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**Clip #47**

Michael: Hey, James, it's Mike Senoff. Did I give you enough time?

James: Oh yes.

Michael: Okay we are going to get right into it. This is part two. We are here with James Dixon. We are doing an interview with [hardtofindseminars.com](http://www.hardtofindseminars.com) and we're going to talk about Life Settlements. I had heard of this before and I think as James said I had heard about this starting specifically with AIDS patients; when they were going to die they could take their life insurance policies and turn them into cash so they could buy the life-extending drugs that were made available to them. Sometimes this was their only option. James, tell us more about it.

James: The product that you just spoke about with AIDS patients or anyone who is terminally ill is called Viatical.

Michael: Viatical. How long have they been around?

James: Viatical has been around for probably fifteen or twenty years.

Michael: Why is it called that? What does Viatical mean?

James: Viatical it's actually a word from a Latin word *viaticum* which means provisions for the road.

Michael: Provisions for the road.

James: Exactly so Viatical basically is you are on a road to death unfortunately and this money provides for that journey up to the point that you die, you have money. Some people took the money and went on vacations, went somewhere they had always wanted to go in their lifetime.

Michael: Did it start with the AIDS patients?

James: It started with AIDS patients primarily.

Michael: Who started it? Who was the first to create it?

James: I really don't remember. I really don't know who exactly started it. There were problems with the Viatical industry. What was happening in the Viatical industry is that you have a lot of what were called private investors. They had a group of people say you and me and five other people would go in and put our money together and buy these life insurance policies. If it were a \$100,000 policy we would go in and give

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this person \$30,000. They only had a year no more than two years to live. In two years we were going to get back \$70,000 for this \$30,000 investment and that's not a bad deal. The problem you have there was we may have gotten a little bit impatient waiting. We would start calling the patient to see how they were doing.

Michael: Waiting for them to die.

James: You had that problem. Then you had a problem with people selling policies that didn't exist. They would make up people and go out on the market and sell these policies to individuals who had no way of doing due diligence to find out whether or not these things were actually there. You had that problem; you had a lot of pyramid schemes being set up around the industry. What happened was states started regulating the industry.

Michael: Because there was so much fraud.

James: So much fraud, so you had states like Florida, a large retirement area with a lot of seniors, leading the way in making legislation. Then you have Texas, which is probably one of the most difficult places get a license as a provider or a broker, we're a broker who almost over regulated it.

Michael: You say you're brokers; what kind of a broker are you? A Viatical broker?

James: We are a Viatical and Life Settlements broker.

Michael: Do you have to get a designation to be a broker? What do you have to go through to be one?

James: They basically have to check your background and check your records.

Michael: Can anyone do it? Do you have to be licensed to do insurance or anything like that?

James: No.

Michael: So anyone can do this if they're checked out okay?

James: Exactly if the state checks you out when you do your application. I got my license probably two years ago and you can go on the Texas Department of Insurance website and see everyone who is licensed in the state of Texas. In Houston there were probably about five brokers.

Michael: You didn't have to take an insurance license?

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James: No.

Michael: How long from the time you filled your application and paperwork out until you became licensed?

James: It took a while; it took about three months.

Michael: How much did it cost you to become licensed?

James: In Texas I think it's \$250. You go from Viatical to the industry that was created called Life Settlements. Life Settlements is a very similar thing; however it is targeted for senior citizens 65 and older who are not terminally ill; you cannot be terminally ill. You have to have a life expectancy of more than two years. Most people aren't going to buy a policy if your life expectancy is more than ten years, twelve at the maximum.

Michael: It's too long to wait.

James: Exactly.

Michael: Who establishes the life expectancy?

James: The life expectancy is established by a team of underwriters by each individual provider. A provider is a company that buys the policy. You have providers and brokers. Providers buy the policies; brokers find the policies to be bought. We are the in-between.

Michael: So this is nothing but for providers a way to generate income.

James: Bottom line.

Michael: This is a business. Are there big-name providers that do this?

