Episode 154 - Lloyd's of London, Where Income is King with Robert Clark

Episode Transcription

"Every time we get one of these requests for body part only coverage, we always tell the client and the agent, 'It is the same exact price to insure their entire body."

Paul Adams: Hello, and welcome to Your Business Your Wealth. I am Paul Adams, I'm the founder and CEO of Sound Financial Group, and I'm so glad you could join us today, though who I'm also very glad to join us, the man that is the lime LaCroix to my otherwise gin and soda Cory Shepherd. So glad you could be here today.

Cory Shepherd: Are you sure it's not... I'm the lime to your strawberry. 'Cause you do like it a little more in the fruity side? Yeah.

Paul Adams: Maybe. It could be. I mean, frankly, a LaCroix all tastes like maybe a watermelon truck drove near a bunch of seltzer water and like sneezed. And that is why it just has a hint of that taste. But I'm pretty psyched about our episode today, because we get to...

Cory Shepherd: Me too.

Paul Adams: Talk a little bit about this area of insurance that most people have heard about, have never actually seen and we get to have an expert on the show. So, yeah, I mean, for all of you listening today, here you are jumping outside the regular financial media, you're working to get some really good independent thinking about money. All thinking that's meant to help you better design and build a good life, and this one's gonna do that, but we're also gonna have some fun, because we actually have somebody with us, who is an expert in an area of insurance called Surplus Lines, also known to many of you as protection from Lloyd's of London. That's what most people are most familiar with or not, familiar with this term called Surplus Lines, which he's gonna explain more here in just a moment. But his name's Robert Clark, he is the Regional Vice President for Peterson International, who is the largest what's called a cover writer of Surplus Lines of Lloyd's of London, here in the United States. We are so excited to have you. Robert, welcome to Your Business Your Wealth.

Robert Clark: Thank you so much, I'm just really glad I wasn't introduced as another flavor of LaCroix.

[laughter]

Paul Adams: Not yet, maybe on your next time you come on the show.

[laughter]

Cory Shepherd: That's right.

Robert Clark: Really excited to be here. Thank you guys.

"At the end of the day, disability insurance is – I hate to think of it like a gamble – it's more of a 'Do you want to guarantee that your personal balance sheet will hit the goals that you've outlined to achieve over a certain amount of time."

Paul Adams: That's actually our first question, if you were a flavor of LaCroix, I'm only kidding.

[laughter]

Paul Adams: Cory, why don't you just kick us off, just digging into orienting everybody to this whole Surplus Lines distinction.

Cory Shepherd: Sure. Well, we could... If you're into national treasure or the Da Vinci Code, we're getting into a realm of ancient societies and mysterious groups are very powerful people. Robert, can you give us a little bit of the background of Lloyd's of London, just their history, what Peterson is and what it means to be a Surplus Line's cover holder?

Robert Clark: I think if I give you a pretty detailed answer on all of that, I might fill up our episode here. So I'll try and keep it short.

Cory Shepherd: Short. Very little detail please, yeah.

[chuckle]

Robert Clark: Yeah, you got it, you got it. So back in 1688, it was a Tuesday.

[laughter]

Robert Clark: I'm kidding, but literally back in the 1600s...

Paul Adams: One in seven chance, it was a Tuesday.

[laughter]

Robert Clark: I like those odds, not really. Back in the 1600s, a lot of the maritime, like cargo ship owners all got together and started making agreements that if someone's ship went down, the other three or four partners would help fund to buy that person a new ship and they all made an agreement that if for anyone in the group that lost their ship, the remaining partners would basically buy them out and rebuild it. So that's where the insurance lines started back... Like I said in the 1600s. Now, fast forward to where we are today, there's all these different divisions, there's about 100 different syndicates within Lloyd's. So you have all these different insurance groups and I'll spare you the details on what the difference between the syndicates and the brokers and the cover holders and all that.

Robert Clark: But essentially to write Lloyd's of London coverage here in the United

"I'm a big believer in 'Buy what you sell. Sell what you own."

