

Have a Great Conversation with Signals

This document proposes a set of questions and prompts aimed at enhancing planning discussions by utilizing the "Financial Fire Drills" and "Signals" frameworks. Once you have gathered details about your client's financial inventory, access the Signals sidebar or Signals page to assess each category. Below is a list of questions that serves as a guide for exploring each Signal in greater depth. It's important to encourage your client to share as much information as they can. The more financial data included on their Asset-Map, the more productive the conversation will be for each Signal.

Liquidity

Red (Urgent)

- "Have you provided all of your financial information?"
- "This signal suggests an urgent need to discuss your plan for a liquidity event. If you needed to handle an expense that was a significant multiple of your monthly bills, what would be the plan? Where would the funds come from?"
- "Let's walk through this fire drill. Would you use savings, accessible debt, or perhaps call on family for support?"
- "How have you handled unexpected expenses in the past? What was that experience like?"
- "What would happen to your family if you needed \$25,000 next week?"
- "Are you currently living paycheck-to-paycheck, and if so, where can we find leakage?"
- "Do you have any available credit lines, and what are the costs associated with emergency borrowing?"

Yellow (Awareness)

- "You're on your way to building a solid emergency reserve. Let's talk about the plan to get it to a place where you feel fully confident."
- "The standard is often three to six months of expenses, but that's not always easy for people to achieve. What do you feel is the right number for your household's peace of mind?"
- "Let's put a strategy together to build this reserve. What feels like a comfortable amount to start setting aside regularly?"
- "How accessible are your current non-retirement assets in a true emergency?"
- "What percentage of your investments could you liquidate within 72 hours without penalties?"
- "Have you stress-tested your current emergency fund against your actual monthly expenses (vs. income)?"

Green (Validate)

- "It looks like you're funded but we need to validate that."

Have a Great Conversation with Signals

- "Let's explore if all of this cash is working as hard as it could be. Is there an opportunity to allocate some of these excess reserves toward your longer-term goals?"
- "Do you feel this amount is just right, or could we potentially adjust it to optimize your overall financial picture?"

Long-Term Disability

Red (Urgent)

- "Have you provided all of your financial information?"
- "One of your most valuable assets is your ability to earn an income. The key question here is, what's the plan if an injury or illness keeps you from working?"
- "Many people assume their employer's coverage is enough, but often it's like having a fire extinguisher you haven't checked in 13 years—it's not reliable. Can we review what you actually have?"
- "Let's run the fire drill: If your income stopped, can you show me on the map how you would pay the mortgage and cover your family's needs?"
- "Do you have adequate understanding of your employer's disability benefits, including elimination periods and benefit caps?"
- "If your income dropped by 70% tomorrow, which financial obligations would you be unable to meet?"

Yellow (Awareness)

- "You have a plan in place, which is an important first step. The analysis shows it would replace a portion of your income. Can we afford to live on a fraction of our income if this happens?"
- "Let's talk through the specifics. Is the benefit taxable? What's the definition of disability under the policy? Understanding these details is key to knowing how solid the plan is."
- "What are the most important financial goals you'd want to continue funding even if your income were reduced?"
- "Do you understand the difference between your group disability benefits and what you'd actually receive after taxes?"
- "How would a 40-50% income reduction impact your current lifestyle and financial obligations?"
- "Are there specific expenses that would decrease if you became disabled?"

Green (Validate)

- "It looks like you're funded but we need to validate that. Because, this would significantly reduce the risk of one of life's biggest disruptions."

Have a Great Conversation with Signals

- "Let's double-check the 'smoke alarms' to be sure. Can we confirm the details of your policy, like inflation adjustments, to ensure it will perform as expected when you need it?"
- "Since your income is well-protected, we can focus our energy on other important parts of your financial journey."

Loss of Life

Red (Urgent)

- "Have you provided all of your financial information?"
- "This is a sensitive but critical fire drill to run. What's the plan if, God forbid, we lose a life in the household?"
- "The goal is to avoid leaving a 'cluttered mess' for the people we love. Let's walk through the plan as if this happened yesterday: Who pays the bills? Where are the important documents and passwords?"
- "If you don't have a plan, I will come back with a plan for you, because we have to get this one fixed."
- "Would your family face immediate financial crisis if you died unexpectedly?"
- "What debts or obligations would your survivors inherit, and how would they handle them?"
- "When did you last evaluate your life insurance coverage relative to your current income and responsibilities?"

Yellow (Awareness)

- "You've started a plan to protect your family, which is a vital first step. Let's now talk about what that capital is intended to do. Does it cover the mortgage, debts, and future income needs?"
- "This signal suggests there may be a gap between the resources available and what's needed long-term. Let's talk about the future you envision for your loved ones and make sure the plan aligns with it."
- "Are your survivors and loved ones aware of the plan? Do they know what to do first?"
- "If you passed away today, would your surviving family need to make significant lifestyle changes to maintain financial stability?"
- "Are there specific financial obligations (mortgage, education funding) that would create hardship for survivors?"
- "How has your life insurance need changed since your last coverage review?"

