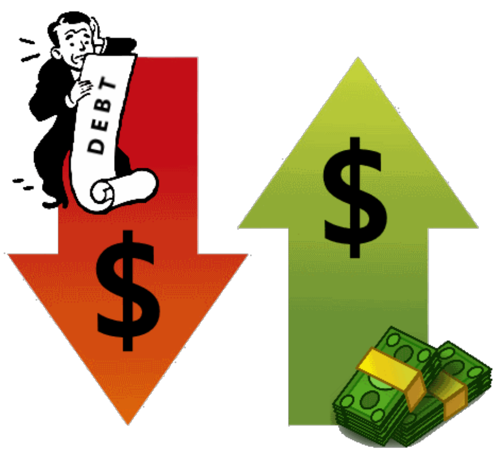
*"This is the most powerful financial info that I have ever seen. I am so excited about it. I look forward to sharing this info to assist others in achieving financial freedom!!!"*

— *RANDALL & JANELL G.*

# Convert Your Debt to Wealth

How to Pay Off Your Home in as little as 5-7 Years AND Convert Your Debt to Wealth!




Financial Literacy Group
Independent Agent
323-419-1600

SKYLER WITMAN AND JOHN WASHENKO

# TESTIMONIALS

*“This solution has changed my life in so many ways! I have always been a good money manager but never had a way to see exactly what my money was doing. Now I have that! It's like having a financial planner at my fingertips every day all day!”*

— KAREN & STEVE G.

*“I cannot tell you how excited I am heading toward paying off our mortgage and our 2nd mortgage in less than 5 years. Light at the end of the tunnel! Thank you so much for this wonderful information!!!”*

— CARRIE T.

*“I want to thank you for providing the opportunity to become debt free sooner than I ever thought possible. May God continue to bless and prosper you all. Thank you!”*

— CLAUDETTE B.

*“I'm excited and grateful to you for offering this great information! I look forward to using this info and watching my financial future become bright. Thank you again for this program!”*

— TINA B.

*“I thought the info was pretty thorough and it was explained well. I would definitely recommend this to everyone. Thanks, Saving Big Dollars!”*

— ROBERT & JACQUELINE T.

*“This information has and will change my life, and I am very excited to be able to share this financial freedom that I am receiving with anyone who is willing to listen.”*

— THOMAS T.

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# INTRODUCTION

## What this Financial Strategy IS and IS NOT

In this book you will learn about a proven financial strategy that helps everyday consumers Become Debt Free, including their Mortgage, in as little as 5 – 7 years and Convert their Debt to Wealth! This may sound like a bold statement, but keep in mind that, for decades, the concepts taught in this book have been successfully implemented across Australia and the UK as a way to quickly eliminate debt and build wealth. With some exciting advancements, this concept works even better for consumers in the US.

### WHAT THIS FINANCIAL METHOD IS

- This *IS* Proven to quickly eliminate debt.
- This *IS* Proven to help consumers build wealth.
- This *IS* Proven to work with or without good credit, AND improves your credit.

### WHAT THIS FINANCIAL METHOD IS NOT

- This *IS NOT* a Bi-weekly Payment Program or Refinance.
- This *IS NOT* an Increase to your minimum monthly payments.
- This *IS NOT* a mortgage modification, alteration or any other change to your current mortgage.

### WHO CAN BENEFIT FROM THIS STRATEGY?

- Anyone that has debt and makes more money than they spend.

We have found that the people who benefit the most from this strategy are those who are tired of making interest payments on their debt and are looking for a better way. Basically, people who would love to see what it is like to be debt free and building wealth, for life.

## QUICK NOTE - PLEASE READ FIRST:

We would agree that the claim "Pay off Your Home in as little as 5 – 7 years and Convert Your Debt to Wealth" sounds like a bold statement; however, as you will read, not only is it possible, but in reality, thousands of homeowners all across the US have been successfully implementing the financial methods taught in this book since 2004.

To fully understand the financial methods taught in this book, the most important thing that we advise is for you to read every chapter in detail. Only then will you realize what a true piece of gold you have in your possession. Enjoy!

# CHAPTER 1

## Backstory: We Hate Debt & Here's Why

When people hear about how consumers have eliminated approximately two Billion Dollars in debt and are converting their debt savings into wealth with the assistance of the financial strategies trained on in this book, almost without fail they ask, "Why did you start doing what you're doing?" And to best answer that question, let me give you a little background on myself, Skyler Witman, and my friend John Washenko.

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John and I have been friends ever since I can remember. From our youngest years, we grew up in the same neighborhood and have remained friends ever since. We would hang out as often as our parents allowed, which was almost every day. Because we are literally one month apart in age, our interests were very much the same. We would play, laugh and cause the usual trouble that little kids do.

### STARTING A MORTGAGE BROKERAGE

For some reason, at the age of 14, I remember John and I talking about wanting to go in to business together some day. Then in 1998, at the age of 22, after some extensive research and training, John and I decided to open a mortgage brokerage together. At the time both of us had more ambition than money, so we had no choice but to pay for all of the startup costs on credit cards. But with the support of both of our wives, and putting in extremely long hours six days a week, after about 10 months from opening our doors we started to see what we thought were some pretty promising results. We believed that if we built a reputation for having the best rates and service, word would spread and good things would come from that. Gratefully, this proved to be correct.

In fact, word of mouth spread so quickly that after the first 10 months, we had no choice but to start hiring and training new loan officers as quickly as we could to keep up with the influx of new mortgage clients. Within our first 18 months of business, we brought on 28 new loan officers and eight new loan processors. Within our next 24 months, we had a total of 61 loan officers and 15 loan processors. Needless to say, we were extremely pleased with our company's growth. At the same time, while things were going very well for the business, John and I started to notice a very negative trend in our success: repeat customers.

## WHAT'S WRONG WITH REPEAT CUSTOMERS?

Now you may be asking the question, "Why would repeat customers be a negative thing? I mean, repeat customers are a great thing, right? It's something all companies strive and hope for, isn't it?" Of course, the answer to that question is a resounding, Yes! However, the reason this was a negative thing for us, is that we were seeing some of our customers come back to us too often. Let me give you one example of what we mean.

Let me introduce you to a client we'll call Mike. One morning in August, 2001, I was checking daily loan rates like I normally did each morning, when a call came in from Mike. Mike was a great client who I had originally helped with a refinance and debt consolidation loan two years before. Mike was also a client who had come back to me for new debt consolidation loans approximately four times since the first time I had helped him. This time was different. When Mike called and asked if he could come meet with me for another debt consolidation loan, we set a day and time that worked best for him.

When Mike showed up right on time, I distinctly remember him saying "Hey Mortgage Doctor, fix me, again!" This comment left me feeling kind of slimy, as I knew I was helping this client get into more and more debt. While it was Mike's decision to spend all the money and make all the purchases that he did, I still felt somewhat responsible for providing him with debt consolidation loans that allowed him to dig himself deeper and deeper into a financial pit. This was not what we aimed for when starting our mortgage company.

So, I said to him, "Okay Mike, let's take a look at your situation." Mike then explained all the new debts he wanted to consolidate. Not to judge our clients, but the debts that he wanted to consolidate were very much like the previous debts he had us consolidate multiple times before: Jet Skis, a boat loan, motorcycles, etc. It's just fine if people want to purchase toys and find ways to lower their monthly payments on those loans, but Mike had been purchasing so many toys that it was sinking him financially.

After taking a look at Mike's new debts and reviewing his current financial status, things were not looking good for him. I wracked my brain to think of some solution that I may not have thought of yet to help Mike with his situation. Not only did he not have enough equity left to consolidate any of his new debts, but his debt to income ratio was completely upside down. After exhausting every possible loan angle I could think of, I had no choice but to tell Mike there was nothing we could do.

With an initial look of disbelief on his face, Mike's expression changed to a half smile as he said "Okay, yeah right. Seriously, tell me what you can do!" Sadly for Mike, I repeated that there was nothing we could do and explained why there were no options left to help him. Mike's expression immediately changed from a humorous half smile to a look of complete desperation and fear. Looking me straight in the eye, he said, "I have no idea what I'm going to do. I can't afford these payments. I could lose everything." I thought back to the first time Mike came in for his refinance/consolidation loan; he had over $150k in equity in his home and was in good shape financially. Now his equity was all but gone, and he was completely upside down financially. I couldn't help but feel I was partially to blame.

The thing is, Mike wasn't the only client with whom we saw this same scenario. Far too many people were coming to us, using their home like a piggy bank and then looking to us again and again to help them sort out the financial mess they had created for themselves. As much as we were happy to try and help people improve their financial situation to the best of our ability, we simply knew that there had to be a better way.

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While it was very difficult to watch what some of our mortgage clients had gotten themselves into, it actually went much deeper than that on a personal level for both John and me. At the age of 13, my parents were experiencing deep financial stress. I remember the repo man backing into our driveway and hauling our family cars away. Shortly after, we had to move because our house was repossessed by the bank. Similarly, about one year later, due to his father being laid off, John's family's home was also repossessed. I remember that along with the financial difficulties both of our families were experiencing, there also came the marital stress and challenges for our parents. At that time, it seemed as though everything in our lives had been turned upside down. As you can imagine, as we saw what was happening with some of our mortgage clients, it instantly brought back those painful memories we experienced in our childhood. All of these experiences have had a lasting impact on both of us, and it is for this reason we have such an extreme dislike for unnecessary debt.

## THE SEARCH FOR A SOLUTION

John and I just knew there had to be some kind of a solution out there that could help these good people avoid some of the financial challenges they were experiencing. With all of the different mortgage and loan programs available, there had to be a solution that could help people better navigate their finances.

Accepting the challenge, in roughly August 2001, we set out to find the solution we knew had to exist. For several months, we researched different programs across the US that claimed to help people get out of debt, only to find out that these "solutions" either destroyed people's credit or were more like a band-aid on a broken arm. While some of these programs seemed like they could help people save some interest, they barely scratched the surface of the kind of solution we were hoping to find. We wanted to provide our mortgage clients with something that could help them avoid making the costly financial decisions they were making, before they made them. We wanted to provide them with a solution that could help them to better manage their finances and get them out of debt as quickly as possible. Unfortunately, the programs we were running into were simply inadequate.

