

Application for Insurance Listing/Advertising on The White Coat Investor Website

Personal and Firm Information

Your Name: Joe Capone and Rick Warren

Name of Firm: Insuring Income

Insert link to your website: <https://www.insuringincome.com>

Which services do you provide:

Term life insurance:	Yes
Permanent life insurance	Generally no, less than 1% of all life insurance written is permanent
Disability insurance	Yes
Annuities	No
Other services (<u>please list</u>):	Practice Financing Solutions through doctorpracticefinancing.com Web development and consulting as webierconsulting.com

Years of financial experience: 11 for Joe, 15 for Rick

Years of experience selling life and/or disability insurance: 11 for Joe, 5 for Rick

Years your firm been in business: 7

Which of the following designations do you hold (Check all that apply):

CFA

CFP

ChFC – Joe - Yes

CLU

CPA

PFS

EA

MBA – Rick - Yes

BS or MS in finance related field – Rick – BS in Finance

Other (please list): Joe - LUTCF

Have you had any events in the past that are reportable to regulatory agencies? If so, please attach explanation.

No, clean record for both of us

Have any of your former clients sued you? What was the outcome? Please attach explanation.

None of our clients or former clients have sued us.

Are you currently involved in a lawsuit by a client or former client? Please attach explanation.

No, none

Insurance Philosophy

Are you an independent agent? i.e. Are you able to sell life or disability insurance from any company to any client?

We are 100% independent and actively represent a multitude of different carriers.

- We maintain broker contracts with these insurance companies and do not take part in any contractual obligation/relationship that provides us; 401(k) contribution, health insurance, pension plan, etc.
- We are paid by 1099 by all companies.
- We do not take part in any “sales contest of the month” or other product push programs. The higher-ups of these companies know to not even send us an email about one.

Our philosophy can be summed up simply as: We sit on the same side of the table as our clients, not insurance companies. We work *with* insurance companies, not *for* them.

Do you have access to Compulife software (or similar)? Do you routinely use it to ensure your client is getting the lowest cost term insurance available from a reasonably financially strong company?

Yes. We use a modified version of Compulife. The modifications have been done in full view of Compulife.

We own a web development company, webierconsulting.com, and we also offer web development and design services to insurance brokers and agents at instechconsulting.com. Our life tool has to be the best (if not one of the very best) on the web. It allows people to apply immediately after running a quote. It includes the option of reviewing the cost with waiver of premium on the policy. There are also unique abilities to print, email, and view results as a spreadsheet.

Click through at our life tool at <https://www.insuringincome.com/instant-life-insurance-quotes/>

The only people that get the results and requests are Joe Capone & Rick Warren. We both, routinely, encourage clients to review additional companies that may be more cost efficient for their needs. The point of the tool is to help the person select a strong company with the lowest cost, but a human always verifies the selection – takes us about 30 seconds or less to double check.

What is your association (if any) with Guardian?

We are setup as brokers with them. Full disclosure: We were both Guardian “Financial Representatives” in the past, but (by our choice) we have severed those contractual ties and simply maintain them as a broker relationship.

What is your association (if any) with Northwestern Mutual Life? – Never been associated with them and never want to be associated with them.

What life insurance companies do you typically use for term life policies for clients? Please list any company that comprises 5% or more of the term life policies you have sold in the past year with the approximate percentage of times you recommend a policy from that company.

We recommend the lowest cost carrier for the design that our client’s want, as long as it has an AM Best rating of A or better. The carriers change every year as a function of their pricing changes.

To see the carriers that we use most frequently simply run a quote at our site, they include:

Principal
Cincinnati Life
Prudential
Ohio National
Pacific Life
MetLife
Symetra
John Hancock
United of Omaha (Mutual of Omaha is the parent entity)
Banner (William Penn in NY)
SBLI
Lincoln
Protective
American General

Note: each one of these companies have been the best selection a client in 2016. Principal, Banner, Prudential, Ohio National and Cincinnati Life have emerged, in 2016, as our most frequently carriers with ~10-12% for each. In 2015, it was Pacific Life, SBLI, Banner, Prudential, and Ohio National more prominent.

