



LORD ABBETT®

# SUCCESSFUL INVESTMENT SPECIALIST REFERRALS

*Making the Most of Banking Relationships*

NOT FDIC INSURED—NO BANK GUARANTEE—MAY LOSE VALUE

**FOR FINANCIAL INSTITUTION USE ONLY.**

# YOUR CLIENTS



Your clients have an unprecedented number of investment options, and you are uniquely positioned to direct them to a reliable investment specialist within your firm who can help them determine which options are right for them. Each time you help one of your clients—with either a banking transaction or a request—is an opportunity to:

- Improve your relationship with your clients
- Help them make the most of their relationship with the bank
- Help your investment specialist colleagues build their business
- Help increase the bank's business

The information in this brochure is only intended to provide general investment education and is not intended to provide recommendations or investment advice. Lord Abbett does not provide legal or tax advice; please emphasize to your clients that such matters should be referred to an attorney or a tax specialist before making an investment.

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# THE NATURAL APPROACH



Referring a client to an in-house investment specialist is not about pushing a sale. Rather, a referral should be the result of a normal conversation about a client's financial situation. To enhance the probability of a referral opportunity arising:

## **Focus on the client's needs.**

A scripted speech about investments can sound insincere and forced. Instead, try to explain in your own words why an investment specialist might be helpful to the client's situation.

## **Keep the benefits of an investment specialist's advice in mind.**

Clients will more likely accept a referral if they understand that an investment specialist can help them:

- Avoid costly financial planning mistakes
- Understand the features and potential rewards of each available investment option
- Avoid inappropriate investments
- Prepare for the potential tax and regulatory consequences of any investment decision

# SPOTTING REFERRAL OPPORTUNITIES



Every client should benefit from the knowledge and guidance of an investment specialist at your financial institution, and each conversation you have with a client can be a valuable referral opportunity. However, you can enhance your chances for successful referrals by talking to your investment specialist colleagues. They can provide valuable guidance about what they consider to be an ideal referral candidate for their services.

You also can identify promising referral opportunities by learning to gauge the verbal and nonverbal cues every client sends out:

## **Listening**

Clients who might want the guidance of one of your institution's investment specialists often provide verbal hints.

### **For example:**

#### **If the client mentions:**

The interest rate on a security or account

#### **You might respond:**

"You know, it's possible that you qualify for a higher rate. Can I put you in touch with one of our rate specialists?"

**If the client mentions:****You might respond:**

Children

“You know, it’s never too early or too late to start planning for college. Can I put you in touch with one of our experts on college savings plans at the bank?”

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Leaving money to beneficiaries

“We have estate-planning specialists at the bank who may be able to assist you with that. Do you have a moment so I can introduce you to one of them?”

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Heavy tax obligations

“Sometimes you can reduce your tax obligation if you structure your portfolio correctly. Would you like to discuss tax-aware investment options with one of our investment specialists?”

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A new job

“Have you rolled over the 401(k) account from your old job yet? One of our retirement specialists can help you take care of this.”

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The stock market

“Did you know that you are entitled to a FREE portfolio analysis by one of our investment specialists?”

**If the client mentions:****You might respond:**

Owning his or her own business

“Did you know we provide investment and banking products designed just for people who run their own businesses? If you’d like, I can introduce you to a small-business expert at our bank.”

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Upcoming (or current) retirement

“You might want to make sure your retirement portfolio is balanced correctly. Would you like to speak with one of our retirement advisors?”

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Buying a house

“Have you spoken to one of our home-lending specialists about all your mortgage options?”

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Selling a house

“Do you know what you’re going to do with the proceeds? We can show you a variety of options, depending on what you want to do after you sell.”

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Needing a will

“We have estate-planning experts who can help you out, if you’d like. Do you have a moment for me to introduce you to one of them?”

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Having a will

“That’s great. Are your accounts properly titled?”

# OBSERVING

Financial transactions also can identify referral opportunities.

## For example:

### **If you notice that a client:**

Just redeemed a CD or Treasury bond\*

### **You might mention:**

“You know, we have specialists at the bank who can help you invest those funds. Would you like me to put you in touch with one?”

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Tends to deposit or withdraw large amounts

“Did you know we provide investments that may help you manage your cash flow and get advantageous rates at the same time? Can I put you in touch with one of our investment specialists?”

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Is opening an account for a close relative

“Can I ask if this is going to be a college savings account? Would you like to talk to one of the bank’s education investment experts about this?”

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Is opening a business-related account

“Did you know we have experts here who specialize in helping small-business owners? They may help you get the best rates and provide you with business investment advice. Would you like me to put you in touch with one?”

\* U.S. Treasuries are backed by the full faith and credit of the U.S. government, while a certificate of deposit (CD) guarantees your principal, offers a fixed rate of return, and is FDIC-insured, up to \$250,000. It is important to note that not all fixed-income sectors react the same way to economic and interest-rate changes.

# OVERCOMING OBJECTIONS

Convincing a client to speak with an investment specialist at your institution is a matter of attitude. Many common objections are not outright refusals—rather, they are opportunities for you to continue the conversation.

**Objection:****Response:**

“I’m all set.”

“You know, many of my clients have found it helpful to speak with our investment specialists. Let me give you the contact information for someone you might want to speak with.”

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“I don’t have time right now.”

“I understand. I’d be happy to set up an appointment for you at a more convenient time, or, if you prefer, I can have an investment specialist call you later.”

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“I already have someone who helps me with my investments.”

“There’s no harm in getting a second opinion, and many of my clients find that it’s more convenient to be able to manage banking and investments in one place. Can I put you in touch with one of our specialists?”

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“I don’t have the kind of money needed to invest.”

“Actually, it doesn’t take a lot of money to start investing—at least not here. Let me put you in touch with one of our investment specialists so you can find out for yourself.”

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“I’m not much of a risk-taker.”

“That’s understandable, but there are many ways to manage investment risk. Would you like to meet an investment specialist who can show you how?”



# FOLLOWING THROUGH



Once a client confirms an interest in meeting with an investment specialist, you should try to set up an immediate, face-to-face introduction—a quick glance or phone call should allow you to determine whether an investment specialist is available. If not, you also can:

- Offer to call the investment specialist to arrange a meeting for a later date
- Ask if you may provide the client's contact information to the investment specialist
- Give the client the investment specialist's business card and encourage the client to make an appointment

You have a unique opportunity to play a key role in the financial future of your clients—and of this financial institution. By showing clients how to take advantage of our in-house investment expertise, you can help everyone come out ahead.

# INVESTMENT-LED. INVESTOR-FOCUSED.

As an investment-led firm, we evaluate every decision from an investment perspective in an effort to achieve superior long-term investment performance.

Our approach is based on a philosophical belief in active management characterized by teamwork and collaboration, a commitment to research—both fundamental and quantitative—and an adherence to risk management.

As an investor-focused firm, we evaluate every decision from an investor perspective to ensure that we act in the best interest of our clients. We are committed to providing every client with our independent perspective, our breadth of resources, and our range of intelligently designed investment strategies.

Lord Abbett Client Service  
**888-522-2388**

Visit us at:  
**lordabbett.com**

Lord Abbett & Co. LLC  
90 Hudson Street, Jersey City, NJ 07302-3973

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