James: You probably wouldn't recognize any of the names but they all are institutionally backed. Some of these guys are backed by Lloyds of London; some of these guys are backed by General Electric; some of these guys are back by other large insurance companies. They are institutional funds which is very important because it is patient money. It's not individuals; you really don't want to deal with investor money.

Michael: If someone had listened to your first interview with James Dixon on [hardtofindseminars.com](http://www.hardtofindseminars.com) they would understand that you have a background in this type of industry somewhat. Is that what led you to this in a way?

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James: Somewhat, what led me to it is, I'm a consultant of course and the type of consulting I do, turnaround consulting, there's a lot of downtime in it. Because my background is from General Electric and General Electric is always about multiple streams of income and different forms of revenues in different industries, in looking at the insurance industry I knew I didn't want to sell insurance; I knew I didn't want to sell annuities, that really wasn't my thing. When I came across the Life Settlements thing it just made sense. Not only did it make sense, it made sense because it is a budding industry. This is a growing industry. You haven't heard much about it now but give it five years.

Michael: Right and we're hit at the right time with the aging of the population.

James: Exactly, you're hitting at the very right time. Most people have not heard about Life Settlements so most seniors don't even know that they can sell their life insurance policies.

Michael: You know what it reminds me of? It reminds me of, I think we could compare it to this and tell me if I'm right, you see on television and you see the enormous amount of commercials and publicity to get a second loan on your home. You have your home paid off and you borrow against your home.

James: Exactly, home equity, same thing.

Michael: That is big business.

James: It's a huge business. I read a statistic that you're talking about millions if not billions of dollars worth of life insurance that lapse every year for individuals in the age range I'm talking about. Every year policies that are no longer wanted, no longer needed or they can't afford them any more, they just go away.

Michael: Give me an example specifically with a person so we can understand exactly what that means.

James: Okay. You have person who let's say is eighty years old and in good health. They're not ill but at eighty you think this person may live for the most part another ten years.

Michael: They bought a life insurance policy when they were maybe forty or fifty and the life insurance ends at what age?

James: It may be ending or it may not be ending. It may be a whole life policy. However, the premiums are too high. They can't really afford the

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premiums any more. They have some amount of cash value built up in the policy.

Michael: Because they've been paying on it for years.

James: They've been paying on it so they're either going to cash out the cash value in it, which is probably all that they've put into it. Let's say it's a half-million dollar policy and they've been paying on it for a while and they have cash value in the thing of \$80,000 and they just cash that out. At least they get their \$80,000 back.

Michael: So what is their option?

James: The option for a life settlement if they are eighty years old they could probably get about \$200,000 to \$250,000 out of that policy.

Michael: So they can legally sell their policy.

James: They can legally be their own beneficiary.

Michael: That's interesting.

James: They can legally sell that policy. As a broker I'm going to submit that person to three to four different providers and the highest bidder wins.

Michael: Aren't the insurance companies getting screwed on this deal?

James: That's why the industry is highly regulated. You have to understand this is not something that the insurance company wants to happen because for the most part in any type of business you have an anticipated amount of loss and an anticipated amount of gain. The insurance company has a built in number for the most part of policies that they know are going to lapse every year.

Michael: Right, they haven't anticipated this new trend though, have they?

James: That's why it's highly regulated. You have to understand the insurance companies are the ones who have all the lobbying money so they've lobbied these states to make it very difficult for people to get into this business. The barrier of entry isn't easy. Once you get in, then everything is highly regulated like I was explaining to you before. All of my advertising has to go through the state; all the documents I use have to be approved by the state.

Michael: If you generate five life settlements is there a possibility that one or two just may not go through for whatever the reason?