### THE UK PROGRAM

Approximately six months later, in February 2002, we discovered a program that seemed to be exactly what we were looking for! The concept behind this program had been used in the UK since roughly 1997, and it claimed to help homeowners pay off their mortgage lightning fast without having to change their lifestyle. Upon closer inspection of this program, we determined that the approach they were using to pay off their mortgage so quickly was actually quite genius. The concept was pretty simple: instead of homeowners having a standard mortgage, they had a special kind of checking and savings account linked to a mortgage program called the **UK program**.

Basically each time homeowners deposited money in their special checking / savings account, it would automatically reduce the balance on which their mortgage interest was calculated by the amount of their deposits.

So you may wonder, "How could this cause their mortgage to be paid off so quickly?" Well, the answer is quite brilliant!

First of all, the interest charged on the UK program mortgage is calculated on what's called "Daily Interest." This means that the interest charged is calculated on what the "daily" loan balance is. And, each time the homeowner deposited money in their checking / savings account, it would automatically reduce the mortgage balance on which their interest was calculated.

As a result, each time homeowners deposited money in their checking / savings account, it allowed more of their regular monthly mortgage payment to be credited toward principal, and far less toward interest because their daily mortgage interest calculation was less.

We found that this program gave homeowners tremendous freedom, because they could easily reduce the amount of time and interest they paid on their mortgage simply by depositing money in their checking / savings account. Then, any time they needed to access their money, they simply wrote a check or did an online money transfer to pay their expenses.

Needless to say, we were ecstatic when we learned about this amazing program! But unfortunately, our excitement was very short lived. Once we investigated the UK program further, we found that it was not available to homeowners in the US.

While this realization was discouraging, both John and I decided to do some further research to see if there were any other programs that worked similar to the UK program and were available to homeowners in the US.

## THE FIRST MORTGAGE HELOC

After a lot of additional research, we found a program being used by many homeowners in both Australia and the UK which functioned almost identically to the UK program.

Instead of having their checking / savings account attached to their mortgage like the UK program, homeowners were doing their banking through a first mortgage Home Equity Line of Credit (referred to in this book as a first mortgage "HELOC").

In essence, homeowners were using their HELOC as both a "mortgage" against their home, and as a "checking / savings" account, into which they deposited all their money and paid out all of their expenses.

HELOC's are also calculated on "Daily Interest," like the UK program, meaning that the interest charged is only calculated on the actual daily loan balance. So, each time the homeowner deposited their income against their HELOC balance, that money would automatically be subtracted from the daily loan balance that they owed.

As a result, each time homeowners deposited income against their HELOC balance, it allowed more of their regular monthly mortgage payment to be credited toward principal and far less toward interest because their daily loan balance was less.

Additionally, since HELOC's work very similar to a normal checking / savings account, this approach gave homeowners tremendous freedom. The homeowner could literally deposit money against their HELOC balance, saving them both time and interest on their mortgage. And, like a standard checking / savings account, HELOC's come with checks, debit cards, and online access for any time they needed to pay their monthly expenses.

Furthermore, instead of having their remaining money (the money they had left over after paying monthly expenses) sitting in an actual checking / savings account earning them close to zero interest, that money was now sitting against their HELOC balance until they needed it for future expenses. This kept their HELOC balance low for as long as possible and further canceled out daily interest charges that would normally be charged on their line of credit balance.

With this newly discovered information, we were extremely excited about all the possibilities this financial method could provide for our mortgage clients. We could just imagine all the different ways in which this information could help our clients save both time and interest on their mortgages!

Regrettably, once again, after we looked into this method a little further, our excitement was short-lived. It became quite clear that this may not be the best approach for our mortgage clients. We realized that while homeowners in Australia and the UK were accustomed to having a variable interest rate mortgage, many homeowners in the US were not.

In order to implement this approach in the US, homeowners would have to refinance their entire fixed interest rate first mortgage amount into a variable interest rate HELOC. While that may be just fine when rates are low, it can potentially spell out some serious consequences if / when interest rates increase. The age old saying of "what goes up, must come down" applies in this scenario, except in reverse: what goes down, must come up. At this time in our research, many of our mortgage clients already had nice, low, fixed interest rate mortgages. There was no way that we were going to advise them to refinance their entire fixed first mortgage amount into a variable interest HELOC, as this could create a potentially serious adverse effect on their finances.

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Needless to say, with this realization, both John and I were, yet again, very disappointed. We thought we had found an option that could be life changing not only for our clients but for people across the country who wanted to safely pay off their mortgages early and save a significant amount of interest. Unfortunately, this idea and financial method was a complete waste of our time... or was it?

# CHAPTER 2

## The Road to Our Homeowners Success

Several months after we realized that replacing a fixed first mortgage with a variable rate first mortgage HELOC probably wasn't the best advice for our clients, John came to me and said "What if there was a way to keep the stability of a fixed first mortgage and also have the flexibility of a separate line of credit to help drive the mortgage payoff strategy?"

I replied, "That would be great, but how would that be possible without advising our clients to refinance their first mortgage into a variable interest rate HELOC?"

### A NEW APPROACH

John, the Excel spreadsheet guru of the West, then laid out a puzzle of charts, reports and spreadsheets he had been working on for several months. He proceeded to explain that after running a lot of Excel spreadsheets and financial reports, in addition to talking with multiple CPA's and financial planners, he believed it was possible to allow homeowners to keep their low fixed first mortgage and use a separate line of credit option (referred to by us hereafter as an Advanced Line of Credit, or ALOC) to successfully drive the mortgage payoff strategy.

| Advanced Line of Credit (ALOC) |
| --- |
| An ALOC is simply a line of credit that is separate from your first mortgage (like a second position HELOC, Personal Line of Credit or Business Line of Credit), that meets certain criteria which have been proven to work effectively with our debt elimination system. |

After John reviewed all the research he had done with me, it did in fact look as though he was right. Using a separate line of credit (aka ALOC) as a secondary tool, while keeping the first mortgage as a fixed loan, not only looked to be viable, but it appeared to work even more effectively than refinancing the first mortgage into a variable interest rate HELOC. The reason for this is that by having a low fixed interest first mortgage, you are still able to take advantage of the low interest rate on the bulk of your mortgage amount while also using a separate ALOC to float monthly expenses and cancel interest charges, similar in part to what homeowners in Australia and the UK were doing.

After looking at all the reports and information that John had gone over with me, one problem still remained. I voiced my concern to John, "While it does look like you are right, it also seems like it would be pretty difficult for the majority of homeowners to manage everything you just went over with me. That is, efficiently managing their finances with this concept between their first mortgage and a separate ALOC."

John agreed and replied, "It would not only be difficult to manage, but extremely time consuming each and every month, especially as income, expenses, interest rates and payments change. And if it's not managed correctly, the homeowner could miss out on a lot of the achievable saving's benefits, costing themselves too much interest on one side or the other." John continued, "That's why I have been looking into different software applications to see if it's possible to create a software program that can efficiently manage all of the complexities of this debt payoff strategy. The idea is, all the homeowner would need to do is log in occasionally and watch the program work." John then remarked, "We need to do more research, but I do think this approach is possible."

After a bit more discussion, John and I both agreed that it would be a good idea to investigate the possibilities of building the software platform.

## IS IT EVEN POSSIBLE?

Over the next couple of months, John and I conducted as much research as possible to confirm what the savings benefits of this approach could be and to see if the software platform was a viable idea to efficiently and easily manage the debt elimination concept. Several of the CPA's and financial planners we spoke with grew very excited and intrigued once they had a chance to analyze the financial results we presented to them. They were actually shocked that they had never heard of anything like this before. After analyzing our data, they each stated that they felt the concept could work. With this positive feedback from outside sources, John and I became even more excited about the possibilities!

Now that we had established that this debt payoff concept could work, we needed to verify that it could be built into a software platform that could easily be run by pretty much anyone with a computer and internet access. So, we reached out to several people we knew in the tech industry. Going over the information with multiple senior software developers, we showed them exactly how this concept worked from our perspective. We emphasized that we would need the program to run all of the complexities behind the scenes, so all the homeowner would have to do is login, follow a few simple prompts, and let the program calculate and manage all the debt elimination strategies for them.

After several meetings with multiple software professionals, we confirmed what we had hoped: the concept could in fact be built into an easy-to-use software platform to help homeowners become debt free ASAP! While we were extremely excited about this news, our excitement dropped when we asked the developers how long they felt it might take to develop a program like this. They each responded with similar estimates: "If you want to do it right, it would take anywhere from 18 to 24 months. And that is if you have a qualified team of developers working on it full time."

"Wow!" we thought to ourselves, "here we are with the verification of this potentially life changing concept and we won't be able to help any of our clients with it for up to two years!" To say we were frustrated was an understatement. We had clients that needed this solution *TODAY!*

## EARLY PROTOTYPE AND BETA TESTING

For the next month, John and I spent every day planning out the next steps necessary to get this exciting new project started. After a lot of discussion, and even though it would take a bit longer overall, we decided that the first step would be to hire a single programmer to build an initial prototype version of the software. We really wanted to get this right and felt that this approach would help us get a better idea of what the final version of the system should look like.

The initial prototype took roughly six months to build. Once completed, we signed up several dozen of our mortgage clients who had expressed interest in being initial test users. Following several months of testing with the prototype system, the results and feedback from our test group was fantastic. Their feedback helped us fine tune our approach and proved that the system could really work!

Now, with a clear plan, we worked with a head hunter in the IT industry to help us locate and hire the right team of programmers and other software development professionals. We also hired a mathematical engineer from GE Aeronautics to help make sure that all of the mathematical algorithms in the full version of the program worked perfectly.

Finally, after almost two years of development, and the investment of several million dollars, it was time to start Alpha testing the new system. Following several months of Alpha testing, tweaking, and adjustments, the new financial software system was ready to be Beta tested in the general public.

From years of providing Denver, Colorado residents with mortgage loans, John and I decided this is where we wanted to launch the Beta Test. After reviewing the details further, we also decided that we would run the test for one year, from January 1st to December 31st, 2004.

