

# client acquisition system



## Ownership

- Client Goals
- Risk Tolerance
- Investment Weighting
- Income Planning
- Recommended Allocation

## Custom Portfolio Engineering

- “Our Philosophy & Process
- Needs Analysis
- Current Allocation
- Recommended Allocation

## Custom Proposal

- Comparison of the two allocations across “what if” tests

- Risk/Reward
- Diversification

- Single unified proposal for principal preservation & market sensitive solutions

- Monte Carlo
- Growth Analysis
- Fees

- Modifications to proposal automatically archived for compliance

## Client Acquisition

- Message that distinguishes you

- One-time fee agreement for Analysis

- Fee structure that supports your message

- Fee-based for AUM

- Commissions for solutions that don't require active management

- Client interviews that communicate your message

- How to walk through Needs Analysis

- How to discuss Current Allocation

- How to present the Recommended Allocation

- How to walk through the “what if” test

- How to discuss “next steps” & allocation

- How to maintain the client relationship

- Annual Reviews

## Implementation

- One-time fee agreement for Analysis
- Presenting the ADV

- Selecting principal preservation and market sensitive solutions

- “How to” system for account liquidations and transfers

- “One App” system for populating investment applications

## Compliance

- “Can do” system that tells you what you “can do, and not just what you “can't”

- Technology to self-audit at the beginning of the year

- Monthly training to meet “systematic & ongoing” requirements

- Associated Persons

- Client Documentation

- Communications

- Books & Records

- Disclosures

- Workbook to “self-test” against rules covered in monthly training

- Internal Inspections & Controls

- Regulatory Systems

- Compliance office with experts you can talk to

- Live “mock audit” to independently

- to evaluate your practice

# client acquisition system

## CLIENT ACQUISITION SYSTEM

A Client Acquisition System that plugs into ANY independent practice and adjusts to you.

### 1. A CLIENT ACQUISITION SYSTEM THAT MAKES YOU MORE PROFITABLE

The 300 Financial Client Acquisition System (CAS) enables you to not only compete with the Banks and Wirehouses, but to dominate them. The 72 advisors who, up until now, had exclusive access to the CAS have used it to add over \$3BB in new money to their practices over the last three years.

The CAS has been developed, tested, improved, and honed to perfection during that time. It incorporates the technologies that get you more clients *and a fee structure that saves your client money. This fee structure also makes your practice more profitable.*

The 300 Financial CAS has been whittled down to an easy to use tool that levels the playing field so that you can compete.

### 2. ELIMINATE THE OTHER ADVISOR AND BECOME THE CLIENT'S ONLY RELIABLE SOURCE FOR RECOMMENDATIONS

Why should client's change advisors? The answer is easy: their current advisor didn't disclose all the information the client needed to make well-informed decisions.

Clients must be able to trust their advisor. If they can't, they leave.

The true power of the 300 Financial CAS is that it removes your competition from the picture. The CAS uses a software program that generates a proposal with 7 proprietary graphs and illustrations that clients walk through to determine for themselves whether information pertaining to their current portfolio was withheld. When the client discovers the truth for themselves, the other advisor is gone. You become the only reliable source for alternative recommendations.

### 3. A FLEXIBLE, EASY TO USE SYSTEM THAT ANYONE CAN PLUG INTO ANY PRACTICE

How did 72 advisors with different practices and personalities all have the same success with the 300 Financial CAS? It's simple...this CAS adjusts to you and your process. The 300 Financial CAS revolves around three guided discussions to help clients discover the answers to these questions for themselves:

“Why should I meet with you?”

“Why should I change advisors?”

“Why should I implement your recommendations?”

These discussions can be plugged into any practice anytime these questions come up. And best of all you don't have to memorize these discussions. Our software (designed specifically for the independent planner) generates a visually compelling proposal that makes it easy for advisors and clients alike to walk through and arrive at their own answers.

The 300 Financial CAS is proven and is only available to 300 Financial producers. No other CAS can compare to it. We look forward to showing you exactly what makes this unique system so effective.

## CLIENT ACQUISITION SYSTEM

The 300 Financial Client Acquisition System (CAS) is a simple and flexible system that fits into any type of practice. In the last three years, the 72 advisors with exclusive access to this system were able to add a combined total of just over \$3 billion in new money to their practices.