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- James: Oh yeah, you get some turned down. They may not be bought because what they're going to do is get all of the medical history on that person and whatever underwriting criteria the providers use, and they let us know some of it, they can say that they don't want to buy that policy. Usually if the person is over seventy, we say sixty-five as a starting point, but if they're over seventy you can find somebody to buy that policy. Most people over seventy have some health issues.
- Michael: Are you going to be turned down by the regulators, not by the companies that buy the policies?
- James: Oh no, they don't get involved in that part of it. At the end of the year you have to send them a report of all the cases that you did the medical history of the person, the amount of the policy, the amount that was paid, the amount that you got paid as the broker, all of that has to be disclosed.
- Michael: Okay, let's get back to the differences between the Viaticals and the Life Settlements. What other differences are there?
- James: That's the major difference. The only difference is the Viatical person has to be terminally ill; with Life Settlements they *can't* be terminally ill.
- Michael: Are the Viaticals still being done?
- James: Oh yes. I've never done one; I don't market Viaticals.
- Michael: Are those as highly regulated as the Life Settlements?
- James: Oh yes, basically the same regulations. As a matter of fact it used to be two different licensing in Texas; now it's just one. As of last year they combined them.
- Michael: As a broker do you have agents under you?
- James: No, I don't have any agents. I do it on my own and I market to life insurance agents but as this grows for me it's just going to be a natural progression to get people working under me to do this because this is very lucrative. You've got to think about it; as a broker I'm going to make anywhere from three percent to six percent of the face value of the policy.
- Michael: So on a million dollar policy you'd make \$30,000.
- James: \$30,000 to \$60,000 for basically finding a client, filling out an application and submitting it.

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Michael: How much paperwork is it?

James: It's a lot.

Michael: For the client; let's say you found me and I'm seventy and I'm ready to give this a go. I can get a lot more money and I want to go take that trip and just live like a pig before I go.

James: You'd fill out the five or six forms I have for you to fill out. I need releases to get your medical records, medical history from your doctors and that's it; that's all you have to do.

Michael: Then you take all that paperwork and you submit it to one of your providers. How long can it take to hear back from a provider?

James: For a deal to go from beginning to end you're talking anywhere from four to six weeks.

Michael: The provider contacts you and says "We'll take it"?

James: The provider contacts me if I've gotten all my ducks in a row, all the information; he's going to let me know if they're interested. They're going to go through the underwriting process.

Michael: What do they do? They cut you a check or they cut the insured a check?

James: They make an offer; it goes through the underwriting process; let's say the person has a million dollar policy depending on what type of policy it's going to be if it's going to be whole life or whatever. That's also going to determine how much they're going to offer. The policy has to be beyond two years contestability so it can't be a new policy. They make that offer, in most cases it's going to be a pretty generous offer, they accept it, they cut them a check and that's it.

Michael: Who pays you?

James: The provider pays me. The client doesn't pay me anything. By law I represent the client. In Texas you can either be either captive or you can be independent. I'm independent. Captive means you work only for one provider.

Michael: Okay, but you're independent so you can work for multiple providers.

James: Exactly.

Michael: Do some providers traditionally pay more than others?

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James: Oh yes.

Michael: So when you take a policy, will you submit it to all of them or you'll hand pick which ones you'll submit it to?

James: I have everybody's criteria basically. Some people don't want to see any policies below \$250,000 or they don't want to see any term life policies. So I have all the criteria and I know basically who to submit it to.

Michael: What happens to the actual policy, let's say for example it was in my name, we do the deal, now the policy stays in effect but how does it work?

James: The beneficiary of the policy becomes the provider.

Michael: Okay, so I have to change the beneficiary of my policy, if it was my wife, it's now the provider. I keep the policy in effect.

James: The provider makes the payments. The provider is now making the payments on it.

Michael: Very interesting.

James: The person who sold the policy has about two weeks, 15 days, to change his mind.

Michael: Okay, that's fair.

James: After the sale is completed they have a 15-day right of rescission.

Michael: Okay, let me ask you this; who is your ideal prospect? Let's say if I'm married and I'm going to die and my wife is still living, I'd rather have that money go to her. Maybe that was my original plan when I bought the policy, but let's say she dies before me and I don't have anyone to leave it to except my kids, what's going to make a guy do this rather than leaving it to any of his family. Who is your market?

James: The question that I always get is "Why would anybody sell their life insurance policy?" When I go to networking events and wherever I go and I talk about this the look is always "This guy is sleazy."

Michael: It sounds shady.

James: It sounds very shady.