Most of the homeowners who participated in our one-year system test were also our mortgage clients. When we told them about the new system and how it worked, they were thrilled to participate in the Beta test. During that one-year test phase, we signed up roughly 400 homeowners on the new system. Throughout that year, we received many phone calls and emails from our clients expressing their excitement over the results they were experiencing. One of the most common calls we received during this time was our clients asking if their friends or family members could also get on the program and participate in the test phase. In addition, we also had clients sharing all kinds of experiences with us, one of which was truly unique.

About 10 months into the one-year test, one of our clients who we'll call Jane contacted us. Jane had called us several times throughout the year to express her excitement over how much the program had helped her husband and her pay down their mortgage and how much interest they had already saved. This time, however, was different. Jane told us that she and her husband had been trying to have a child for many years but were never able to conceive. Because of how much stress the program had taken off of their financial lives after just eight months on the program, Jane and her husband were finally able to conceive. Jane was literally crying on the phone as she explained this to us. I must say, with all the exciting stories we heard from our clients during that one-year test phase, we had never heard a story quite as memorable as this one.

## BETTER THAN EXPECTED RESULTS

By January 2005, the month after our one-year test phase ended, we had accumulated a significant amount of test data. After careful analysis, the results of our Beta test were remarkable! With our test group of roughly 400 homeowners, we found they had experienced an average of 20% better results on their debt payoff and interest savings numbers than we had originally quoted them at the start of the program. We also found that many of our 30-year mortgage clients were now scheduled to have their first mortgage and ALOC, entirely paid off in as little as 5 to 7 years. These numbers were absolutely amazing!

In all reality, these results were significantly better than we expected during the one-year test phase. Using this system, we originally projected that the fastest payoff time for a 30-year mortgage would be around nine years. Now, one year later, the system showed that a good amount of the program users were on track to have their homes completely paid off in almost half the time we originally projected and to have saved approximately 20% more interest than we originally calculated! At this time, I remember John saying, "We need to double check these reports to see if we missed something. This can't be right." But, after checking the reports numerous times, John was able to confirm that the payoff time and interest saving information was correct.

We then decided that we needed to talk with as many of the program test users as possible. Over the course of the next few months, we called and emailed as many of the individual test users as possible to ask them about their experience using the program. We asked them questions about how they liked using the program, what feedback they had for improvement, and so on. We also asked them about their experience seeing even better results than what we originally quoted them. Their responses were actually far simpler than we expected. Almost without fail, each homeowner said something along the lines of, "After using the program for a few months and watching it work, I began to better understand how the program operates in relation to my money and my debts. I also started making smarter financial decisions without even noticing changes in my day to day spending habits. I would see the time and interest on my debts dropping faster and faster which was even more motivating." Our clients further stated, "It's like I had a built-in financial planner showing me the simple little steps I could take to get ahead financially without feeling any change in my lifestyle. It's the strangest thing, but it's been amazing!"

## PUBLIC LAUNCH

After speaking in detail with hundreds of our Denver homeowner test group, it became very evident that the next step was to begin launching the program to the general public, however, with a controlled release. This would limit the number of users to just a few thousand homeowners who could sign up on the program throughout the rest of that year (2005). This way, we could continue to make small tweaks and adjustments as necessary to improve the program without having to disrupt a large customer base.

Over the next few months, we launched a limited marketing campaign intended to inform homeowners about this new program that could help them eliminate their mortgage years ahead of schedule and save them thousands of dollars in interest. While we intentionally limited our marketing efforts, the response we received was overwhelming to say the least! In fact, the response was so strong that we had to temporarily discontinue our marketing efforts, so we could boost our internal company infrastructure to handle the barrage of new client enrollments!

As a result of the success of our limited release to the general public, our path forward became clear. In July 2005, we began working through the details necessary to prepare for the full public release, which we scheduled for January 2006. Then, for the last half of 2005, we went on a significant hiring and training spree: we hired the very best managers, IT staff, support personnel, marketing reps, trainers, accountants, etc. We also expanded our technology and support infrastructure realizing that if the full public release was going to be anything like our limited public release results, we would need to be well prepared to support it.

By December 2005, because of the success we experienced with our limited public release, we had to move our operation to a much larger facility that could better handle our future growth. With the establishment of a state-of-the-art IT infrastructure to support our technology, and with the hiring and training of the new staff, everything was in place and ready for our official public launch.

On January 9$^{th}$, 2006, we slowly began rolling out our marketing efforts to help educate homeowners about our new financial software system. I have to say, the first six months were a little bumpy. Between training and refining our support center, and trying to help people understand how it is truly possible to pay off their mortgage in as little as 5 - 7 years without changing their lifestyle, we had a significant learning curve. Nevertheless, we knew what the program could do, so we kept at it by making the needed adjustments to best inform and support our clients along the way. Finally, around July of 2006, things really began to run like a well-oiled machine. It was like someone flipped a light switch on and things took off like a rocket! Almost overnight, we went from enrolling an average of 300 clients a month to 2,000+ clients a month! To say things had taken off was a tremendous understatement!

## AN UNEXPECTED CALL

A little over a year later, in August of 2007, we received an unexpected phone call from one of the largest banks in the country. We had sent a large number of our financial software clients to this bank over the past couple years to obtain their ALOC. The individual who called informed us that the top VP of his bank wanted to fly out to meet with us. When the VP flew out the following week, we sat down with him in one of our conference rooms and right away he told us that the clients we had been sending to his bank over the past couple of years were the best performing ALOC clients they had ever seen. As such, he had two questions for us: "First, what are you guys doing? And second, how are you doing it?"

We spent the next 30 minutes explaining the main points of what our company does and how the program works. After hearing our explanation, he slowly sat back and said, "If you really have what you just explained to me, you will absolutely change the mortgage industry in America!" Needless-to-say, with a statement like this coming from the VP of one of the biggest banks in America, we were very humbled.

## THE RECESSION

Over the six months following the meeting mentioned above, new clients continued to sign up in droves! We were literally exhausted just trying to keep up with all the new enrollments. Then, seemingly overnight, around March of 2008, we started to feel the effects of the recession and saw a significant decrease in our new client enrollments. Because of everything our existing clients were seeing and hearing on the news about the recession, many of them were in panic mode. However, a few months into the financial crisis, the purpose of the calls coming in from our clients began to change; they were now calling to tell us how grateful they were to be on our debt elimination program. Many shared that they didn't know what they would have done had they not been on the program. They told us how much mortgage debt the program had helped them eliminate, and how much money it had helped them build up in their bank accounts. Their stories were inspiring to say the least.

While the recession did slow our business down significantly, it also helped us tremendously. The recession helped us see, from multiple new angles, how we could engineer the program to be even more effective regardless of what the market was doing. It also helped us structure our company to be more efficient. Since that time, we have opened multiple different companies and distribution channels to better facilitate the needs of consumers across the country looking to get out of debt and build wealth.

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Over the years, we have enthusiastically received positive recognition for the program. We received the Ernst & Young Entrepreneur of the Year award in the financial services category for the Utah region, and we have been featured in multiple news stories, magazine and newspaper articles. But, the most rewarding recognition we have received is from the individual homeowners who took a leap of faith and realized there truly is a better way to live than signing your financial lives away for 30+ years. We would also like to acknowledge that we know we have had help from a higher power for every step of this exciting journey.

As of April, 2024, with the assistance of our program, thousands of homeowners and non-homeowners all across the US have cumulatively eliminated ***more than $2,000,000,000 (two billion dollars)*** in debt! Moreover, many of our clients are now completely debt free ***and building wealth!***

(We'll get more into ***Wealth Building*** in Chapter 6.)

# CHAPTER 3

## Debt is Robbing You from Becoming Wealthy

Debt is like a school yard bully, you either give it what it wants or it will beat you down, metaphorically speaking. When you take out a loan, whether it's against a house, car, boat, credit cards or whatever, there are certain terms you must agree to before the banks will lend you the money. While everyone at the bank is nice and cheery up front, just wait and see how "cheery" everyone is if an unexpected circumstance affects your ability to pay.

That being said, the main focus of this chapter is to show you how much debt can rob you of a brighter financial future. Most people know that their mortgage, and other debt, costs them a lot of interest, but most people don't realize that their debt isn't just costing a lot of interest, it's also robbing them of years of significant wealth building.

### PAYING DEBT VERSUS BUILDING WEALTH

#### EXAMPLE #1: YOUR MORTGAGE

To illustrate the financial examples found throughout this book, we would like to introduce you to our fictitious example family, the Smiths.

The Smiths have a standard 30-year, $300k mortgage at 4.5% interest, with a monthly payment of **$1,520** per month (principal and interest). The Smiths also have a little less than $24,000 in miscellaneous consumer debt.

Referencing the Amortization Schedule (table 3.1 below), you will see that only **$395.06** of the Smith's first month's mortgage payment actually went toward paying down their mortgage principal, with **$1,125.00** (or 74.0% of their payment) going toward interest. Moving on to the next month, June 2024, only **$396.54** went toward paying down their mortgage principal, with **$1,123.52** (or 73.9% of the payment) going toward interest. So, for month two, the amount going toward principal only increased by a *whopping $1.48*. And in the third month, July 2024, the amount going toward principal only increased by another $1.49.

Mortgage Amortization Schedule

| Payment Date | Payment | Principal | Interest | Total Interest | Balance |
|---|---|---|---|---|---|
| May 2024 | $1,520.06 | $395.06 | $1,125.00 | $1,125.00 | $299,604.94 |
| Jun 2024 | $1,520.06 | $396.54 | $1,123.52 | $2,248.52 | $299,208.40 |
| Jul 2024 | $1,520.06 | $398.03 | $1,122.03 | $3,370.55 | $298,810.37 |
| | | | *...after 19.75-years* | | |
| Jan 2044 | $1,520.06 | $955.64 | $564.42 | $209,810.17 | $149,555.95 |
| | | | *...after 30-years* | | |
| Apr 2054 | $1,516.71 | $1,511.04 | $5.67 | $247,218.25 | $0.00 |

Table 3.1 - Amortization of a standard 30-year mortgage

Evidently, for roughly the first 15 years of their mortgage, the majority of their monthly payments are being credited toward interest. It would take 19.75 years (or 237 months) for the Smiths to pay down only half of their mortgage balance. No wonder it takes 30 years to pay off a mortgage!