The system:

- Eliminates “I need to think about it.” Clients commit to walking through your process and giving you a definitive answer...either yes or no...at the end.
- Removes the other advisor. You are positioned as the only source of recommendations and advice.
- Makes it clear that your recommendations are better. The CAS uses a custom proposal to compare your recommendations to the client’s current allocation across a series of “what if” tests.

## FLEXIBLE, QUICK, AND EASY

Easy-to-use technology and three easy-to-learn conversations that anyone can plug anywhere into their existing practice make it possible for 72 advisors with 72 different practices and personalities to achieve the exact same success.

## STRAIGHT-JACKET SOLUTIONS DON'T WORK

“Coaches” always start out as students, and I was a student once too. When I started my independent practice in 1999 I thought I had a good handle on how to get clients. After all, I’d had success with the brokerage firm prior to becoming an RIA. And I continued to have moderate success as an independent RIA...it’s just that I found that without the “brand name” it was harder.

I became a student of several popular “sales systems” and was always told, “Don’t reinvent the wheel. Just do it the way we tell you and it’ll work.” And in all honesty, these systems absolutely work for somebody (generally the guy pitching the system), but they only kind-of-worked for me.

It’s not that they were flawed in any way that was easy to spot; it’s just that they didn’t quite fit me. They either didn’t fit my practice (they were geared to selling a single solution or to a single demographic), didn’t fit my personality, or they just didn’t fit my process (they told me how many times to meet).

## ONE SIZE DOESN'T FIT ALL

Trying to implement these systems was like wearing an ill-fitting suit. You're self-conscious about the way you look. You can't concentrate on anything except how short the sleeves are or how tight the pants feel. I was thinking more about what I was supposed to say, do, not say, or not do that I wasn't able to really focus on the client. Despite all that I did get clients, but I also lost quite a few as well.

One size definitely doesn't fit all. But as I bounced from system to system looking for the right fit for me, I discovered something else; all successful systems may not be alike, but they definitely have a few key things in common.

## THE "SECRETS" NO ONE WILL TELL YOU

Every good system I ran across addressed three key issues:

- Why should I (as the client) meet with you?
- Why should I (as the client) change advisors?
- Why should I (as the client) implement your recommendations?

The secrets that no one will tell you are that regardless of the system or the process, the answers to these questions are always the same. There's only one right way to have a conversation about "why you should meet with me." There's only one right way to have a conversation about "why you should change advisors." And there's only one right way to have a conversation about "why you should implement my recommendations."

It was an epiphany that helped me compete not only against every other independent advisor, but also against the Banks and Brokerages. How?

## BANKS AND BROKERAGES ARE ARROGANT

Banks and Brokerages answer all of those questions this way:

"You should meet with us, change advisors, and implement our recommendations because we're Wells Fargo, Merrill Lynch, Charles Schwab, or Fidelity Investments (insert your name of choice)." That's an answer. But it's not **the** answer. These Banks and Brokerages are so fat from clients they get from their big advertising budgets that they just don't know any better.

When potential client's meet with an advisor who walks them through a conversation where they discover **the** answers, clients end up leaving even the Banks and Brokerages to work with you.

## MOST INDEPENDENT PLANNERS MISS THE BOAT TOO

Unfortunately most of the independent planners I know make the same mistake that Banks and Brokerages make (I did for years). They answer the same questions much the same way.

Independent advisors typically explain:

“You should meet with me, change advisors, and believe my recommendations are better because as an independent planner I give unbiased and better advice.” Again, it’s an answer. But it’s not **the** answer.

And because it’s just a variation (we’re better because we’re smaller) of the same theme that Banks and Brokerages throw out there (we’re better because we’re bigger), independent planners can’t compete against the big budgets and big guns the big boys have.

### YOU CAN WEAVE THE ANSWERS TO THESE QUESTIONS INTO ANY KIND OF PRACTICE OR PROCESS...IT ADJUSTS TO YOU

The fact that each of those questions really only has one answer and one way of arriving at that answer also made it easy for others to duplicate my success.

When I began coaching other advisors, I realized I was dealing with guys with different practices, different client bases, and different personalities. But they all still needed to get clients to tell them:

Why they should meet with you  
Why they should change advisors  
Why they should implement your recommendations

I simply created three conversations that any advisor with any kind of practice and process could insert anytime and anywhere these issues popped up. My initial 30 coaching clients had tremendous success just plugging these conversations into their practices whenever and wherever it made sense for them.