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Michael: It's probably because people aren't educated unless there is a market. Let's talk about that.

James: There is a very large market. There are three things you have to remember that create the market. You have a policy that is no longer needed, wanted or affordable.

Michael: Why would it not be needed any more?

James: You just explained one scenario. You have policy; your wife is beneficiary; you have no kids; your wife passed away.

Michael: Okay, there is not needed.

James: You have a policy; you and your wife are still alive but your kids have reached a point financially where they don't need you to leave them any money and you could use that money right now.

Michael: Okay.

James: You have a policy that's in a trust fund and you want to make some changes to the trust. One of the ways is now you have this asset that is not liquid and you want to turn it liquid, get money out of it, invest it in something else then go from there. A lot of things that happen are what's called replacement policies. People sell the policies they currently have and get cash and buy another policy.

Michael: Do I have to pay income tax on that money I get for the policy?

James: You are going to have to pay certain taxes. I really don't go into the tax part. I always tell my clients to hire a CPA even before you think about selling so you'll know what the tax consequences are going to be or at least consult a CPA.

Michael: Okay so I get this straight in my mind because I'm slow when it comes to some these things. Let's say I bought a policy when I was forty, a life insurance policy but the policy was good only until I was eighty years old. There are some that work like that. So if I'm seventy-nine and I'm healthy and the policy is going to expire at eighty if I don't do a life settlement what happens when I'm eighty the policy expires and I can take that cash value that I've built, say it's \$80,000, right?

James: Usually for most type policies you don't build up cash value on a term policy.

Michael: What if it's a whole life policy?

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- James: If it's whole life that means its whole life, you pay it until you die.
- Michael: A whole life policy doesn't end at a certain age?
- James: Right for the most part.
- Michael: That's term life.
- James: Right, but now if you have a term life policy, because you definitely were going down a good road there, now you're seventy-nine and the policy ends at eighty you've got to make a decision. Next year you will no longer have a life insurance policy. Usually what happens is your agent is going to call you and ask you if you want to convert the policy. If you want to sell it, you have to convert it to a whole life policy or to another type policy, whatever you decide to convert it to. You've got to convert it. If you convert it you can sell it to somebody willing to buy it then you go on and they start making the premiums for you; you have cash in hand.
- Michael: In a term life policy, I'm not building up cash value anyway. If I convert it because it's going to expire when I'm eighty and I'm going to have to buy a new policy anyway.
- James: That's conversion.
- Michael: Okay, I see.
- James: You just convert it to something else.
- Michael: Term life policy holders are not your market.
- James: Oh yes they are. You have to have them convert the policy, and then they are your market because they don't have any cash value.
- Michael: Can they convert it and get a good policy for a reasonable price? What if they're seventy-nine or something?
- James: All of those factors are going to come into play. If you can convert this policy, how much are the premiums going to be because the amount of the premiums is going to determine whether or not a provider wants to buy it. They may or may not be able to get a good policy. Not only the term life policies, any kind of policies, like group policies, survivorship policies. You've owned a business for the last thirty or forty years and you want to sell the business you have this large key man policy, you have to decide if you keep this policy, keep making the premiums on it or do you sell it. Again, Mike the key here is this is a very, for the most part, unknown

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entity and so when you start talking to people about it because they don't know about it until you get a chance to sit down with them and explain to them this is for people who don't need the policy, don't want the policy, or can't afford the policy. If you need life insurance, if you're sixty-five years old and you have kids and a wife, you need a life insurance policy; you don't need to sell it.

Michael: If you approach someone on this and they say "Hey a guy approached me about selling my policy" and he goes and asks his insurance agent, what's the typical insurance agent going to tell him?

James: It depends on how educated they are about it. That's who you have to educate; they've heard of it but they don't know much about it. You have to go to this guy and try to get him to understand that he's probably going to make money twice. Think about it; not only are we going to buy the policy from this person and keep making payments that he'll keep getting commission from, but they're probably going to buy another policy and guess who they're going to get to sell it to them? And they're going to have the cash to do it. So he's going to make money on the continued payments and from selling them a new policy or annuity. Our approach is, and more insurance agencies are starting to do Viaticals, but our approach is that we do not compete with them.