States, you have to have a cover holder status if you want power the pen, to be able to write in the domestically and so, that's where Peterson comes into play. Back in the '70s, they were sourcing a lot of the insurance coverage that we do today, through five, six different carriers and at claim time for a client... I mean, one, you're filling out six different applications.

Cory Shepherd: Yeah.

Robert Clark: And then at claim time, not only are you filing six different claims, but you have six different claims analysts. And so, some say yes, some say no, some are plausible. And it just got very convoluted. And so, that's originally why our founder went to Lloyd's of London to try and see if he could get contracts to write these insurance risks.

Cory Shepherd: Wow. So, this brings me all kinds of questions, but a very serious one to start us off. What is the craziest thing you have heard Lloyd's of London insuring? Because they have a reputation that they'll insure anything, if there's a risk, they just might take it. So, what comes to mind?

Robert Clark: Yeah, and that's absolutely right. I was... I'm always afraid of this question, because I don't wanna cross any lines, but I'll just say that one was a male actor, he performs with no clothes on, and with other co-stars being many female models and actresses, so he was an adult entertainer on film and we covered one of his prized possessions.

Cory Shepherd: I see, I see, okay.

Paul Adams: We may have crossed into our first explicit episode.

[laughter]

Cory Shepherd: We may have to rate this one.

Paul Adams: I thought for sure it would be when we had like David Goggins on, but nope. [laughter] Robert crossed the line for us. So, literally though, movie stars, actors, actresses will cover a particular part of their body for how much money?

Robert Clark: I mean, it all depends on their income, that's how they justify it. Here's kind of the weird thing, and this is the dirty little secret within Lloyd's. Every time we get one of these requests for body part only coverage, we always tell the client and the agent it is the same exact price to insure their entire body.

[laughter]

"So, basically, a disability insurance underwriter if they insure one person, that's pretty high risk. If they can now spread that risk out to ten or twenty people, they feel a lot better about accepting the right amount of premium for an expected amount of loss."

Paul Adams: Oh!

Robert Clark: So they're not getting any discount?

Paul Adams: A model with beautiful legs, or maybe one of these guys, that's just jacked that you see on Instagram or it could be an athlete, right? That'd be like my ability to do this one thing and you guys let him know like, no, we just insure all the things, because it's the same risk.

Robert Clark: Exactly. And so, we tell them, but it's really more of a publicity play. We have a lot of Musicians that wanna ensure and their hands and their fingers, to say that I'm a guitarist and my hands are insured for $10 million but they should have just bought the policy for their entire body.

Paul Adams: Wow. And what... One; never occurred to me that that could be the case and two; that Lloyds has such a strong brand. I've seen those press releases. I remember one, I don't know why I remember specifically where I was, I was in the parking lot of a Wendy's when I heard it come over the radio and this is probably 18 years ago. And it was something about J-Lo ensuring her tukus. Specifically for $30 million on something ridiculous with Lloyd's of London, which I imagine probably works out pretty well for Peterson and the publicity as well. But it is funny how people... And I think this is one of those things, it could be a takeaway for a lot of people Listening is where you do people make a decision that might be a bit vain, and not be the most prudent?

Robert Clark: Yeah, those tukus contracts are really picking up over the years.

Paul Adams: Are they really? [chuckle] I think that is... This may be the best episode we've ever had. Sorry, Cory. I just had to give the color commentary.

Cory Shepherd: I'm enjoying it too. So one, this just... We'll get to some things that apply directly to our client's lives and just a second promise stay with us folks. In that vein. Even if it's a very normal kind of thing, some people are willing to pay a lot to protect prize possessions. What's the highest amount someone's been willing to pay to protect something? Amount of premium?

Robert Clark: Gosh. You're talking about body part only coverage?

Paul Adams: Anything.

Cory Shepherd: That'd be fine but anything really.

Robert Clark: Any premium? I would say the largest premium, that I've seen would be 6.8 million dollars.

Cory Shepherd: Per year?

Robert Clark: Per year.

Paul Adams: And what was being covered?

Robert Clark: A professional. Yeah, professional athlete.

Paul Adams: Professional athlete earning some multiples of that, I would imagine.

Robert Clark: Very large contract. Yeah.