## EASY-TO-USE TECHNOLOGY MAKES IT EVEN EASIER

But my goal was to take what I learned from my first 30 coaching clients and make the model even better. I knew I didn’t want to “systematize” the model to the point where it was too rigid. The one thing my coaching clients raved about was how flexible it was...how it worked for everyone regardless of their personality or practice. The only complaint I got was that the three guided conversations took some practice.

Sometimes it’s hard to see the forest from the trees. I’d been using these conversations for years... they were second-nature to me. But for others they were brand new. That’s when I realized that these conversations didn’t need to be memorized. I could use technology to create software that would generate proposals that the client would see and follow to arrive at the answers.

That same technology and proposal made it easy for advisors to present the answers to clients without requiring the advisor to memorize anything. Advisors simply followed the same visually compelling proposal that the client did to arrive at the answers.

## RESULTS THAT ARE NOTHING LESS THAN ASTOUNDING

After refining the technology I introduced it to my 30 original coaching clients and introduced it to 40 additional coaching the clients. Including me, 72 advisors have used the technology to add over \$3 billion in new money to their practices in the last three years. And here's how...

### TECHNOLOGY THAT ANSWERS, "WHY SHOULD I CHANGE ADVISORS?"

The answer to "why should I change advisors?" is getting the client to say:

**"My current advisor doesn't disclose important information that I need to make good decisions. I know that to be true because important things about my current situation were never disclosed. The fact that my advisor not only failed to disclose them, but may have withheld them on purpose is a problem that can't be fixed."**

Most advisors think the answer to "why should I change advisors?" is to show the client problems with their current portfolio. But think about it...any problems you could uncover in their investment portfolio are fixable. If they weren't you'd be dead in the water too.

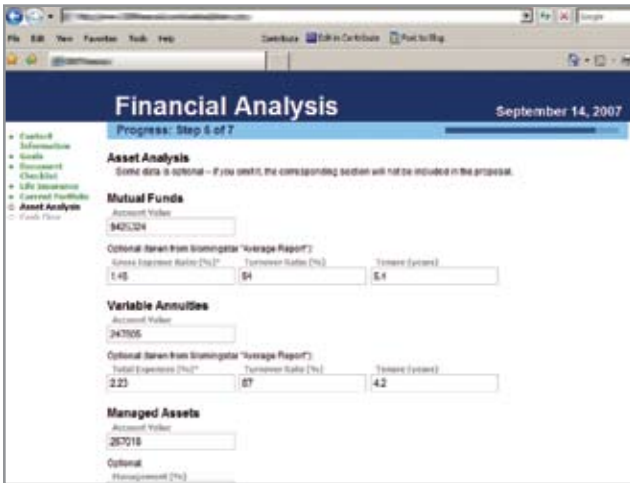
And while we'd like to think that if we showed clients their problems they'd want to leave their current advisor (after all we could solve their problems), the grim reality is that while this strategy sometimes works (just often enough to keep us coming back for more), most clients simply go back to their current advisor to get any problems fixed. Why?

Their current advisor can offer the same solutions...and it's just easier to stay. Clients don't want to have uncomfortable conversations about leaving, and they don't want the hassles of changing and transferring accounts. Clients don't care who fixes the problems as long as they get fixed.

So how do you illustrate that important information was withheld?

## TECHNOLOGY THAT IS CONVINCING

The easy-to-use CAS software prompts you step-by-step and line-by-line to input the client's data into the program.



The screenshot shows a web browser window with the title "Financial Analysis" and the date "September 14, 2007". The interface is titled "Progress: Step 5 of 7". On the left, there is a navigation menu with options: "Client Information", "Goals", "Investment Checklist", "Life Insurance", "Current Portfolio", and "Asset Analysis". The main content area is titled "Asset Analysis" and includes a note: "Some data is optional - If you omit, the corresponding section will not be included in the proposal." Below this, there are three sections: "Mutual Funds", "Variable Annuities", and "Managed Assets". Each section has an "Account Value" field and a "Current Rate from Morningstar 'Average Report'" table with columns for "Since Inception Rate (%)", "Turnover Ratio (%)", and "Tenure (years)".