Michael: Right, you're working as a team. Your service can help an insurance agent make money. So what if an insurance agent does a deal what do you pay him?

James: If he brings me a deal I can pay him a finder's fee.

Michael: I see, just like a real estate broker may make six percent for the brokerage and the agent gets three percent.

James: Right, you bring me a deal and I'll pay you a finder's fee. So you get the finder's fee, you get paid off the premiums that are still being made and you still have the possibility of selling the client something else.

Michael: Would you do a finder's fee for anyone listening to this that brings you a deal?

James: If they're in Texas because I'm only licensed in Texas but sure. I'll do a very generous finder's fee if anyone calls me from this interview. I'll do that gladly.

Michael: That's a deal. Let's talk about the provider. What's in it for them? Are they raking it in on this kind of deal?

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James: Oh man, yeah! First of all a lot of these providers are buying the policies and securitizing them.

Michael: What is securitizing?

James: Securitizing is they're balling them together and then selling them on the open market.

Michael: So they may have 100 of these policies?

James: Exactly.

Michael: They'll ball them together and sell them to anyone who wants them.

James: They'll sell them as securities, as stock, whatever. Securitization, sell them on Wall Street and now guys like you and me go in and invest in this portfolio that's paying out a certain percentage based on how people are passing away. They actually call it "death stock." The Wall Street Journal had a write-up on it about two months ago.

Michael: This is a real growing thing.

James: It's a growing thing, I'm telling you. One of the reasons why, and this is my GE eye, I've decided to add this to our business is because of the up stock potential in this. You only have to do as a broker two or three of these things a year.

Michael: This is better than your turnaround business where you have to go live on the premises.

James: Exactly, you do two or three of these a year, if you find a couple of key man policies, that averages about \$1.5M.

Michael: What's a key man policy?

James: A key man policy is a policy on a person in a company who was key to the company.

Michael: Like a CEO who works for a big company.

James: Exactly, or the owner of a company, the entrepreneur, the main guy.

Michael: Okay, key man, I see. How many of these have you done?

James: Those are things I can't answer.

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Michael: Okay, no problem at all.

James: You could check with the Texas Department of Insurance.

Michael: Okay, let's talk about how you're regulated and how do these regulations keep you from marketing the way you want. Can we talk about that?

James: Okay.

Michael: What type of advertising regulations are there that make it more difficult for you?

James: There's a huge booklet that we have that outlines everything that you can or cannot do and/or say. Some of it is outlined rather clearly but some of it seems to be kind of subjective. I'll send in a flyer that I want to use and I'll get it back saying "You can't say this or you can't say that. You can't say that they will be paid or whatever.

Michael: Who is it reviewed by, the state?

James: It's reviewed by the state. This is one thing I'll tell anybody who wants to do it wherever they are whatever state they're in, find out what the rules and regulations are but do like I have done and build a rapport with the people at the Texas Department of Insurance. I've built a rapport with these people to where I'm able to actually fax in my information and get an approval the same day. I have their direct lines, I call them and talk to a specific person and get an approval either on my advertisement or on a new form I want to use or whatever. It works more smoothly that way.

Michael: Can you educate people about this all you want in the form of a free report that just educates people about this type program?

James: I believe you could! I'll have to read the regulations but I think you can.

Michael: Did you listen to the interview I did with Martin Howey, the insurance marketing guy? If you go and listen to the interview I did with him last week, he's a incredible marketing guy of insurance and we talked about regulations that the insurance companies impose on their agents but he shows you exactly how to get around that and how to build a business. There's some real good advice on that you may want to check out.

James: Thank you. One of the things from looking at your site and talking to you is I don't consider myself a marketer at all but I realize that I need to be.