Now let's take a look at the total amount of interest that would be paid on a fully amortized 30-year, $300k mortgage at 4.5% interest.

| | |
|---|---|
| Monthly Principal and Interest Payment: | $1,520.06 |
| Total Principal and Interest Paid Over 30 Years: | $547,218.25 |
| **Total Interest Paid Over 30 years:** | **$247,218.25** |

At $547,218.25 ($247,218.25 in interest payments, which equals 82% of the original $300k loan amount) you could have purchased almost TWO of these houses!

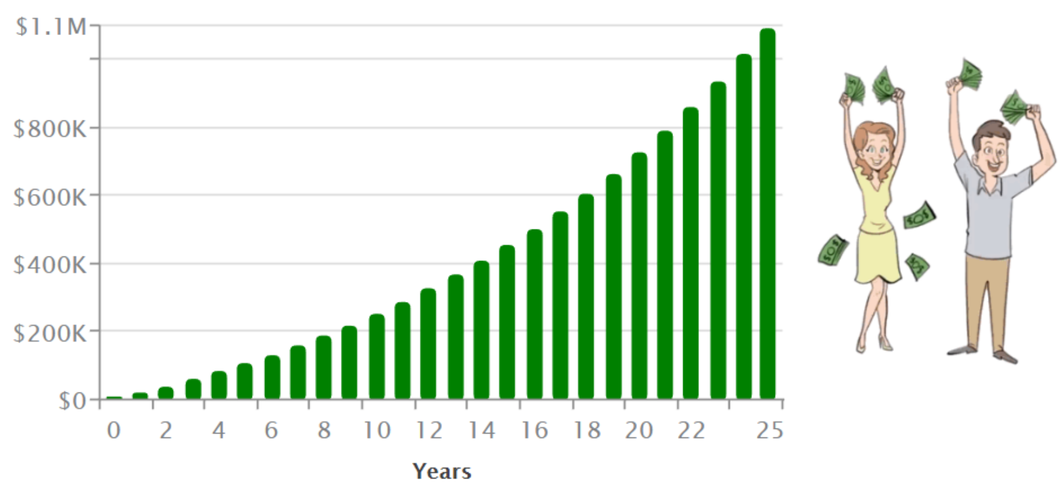
---

Now, let's shift gears. Take a look at how different things could be if, instead of paying 30 years on their mortgage, the Smiths found a way (using our program) to pay off their mortgage and all their consumer debt in as little as five years. Then, they did some research and found an interest earning option that paid them an average rate of return of 6.25% on their money.*

The Smiths then took their original monthly mortgage payment amount of $1,520.06, (which they no longer have to pay toward a mortgage since it has been paid off in five years using our program), and contributed that amount each month for the remaining 25 years into the 6.25% interest earning option they found.

Under this scenario (see graph 3.2 below), the Smiths could be completely debt-free, including their mortgage, in just *five years* and could build up almost **$1.1 million** dollars in wealth, as opposed to just making mortgage payments for that remaining *25 years!*

The Smiths could produce $1,094,860 over 25-years




Graph 3.2

## EXAMPLE #2: YOUR CREDIT CARD

It's no secret that credit card companies charge a significant amount of interest. Even still, most people have no idea how much potential wealth they are missing out on by making those credit card payments year after year. To shed further light on this, let's go ahead and take a look at a typical credit card repayment schedule (table 3.3 below).

In this example, let's say the Smiths have a $20,000.00 credit card balance, with an interest rate of 18%, and a starting minimum monthly payment of $500.00. Now keep in mind that the minimum monthly payment on a credit card drops as the balance on your credit card drops. Therefore, as you can see in the payment schedule (table 3.3), the credit card companies intentionally structure your minimum monthly payment to drag out your repayment schedule as long as possible, in order for them to earn more interest.

Credit Card Payment Schedule

| Month | Payment | Interest | Principal | Balance |
|---|---|---|---|---|
| 1 | $500.00 | $300.00 | $200.00 | $19,800.00 |
| 2 | $495.00 | $297.00 | $198.00 | $19,602.00 |
| 3 | $490.05 | $294.03 | $196.02 | $19,405.98 |
| 4 | $485.15 | $291.09 | $194.06 | $19,211.92 |
| 5 | $480.30 | $288.18 | $192.12 | $19,019.80 |
| 6 | $475.50 | $285.30 | $190.20 | $18,829.60 |
| 7 | $470.74 | $282.44 | $188.30 | $18,641.30 |
| 8 | $466.03 | $279.62 | $186.41 | $18,454.89 |
| 9 | $461.37 | $276.82 | $184.55 | $18,270.34 |
| 10 | $456.76 | $274.06 | $182.70 | $18,087.64 |
| 11 | $452.19 | $271.31 | $180.88 | $17,906.76 |
| 12 | $447.67 | $268.60 | $179.07 | $17,727.69 |

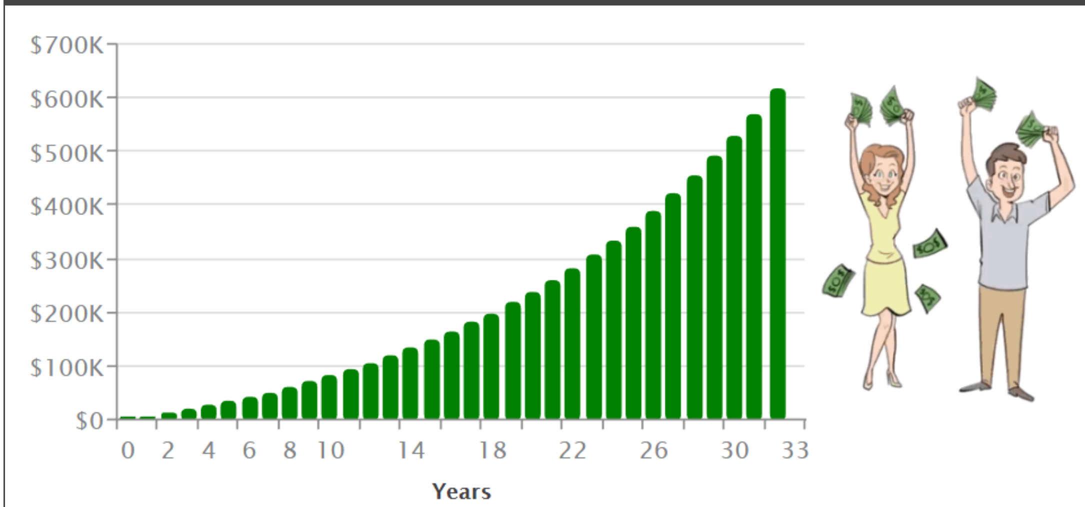
Table 3.3

In this payment schedule, of the $500.00 payment for month one, it shows that $200.00 went toward paying down the principal loan amount, with $300.00 of it going toward interest. Then, in month two, the minimum monthly payment dropped down to $495.00, with $198.00 going toward principal and $297.00 going toward interest. Skip ahead to month 12 where their minimum monthly payment dropped down to $447.67, with only $179.07 going toward paying down their principal loan amount.

The reason credit card companies do this is because it allows them to extend the repayment schedule as long as possible. Under this scenario, with a $20,000.00 credit card balance at an 18% interest rate and paying the minimum monthly payments, it would take the Smiths over 34 years to pay off this credit card.

From another perspective, notice how different things could look if, instead of paying 34 years of minimum monthly payments on this credit card, the Smiths found a way to have their credit card paid off in as little as two years (using our program). So again, after some research, the Smiths discovered an interest earning option that paid them a 6.25% average rate of return.* They then took their original budgeted monthly credit card payment amount of $500.00 and contributed that amount toward their interest earning option at a 6.25% return for the remaining 32 years that they no longer have to pay on their credit card. (See graph 3.4 below.)

The Smiths could produce $620,761 over 32-years.




Graph 3.4

Sure, the Smiths could pay their credit card off faster than 34 years if they chose to continue paying $500.00 each month, but the amount of wealth they could build up by paying off their credit card in only 2 years (using our program) then contributing that $500.00 per month toward their interest earning option for the remaining 32 years, is considerably greater.

From the two examples above, it is clear that it's not just time and interest that your debt payments cost you; it is also the lost opportunity to build wealth. And with all of the debt across the nation, there are tremendous amounts of wealth building opportunities out there just waiting to be realized.

Lending institutions undoubtedly recognize the power *your* money has in building *them* wealth. They have placed top priority on using your money to **their** best possible advantage. In reality, the one thing they will never place as top priority is making sure that your money works to **your** best possible advantage.

# CHAPTER 4

## So, That's How the System Works

*An Overview*

This chapter, is intended to give you a general overview of how our online financial system works to eliminate all of your debt, including your mortgage, in as little as 5 – 7 years*.

The most important thing that we would like to emphasize while going through this information is that our online financial program has been specifically designed and engineered to run all of the details of this debt elimination method for you. Basically, the only thing *you* need to do is log on to the internet a few times a month and "point and click". It's that easy!

### TRADITIONAL MORTGAGE REVIEW

The first step to understanding how our debt elimination system works, is to have a basic understanding of how interest is charged on a traditional mortgage. As you may already know, the interest you pay on your mortgage is based on three things:

1. How much you owe.
2. How long your mortgage term is.
3. What your interest rate is.

To reiterate our point, here is a quick example of how much interest our example family, the Smiths, would pay on their traditional $300k, 30-year mortgage at 4.5% interest.

| Traditional 30-Year Mortgage Example | |
|---|---|
| **Loan Amount** | $300,000.00 |
| **Term** | 30-years |
| **Interest Rate** | 4.5 % fixed |
| **Monthly P & I Payment** | $1,520.06 |
| **Total Interest Paid over 30-years** | **$247,218.25** |

Now let's have a little fun with this. Let's change just one thing in this example. Let's say that the Smiths have $5,000 sitting in a savings account and decide to transfer the full $5,000 to their mortgage loan, reducing their principal balance down to $295,000.

