First Appointment Talking Points

1. START: Hi ___. This is ____ with ______________(Your company). Is this still a good time to talk about the 401k Challenge?

** If not, schedule a time for the initial call - use the positioning in the "Positioning" ppt to lock it down.*

2. MUTUAL AGREEMENT: And, if at any point you feel this isn't what you're looking for, please let me know, and we can just cut it off, OK?

3. FRAMING:

a. So, when you initially took the challenge you said _________ was most important to you. Why is that?

b. When you saw one of our ads, it talked about…

i. NEVER again losing money to a stock market downturn
ii. STOPPING taxes from eating up retirement money
iii. And CREATING retirement cash flow you can't outlive

… what made you want to take the challenge?
… which of those made you want to take the challenge?

4. DISCOVERY/PAIN:

a. Just so we don't duplicate anything from here, tell me a little about your current situation...
b. How will your current plan manage taxes if they go up?
c. What protections do you have in place for the next market crash?
d. How long have you been working on finding a better solution?

5. PAIN/TAKEAWAY (ALT 2): It sounds like you've got things pretty well under control.

a. What parts do you want to change?

6. BUDGET/QUALIFY: Are you mostly looking for a place to reallocate existing funds (like an IRA), or a place to put new money (taxable, savings)?

7. REPORT: Have you had a chance to read our 13 Reasons Report yet?

8. AFTER-TAX INDEXING STRATEGY: It is both a Market Hedge and a Tax Hedge.

a. It's called an Indexing strategy because it is a strategy that earns interest, based upon a market index called the S&P.

b. At the end of the year, whatever the S&P earns is what your account value would earn.

9. TWO EXCEPTIONS: There are two exceptions to that:

a. The first exception is there is a cap, usually around 12-13% percent, so if the market goes up 20% your account would receive a 12% credit because it hit that cap or ceiling.

b. The second exception is that you have a floor of 0, so you'll never lose your principle in a market crash, but you'll have years when you've got a zero Return.

c. Example (if necessary): For example, if the market loses 20 percent, you won't lose anything. You won't gain anything, but again, you won't lose anything.

OBJECTIONS:

i. (how is it invested?) The majority of the money is in Fixed Income Securities, or Bonds. And some is in Fixed Income Commercial Mortgages.

ii. (do you manage the money?) No, we are just agents. The money is managed by a large insurance company.

10. RETURN: Let's take a look at the last thirty years historically, and see how this performed. If you slice that up into almost any ten-year period, the average return of this strategy has been between about 7% and 8%.

11. TAKEAWAY: So the question is, if you were able to get tax-free growth of around 7-8% on average each year, is this too conservative of a strategy for a portion of your money? (let them answer)

a. Okay, great...(if they answer yes)

12. TAX-BENEFITS: Another benefit is that the indexing strategy may also create after tax cash flow.

a. As you know, there aren't a lot of tax-free options available.

b. For example, a ROTH IRA or Municipal Bond, where you pay tax upfront and you can access the money tax-free at retirement. Another tax-free option is the death benefit on a life insurance policy.

c. The problem with that ... as you get older, nobody wants to buy more life insurance, and, certainly, no one wants to have to wait until they die to get a tax break.

13. WE STRUCTURE: To get the tax benefits we use an insurance contract, but we structure it almost exactly opposite of the way a typical life insurance policy is Structured… (here you can use some stats from the article in resources about % of wealthy families and businesses and how they use it)

a. When you buy insurance, usually you're trying to get the highest death benefit per dollar spent.

b. In our case, we're going to do the reverse…

c. What we do is minimize the life insurance cost so the majority of your money goes toward the cash value account.

d. Then when it comes time to access the money, we take a loan from the insurance company.

e. The reason that's important is because there's no tax on borrowed money. It's just like a refinance on a home.

f. That allows us to pull the money out without paying any tax on it under current tax laws.

g. Any questions on how this works?

14. WHAT'S THE CATCH: The catch is that you do eventually have to pay the loans back.

a. When you die we use the death benefit to pay off the loans and what is left passes on to your heirs, tax free.

b. Does that make sense?