Michael: The marketing is everything. You're sitting there; you know what your market is. Now the big question is how do you get this information that

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you're talking about and the benefit and the reasons why someone would want to do this, how do you get that to your prospects? The least expensive and the most clear and concise and understanding way as possible. That is what marketing is whether you deliver it in the form of a free report, a telephone call, a letter, a fax, and text on a website, an email, you name it. Those are the systems of getting your marketing message to them. That's what marketing is all about. If you can figure out how to do that where your costs, you know what you're going to make on one deal, so all you have to do is figure out how much you're willing to invest to get a customer. One customer could easily put \$25,000 in your pocket. Would you be willing to invest \$12,000 into getting a \$25,000 customer?

James: Oh yeah.

Michael: Of course. With the margins that you make you can certainly do this. What you can do is once you key down and hone down your message and find the least expensive way to target that message, you could own the market. You could be the number one guy in the world when you understand marketing. And when you understand it you will be able to leverage yourself because once your message is canned and you've proven that it works, you prove that if you invest \$5,000 in faxing to CEO's of companies that you know have policies who could be potential prospects, if you know that works and with \$5,000 you're going to get one customer, you just do it over and over again and technology delivers that message with nothing but you pushing the button.

James: The beauty of that is, and you just gave me a hell of an idea, is that part of the marketing doesn't have to be regulated. The only part of marketing that is regulated is your marketing directly to the consumer.

Michael: I see.

James: If I'm marketing to an agent, I don't have to get any approval; if I'm marketing to a CEO there's no need for approval.

Michael: You're right, and that is smart because that's who you should be marketing to, your insurance agents and offering a new way for an agent, a new product for an agent to sell, when he sees an opportunity for that because the agent knows his customers. The agent knows that if his customers need that policy that may be coming due soon...

James: You just hit me with another idea. I don't know if we're supposed to be talking about all this but I need to be hitting agents, and I need to be hitting financial planners and people who handle trusts.

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Michael: Right, well these lists are available. Any list you want is there for you. The names, the phone numbers, the addresses, and you get them through the SRDS, the Standard Rate and Data Service. Have you heard of them?

James: The SRDS.

Michael: The SRDS is like two telephone books, like Houston and Dallas, thick with tens of thousands of mailing lists that are available for you to rent. You can go to the public library, one of your main libraries and browse through it and I could find you lists of your exact market. What I'll do for you if you will pinpoint and shoot me an email of exactly who you want to get your message to I'll go in for you as a service, free I'll go into the SRDS and I will pull down a selection of lists that will give you a description of the list, how much it will cost you – you can expect to pay between \$100 - \$150 per thousand names. You can mail your piece to these people. You're targeting to exactly who you want to market to, and that's a more direct mail approach. But we could always get fax numbers of these people and instead of spending \$0.37 for a letter, \$0.50 by the time you've folded it and stuffed it in an envelope and the labor in putting it together you can send a fax for \$0.06. That's to get the message to your prospects. You may pay \$0.07 or \$0.08 for the name and the fax number so for maybe \$0.15 we can get your message directly to that prospect. You could even do a joint venture. You could contact insurance agents or insurance brokers who have all their customers and you could do a joint venture with them where you can team up with them and say "Look this is what I do. I have a new product. Let me educate you on it. Let's send a letter out to your entire customer base, or specific customers who fit my profile and any deals we get or any leads I'll handle them all and I'll share the profits with you." You can joint venture with them. There are so many ways to go about it. Of course, you want to pick the one to give you the most leverage. There's a lot you can do. But if you do that, you tell me who your prospect is. Who do you want to educate? Who do you want to get this message to? I'll give you a selection of lists that you can take a look at.

James: When you say that, do you mean who has access to my ultimate end customer?

Michael: No, I want to know who your ultimate customer is. We could do both; you could tell me who has access to your ultimate end customer and who is your ultimate end customer because if I had a list of your ultimate end customer what I could do is, let's say there was a list of your ultimate end customer. I could go to the list broker who owns that list and I could say to him, "Can you please show me who has sent a solicitation to that list?" And they will send me a list of all the other companies who are marketing to your exact list that you want to market to. You could go to ten other

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companies, they could be trade publications, they may be magazines, and they may be newsletters. You can see all the companies who are marketing to your same market that you want to market to and you can joint venture with them, or you could advertise in their publications or their trade publications or do a stuffer in their outgoing mail, as long as you get your message to that target list as inexpensively as possible. You can get your message to these people, and with your margins you can certainly make it work and it's all automatic. You leverage by using technology and the post office; you just have to can your message. Get your best sales pitch in writing or on audio tape or on a video tape and start sending it out.