Section	Account Value	Since Inception Rate (%)	Turnover Ratio (%)	Tenure (years)
Mutual Funds	\$420,224	1.48	64	8.4
Variable Annuities	247,705	2.23	87	4.2
Managed Assets	257,718			

The program then generates a custom proposal that walks a client through 7 proprietary illustrations that highlight the information the current advisor failed to disclose. Some of these illustrations include:

## ASSET ANALYSIS

- The turnover costs of the current portfolio
- The manager tenure of the current portfolio
- A risk/reward analysis of the current portfolio
- The investment weighting of the current portfolio
- A fee analysis of the current portfolio
- The diversification of the current portfolio
- "What ifs" for titling and beneficiaries for the current portfolio

## A KNOCKOUT PUNCH TO THEIR CURRENT ADVISOR

These visually compelling illustrations provide a framework for a guided discussion that ends with clients concluding on their own that their current advisor did not fully disclose all the information pertaining to their current portfolio...and may even have intentionally withheld important information to keep the client from backing out.

When clients discover the truth for themselves, it's all over for the other advisor.

And that's the reason clients leave even the Banks and Brokerages...they don't trust their current advisor to disclose all the facts going forward. You become the only source for recommendations and advice.

## TECHNOLOGY THAT ANSWERS, “WHY SHOULD I IMPLEMENT YOUR RECOMMENDATIONS?”

The answer to “why should I implement your recommendations?” is:

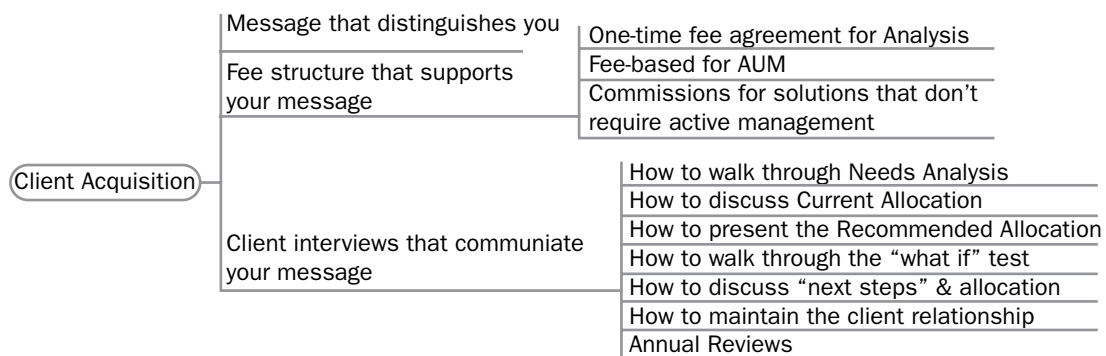
“The recommended portfolio is better than what you have when it comes to the 7 key areas of concern we looked at when examining your current portfolio.”

Most advisors think it’s enough to show that their recommendations will perform better (and they leave it at that). Don’t get me wrong...sometimes that works. It’s just that a lot of times it doesn’t. That answer falls short for two reasons:

- You can’t guarantee future performance
- That leaves clients with no substantive way to compare portfolios

Our technology (custom fit to an independent planner) creates a custom proposal that follows the 300 Financial CAS so that clients have specific points of comparison for your recommendations and are completely confident that your recommendations are better.

