

What's Going On Here?

You would not be a normal person if you were not at least a little upset about the events of the past few weeks in the financial markets.

NO ONE KNOWS WHAT THE STOCK MARKET WILL DO OR WHICH BANKS WILL MAKE IT AND WHICH WILL NOT – NOT EVEN THE FEDS. THE “BAIL OUT” PLANS ARE NO GUARANTEE THAT THESE PROBLEMS WILL GO AWAY.

HOWEVER, WE CAN PREDICT WITH GREAT CONFIDENCE WHAT WILL HAPPEN WITH LAFAYETTE LIFE AND YOUR BOY PLAN(S) INTO THE FUTURE.

Here's why:

1. Unlike banks and brokerage houses, insurance companies have always been highly regulated. The de regulation of banks and brokerage houses has really backfired.
2. Insurers go through a complete audit every year by their home state insurance department. They must have enough money in liquid assets to cover all their obligations. If they do not, the state insurance department takes over the insurance company and straightens things out.
3. By law, insurance companies cannot put money into anything that is considered risky by the regulators.
4. Furthermore, insurance companies cannot loan out more money than they have in the safe, unlike banks and brokerages. Banks are currently allowed to loan out up to 10 times the amount of money on deposit.
5. For an insurance company to be approved for use with BOY by our national organization, it must pass several stiff tests. The company must be over 100 years old, have the best rating possible from each of the rating services, have never missed a dividend and be owned by the policy owners. This is why we use only Mass Mutual and Lafayette Life for BOY plans.

You can rest assured that we have done everything humanly possible to make sure that there will never be a problem with any of our insurance companies.

In my 34+ years as a financial consultant, I have seen several problems with life insurance companies. In all cases things were straightened out and no one lost a dime. There have been few problems since the 90's.

You count on receiving your guaranteed cash value increases every year. The 100+ year winning streak on dividends and increases over time has no reason to end. Our companies paid dividends through the Great Depression! What is going on is not new to them.

Unlike the vast majority of Americans, you are creating an increasing pool of liquid money to help you through financial emergencies. You do this every time you pay your premium. The amount of increase grows larger and larger each year. Dividends have also increased over time.

Congratulations! You are not living paycheck to paycheck anymore. However, policy cash and loan values are all relative to the amount going in, so those of you paying a lot of money into your plans will see larger sums sooner. You have the peace of mind that comes from knowing you can weather financial storms when your values grow high enough.

Unlike money in 401k and IRA accounts (even Roth accounts), access to your money is not controlled by restrictive government regulations that can be changed when Congress needs to find money to finance the war in Iraq or the baby boomers Social Security payments, etc. There is no strong lobby working to protect people who have IRAs and other qualified plans, so Congress can make changes much easier than other things. **Everyone knows they will have to pay tax at some point anyway.** I have already heard several reports about major changes coming with qualified plans, so get ready.

How are your accounts doing these days? Are you upset and disappointed with the uncertainty and “paper” losses?

If so, you owe it to yourself to take a closer look at BOY (or add additional money). I am here to help you learn more about this very timely and super safe way to save money and prosper in the future regardless of what the markets or economy do. Education always comes first and continues on a systematic basis as long as someone is involved with BOY.

PLEASE KEEP IN MIND THAT THE SUN WILL STILL COME UP IN THE MORNING AND THE BIRDS WILL SING EVEN THOUGH THE FINANCIAL MARKETS ARE IN TURMOIL. LET’S ALL HANG IN THERE AND LET OUR COMMON SENSE BE OUR GUIDE.

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