"When we own appropriately secured, properly thought out insurance coverage, we're not speculating."

Cory Shepherd: Which makes perfect sense. If they'd be willing to pay that small slice to keep, we'll just call it potentially hundreds of millions if you wrap in their contract and their endorsement deals and all those things that could go away if they're not playing anymore.

Robert Clark: Yeah, absolutely.

Paul Adams: So Roberts we transition to stuff that is really gonna be applicable to our audience. Why do you think that high income-earning executive, or the entrepreneur listening to our podcast right now, that's making $300,000 to $2 million a year, why is it They should be protecting their income against sickness or injury that would prevent them from being able to earn?

Robert Clark: So really interesting correlation that not too many people think of when they think of "I'm an executive or I'm a business owner", if you're making $500,000 a year, So many see that as "Well, I'm only making 500,000, a lot of these professionals or athletes or entertainers that make way more than me, they're the ones that really need the insurance", but they're not really thinking about the second dimension of income, and that's where I talk about the sustainability, the length of their career that they're planning to earn that money. At the end of the day are executives or business owners, our doctors, they are compensated pretty evenly with a lot of these athletes. It's just that for an athlete, they're earning that same $10 or $20 million in career earnings in a much shorter window. Right? And so instead of 30 years of working and running the business, they're earning that same amount of money in seven or eight years. And so we see it a lot more in the athletes buying these policies because they're really concerned about that short window of time that they need to be healthy. But, here all along these executives and business owners are earning that same amount of money just over the course of 30 years.

Cory Shepherd: So they've got the same sized bucket as those athletes just that the bucket is a lot closer in view for those athletes. So, I've got doctors are one that's kind of the opposite order, or they have a lot of expenses up front. And so they come out of school and start to earn money and have a sense that they wanna protect their income and we think about a cardiologist comes out of fellowship, maybe they're making 450, depending on what area of practice they're in. And life's great but every other doctor that's around them, is saying, "Hey you need disability insurance", 'cause they've got that culture. Where do you think the disconnect is that a business executive or entrepreneur who are making much the same or even more, they're not in that culture with each other, they don't have that black and white approach of, "we've gotta protect our income."

Robert Clark: Yeah, absolutely, it's two completely different cultures like you're talking about. One, I think what's really important or relevant for doctors is that they see a lot of these disabilities every day. Right? And most really overestimate what a disability really is. Everyone's looking for a wheelchair or a set of crutches. You look at any disability insurance marketing piece. And everyone's laid up in a wheelchair and I'm just like my father... I don't know if we'll get into this, but my father battled cancer for 20 years, he was in a wheelchair for about the last 30 days of his life, and every other day for that 19 and 19 years and 11 months, there was no wheelchair there was no crutches. He just looked like an ordinary person. But when you're a doctor, you're the one operating on a handful of these people.

Robert Clark: If you're a cardiologist you're the one installing the stints and you see how arteries and the human body tends to start coming apart on or is exposed to certain risks, but two, especially entrepreneurs and executives that hasn't been as much of a stable occupation until the last, let's say 20 years, and that's... I don't know if you know, but in the 90s disability insurance had a really rough ride, a ton of losses a lot of those risks were doctors, but it was always the thing. If you were an insurance agent, you wanted to go talk to doctors, right? They need it, they need the disability insurance the most. And so it's always just been this kind of phenomenon that doctors are always talked to about disability insurance. Then some of these professionals see enough people go on claim, especially when you have two or $300,000 in student loans that you're gonna have to be re-paying over the course of your career. There's a lot of money on the line, not just your future earnings, for your personal balance sheet, but also paying back a lot of loans that will not default no matter how many times you claim bankruptcy.

Paul Adams: Which I gotta say, the thing that's a little bit of an "aha" here for me that seems to be a bit of a commonality is you have two things that I just hadn't considered before. Number one, both your professional athletes which we'll just lump that in with celebrity generally, and physicians both have this situation where they're making next to no income or running backward in the sake of a physician borrowing.

Cory Shepherd: Right.

Paul Adams: And then suddenly, boom.

Cory Shepherd: Boom.