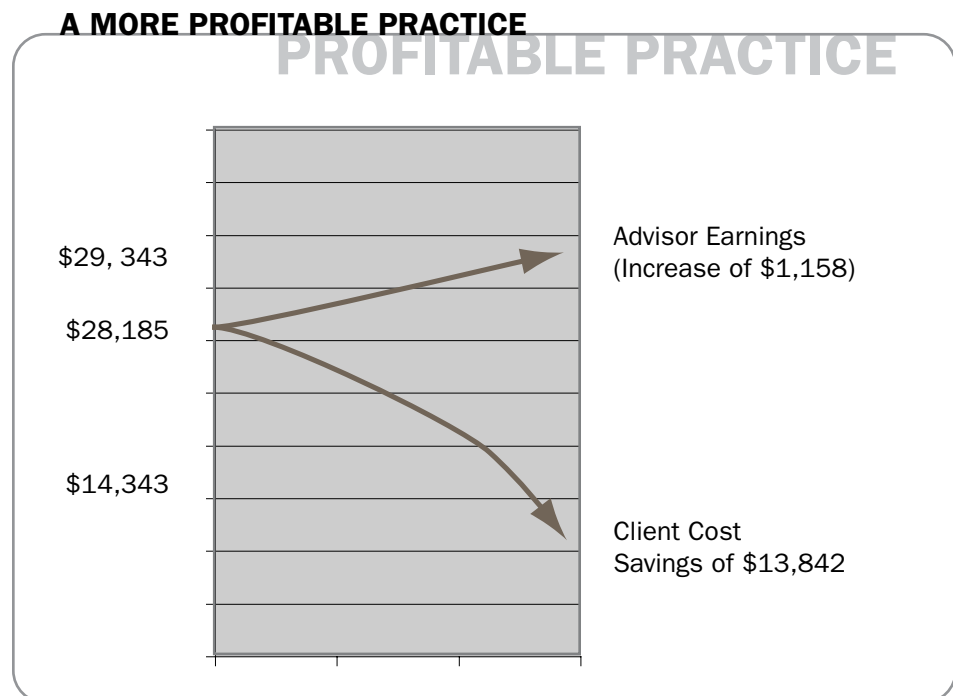
In addition, the technology includes a “One App” system for populating investment applications.



## A MORE PROFITABLE PRACTICE

The 300 Financial CAS also incorporates a fee structure that achieves the seemingly impossible. It gives you the highest payout while at the same time providing the lowest cost to the client. It's a compensation structure that not only helps you compete against, but crush your competitors at the Banks and Brokerages.

Example: On a \$500,000 portfolio, the 300 Financial compensation model over a 5 year period would increase your earnings by 4.1% while saving your client over \$13,842 in unneeded fees.\* How?



The 300 Financial compensation approach blends the best of all worlds. When you think about it, there are only three ways to charge your clients:

- Flat fees
- Commissions
- Percentage of AUM

And every approach has its ups and downs.

\*Assumes that the portfolio grows at a rate of 6% each year.

With flat fees, clients generally receive unbiased advice. But because advisors need to make a living, it's well-documented that many advisors put more time than necessary into a plan to make sure the final bill warrants the effort. That, and clients are often set adrift after being "launched" by these plans because they don't want the added expense of additional hours of an advisor's time.

With commissions, clients actually end up paying less over time. You would think clients would end up paying more as a result of working with a commission-based advisor. But a recent study in the Journal of Financial planning found that clients actually pay less! Why? Because the fees don't compound the way they would in an AUM model. Still, commissions can put advisors and clients on opposite sides of the table...clients may not get unbiased advice.

With a percentage of AUM, clients only pay more if their accounts do better. What could be more fair than that? Still, the same study in the Journal of Financial Planning found that because advisors with an AUM model have an incentive to steer a client's assets toward fee-based accounts, cash and liquid positions are often under funded. Moreover, advisors unfairly end up "charging annually" for things that require little or no management (like bonds or slow-moving REITs).

## FLAT FEES + COMMISSIONS + PERCENTAGE OF AUM = BETTER FOR THE CLIENT

The 300 Financial CAS builds in a compensation approach that's head-and-shoulders better for the client. The CAS allows you to charge a one-time consulting fee to review a Needs Analysis for the client. We walk you step-by-step on how to discuss the consulting agreement and introduce the Needs Analysis.

By beginning the advisor-client relationship with a flat fee you share control of the planning process with your clients. They don't feel any sense of obligation to continue if things are fine, and you're able to give objective advice because you're compensated for your time.

If someone chooses to become a client, you charge a commission for the safety portion of a client's portfolio. These are typically investments that don't require active management. This gives the client an overall cost break on the portfolio since fees don't compound the way fees on AUM do over time. You charge a percentage of AUM for the growth portion of a client's portfolio. By charging a percentage fee for assets that require constant supervision, your compensation is tied directly to the performance of that part of the portfolio. This ensures that your economic future is tied to the client's economic future. You have an incentive to make this part of the plan work.