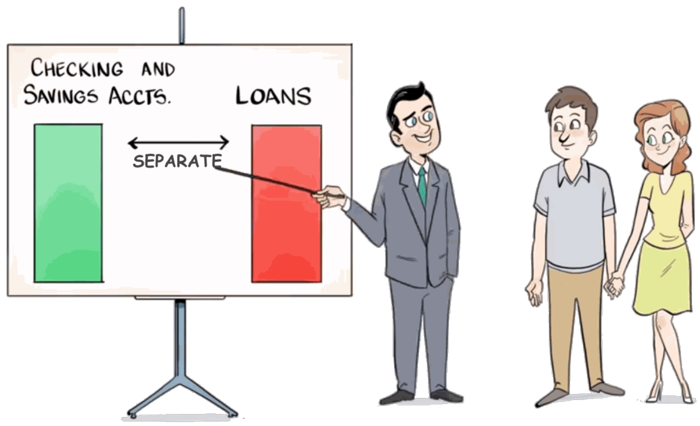
| 30-Year Mortgage with One-Time $5,000 Extra Principal | |
|---|---|
| **Loan Amount** | $300,000.00 |
| **Term** | 30-years |
| **Actual Payoff Time** | 29-years |
| **Interest Rate** | 4.5 % fixed |
| **Monthly P & I Payment** | $1,520.06 |
| **Total Interest Paid over 29-years** | **$233,457.03** |
| **Interest Saved** | **$13,761.22** |
| **Time Saved** | **12-months** |

With that *one change*, lowering their mortgage balance by *just $5,000*, the total amount of interest they would pay over the life of their 30-year loan drops by *$13,761.22* and eliminates *12 monthly payments*.

As you can see, *the less you owe on your mortgage balance*, *the less interest you pay*. Wouldn't it make sense to try and find a simple way to lower your mortgage balance in order to pay less interest and reduce your number of monthly payments? Obviously, the answer is, "Yes!" So, the next question you may ask is, "Where do I get the extra money to lower my mortgage balance so that I can pay less interest?" The answer to that is where the excitement begins!

## BANKS HAVE *YOUR* MONEY WORKING HARD FOR *THEM*

You see, the banks want you, the consumer, to keep your mortgage and other loans separate from your checking and savings accounts. Why would they want you to do this? The answer is really simple: because they want to make as much money as possible on ALL of your accounts.




Remember, banks make money by lending *your money*, the money in your checking and savings accounts, to other borrowers. Conversely, they make money by lending the money from other people's checking and savings accounts *to you*. In other words, they make money by lending *your own money* back *to you* with interest.

Keep in mind, as we explain our debt elimination system, that checking and savings accounts are set up to benefit the banks, not the consumer.

## REVIEWING THE FIRST MORTGAGE HELOC METHOD

(NOT OUR APPROACH)

The next step to understanding how our debt elimination system works, is to understand a few basic details of how the first mortgage Home Equity Line of Credit (HELOC) method works.

As explained in Chapter 1, some homeowners in Australia and the UK (and in the US) use a HELOC as their first mortgage *and* as their checking and savings account. They do this because their HELOC is calculated using daily interest. As a result, they are able to deposit their income against their HELOC balance which reduces their daily interest charges and the time they have left to pay on their mortgage. And similar to a standard checking / savings account, a HELOC comes with checks, debit cards, and online access for any time they need to pay their monthly expenses.

Again, instead of having their remaining money (*the money they have left* *over after paying monthly expenses*) sitting in an actual checking / savings account, earning them close to zero interest, that money continues to sit against their HELOC, continually reducing their line of credit balance until they need it for future expenses. This keeps their HELOC balance low and further cancels daily interest charges that would normally be charged on their line of credit.

## WHAT'S WRONG WITH THE FIRST MORTGAGE HELOC METHOD?

So, why did we decide against recommending this method to our clients? As previously discussed in Chapter 1, a HELOC works as a variable interest rate line of credit attached to your home. This means that if you refinance your fixed first mortgage into a variable HELOC, the entire mortgage amount is now subject to increased interest every time interest rates go up, potentially resulting in some pretty negative financial consequences.

## THE ADVANCED LINE OF CREDIT (ALOC) METHOD

(OUR APPROACH)

Now that we have reviewed the basic details of how interest is charged on a traditional mortgage and how the first mortgage HELOC method works, let's talk about a safer, more effective option to help homeowners pay off their mortgage and other debt in as little as 5 – 7 years.

As discussed in Chapter 2, instead of advising homeowners to refinance their existing fixed first mortgage into a variable rate first mortgage HELOC, we created a specialized financial software program that assists homeowners in utilizing a separate line of credit (which we refer to as an Advanced Line of Credit or ALOC) alongside their existing first mortgage to help achieve the same, or often better, time and interest savings.

| ALOC Definition |
| --- |
| An ALOC, or ***Advanced* Line of Credit**, is simply a line of credit that is separate from your first mortgage (like a second position HELOC, Personal Line of Credit or Business Line of Credit), that meets certain criteria which have been proven to work most effectively with our debt elimination system. |

The ALOC Method provides the same benefits as the First Mortgage HELOC Method, in that:

- An ALOC operates as a revolving, or "two-way-door" account, meaning money can be deposited in and drawn back out any time you need to pay expenses.
- Interest is calculated based on *daily interest*; as your deposited income sits against your line of credit balance, interest charges are reduced and you save interest.

However, the ALOC Method differs from the First Mortgage HELOC Method in two important ways:

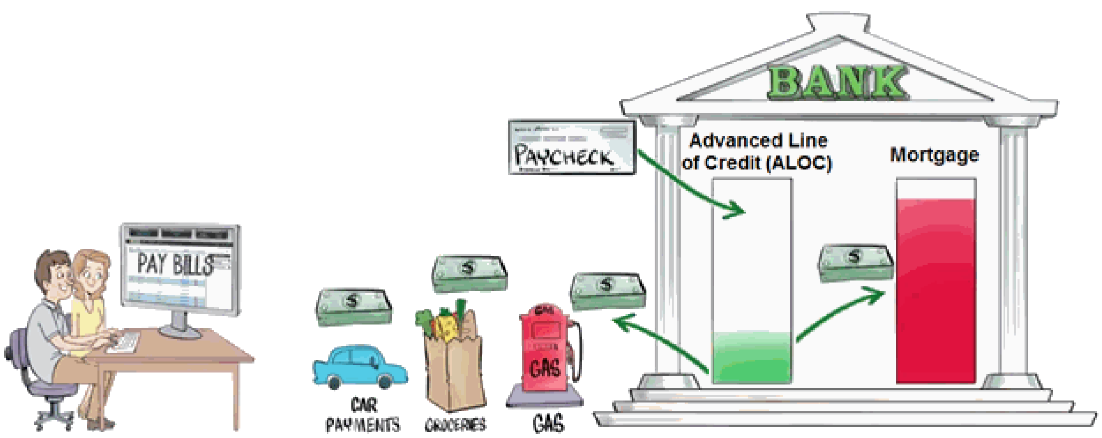
- There is no need to refinance your existing first mortgage into a first mortgage HELOC because the *Advanced Line of Credit* (ALOC) works alongside your *existing* mortgage.
- Homeowners retain their low fixed first mortgage rate and are protected from periodic rising interest rates.

## HOW THE ALOC METHOD WORKS

### THE BASICS

In its simplest form, you use your ALOC (Advanced Line of Credit) as your checking and savings account. You literally pay all of your expenses from, and deposit all of your income against your ALOC.

When monthly expenses come due, you pay them from your ALOC. Then, each time you get paid, you deposit your income against your ALOC balance.




As the system analyzes your financial information, it automatically calculates it's financial strategies for you and tells you exactly when, where and how much to pay from your ALOC toward your mortgage, and/or other debts, to achieve the greatest time and interest savings for your unique financial scenario.

Then, any money you have left over after paying your monthly expenses each month, continues to sit against your ALOC, continually reducing your daily line of credit balance, which further cancels interest charges, until you need that money for future expenses. And the longer you allow your money to sit and accumulate against your ALOC balance, the more time and interest you save.

As the system continues to repeat this custom cycle of deposits and payments in and out of your ALOC throughout your accelerated payoff time frame, you get the best of both worlds. Because of the ALOC "two-way-door" feature, you're able to continually deposit your income against your ALOC, thus keeping your daily balance nice and low, cancelling out time and interest charges. Plus, you always have 100% access to your money any time you need to pay expenses through checks, debit cards and/or online access.

Through this simplified deposit and payment process, you are able to cancel out significant interest charges on all of your debt with the same money that would normally just be sitting in your checking and savings account earning you close to zero interest.

## OUR FINANCIAL SOFTWARE IS WHAT MAKES IT ALL WORK

The key to achieving the ultimate time and interest savings with the ALOC Method is in the specific *amount*, *timing* and *destination* of each of the strategic transfers from your ALOC to your mortgage and other debts.

In Chapter 5, we'll go into more details on how these strategic transfers work and the calculations our software makes to ensure you the best possible results. For now, just know that our financial software system is specifically programmed to easily manage and run the ALOC (Advanced Line of Credit) method for you with ease.

While our software intentionally does not touch your money, it will create a customized, easy to follow financial map that we call your **Action Plan**. This customized plan prompts you when, where and how much money to transfer from your ALOC to your mortgage and/or other debts, based on your unique financial situation. Your action plan takes into consideration all of your financial information and analyzes it in real-time, 24 hours a day, 7 days a week. The system is programmed with the primary goal of saving you as much time and interest as possible on your mortgage and other debts, *without having to change your lifestyle*.

To generate your unique Action Plan, the system looks at all of your debt terms, loan amounts, payments, and interest rates—fixed or variable. The system also considers the frequency and amount of all of your income and expenses. All of this information is forecasted many years into the future to ensure that your debt strategy pays off all of your debt in the fastest and safest way possible, and also ensures that you have an adequate emergency fund to cover any expenses that you may not foresee.

In addition, your Action Plan automatically recalculates, to your greatest advantage, each time any detail about your finances changes. In this way,your action plan is much like a GPS navigation system which recalculates your route any time you make an unexpected turn along the way. Just like a navigation system in your car, our software will always tell you exactly how long it will take to reach your financial destination and exactly how to get there. This information is all shown in your customizable dashboard at the top of each screen in the program. It shows you how much interest you have saved thus far, how much additional interest you are scheduled to save, and how much longer you have before you will be *completely debt free!*

With this information always front and center, you can easily see the results (both good and bad) of every financial decision you plan on making, before you make them, giving you complete confidence and control over your finances.