Paul Adams: They just have this enormous increase in income from where they were before. Maybe very much the same B-level actor, commercials, small films, and then something happens and they catch on.

Robert Clark: Yeah.

Paul Adams: And they have this huge increase in income. And that big pop in income gives them the visibility, like this is precious. My body is dependent on it, I need to be able to show up to do this. And then couple that with... Especially in the physician side, you are ever present to the fact that these disabilities do happen and probably in that professional space, you're not... As a professional athlete, you're not hanging out with the guys that got disabled from the prior season, but it's super prevalent 'cause everybody talks about. But if you're an executive or entrepreneur, I'm sorry to say and it's just a little brutal in the way life works. But gosh, the guy who got disabled who was a executive for some major corporation or the entrepreneur that had to sell his business at a fire sale because the market didn't cooperate in him trying to sell it, coupled with the fact. Forget disability, forget wheelchair. Then just feeling like your father, like he just... Like the symptoms might have just been feeling like you have the flu, but for 20 years. That'll take somebody out. They're not present too. The executives and entrepreneurs don't have disabled people in their life. People aren't on the ESPN every night talking about who's on the disabled roster.

Robert Clark: Right.

Paul Adams: Or what do they call it? I'm not a huge sports guy. Injury...

Cory Shepherd: The injured list.

Paul Adams: The injured list.

Cory Shepherd: Yeah.

Paul Adams: Thank you. Not disabled roster, but to them it's the same. It brings present to them that they could be in danger of that that doesn't exist for the executives and entrepreneurs coupled with the fact that their income climbed over a long period of time. That executive or entrepreneur maybe over their lifetime, well out-earning the athlete, maybe out-earning that specialist physician by a lot. But because it took them 10 or 15 years to get there like a slowly boiled frog, it doesn't feel as special nor as vulnerable even though by pure definition, it is. When you're in the top one percent income-wise, 99% of people would love to have the role you have in society either as an executive with that newly minted MBA, ready to work for a fraction of what you work for and try to eat your lunch. Or you're a business owner running a large successful business and there's somebody out there competing with you to try to get that away and on top of it, your physicality could fail on you due to sickness or injury.

Robert Clark: Yeah.

Cory Shepherd: Robert...

Paul Adams: Man, that's a big aha for me. Thank you for that, Robert.

Cory Shepherd: No matter who someone is, if they're going to look for a disability insurance, what kinds of things do you recommend people look for in a disability insurance policy?

Robert Clark: It's all down to the fundamentals and I think you both are very apprised to what a professional needs depending on their occupation. I always look at the definition of disability, that's probably the most critical aspect. But then also, what's the future guarantee that policy is really providing, right? At the end of the day, disability insurance is... I hate to think of it like a gamble. It's more of a "Do you want to guarantee that your personal balance sheet will hit the goals that you've outlined to achieve over a certain amount of time?". And so definition of disability. If something happens to you, you wanna make sure that you're actually receiving that benefit.

Cory Shepherd: Yeah.

Robert Clark: And then how long that benefit's paying out? I don't think that's quite as important as the actual definition. Most disabilities, the average length of long-term disability is actually only three years, so a lot of people look at these to age 65, to age 67, policies that would pay them for 20-30 years, and that's probably gonna be expensive where you can actually bring something into your portfolio that covers the heavy majority of some of those injuries or illnesses. And like I said, the most critical aspect would be making sure that you have a policy that has the right definition for your specific occupation.

Cory Shepherd: Gosh, that, what you just said was so huge for me, I never heard of it that way, that a lot of people do talk about insurance as being a bet, like life insurance or disability insurance. "Well, I'm just making a bet with the company," but now it's making a guarantee. You're making a guarantee that your balance sheet hits those goals. Amazing.

Paul Adams: The same thing occurred to me is actually, it's not speculation to ensure something. We are speculating now. Right now. Right now, if you're listening to this show and you don't have any income protection either through your employee. You are the one speculating.

Cory Shepherd: Already speculating.

Paul Adams: Like, I'm in a soapbox here a little bit before you take us to commercial Cory, but gosh, bless it. The perversion that our industry has put on us. Like that, "Hey, you're speculating or gambling and why?" I think largely because the financial institutions want you to buy into speculation and gambling. Sorry, I'm not gonna go totally black helicopter, but hang with me for a minute.

