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I am a career Life Insurance specialist who began selling life insurance in 1986.

Starting off as a sales representative in Ireland, I had three years' experience before migrating to Australia. Since arriving in this great land, I have worked in varying roles within the industry from superannuation claims, insurance & super training manager, state sales manager, general agency manager and back to providing advice front line once again. Now in my 8<sup>th</sup> year as a specialist risk adviser, I do have concerns over my future long term.

I might just clarify, as a specialist risk writer, I do not provide any advice whatsoever on wealth creation, funds management, gearing, super or the like. Where the need arises for such advice, I do refer this onto other advisers (accountants, planners, stock brokers, etc...).

Whilst I did provide funds management and super advice in the late 1990's, I am so far removed now that I have a financial planner who provides my/us with advice in relation to our retirement planning needs.

In 2008, 98% of the new business I have written is on a hybrid commission, 80% in year 1 and 20% trail. Where premiums are less than \$1500 for the year, it is just not possible to bring this on board on an 80/20 split.

Last August, having lost about 6 months' sleep worrying about the future of my profession, I sought advice from two business coaches with very different coaching styles. I did this so I could understand and learn to shift my mindset from commissions only to fee for advice and commissions. Both coaches were introduced to each other from the outset so there was no conflict. From August last year, I stood strong, only working with people who were prepared to pay me a plan fee of \$550.00. For this amount, we would meet where I would complete a full fact find, research what is in place personally (and through their super), research what is available in the market and then present an SoA. All this for only \$550.00!

Since August last year, I have brought onto our books 6 new clients.

That's paltry compared to writing on average 2 new clients per week prior to this monumental shift.

People don't like paying fees. They hate it in fact. Ask any accountant or lawyer or dentist and they will all say the same.

I get frustrated with Financial Planners who say they have been charging fees for years. Much easier when the client pays such a fee out of the cash account and not out of their pocket.

**What we do - *We provide money at a time when it needed the most***

In 2014, we received a call from the wife of a client who is insured for \$375,702 Term Life Cover. They were lost to us some years ago as they moved interstate. She said that her husband had a

major stroke 12 months earlier, he is having mini strokes/episodes daily, she is unable to communicate with her (speech) and she is struggling to pay the premium close to \$3,000 for the year. As she was lost to us, I obtained her details to then contact the insurer to see what was in place. On thorough research, we identified there was a waiver of premium on this policy as a costed optional benefit. When I called Belinda back to explain, she cried on the phone. We talked further to be advised that she called the insurer shortly after her husband's stroke and spoke to a customer service officer about the policy and her options. Nothing was mentioned about the waiver of premium. In fact, it was missed. The insurer refunded the premiums to the date of the stroke and she is 100% assured to receive the benefit on her husband's death or being diagnosed as terminally ill.

Hopefully, this amount will save Belinda in some and I have no doubt, it will be less burden on the state than if she did not have the funds.

The country is hopelessly underinsured and I fear this will only become worse.

If the proposed reforms continue as planned, advisers will leave the industry.

For me, it will be in 2019. In a way, I am giving my notice now.  
At 57yrs of age, I have a lot more to offer the community and the country.  
I am not in this for the money, I am in this because I love what I do, but I can't go broke doing it.

On meeting a CFO of a small business (20 Employees) last week, I was asked how her son could start in my profession.

For the first time in my life, I advised against such a thought given the direction we are travelling in.

Finally, I am not serial campaigner, in fact, this is the first time I have put my thoughts/feelings on paper.

But I feel strongly about this and I don't believe the changes are in the best interests of the people.

***Bert, you may recall me from your days as adviser, I used to call and see you in Cleveland.  
Was with NM back then.  
Many thanks for standing up for our profession. Greatly appreciated.***

**Sincerely**

**Joseph Burke** Diploma Fin.Serv. (Financial Planning)

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