When we first set out to create this program, our intent was simply to provide a tool to help people manage the ALOC Method to get out of debt as quickly as possible. However, our financial software has become *so much more* beneficial as it literally helps you take back control of your financial future and, as we'll show you in Chapter 6, helps you convert your canceled debt payments into tremendous wealth!

The best part is that all of this is available simply by logging in to your program a few times a month and following a few simple prompts. From there, you simply sit back and watch your debt melt away and your potential wealth build, right before your eyes. It's that easy!*

## OUR FINANCIAL SOFTWARE GETS BETTER EVERY DAY!

In order to deliver the greatest time and interest savings results possible, we continually reinvest in the program to make it more efficient, more user friendly, and more capable. While the first release of our program was extremely successful in helping people pay off their mortgage debt, each version since 2008 has been engineered to allow homeowners and non-homeowners to pay off all of their debt. That means that now, in addition to paying off your mortgage on your primary residence, you can also rapidly pay off auto loans, credit cards, student loans, mortgages on rentals or vacation homes, signature loans or any other type of debt you may have! The system works for virtually anyone with debt.

Moreover, with the latest version of our system, we have developed additional strategies that can work effectively for people who may not qualify for an ALOC because of a lack of equity in their home or because of poor credit. So, even if you have no mortgage, no equity and/or damaged credit, it doesn't matter. The system can help you to eliminate any and all debt, with ease.

Perhaps one of the most exciting new features of our system, is that it is now specifically engineered to help you rapidly build wealth with the same money that the system helps you to cancel out in interest payments! (Again, we'll cover wealth building more in Chapter 6).

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Hopefully, from this chapter, you now have a basic understanding of how the system helps you eliminate debt and save interest quickly. If things aren't 100% clear as of yet, just remember, the program runs all the details for you, and we're happy to answer any questions you may have about the system and how it works.

With that being said, if you feel that you already have a pretty good understanding of how things work and would like to go ahead and learn how to convert your debt to wealth, feel free to skip directly to Chapter 6.

However, for those of you that would like to have an even closer look at the "Nuts and Bolts" of how the ALOC Method works to help save you both time and interest, we have included a more in-depth explanation in Chapter 5.

# CHAPTER 5

## ALOC Method Details

*The Nuts and Bolts*

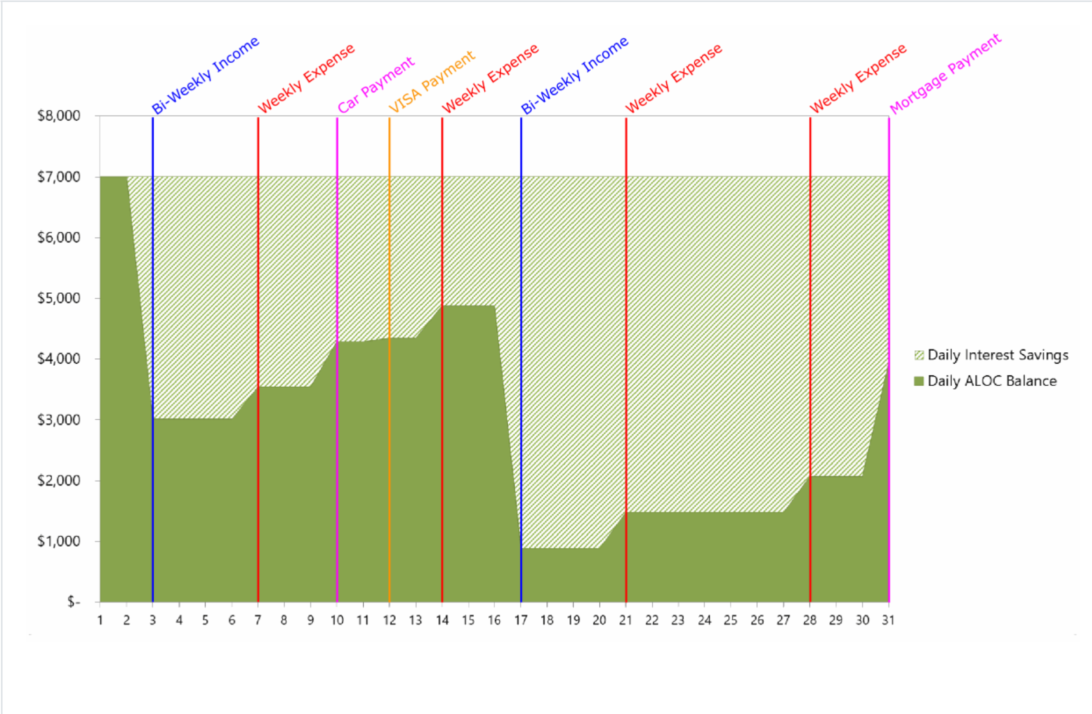
In this chapter we'll go into more detail on how the ALOC Method and our financial software work to save you thousands of dollars in interest and pay off all of your debt, including your mortgage, in as little as 5 – 7 years*. If some of what you've read up until now is a little confusing, or you really want to get into the details of how things work, then this chapter is for you. If you already have a pretty good understanding of how things work and would like to go ahead and learn how to convert your debt to wealth, feel free to skip directly to Chapter 6.

### HOW DAILY INTEREST MAKES *YOUR* MONEY WORK FOR *YOU!*

As we discussed in Chapter 4, the goal of our financial software system is to help you put your money to work *for you* by putting your money where it can do much more good. This is the reason an ALOC is such a powerful tool—as a revolving, or "two-way door" account, it allows all of your income to safely offset your debts, while still being available when you need it for expenses.

Of course, the other major benefit of an ALOC is *daily interest*. To better illustrate how daily interest can work *for you*, let's walk through a generic one month ALOC money flow example. This scenario may not represent your current situation, but the financial principals displayed in this ALOC money flow example remain the same.

In the following example, the ALOC has a starting balance of $7,000. Income is deposited against the ALOC balance on the 3rd and 17th, lowering the balance due. Regular weekly expenses are also paid from the ALOC, as well as a credit card bill and an auto loan payment, each raising the balance of the ALOC again. Finally, a mortgage payment is made from the ALOC at the end of the month.




In this example, after all incomes, expenses and debt payments have flowed through the ALOC, the ALOC balance has been paid down by a total of about $3,030 from $7,000 to approximately $3,960. If the interest on this ALOC was calculated using monthly interest, the interest due for this month would be based on the starting balance of $7,000, completely ignoring the $3,030 net reduction in the balance this month until next month's interest is calculated!

Fortunately, an ALOC uses daily interest, allowing any income that is deposited against the line of credit to work for the consumer every day that money sits against the ALOC balance. If we look at the balance at the end of each day in the above ALOC, the average balance is about $2,990 and this is the amount that interest will be calculated on for this month, not the $7,000 starting balance or even the $3,960 balance at the end of the month. This will result in the interest for this month being less than half what it would have otherwise been! This is why using your ALOC in place of your checking and savings account is so powerful!

## THE ALOC METHOD AND STRATEGIC TRANSFERS

As we discussed in Chapter 4, the ALOC Method allows you to harness the full power of daily interest and a revolving "two-way door" account with your ALOC, even though your mortgage and other debts may not have this benefit. If you think of your ALOC as a debt shredding machine, your goal is to constantly keep feeding debt to that machine so that it's never sitting idle. Remember, your ALOC can only take advantage of daily interest when you use it like your primary checking and savings account and deposit all of your income into it. But, you can only keep depositing income into your ALOC if it has a balance of debt for your income to work against. By making periodic strategic transfers from your ALOC to your mortgage and other debts any time your ALOC balance starts to get low, you are feeding your debt shredding machine, and allowing your ALOC to keep doing its daily interest cancellation magic with your income while you incrementally pay off each of your debts.

In a nutshell, using the ALOC Method simply involves using your ALOC in place of your checking and savings account and then making periodic strategic transfers from your ALOC to your mortgage and other debts when your ALOC balance starts to get low. However, as mentioned in the last chapter, the key is determining the optimal destination, amount, and timing of each of these transfers. One of the key benefits of our financial software is that it runs all of the calculations and forecasts for you to determine the optimal strategic transfers for your unique, changing financial circumstances.

## DO I REALLY NEED SPECIALIZED SOFTWARE TO RUN THE ALOC METHOD?

We'll answer this question with a story. In the early days of our program, we had a local college math professor attend a presentation on our program. He was impressed by the ALOC Method, but thought surely he could implement this strategy on his own without our financial software. He left the presentation without signing up and spent the next two weeks running the numbers and creating his own spreadsheets. After two weeks he called us back and signed up for the program. He said that he was able to come fairly close to our results on his own, but the time it would take him to constantly update his spreadsheets and re-calculate everything anytime anything about his finances changed was just not worth his time. It was so much easier just to let our program do all the hard work for him, and he had already confirmed that our math was solid. So, when you wonder if you really need specialized software to make the most of the ALOC method, keep in mind that a college math professor didn't want to attempt to do this on his own.

## WHAT DOES THE SOFTWARE PROGRAM DO FOR ME?

As we already explained in Chapter 4, the current version of our software does much more than help you manage the ALOC Method. In addition to helping you manage your budget, the software can show you exactly when you will be debt free and how much interest you will save by following the suggested strategic transfers. Furthermore, it can show you in advance the full effect of any financial decision you are considering before you ever make it.

Of course, the primary purpose of the software is to run all of the calculations for you so that you can easily follow the ALOC method to accelerate your debt payoff and save thousands of dollars in interest. So, what about the ALOC Method is so complicated? Well, as they say, the devil is in the details. If you already feel like you have a good understanding of what the ALOC Method entails, and why we recommend using our specialized financial software to help you along the way, this may be a good to time to skip to Chapter 6, and learn how to leverage our software to convert your interest savings into wealth! However, if you’re still curious about what’s happening "under the hood" and want to understand some of the calculations and forecasts that our program will run for you, the last part of this chapter is for you.