What disability insurance companies do you typically use for disability policies for clients? Please list any company that comprises 5% or more of the disability policies you have sold in the past year with the approximate percentage of times you recommend a policy from that company.

Principal*
Guardian*
Ameritas*
Standard
Mass Mutual
Assurity (not a player in the medical professions disability marketplace)
Ohio National
Fidelity Security
Peterson (Lloyd's of London)

*indicates companies with ~20% frequency, noting that ~15% of policies were going through MetLife before their departure from the individual disability insurance marketplace.

Carriers continue to become increasingly competitive with each other, both in pricing as well as their occupation class reconfigurations, which means (i.e.) we could recommend Ameritas five times in a row and then not at all for 2 months.

All available/appropriate carriers are always reviewed and presented to any client.

Do you believe that most doctors should own a cash value life insurance policy?

Absolutely not.

We have sold one cash value life insurance policy to a physician in the last 5 years and one other to a client that simply likes it. We do not recommend cash value life insurance and if/when a client asks, we run through exactly how the contract works, how the real numbers run out, etc. Then, typically, *they* move on to discussions of term. We spend *more* time helping physicians unravel and replace the cash value policies they have bought in the past.

To what percentage of your clients have you sold a cash value life insurance policy?

Less than 1% – Since we have sold a total of about 3 going back 7-8 years ago, 2 in the last 5 years, we cannot say 0%. Approaching zero with every time plan that we write. For perspective, we will place between 300-310 term policies with a total death benefit approaching \$400,000,000 in 2016.

Please describe your use of permanent life insurance- types of policies recommended and reasoning:

We don't recommend them, we believe in term life insurance.

If a client would like to review an illustration or a hypothetical, we will.

If they would like to be educated on the differences between term and permanent, we will.

But, we simply don't recommend these products.

To approximately what percentage of your clients under 60 do you recommend an annuity? What type?

Zero. While we are licensed in every state to sell fixed products (by virtue of holding an insurance license), we do not work in this domain.

To approximately what percentage of your clients over 60 do you recommend an annuity? What type?

Zero - We don't sell annuities. If we believe that someone should buy one we send them to Vanguard (same for investments). As an unsolicited addition, we think it is awful that life insurance agents get paid as much as they do for the sale of these products.

Approximately what percentage of your firm's revenue comes from the following sources in any given year:

Term life commissions: 49%

Disability commissions: 45%

Permanent life commissions: <1%

Annuities: 0%

Other insurance commissions: 5% (Mainly from Group Life/STDi/LTDi as well as Critical Illness Insurance, Long Term Care Insurance, Health insurance, Group Life+DI)

Other fees: \$0/0% in insurance, investment, or financial advice. Someone buys a policy, we get paid.

We don't sell advice.

Full disclosure: \$100,000+ charged in web development fees – not insurance related but a big part of our business. Insuringincome.com remains at the cutting edge of web technology for term life and DI because of these critical skills. We invite visitors to whitecoatinvestor.com to contact us with questions about web development and web design.

Physician Specific Issues

How many physicians and/or dentists have you sold a disability insurance policy to in the last year?

115

Do you have access to disability insurance discounts for most of the large physician employers across the country?

Absolutely, and we continue to develop additional discount programs.

Are you familiar with the various medical association group life and disability policies?

Yes we are.

What do you feel is your biggest value-add for a doctor?

Our value-add is our no nonsense approach to breaking down the options. We are very persistent when it comes to pushing the carriers around to get the absolute best offer possible. Our ability to leverage technology and automation within the underwriting process is second to none. Clients enjoy the fact that they can run term life quotes and apply in a matter of a few minutes. They never do a call with us if they don't want to and are even given a "don't call me" option just to affirm their position if they choose. We are extremely efficient with all stages in the process and since we are not looking to sell other financial products – we know what we are hired to do and we do it well. We deliver the absolute lowest price for term life and same for disability (and we fight to ensure max discounts for disability and no unreasonable medical exclusions).

Anything else that you would like me to take into consideration with regards to your application? (Attach additional documentation as desired)

We have a similar outlook on the financial services world. There are too many people selling products in a way that is done to benefit the agent (without consideration for appropriateness or how harmful the permanent life, annuity, etc is going to be for the Physician).

We are on your side and that will never change. Keep up the great work!