

# FINDING YOUR FEE MODEL

SCRIPTS



“ Many advisers will offer to do a ‘free’ financial plan, but we all know nothing is ever really free. Instead of offering a ‘free’ plan in hopes I can sell you something later, like your attorney or accountant, I simply charge you for my time and expertise, thus eliminating another conflict of interest.

We assess an annual planning fee for our services and have implemented a system that allows them to seamlessly satisfy the annual commitment on either a monthly or quarterly basis. My planning fee in your situation would be \$7,140, which is either \$595 monthly or \$1,785 quarterly with a \$1,500 up-front onboarding fee. Now it would only make sense for you to pay this fee if the value you received was worth multiples of that amount. Did I explain this well or do you have any additional questions? ”

## CHARGING A PLANNING FEE



L I M I T L E S S



## THE DIRECT APPROACH

“ Each quarter we will deduct a fee of just over 1/4 of a percent from your accounts. This will be done as a line item so we can both see very clearly the fees for working together. Is that OK with you? ”

“ Our initial planning fee to design your personalized financial plan will be \$4,500, with an ongoing monthly planning fee of \$595 to implement, manage and advise you on your financial life every step along the way. Do you have questions I can answer, or are you ready to move forward? ”

If prospect hesitates....

“What questions can I answer for you? This is a major decision point in your financial life. Should we work together, my job is to be your trusted advisor. That begins with you being comfortable with our approach and fees. This isn't a time share sale, so I'd like to invite you both to take the night to think it over. ”

L I M I T L E S S

“In my XX years of experience, these plans ARE worth multiples of the fee, but my reputation is far more important than the planning fee, which means that if YOU have any doubts about the value of the plan I provide for you, I will refund my entire planning fee with no hassle.”



MONEY-BACK  
GUARANTEE

L I M I T L E S S



## MOST/LEAST APPROACH

“I’d love to help you retire with confidence and buy that bed & breakfast in Napa you’ve always wanted. Our fee to move forward and develop a comprehensive plan that lays out your personal path to retire with confidence will be \$7,500 a year.”

“Our fees aren’t the least expensive, and they’re not the most expensive, but our clients are here because they’re more than fair for the value they receive.”

L I M I T L E S S

# QUOTING FEES?!

## If you're charging on AUM + Separate Planning Fee (with implementation discount)

"Our up-front planning fees range from \$2,500 - \$7,500 depending on your situation, goals, and complexity. At the end of your planning session, if I think I can add real value to you and you feel I'm the right adviser for you, I'll share the fees to work together. We retain 50% up front and 50% at the end of this phase of the process. Should you continue to work with us to implement the plan we design, we waive the remaining 50% of the planning fee."

## If you're charging on AUM + Separate Planning Fee (no implementation discount)

"Our up-front planning fees range from \$2,500 - \$7,500 depending on your situation, goals, and complexity. At the end of your planning session, if I think I can add real value to you and you feel I'm the right adviser for you, I'll share the fees to work together. If you're ready to move forward, we'll start the process and schedule your plan design meeting 2-3 weeks after our first meeting."

## If you're charging on AUM + Separate Planning Fee + Annual Fee

"Our up-front planning fees range from \$2,500 - \$7,500 depending on your situation, goals, and complexity. At the end of your planning session, if I think I can add real value to you and you feel I'm the right adviser for you, I'll share the up-front planning fee and the ongoing fee, which is half % of the up-front fee."

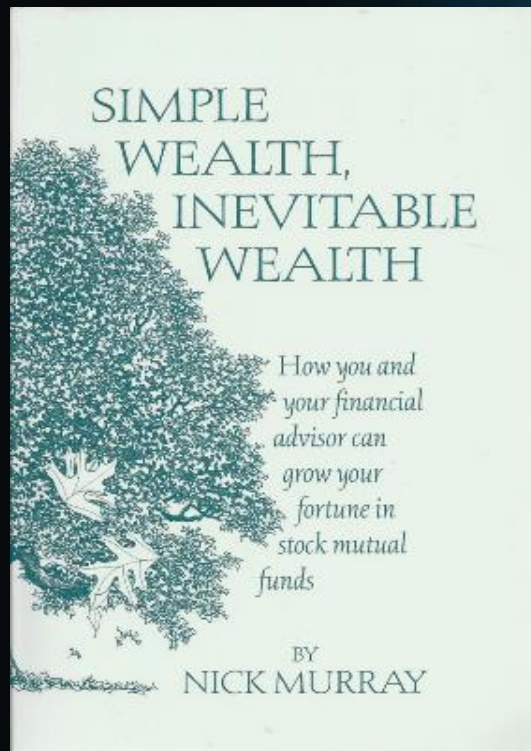
## If you're charging a retainer fee only:

"We assess an annual planning fee for our services and have implemented a system that allows them to seamlessly satisfy the annual commitment on either a monthly or quarterly basis. My planning fee in your situation would be \$7,140, which is either \$595 monthly or \$1,785 quarterly with a \$1,500 up front onboarding fee. Now it would only make sense for you to pay this fee if the value you received was worth multiples of that amount. Did I explain this well or do you have any additional questions?"