### WHEN AND HOW MUCH TO TRANSFER

One of the first benefits of the program is understanding when and how much to transfer from your ALOC to your mortgage and other debts. Remember, most debts are "one-way door" installment debts. So, if you transfer too much money from your revolving "two-way door" ALOC, you may be backing yourself into a corner. If you need that money later, you could default on your loans, costing you additional fees and, in many cases, causing the interest rate to go up on your account. Of course, if you transfer too little, you could greatly limit your interest savings. Knowing when and how much to transfer requires planning for unforeseen expenses and being able to forecast all of your varied incomes and expenses far out into the future.

In addition, knowing when and how much to transfer often requires forecasting your ability to pay off debts prior to large future expenses. For example, imagine you have an auto loan with a monthly payment of $500 and three years remaining before it is schedule to be paid off. You also know that your oldest child is going off to college in three years and you promised to pay $5,000 toward her freshman tuition. Should you hold back on some of the strategic transfers to your auto loan to start saving up for the $5,000 tuition expense in three years? Well, that depends. If your strategic transfers could help you pay off your auto loan at least 10 months ahead of schedule, then you wouldn't have to worry about that $5,000 because you'll be able to save at least that amount in the 10 months before school starts. However, if you miscalculate, you may end up with a very upset child!

Our financial software is designed to forecast all of this for you taking out any of the guess work. You can tell the program about large future expenses, like college tuition, as well as infrequent anticipated income, such as tax refunds, and the program will calculate everything for you, suggesting the most beneficial *and safest* strategic transfers for your unique Action Plan. As your finances change (and they always will), the program automatically adjusts everything for you.

### WHICH DEBT TO PAY OFF NEXT

If you're like most people, you probably have more than one debt: a mortgage (or two), auto loans, student loans, credit card debts, business debts, etc. So which debt should you make strategic transfers to first?

Some people recommend that you pay off your smallest debts first, *regardless of interest rate*, since eliminating the monthly payment for that debt will free up more of your money to go toward other debts and provide you with a cushion to help prevent you from going further into debt when unforeseen expenses occur. This is often referred to as the "snowball" method because with each debt you pay off, you free up more money to pay off other debts, and your disposable income continues to grow, or "snowball", until you've paid off all of your debt.

Other people say to pay off your highest interest rate debt first, so that your money will have the greatest impact and cancel the most interest. This approach has a higher theoretical interest savings and works out better—strictly from a mathematical perspective. However, if not followed carefully, this strategy could leave you vulnerable if you haven't planned for unforeseen expenses. Both methods have merit.

If you have some advanced spreadsheets and you constantly update them as your circumstances change, you could forecast each of your options and determine the best and safest debt payoff strategy. However, this would not be a one-time calculation. As we all know, life happens. Interest rates, balances, payments, incomes and expenses change, and so too should your strategy. Again, our software will handle all of these calculations for you and will always suggest the best *and safest* strategic transfers with the goal of paying off all of your debts as quickly as possible.

### WILL MY LINE OF CREDIT WORK EFFECTIVELY WITH THE ALOC METHOD?

The final piece of the puzzle is, in some ways, the most essential. *How high* can the interest rate on my ALOC go and *still save me interest overall*? And how much available credit do I need on my ALOC to work effectively?

When explaining the ALOC Method initially, we assumed that the interest rate on your ALOC was the same as the interest rate on the debt that you will be paying off. In many cases, such as when paying off a credit card, your ALOC will actually have a *lower* interest rate, so your strategic transfers will result in even greater interest savings as you pay down a higher interest rate debt with a lower interest rate one.

However, what happens when the interest rate on your ALOC is *higher* than your other debts? Is this method still advantageous? At first, it might seem that paying off a lower interest rate debt with a higher interest rate debt would be counterproductive. Fortunately, your ALOC has a secret weapon: *daily interest!* As we've shown you already, the daily interest calculation on your ALOC allows your money to work *for you* between the time it is deposited and the time you need it for expenses. This helps to significantly offset the difference in the interest rate between your ALOC and other debts. Calculating just how high the interest rate can go on an ALOC and still be effective really depends on the *amount* and *timing* of your incomes and expenses. This calculation requires forecasting the daily balance on your ALOC, calculating the daily interest charges, and then comparing it with the interest charges on the other debts. You could do this on your own with advanced spreadsheets, but again, our program does all the hard work for you and can show you, based on your particular financial situation, exactly what the effect of various interest rates on your ALOC will be.

## WHAT IF I CAN'T QUALIFY FOR AN ALOC?

Because of a lack of equity or poor credit, some people are unable to qualify for a line of credit that would meet the requirements of the ALOC Method. Fortunately, we have designed our software with the flexibility to function without an ALOC at all, using what we simply call the **Checking and Savings Method**.

So how does this method work? In this method, you would continue to use your checking account as you always have for depositing your income and expenses. However, the program will prompt you to make periodic strategic transfers of income from your checking account to your savings account to help you build an adequate emergency fund, forecasting future incomes and expenses and planning for unforeseen expenses. Then, the program prompts you to make calculated, strategic transfers from your savings account to your various debts. All of the same principles of the ALOC Method still apply, except that the money in your savings account doesn't earn quite as much interest as it would have saved you by sitting against your ALOC balance. The results, however, are still surprisingly good and you still get all of the forecasting functionality of the program to calculate the safest and most effective path to paying off your debts. We have had many clients pay off all of their debts way ahead of schedule by following the Checking and Savings method.

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As you can see, there are a lot of details going on with the ALOC Method. However, our proprietary software system navigates all of the complexity for you behind the scenes, crunching the numbers and forecasting everything to provide you with a simple path toward debt freedom and tremendous personal wealth. All you have to do is login, and follow your customized Action Plan!

If you want to know exactly how much time and interest the ALOC Method could save you, please contact Benefits Representative **Financial Literacy Group** at **323-419-1600**.

# CHAPTER 6

## Building Wealth and Lots of It!

Up to this point, you have seen how consumers are able to pay off all their debt, including their mortgage, in as little as 5 – 7 years. And for some people, that may be all they are looking to do. But for those who are looking to Convert their Debt to Wealth, this chapter is for you!

It has been said, "Those who understand interest earn it. Those who don't, pay it." This statement couldn't be more true! Those who spend 30 (or more) years paying interest on mortgages, cars, credit cards, etc. are simply making the banks rich—*very rich!* Fortunately, those who have the right tools and understanding can also become rich!

As you may already know, your money has great potential power. If you use it correctly, and with the right tools, your money can multiply almost exponentially. In Chapter 4, we talked about how our financial software helps eliminate mortgages and other debt in as little as 5 – 7 years. We also mentioned that the newest version of the system is engineered to help you rapidly build wealth.

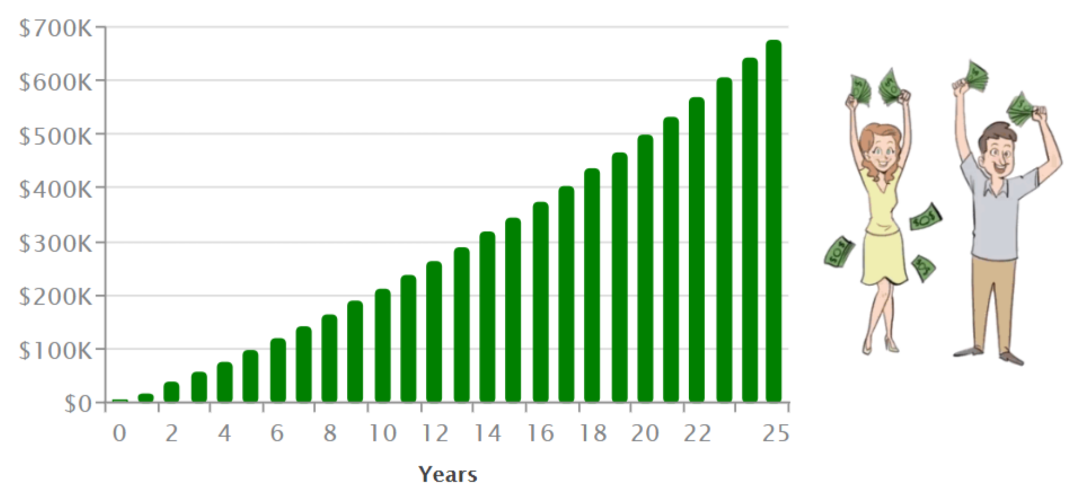
In this chapter, we will show you a few quick examples of how you can significantly increase your income and your wealth! When you no longer have to make interest payments to the bank, the possibilities for building wealth are endless and the examples here are just the tip of the iceberg!

### EXAMPLE 1: CERTIFICATE OF DEPOSIT (CD)

To start, we'll use an example that most people are already familiar with: a high-yield certificate of deposit (or CD). While building wealth in a CD may not be our most lucrative example, it is a strategy that works well as an introductory example of the kind of wealth building that is possible once you no longer have to make monthly interest payments to the bank.

Let's turn your attention again to our example family, the Smiths. Using our system, the Smiths will pay off all of their debt, including their 30-year mortgage in just 5 years and will have already saved over $214,000 in interest payments. Now they would simply like to stash away the $1,520 that they no longer have to pay in mortgage payments into a simple CD that pays a guaranteed 3% rate of return.

The Smiths could produce $677,959 over 25-years with a simple CD.




Graph 6.1

Instead of paying $1,520 to the bank every month for 30-years just to pay off their home mortgage, the Smiths could be completely debt free in as little as 5-years and have **over $677,000** in a retirement nest egg within the same amount of time it would have taken to pay off their mortgage and other debts on their own! And this example is only using a 3% rate of return!*

## EXAMPLE 2: RENTAL PROPERTIES

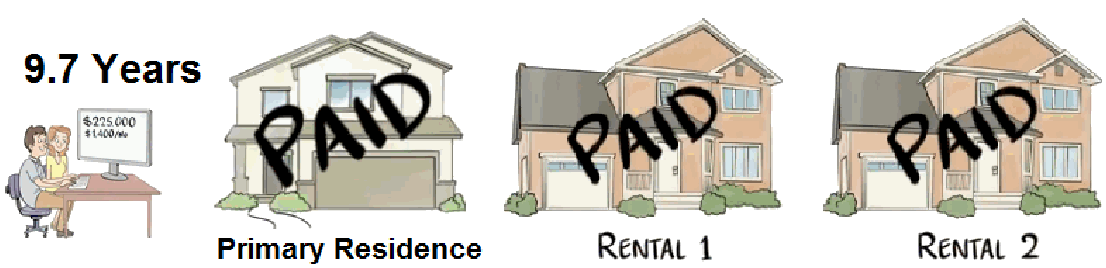
Now, let's move on to some of the more exciting wealth building examples that our system could help you to achieve with the same money you no longer have to pay your lenders in interest payments.

