



# The Advisor PACT Monthly Session™

August 18, 2015  
Hosted by Mark Little

How much benefit do you want from today's session?

**Are you ready to be here  
and **no place else?****

- Max Dixon

This online meeting system technology uses lots of memory & system resources, so please...

- ✓ Close your **email** program
- ✓ Close all **browsers**
- ✓ Close **all programs** on your computer other than this GoToWebinar system

*Consider taking this attitude starting right now:*

Something discussed today will be a significant positive **game-changer** for my business  
I want to focus so I don't miss it



# Issues Covered in this Session

- ✓ I realize the first 104 days of The Three Meeting Process™ is the initial creation of my client's comprehensive written lifetime financial strategy (financial plan). When does the 104 days begin?
- ✓ How do I disengage from product and service compensation (stop receiving commissions and fees for AUM)?
- ✓ The “T” in Advisor PACT™ stands for Transparency. Do you have any advice about how to be more transparent with our Ideal Clients?



# Question

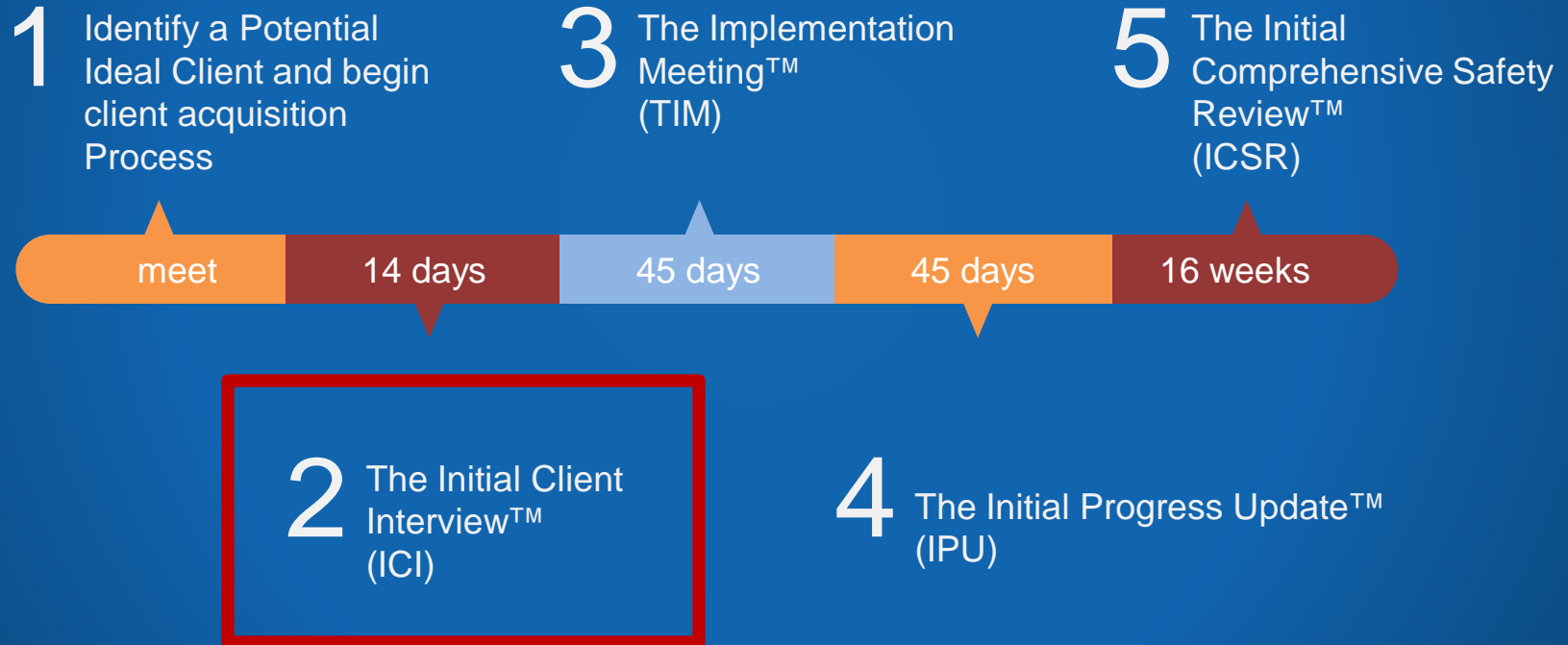
I realize the first 104 days of The Three Meeting Process™ is the initial creation of my client's comprehensive written lifetime financial strategy (financial plan).

When does the 104 days begin?

# The Three Meeting Process™: First 104 Days



# The Three Meeting Process™: First 104 Days





# Before the 104 days begin

(**before** the clock starts ticking)

1. You are in **possession** of their financial documents
2. Potential Ideal Client **agrees to join** your Ideal Client Community (made first **payment**)



# Question

How do I disengage from product and service compensation (stop receiving commissions and fees for AUM)?





# Important Concept

Give potential clients **only**  
2 ways to work with you

Become highly skilled at describing only 2 **starkly contrasted**  
service offerings in a concise, coherent, compelling, and  
conversational way.

