MONEY
- FUN

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Questions

- Change peoples perceptions
- Get people involved

Success comes from listening, you never learn anything from talking.

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What Kind of Questions ?

- What do clients think you do?
- How do you charge?
- Do you want more time, more money, more fun?
- What about your retirement?
- How are you going to buyout your senior partners?
- What are you doing to accomplish these items?

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Actively Listen

- Not just not talking
- Really try to understand
- Ask clarifying questions

Then ask even deeper clarifying questions

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Value What You Do

- They need us more than we need them.
- If you don't believe in yourself they won't either.

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Observations

Appointments lead to discussions of:

- Retirement
- Asset protection
- Long-term capital gains
- Estate plan

Each of those lead to sales

People do what they want, when they want, with people they trust

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How Do We Start?

The F.O.R. Program
Facts – Opportunity – Results

Table of Contents

- Pension / IRA Enhancement Plan
- Investment Alternative Estate Plan
- Investment Alternative Income Plan
- Tax and Retirement Plans for Small Business Owners
- Large Business Owner Tax / Retirement Plan
- Leveraged Estate Tax Plan
- Terminally Ill Estate Tax Plan
- \$0 Estate Tax Plan
- Highly Compensated Employee Tax and Retirement Plan

Pension / IRA Enhancement Plan

Facts

Couple in their mid-sixties with \$2,500,000 in IRA rollover accounts, income of which they would never need. Total net worth \$10,000,000. Want to maximize the amount of money to heirs without risk and without invading their current lifestyle.

Opportunity

These extremely conservative investors were highly disturbed when they discovered that, after income in respect of a decedent and estate taxes, their \$2,500,000 in the IRA would be worth only \$750,000 net to their heirs.

Results

Collaboration and creative planning gave us the opportunity to substantially reduce the income tax while eliminating the estate tax costs altogether.

The result is \$2,400,000 is now available to go to the heirs without any further tax dilution, \$1,550,000 of taxes saved, and \$80,000 of additional revenue for our strategic partner.

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Tax Environment is Hostile

- The IRS doesn't have a enough budget, so they are left trying to manufacture revenue
- Pensions, Deferred Compensation Plans, Premium Financing, and Split Dollar are **ALL TARGETS**
- All areas where you can bring value added to your advisor network

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Getting to the Prospect

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Move Quickly But Don't Hurry

- Don't make assumptions
- It's not what you say:
 - But how you say it
 - When you say it
 - In what context, and
 - How they hear it



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Set the Rules

- Advisor participation
- Communication
- Script introductions
- Participation in appointments



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Manage the Relationship

- Strategic planning teams
- Reporting
- They have ego's too!



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Ask Questions

Learn how to:

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Actively Listen

- Not just not talking
- Really try to understand
- Ask clarifying questions

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Create Goals and Objectives

No strategies until all have goals and objectives have been absolutely clarified and prioritized.

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Observations

- Just because a client or an advisor asks a question, does not mean you need to give them an answer.
- Ask them another question.
- Never provide conclusions without comprehension and full understanding.
- Talking tax deductions and tax savings leads to more appointments.
- If you focus on the solution, the prospect will focus on the cost. If you focus on the problem, the prospect will focus on finding a solution(s).
- Done beats perfect every time.

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So

If you make marketing, language and understanding of the human behavior your priority, next year you can be up here and share your results with us!

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Thank You

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