Cory Shepherd: Yeah, okay. We can come back.

Paul Adams: That literally, what happens is they want us to buy into speculation and gambling, 'cause they want us to go after the active managers. They want us to be able to bet on individual stocks, they want us to open an e-trade account, they want us to be in Scottrade, they want us to do all these things that are totally speculative. So it's no big deal that disability and life insurance is a "gamble." And that is utter... Gosh, bless it, I almost kept us an explicit [chuckle] episode this time. But think about this, that they literally have convinced us that we're speculating when actually, the thing that we're doing is we're assuring that our future can be achieved. We're not speculating any more. How about "stop speculating, Protect your future"?

Cory Shepherd: Wow.

Paul Adams: I think that's the name of a future podcast episode. You guys may see another eight or nine episodes, because I think I could rant on that for like five minutes. There's a little future taste of an episode. Probably one of them, when Cory's out of town and I'm just unsupervised.

Cory Shepherd: Looks like I can't go on vacation for a long time. Until he forgets about that.

Paul Adams: That's speculation. When you go on vacation, what episodes we'll release while you're gone.

Cory Shepherd: I am aware from ancient shipping syndicates, to J-Lo's tukus to active management and speculation. Where will we go next in this episode with Robert Clark? Find out when we come back from this brief message from Sound Financial Group.

[music]

Paul Adams: Hey everybody, had to interrupt our show for just a moment to share with you something new. We've designed a new white paper that we think is gonna add you value in the way that you think about money. It's three of The biggest mistakes you see people make and six ways to fix them. Now, for some of you, you might not want the white paper, you might be ready to have a conversation with us. And that is Okay, you can email us at info@sfgwa.com that's info@sfgwa.com. Find us on the web at yourbusinessyourwealth.com, and any time on any of our social media platforms, send us a message and we can get you this white paper. But the meanwhile, if you want to just skip over the white paper have a philosophy conversation with us, we're happy to do that with you. Just let us know philosophy conversation as the subject line and if you want this white paper, just put "white paper" in there, and we'll immediately get out to you this white paper on the three biggest mistakes that we see people make, and the six things that you can do to fix them. And now back to our show.

Cory Shepherd: Welcome back to Your Business Your Wealth in our interview with Robert Clark. We went a lot of different places before commercial, and now, we'll see where we go. I don't even know what Paul is gonna say next. Paul, but you're tempted a bit to ask Robert a question, so I'll let you take it away.

Paul Adams: Sometimes, I barely know what I'm gonna say next. Robert we just ended up talking a little bit about how our industry gets things wrong, especially around framing but when it comes to actually planning for clients, what do you think it is that most advisors get wrong when it comes to this area, of just income protection period?

Robert Clark: Yeah. Unfortunately it's a pretty long list, when it comes to this in a niche space in someone's portfolio I would say first and foremost is a very easy one, and it's that most advisors out there soliciting this, don't actually own a policy themselves. So I'm a big believer in buy what you sell, sell what you own, right? But a lot of these advisors also think they're invincible. And that comes across to clients when you're trying to talk to them about things like income protection, right? So now all of a sudden I would say two; you have an advisor that wants to sell the permanent life insurance policy, and is like, "Oh, by the way, do you want a disability insurance policy?" And they're like, "No, I don't need a disability insurance policy that will never happen to me." And the advisor believes it, right? They're convinced. Because they've sold themself on the same false beliefs within their own financial portfolio. But then three; we do have the advisors that are out there talking about it that are educating clients, and one of the shortfalls kinda goes back to the thing that I talked about with benefit period. You buy some of these exorbitant benefit periods, right? Lifetime benefits was a thing that used to exist with disability insurance, and this is exactly why a lot of disability insurance carriers went insolvent in the 90s. The advisors were trying to sell the longest benefit period possible.