Creates an **incentive** to join your Ideal Client Community

(Offering more than 2 options invites: “I’ll think about it”)



# Option “A”

Truly Comprehensive Financial Services™



My team and I will coordinate **all** of your personal financial affairs.

You'll **get on-track** to your financial goals & you'll remain on-track

You'll get your financial house **in perfect order** and will keep it that way forever

# Option “B”

Comprehensive written lifetime financial strategy (financial plan)

We'll invest 104 days **creating** your comprehensive written lifetime financial strategy, just as we would in Option “A”

Then we'll hand the plan over to **you to implement** (It's all yours after that)





# Option “B” Compensation?

(a financial plan)

1. Half your “Option A”  
Compensation
2. No less than \$10,000 USD  
at a minimum  
(£6,500)



# Important Concept

## Design Option “B” With

No future **commitments** to service

No future **entanglements** with this client

Example: Do not charge a **percent** of AUM for Option “B” Clients

**NOTE: Survival Income is OK.**  
If after you’ve been hired for Option “B” you spot a transaction which will help this client, it’s OK to make the recommendation



# Compensation Example

## Option "A"



\$45,000 per year for  
Truly Comprehensive Financial  
Services™

We'll meet at least once every  
4-months forever to

- ✓ Measure progress and
- ✓ Make the course  
corrections required to  
remain on-track

## Option "B"

\$23,000 (one time) to create  
your comprehensive written  
lifetime financial strategy

Then you take the plan & go  
implement it





# Question

The “T” in Advisor PACT™ stands for Transparency.

Do you have any advice about how to be more transparent with our Ideal Clients?



# Important Concept

**We have made an Advisor PACT™ with you**

✓ **Protection:**

I pledge to protect your assests, to identify and eliminate potential conflicts of interest

✓ **Attention:**

I'll pay close attention to your personal financial affairs and will make the regular course-corrections required for you to remain on track for your goals

✓ **Coordination:**

I'll ensure that every recommendation is well-aligned with your overarching financial strategy

✓ **Transparency:**

I'll make sure that you're crystal clear regarding the full costs of every financial product and financial service.



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✓ **Transparency:**

I'll make sure that you're crystal clear regarding the full costs of every financial product and financial service.





# Transparency Report 1 of 2

## Compensation by Holding

Holding	Compensation Since Inception (Estimate)	Compensation Next 12-months (Estimate)
XYZ Investment Portfolio (Inception: Sep 18, 2005)	<ul style="list-style-type: none"> <li>Tom Smith (previous advisor): \$32,789</li> <li>Internal fees: \$27,478</li> </ul>	Internal fees: \$13,739
ZZY Investment Portfolio (Inception: Jan 14, 2001)	<ul style="list-style-type: none"> <li>Tom Smith (previous advisor): \$225,000</li> <li>Internal fees: \$222,500</li> </ul>	Internal fees: \$22,250
ABC Retirement Fund (Inception: Jan 12, 2001)	<ul style="list-style-type: none"> <li>Tom Smith (previous advisor): \$60,000</li> <li>Internal fees: \$60,750</li> </ul>	Internal fees: \$6,750
HOOR Investment Portfolio (Inception: Dec 2 2006)	Internal fees: \$10,070	Internal fees: \$8,020
<b>Totals</b>	<ul style="list-style-type: none"> <li>Tom Smith (previous advisor): \$317,789</li> <li>Internal fees: \$320,798</li> </ul>	Internal fees: \$50,759

# Transparency Report 2 of 2

## Compensation by Team Member

Deliverables Team	Compensation Past 12-months (Estimate)	Compensation Next 12-months (Estimate)
Mark McKenna Little Trusted Advisor	\$40,000	\$40,000
Sonny Tanager Money Mgmt Subject Matter Expert	\$0 (paid by Mark)	\$0 (paid by Mark)
Fin Anschel-Pran Financial Planning Subject Matter Expert	\$0 (paid by Mark)	\$0 (paid by Mark)
Robert T. Barnes III Estate Planning Subject Matter Expert	\$0 (paid by Mark)	\$2,200 (Estimated revisions to your trust)
Max Taxman Tax Planning Subject Matter Expert	\$0 (paid by Mark)	\$1,800 (NEW: Generation skipping trust tax return preparation)
Durance Eggspert Insurance Planning Subject Matter Expert	\$0 (paid by Mark)	\$0 (paid by Mark)
Your General P&C Insurance Agent (commissions + estimated product costs)	\$2,800	\$3,200
<b>Totals</b>	<b>\$42,800</b>	<b>\$47,200</b>



For **Potential** Clients

# The Truth in Fees Exercise™

(Provide these 2 Transparency Reports)

***Responds to comments like...***

- ✓ I pay my current advisor much **less** than you.
- ✓ As far as I know, I'm not paying **anything** currently



# The 2 Transparency Reports

1. Compensation by Holding
2. Compensation by Team Member

ADVISOR  
**P**ACT

PROTECTION ATTENTION COORDINATION TRANSPARENCY



Kickoff your culture  
of complete and total  
transparency with the  
2 Compensation  
Transparency  
Reports