Green (Validate)

- "It looks like you're funded but we need to validate that to ensure your family would be okay financially. This is one of the most important things you can do for them."

Have a Great Conversation with Signals

- "Let's quickly confirm the logistics. Are the beneficiaries and ownership of these policies structured in the most effective way to meet your goals?"
- "Knowing this is handled allows us to focus on the other goals you have for your life and legacy."



Long-Term Care

Red (Urgent)

- "Have you provided all of your financial information?"
- "The default plan is often a horrible plan. So, let's ask the question: what's the plan to deal with a long-term care event, including how to fund it?"
- "This is about dignity. Do you want to rely on your kids, or do you want a plan that ensures you never have to ask them for that?"
- "If you couldn't make decisions for yourself, who do you trust to make them? And what assets should they use—liquidate the vacation home, or destroy the retirement plan?"
- "If you required nursing home care costing \$120,000 annually, how long could you self-fund before depleting your assets?"
- "Are you aware of how LTC costs could impact your spouse's financial security?"
- "What's your plan if you need care but want to preserve assets for your spouse or heirs?"

Yellow (Awareness)

- "You have some resources set aside, which is a great start. Now let's refine the plan. How do you feel about using your personal assets versus an insurance solution to bridge the potential gap?"
- "Let's get into the depth of what matters to you in this scenario. Where would you prefer to receive care? What's most important to you: choice, quality, or location?"
- "What has your experience been with this in your own family? What did you learn from it?"
- "Have you researched the actual cost of quality long-term care in your preferred geographic area?"
- "Would using your current assets for long-term care derail other financial goals like leaving a legacy?"
- "How important is maintaining choice and dignity in your care options?"

Green (Validate)

- "You're in a strong position to fund future care needs, giving you maximum choice and control but we need to validate that."

Have a Great Conversation with Signals

- We want to check if this aligns with your wishes for how you'd like to be cared for?"
- "Let's review the specifics. If you have a policy, does it have inflation protection? If you plan to self-insure, have you designated which assets you would use first?"
- "Knowing you have a plan for this, how does it affect your decisions around your legacy and what you want to pass on to the next generation?"



Longevity

Red (Urgent)

- "Have you provided all of your financial information?"
- "This is a fire drill that throws people off, but it's crucial: What's the plan if you live too long?"
- "With people living longer, we want to ensure you don't outlive your money. Where is the income going to come from if you live to age 100?"
- "Let's explore strategies to make sure your 'piggy bank' doesn't run empty because you lived longer than the models expected."
- "Are you prepared for the possibility of working well beyond the traditional retirement age?"
- "What would 'Plan B' look like if you couldn't maintain your current lifestyle in retirement?"
- "How realistic is it that family members could provide financial support if needed?"

Yellow (Awareness)

- "You are on a good path to funding a long retirement. The key question now is how do we make sure we don't arrive unaware?"
- "Let's talk about building a sustainable retirement income stream. What role will defined sources like pensions, annuities, or real estate play in your plan?"
- "How do you feel your spending might change throughout retirement? Thinking about this can help us refine the plan."
- "If you live to age 95, would you be comfortable reducing your lifestyle significantly in later retirement years?"
- "How important is financial independence versus potentially relying on family support?"
- "Are you maximizing tax-advantaged retirement savings opportunities?"

Green (Validate)

- "It looks like you're funded but we need to validate that."
- "Let's check what is funding this level of security."

Have a Great Conversation with Signals

- "With this key part of the plan funded, we can explore other goals. Are you interested in spending more, retiring earlier, or focusing more on your legacy?"
- "Can we confirm the income sources the tool is using? Do these benefits have survivorship options we should review?"

Liability

Red (Urgent)

- "Have you provided all of your financial information?"
- "This signal indicates an opportunity to protect the assets you've worked so hard for. What's the plan if you get sued?"
- "There are horror stories of people losing everything because they didn't have liability protection. Let's discuss a plan to shield your assets from creditors and predators, both now and in the future."
- "Do you have any assets or activities that might increase your exposure, like rental properties or serving on a board?"
- "With your current net worth, are you essentially 'self-insuring' against liability claims?"
- "Do you understand how a significant lawsuit could impact your family's financial security?"
- "What liability exposures keep you awake at night?"

Yellow (Awareness)

- "You have a foundational layer of liability protection. As your net worth grows, it's wise to review if that plan is still adequate."
- "Let's talk about the relationship between your non-retirement assets—the ones most 'attachable' in a lawsuit—and your current level of coverage."
- "Are you comfortable with your current level of protection, or should we explore options like an umbrella policy to create a stronger shield?"
- "Do you have significant liability exposures through your profession, property ownership, or family activities?"
- "When did you last review your auto and homeowner's liability limits relative to your current net worth?"
- "Are you aware of your state's asset protection laws for retirement accounts and primary residence?"

Green (Validate)

- "It looks like you're funded but we need to validate that. This is an area many people overlook."
- "When was the last time you reviewed this coverage with your property and casualty agent? Has anything changed in your life that might warrant an update?"

Have a Great Conversation with Signals

- "With this plan in place, we can feel confident that a lawsuit won't derail all the other good planning you've done."