Robert Clark: Well, that's not actually what most people need, especially in a high income space, you can really get away with a five-year benefit period. Maybe have a tax-free lump sum pay out at the end of those five years, but all of a sudden we're bringing down the cost significantly. So it's not like we're trying to sell a second permanent insurance product in their portfolio, we're just doing something, we're just doing a little risk management to make sure we buy some time to make a well-informed decision if we have to transfer to liquidating other assets or turning more assets into actually some cash flow and income as opposed to aiming to acquire more... I'm speaking to the finance geniuses here. When we think about changing someone's equity ratio, and actual risk in their portfolio to something that's probably more stable, and can provide a sustainable amount of cash flow, so those would be my three go-tos.

Paul Adams: So one of the biggest that stands out for me is the advisors themselves not having their income protected that is huge, and I totally understand what you're saying, like when we talk to our clients say about investing and we're like, "This is exactly what we're showing you is exactly where our money is" it's meaningful and when it comes to protecting income. If we, if in the back of our head, is a little bird that's like, "Well, we never pulled the trigger on that." What are the odds a client Will? And I've even gone so far as to see the quote unquote, fiduciary advisors that you guys have heard Cory and I talk about on the podcast before, where they're fully fiduciary except for anything that would inconvenience them like bringing up disability insurance and they have literally will put something in from their clients. "Would you sign this just confirming that we talked about disability insurance? 'cause I don't want the liability" like wait, The client is signing a form.

Cory Shepherd: Yeah.

Paul Adams: To say that we talked about disability insurance so that you can relieve yourself of the liability while not relieving the client of the liability on their balance sheet of what if my income stops. But specific to Peterson and Lloyds. Let me ask Robert, what is like the ideal candidate who should be looking at, say, Peterson Lloyds as a source for coverage, say versus the regular disability insurance contracts that are out in the marketplace?

Robert Clark: Yeah, absolutely. So Lloyd's helps with anything that with any client that wouldn't fall into a traditional disability insurance need, and really that's defined as most individuals making let's say less than 300000 dollars a year, they're taking home about 15000 dollars a month. A lot of the traditional disability insurance carriers will offer policies that get them up to full income replacement. So Lloyd's target market, just like the entertainers and athletes, we're really looking at people, 300, 500,000, even up to two and three million dollars a year of earnings. That's really who Lloyd serves best from a disability insurance standpoint, 'cause, like I said, they're basically corporate athletes of the world. We have a significant amount of income on the line and so we need very large contracts to protect that individual.

Cory Shepherd: What about someone who may be making more like, the two, three, $400,000 a year of income, but they have conditions that the regular companies aren't willing to consider. Is there some slices that Petersen is looking for there?

Robert Clark: Exactly. So I'm really glad you brought that up. Because there's a number of sub-standard... I don't wanna call them sub-standard, but clients... Here's a frequent call we get. "I have a client who just found out that they have Stage II cancer, whatever the case is, but they went in for their physical, they found out on the labs, or that their health might be not as great as they were expecting. And so that's the time that they're trying to acquire disability insurance. And yes, that is a market that Petersen helps with. But also outside of health, there's a lot of occupations that most insurance carriers don't wanna touch. Professional pilots is a perfect example. The athletes and entertainers, that's why they fall into Lloyd's world as well. So, anyone sub-standard whether that's some pre-existing health issues, or just a very risky occupation, skydivers, male entertainers...

[chuckle]

Robert Clark: You name it, and that's where Petersen picks up.

Cory Shepherd: I just thought of someone that I need to introduce you to.

Paul Adams: That's what triggered it, Cory. Good night.

[laughter]

Paul Adams: Well, I gotta tell you, I'm just so glad that our weekly show is jumping the shark with you, Robert. More than anybody else...

[laughter]

Cory Shepherd: No. I do know what I wanted to ask you about, and I'm gonna try to ask this without any kind of industry lingo, if I can help it. Can you talk about the type of disability insurance that a company can get, or an owner can get for their company, on all their executives usually without any kind of underwriting?

Robert Clark: Yes. So this has been a staple in the corporate C-Suite space, but also large health centers, and large law firms. The thing that makes it very attractive to do by acquiring a disability insurance policy from a Multi-Life. There we go. I used the industry jargon word.

Cory Shepherd: Okay.