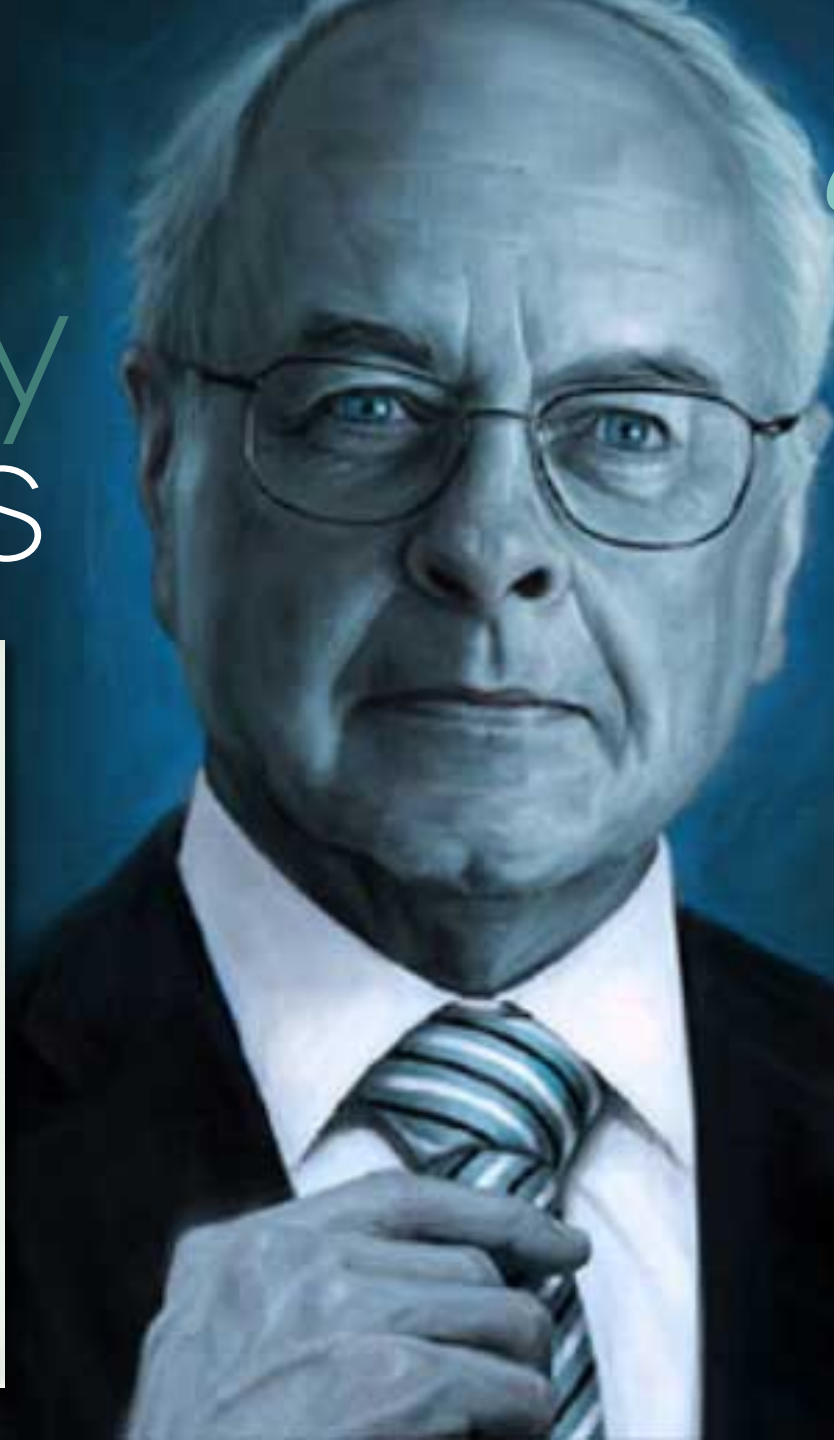
# QUOTING FEES: By Fee Model



# Nick Murray ON FEES



“Assume that good advice costs about one percent a year... If a high-quality advisor can either help you increase your return by more than that, or save you more than that in time, effort and worry, or save you more than that by preventing you from making the classic behavioral mistakes...s/he’s worth it. If the advisor can do all those things—and s/he very well may—then hiring an advisor is a no-brainer.”





## ADAM'S FEE CONVERSATION (Raising Fees)

“Over the past few months, we have been focused on evaluating the business, services, costs and how we have grown. I've learned that our fees are not aligned with the full breadth of services and value we offer to clients. Going forward, we have delineated between providing investment management services and financial planning services for our clients. As such we will be adopting a new fee structure for annual financial planning services with options to pay either monthly or quarterly via a 3<sup>rd</sup>-party automated payment platform. This aligns more closely with our philosophy that regardless of what happens in the market or any financial decisions you make, we will provide you with advice in your best interest.”

L I M I T L E S S

“ I understand that this is a big increase, Mr./Mrs. Client. I believe that great, uncompromised financial advice delivered through a great client experience shouldn't be expensive—it should be priceless.

In order to continue to deliver that experience to each and every client, I've had to take a good, hard look at my business and made some changes to previous fee schedules.

I truly do value our relationship and hope to have the privilege of serving you in the future. Should you decide against this fee increase, please know that my team and I will do everything we can to make your transition to a different advisor as smooth as possible.

Does that make sense? ”

L I M I T L E S S



ADAM'S FEE  
CONVERSATION  
(Questioning Increase)