James: I'm with you man! That's pretty good; that's real good as a matter of fact!

Michael: Well, I'll offer the service. You figure out who your customer is, give it to me, I'll get on the SRDS for you and I'll pull down some lists and you can take a look and you'll be drooling. This is an interesting field; I love it. I love talking to people with unique businesses, especially businesses that have good upside potential.

James: Oh yeah, no doubt.

Michael: This sounds like one that's really positioned in the marketplace. How many players are out there that you know of?

James: Providers, brokers, there are a lot of players. There are some guys who are more prominent than others. If you went on the Texas Department of Insurance website and look up license and then looked up Viatical and Life Settlements, you'll see a myriad of names. One of the best positionings for brokers I think is to become a master general agent, I think it's called. These are the guys who some of the insurance companies exclusively deal with them and every broker has to go through them in order to get to the provider. There are a few of those. One of the biggest is a company called East Coast Settlement Company out of Florida. I've gotten some information from them and will probably utilize them. For right now I'm independent. There are a lot of opportunities for partnering and joint ventures. There's enough money to go around; you don't have to be greedy about this deal.

Michael: Independent guys like you, are there probably 100 of them around the country?

James: Probably. In Houston alone there were about five when I first got my license; now there are about thirty-five. A lot of people are just getting the designation but are not working it a lot. A lot of people that are getting the Life Settlements license are insurance agents. There are very few guys

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who have absolutely nothing to do with the insurance industry, like myself, who are doing it.

Michael: But most of them are agents, because they're already in front of their customers.

James: Exactly.

Michael: I'll tell you another idea. You can certainly make money actually doing the deals but you could also make a ton of money educating the insurance agents on how to do the deals. It would be very easy to do. You put together a course on how to do that. You're already an expert whether you believe it or not because you've done at least one or two deals. If you could put the course together that would educate people you could sell that information to them for thousands. What's it worth? If you teach one guy to do one deal and he can make \$25,000 or \$35,000 isn't it worth him paying \$10,000 to you?

James: I never thought about that one, Mike!

Michael: There's a lot more money sometimes in educating people on how to do something than in actually doing it. You could set yourself up as the expert in this industry and it's easy to do. I could see finding ten or fifteen guys around the country who are doing this, maybe three or four in your state but a selection from other states and you could do an audio interview with them, just like we're doing. We're almost at 45 minutes right here. But you do ten of these interviews with people in different states who will have all different angles, who will have different views on it and you create an audio tape package. What does it cost you to duplicate ten audio tapes? About \$15?

James: Okay, right.

Michael: You put together some written information. You've got a great course for people who want to know how to do it. Maybe this interview will be the beginning of that. We'll see what happens when we get this up on the site. If people listen to it and they're interested in it, they'll contact me and they'll want to know how to get in touch with you and maybe that will be a good test market for you.

James: That'll work!

Michael: Okay, Buddy, I'll let you go and I do want to do part three with you. We can do it in the next few days or maybe next week. Tell me your other business that keeps you going.

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James: The other business, my wife actually runs under this umbrella is medical billing. She's the expert in that.

Michael: Tell us a little bit about that.

James: In medical billing, we handle the billing for doctors, ambulance services and anyone else who does any type of work where there is an insurance claim that needs to be filed. We file those claims electronically, get you paid in a very timely manner, do all of your paperwork as far as the billing is concerned and we get a percentage.

Michael: Sounds great. We're going to wrap it up. Stay tuned for part three for medical billing with James Dixon. You've been listening to [hardtfindseminars.com](http://www.hardtfindseminars.com) and James, thank you so much for sharing. I appreciate it.

James: Any time.

Michael: We'll talk to you later. Bye.

James: Bye.

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