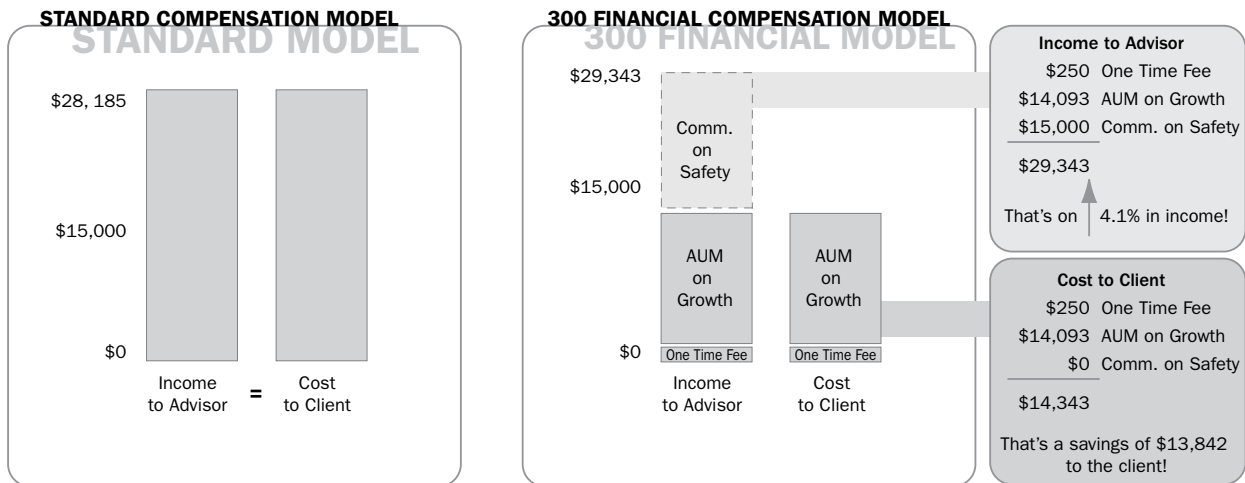
## BETTER FOR THE ADVISOR AS WELL

But not only is it better for the client, it's better for the advisor as well. Remember our earlier example of the client with the \$500,000 portfolio?

Suppose the client wanted a balanced portfolio with 50% allocated to growth and 50% allocated to safety. Over a 5 year period (assuming 6% growth in the market) a percentage of AUM model would cost the client \$28,185 and make the advisor \$28,185.

With the 300 Financial compensation model the client would pay a \$250 one-time consulting fee for a Needs Analysis. The client is then in control and decides whether or not to move forward. If the client elected to move forward, in our example the client would pay \$14,343, resulting in cost savings to the client of \$13,842.

In this example, the advisor would make \$29,343. That's a 4.1% increase in income for the advisor.



## ELIMINATE YOUR COMPETITION...EVEN THE BANKS AND BROKERAGES

Clients need to know that they can trust their advisor. And full disclosure is the foundation of that trust. The 300 Financial CAS walks you step-by-step through software that addresses the question, "Should you change advisors?" The 7 proprietary illustrations are presented to clients so that they can determine for themselves whether all the information they needed to make good decisions was withheld...either intentionally or unintentionally...by their current advisor.

When clients discover the truth for themselves, the other advisor (even if they work for a Bank or Brokerage) is gone from the picture. You become the client's only source for alternative recommendations.

## A FLEXIBLE SYSTEM THAT CAN BE PLUGGED INTO ANY PRACTICE

The 300 Financial CAS is built around 3 guided conversations that can be plugged into any kind of practice at any time. What's more, you don't even have to memorize these conversations. Our technology gives you and the client a visually compelling proposal that walks you and the client alike through the process.

The secrets that no one else will tell you is that there is only one right answer for the three questions clients must answer for themselves before becoming anyone's client:

Why should I meet with you?  
Why should I change advisors?  
Why should I implement your recommendations?

The 300 Financial CAS gives you the confidence and technology to help clients arrive at the right answers to those questions. Our CAS is flexible, easy to use, and adjusts to you and your practice.

## YOUR FUTURE SUCCESS AS AN INDEPENDENT PLANNER

This CAS has been responsible for bringing in nearly \$3BB in new assets the past three years...which to be honest wouldn't mean much until you realize that it was done with only 72 advisors who had exclusive access to the CAS and its technologies. Per capita, the advisors using the 300 Financial CAS are in a field all their own.

While others can claim to transform your practice and increase your income, they require you to put on a straight-jacket. It's their way or the highway. Only the 300 Financial CAS gives you a proven and flexible system that can be plugged into ANY practice...a system that adjusts to you.

Try our system and our technology and see what makes 300 Financial head-and-shoulders above the rest.