15. SUMMARY: Let's summarize how this strategy works:

i. The money is protected from stock market losses because it's not in the market

iii. You have access to the money for emergencies or investment
Opportunities

iii. There are no penalties or age restrictions on having access to the
Money

iv. The money grows tax-deferred at an average of 7-8%, historically

v. The retirement cash flow is paid out after tax for as long as you live

a. Does this raise any new questions for you?

16. PAIN/NOTICE OF DIFFERENCE: How does this compare to the other after tax options you've looked at?

17. NEXT STEP: Typically, the next step is to create a BLUEPRINT for you that will show you if you contribute X dollars, how much cash flow you could receive in retirement. We have a software that does this for you and shows you side by side the results so it just comes down to math at that point.

Next time we talk I will explain in more detail how it works and show you in black and white exactly what your own personal numbers will look like.

18. CALIBRATE: On a scale of 1 to 10, 10 being highest, what is your interest level in learning more about this strategy for your particular situation?

a. Is there any reason you wouldn't want to see those numbers

19. SCHEDULE: Okay, we'll you'll need to be in front of a computer so I can show you your results. We need 30 to 45 minutes. I have
____ day _____and _____ day available (Within next 2-4 days)

a. What works best for you?
b. Okay, and what time?
c. Great, now you will be in front of your computer, right?

20. MINI FACT FIND. Let me ask you a couple more questions so we can get that going.

a. What is your current age?

b. Hypothetically, how much would you want to put in so I can run your
Numbers?

c. What age would you plan on taking money out?

d. (Optional) How much in retirement income are you going to need to maintain your standard of living?

e. (Optional) You mentioned previously, you had in round numbers ________ in Assets.

f. (Optional) Can you break that down for me better? Do you have an IRA or 401(k)? What is the ballpark estimate of what you have in that account?

g. (Optional) Do you have any pensions?

h. (Optional) Any real estate properties? What cash flow do you receive from them on a yearly basis?

21. FUNDING: I am going to create a blueprint based on those numbers; however, it's always helpful to jump start the plan. Do you have any money sitting in an account not earning as much as you would like, that we could add as a lump sum to accelerate your cash value growth?

22. TAKE AWAY: This strategy is not for everyone. I just want to make sure you know That.

a. Is using insurance to reduce taxes out of the question for you?

b. When you look at this strategy online or with other advisors, you will hear all kinds of negative things. The reason for that is many agents out there build these plans to benefit themselves with their own commissions, instead of maximizing your money. Like I told you before, we build these the opposite way to maximize your cash value and minimize costs. So if you hear anything negative, it's probably because someone didn't structure it properly.

c. (OPTIONAL) Is doing business over the phone and computer going to be a problem for you? If we need to meet, we can arrange that in the future. Does that work?

23. DECISION: In addition to yourself, who else would be involved in your retirement? Spouse? Financial Advisor?

a. Would they benefit by being on the next call?

24. POST-SELL: Now, let me take the pressure off. I am going to block out my time to be

able to share this information with you. I am planning on this meeting just as if
you were going to walk into my office. It's on my calendar in stone.

a. But, if this really isn't something you are interested in, now is a great time
to bail out with no hard feelings.

b. (OPTIONAL) My calendar fills quickly and I can only afford to fill it with
people who are sincerely interested and will be there.

c. (Is there anything that's going to stand in the way of you picking up the
phone when ________calls?)

25. CALENDAR: Great, now did you put that appointment in your calendar? Can you read that back to me so I know I have it right?

26. COURTESY CALL: I'm showing XXXXX as your current email. Is that the best address?

a. I'm going to send you a confirmation email for this appointment, along with
my contact information.

b. If something comes up so you can't make this appointment, would you hit
me back so we can reschedule? Great, see you then.

***POST CALL NOTES:**

IN THE EMAIL, Send your notes from the call, The 16 skeptical questions article
and any other articles that pertain to the pains and problems they have. (See article
library online.)