Robert Clark: So instead of ensuring one individual, we're actually taking them and maybe let's say the six or seven colleagues at a similar income bracket, and offering a policy to each of them. Still completely individual. But to your point, Cory they get... There are so many benefits to doing this as a multiple life application. Like you said, they're getting out of all the medical exam requirements. For Petersen and Lloyd's, there's actually no health questions too. It's a full guarantee policy. And then on top of making it that much easier to get, we're also discounting the premium. So basically a disability insurance underwriter, if they insure one person, that's pretty high risk. If they can now spread that risk out to 10 or 20 people, they'd feel a lot better about accepting the right amount of premium for an expected amount of loss. And so that's how they can make it so much more advantageous for a client.

Paul Adams: It's so good.

Cory Shepherd: It's great.

Paul Adams: Well, and one point of refinement that I want to have there for audiences, I heard you to go back and forth is the idea of that individual disability insurance contract has individual language. Unilateral contract, meaning, as long you pay your premiums, you're the only one with control. The insurance company cannot change a dot on an I, or a across on a t from what it says. Whereas your group contracts oftentimes will have a provision that your employer pays for it, which is very nice of them, except if they're paying for it, if it's part of the group contract, then sometimes there's as little as 30 days notice, they can change everything about your benefits and coverage, and it's not portable.

Paul Adams: So, when Robert mentioned that portable piece, it's really key that as much of your coverage be yours as you can, so that it's not attached to the company you currently own if you're the entrepreneur, or the company that you work for if you're the executive. Because we have clients who work with all the time who've been on group for years, and years, and years and they're getting ready to spool off and do their own thing, and yet life has happened. Medical events have happened that put them in the position now that they can't really secure traditional coverage to protect their income to take, as we mentioned earlier, speculation off the table.

Paul Adams: Robert, super thankful you could be here. This is just a great conversation. It's certainly a lot of fun. We talked about some things I didn't think that we'd talk about, but...

Cory Shepherd: That's for sure.

Paul Adams: Yeah. Just love that you were able to come on and share some of this with our audience. So thank you again.

Robert Clark: Absolutely. Thank you both for having me. I really appreciate the opportunity.

Paul Adams: Yeah, you're welcome. And for all of you out there as you listen today, here's what I would have you just focus in on, or most takeaway. Number one, that when we own appropriately secured, properly thought out insurance coverage, we're not speculating. You're taking speculation that everybody else is accepting by default off the table. Being able to take a look at what are your future goals and plans? What's really important to you and your family? What are those things about your sufficiency, the future that you wanna have that cannot be compromised? That you would not want to have compromised? That you would fight for.

Paul Adams: Because the problem is we don't get to fight the same way if our bodies break down. We don't get to fight the same way if an accident occurs. We don't get to fight the same way when we're sick. We just have to have the decisions that we made prior is all we get to lean on. And making sure that we're properly protecting the areas of disability insurance, life insurance, or even simple things like our umbrella policies, do we get permission to actually be in a spot where we get to make the choice about how our lives live out. Unfortunately, we don't get to make that choice in the moment. Sometimes that choice is made years before. Sometimes, some of you listening right now are making that choice as we speak of, "I've gotta get some of these things handled."

Paul Adams: We're always loving hearing from you guys, so don't hesitate to reach out to us at info@sfgwa.com, and please take a moment. Go into your iTunes app. Hit the rating button. We would encourage you to give us a really great honest rating because when you do, it improves the iTunes feed. It's gonna get this on somebody else's radar who you may never meet. But we're now actually hearing from people who literally heard about the podcast because somebody shared it on social media because of the ratings, because of the downloads. Whatever it is that's getting their attention. Those of you who have been loyal listeners, who are rating the podcast, who are sharing on social media, you are making a difference for other people.

Paul Adams: With that, if you do make a podcast review, take a screen shot, email it to us, and we will send you a copy of either my book, Sound Financial Advice, Cory's book, Cape Not Required, or we sell the few copies left of Michael Michalowicz's Clockwork that we would love to send you. We're so glad you could join us today and we hope that this episode has been a contribution to you. Being able to design and build a good life.

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