<u>So What's The Big Deal?</u>

The question of the month, this month, came up several times in meetings with prospective and existing clients, so I thought I should spend some time talking about it.

How do I benefit more from BOY than putting money into an investment that earns the highest possible long term returns like good mutual funds?

We have been mentally trained to think that <u>only</u> investments will help us create the best possible retirement income by getting the largest possible account value.

Almost 30 years of investing in stocks and mutual funds has taught me that "buy and hold" and "dollar cost averaging" does not work. My accounts are not as big as I was told they would be.

The long term returns on my mutual funds were less than I counted on!

That is a heck of a thing to find out when you are over 50 years old!

What does work when investing in the stock market?

Here's what I do now: I buy when prices are low, like after 9/11. I sell when I have reached the profit percentage that I decided on when I first got in. I get in and get out as soon as I have made a reasonable profit.

For example, I bought 300 shares of BP oil this past January in one of our IRA plans when the price dropped so low that the dividend yield got up to 11%.

I looked at them because I felt that the price of oil would go up. I felt comfortable that they would be able to keep their dividend where it was, which is what Wall Street was worried about. I decided I would sell when the price doubled. I would also sell if the price dropped by 10% anytime along the way. I was willing to lose 10% if I was wrong, but no more.

This stock is now within a few points of doubling in value. However, I would sell the stock if the price fell by 10% or more from the present level.

I will make a profit if I stick to my plan.

So What Does This Have To Do With BOY?

What if I had taken out a BOY loan to help finance a much larger purchase of BP stock for a personal account?

1. I would have been able to buy more stock.
2. I would have been able to use the quarterly stock dividend as a loan repayment against the BOY loan and repay the balance once the stock was sold.
3. I would have made more money on the deal because of the extra net profit created by being able to buy more shares.

There is a much easier and safer way to generate this kind of profit using BOY rather than financing risky stock or mutual fund investments.

I will have to buy cars, take vacations, do home repairs and all those other things for at least the next 20 years. It will cost me a tidy sum of money to do this, too!

What if I self financed all this stuff and charged myself an interest rate similar to or a little more than outside lenders?

How much could I make?

What would it be worth to me to get back the cost of all this stuff?

A LOT MORE THAN YOU MAY THINK!

I will probably spend over $200,000 on cars, vacations and home improvements over the next 20 years.

Can you imagine what the interest payments would be to an outside lender (or earnings lost from taking the money from an account) on that kind of money?

Do you want to see how much you can put back in your pocket?

Let's talk!

September 2009 NEWSLETTER

ALAN J. ECKSTRAND,CLU,ChFC,CRPC

ALAN J. ECKSTRAND,LLC

977 EAST MAIN ST, SUITE 2

TORRINGTON,CT 06790

PHONE: (860) 496-1941

TOLL FREE: (866) 496-4677

FAX: (860) 496-4677

Email: alan@thefinancefixer.com

Websites: www.thefinancefixer.com

NEW!!!! www.bankonyourself.com