Did you know that Real Estate is one of the oldest and largest wealth building industries in the world? In fact, over the last two centuries about 90% of the world's millionaires have built their fortunes in the real estate industry. If you want to become wealthy, then why not direct your focus toward what the wealthy do?

Let's take a look at how the Smiths could use the program to build an income-generating Real Estate Empire! Remember that over 30 years, the Smiths would have paid nearly $252,000 in interest charges on their mortgage and other debts; however, with our financial software system, the Smiths will be completely paid off in only 5 years and will pay less than $38,000 in interest. That's not only saving 25 years of debt payments, but also saving over $214,000 in interest payments.

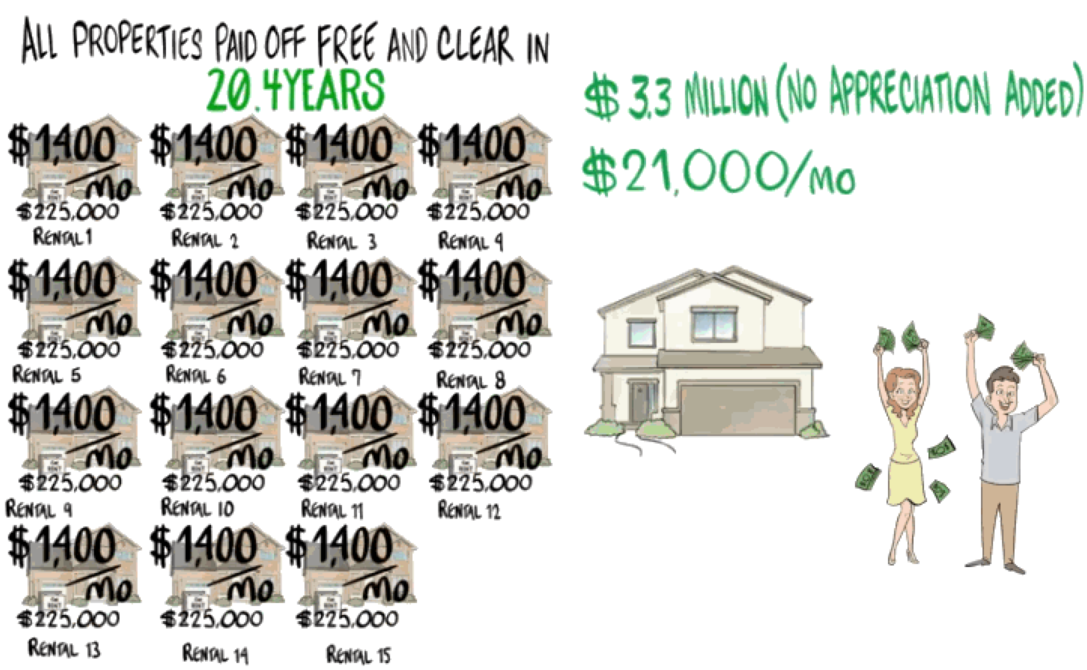

Once the Smiths got started on the program for their primary mortgage and other debts, they wondered what it would look like if they also invested in a rental income property and secured a renter. So, the Smiths logged in to their program and entered the mortgage amount of $225k for a new rental property, with a rental income amount of $1,400 per month. The program then calculated its financial strategies and showed that both the Smith's primary mortgage and their new rental income property could be completely paid off in a total of 7.7 years!


After seeing the benefits of what the program could do with just one rental property, the Smiths wondered what adding a second $225k rental property would look like, again with a rental income of $1,400 per month. Adding the new mortgage for the second rental property and the second rental income of $1,400 per month to their program, the system showed that both their primary mortgage plus rentals #1 and #2 could be completely paid off in just 9.7 years. "Amazing!" they thought to themselves. Not only were they excited about owning two rental properties, but they loved the idea of increasing their income by $2,800 per month!



Well, of course, the Smiths then thought, "If we can get these results with two properties, what if we added more?" Keeping it simple, they added another $225k rental property with a rental income of $1,400 per month into the program. By following the program, the Smiths realized that all of their properties, including their 3rd rental, could be paid off in just 11.5 years!

With the addition of another, identical 4th rental, the Smiths found that it could be paid off in just 12.8 years. And a 5th rental, in just 14 years. They continued this process up until their 15th rental, which could all be paid off, including their primary mortgage, in just 20.4 years! That means their primary residence, plus the 15 income generating rental properties, could all be completely paid off approximately 10 years earlier than they would have paid off their 30-year mortgage on their own without our financial software system!




In summary, the Smith's monthly income could grow by an additional $1,400 per month each and every time a rental property is paid off, and their total residual income could increase by $21,000 per month by the time their 15th rental property is paid off. The benefits do not end there: The Smiths would have accumulated a rental real estate portfolio valued at over $3.3 Million, without adding a penny in real estate appreciation on those properties.

## EXAMPLE 3: HOUSE FLIPPING

Rental properties may not be the right fit for some people. They might prefer to purchase properties and flip them for a quick profit. The problem is, they may not have the money or equity available right now to invest in a "fix and flip" property. No problem! Let's take a look at another wealth building example using our program.

Using the Smith family example again, they have a standard 30-year, $300k mortgage at 4.5% interest. But by using our program, the Smiths will have their mortgage and other debts paid off in just 5 years, and save over $214,000 in interest payments.


Three years into using the program, the Smiths decide that they would like to look into purchasing a "fixer upper" property to renovate and flip to make a profit on. So, the Smiths started looking into possible properties to purchase and found an awesome deal on a foreclosed house. The purchase price of the house was only $97,000! But there is one problem, the banks won't lend on it because it needs renovations to bring it back up to lendable condition. In other words, the Smiths would have to pay cash if they wanted to purchase the house.


After exploring the costs to renovate the property, the Smiths found that the repairs on the house would be $24,000. Thus, the total cost of purchasing and renovating the house would be $121,000. Talking this over with a realtor, the Smiths learned that once renovated, the house could sell for around $200,000. At this point, the Smiths grew very excited when they realized that by using the program, they had already reduced the balance on their primary residence by $141,918, and they had plenty of equity on their ALOC to purchase and renovate the property!


The Smiths decided to purchase the property, and in just over four months, they had completed all of the renovations and the house looked brand new! Shortly thereafter, the Smiths listed the house for sale, and within a short period of time, the house sold for $200,000. After realtor's fees and closing costs, the Smiths made a $65,000 profit!

Wow! In just four months, the Smiths made a $65,000 profit on that one sale! And by using our program, they paid down another $8,000 in principal over the last four months on their primary mortgage. That means that with $149,918 in equity in their primary home, and $65,000 profit from their flip, they now have $214,918 that could go toward another property flip. Imagine the potential if they continue to repeat this process over the years!

At this point you probably have a pretty good idea of where this example is going. By using the program, the Smiths are now able to take advantage of real estate opportunities that they otherwise may not have thought possible. Rather than making debt payments for the next 30+ years, they are able to build significant wealth through real estate which could provide them with an extremely comfortable life all the way through their retirement years.

## EXAMPLE 4: *CONVERTING DEBT TO INCOME*™

While real estate investing can be an exciting and lucrative way to build personal wealth, it may not be for everyone. If you're like a lot of people, you may wish you could get similar wealth building results with a more "hands off" strategy. Maybe you would simply prefer to put the money our system helps you to save in debt payments into a wealth building account, and somehow turn that money into real wealth. We've already shown you how you could do this with a certificate of deposit, or CD, but the results really don't compare. Or, if you wanted, you could also put all of your debt savings into an IRA or 401k, with your funds invested in the stock market and get potentially better returns than a CD. However, this option comes with added risk. If the stock market crashes, especially if you are close to retirement, you could lose everything.

Fortunately, there is a little-known wealth building strategy that has been used by the rich for decades, without the risk of losing money! When the market goes up, so do your returns; and, when the market goes down, you are guaranteed not to lose a penny in principal. In addition, this strategy can also be used to generate tax-free monthly income for life! No wonder the wealthy keep getting wealthier!

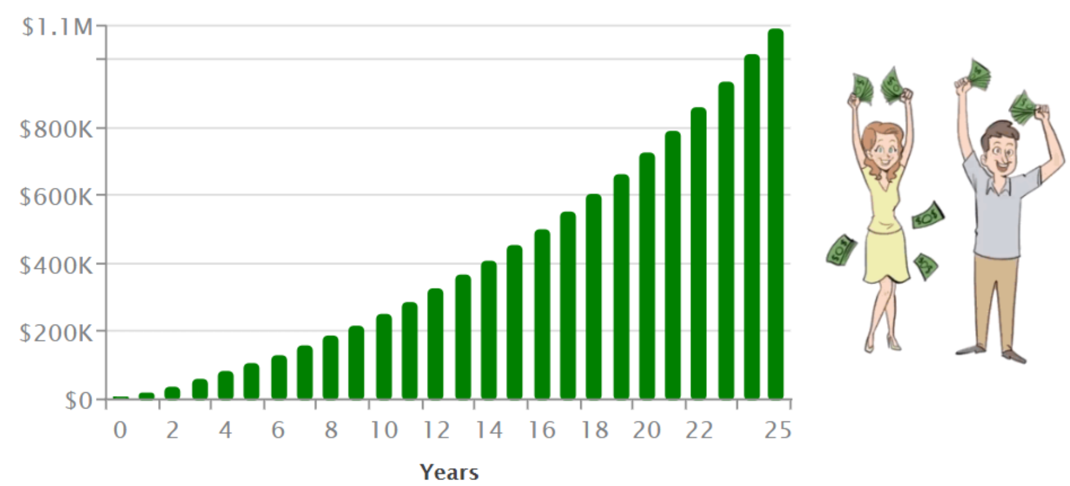
We call this the *Converting Debt to Income*™ strategy, and it is no longer just for the wealthy. Based on historical performance, this strategy could provide eligible consumers with an average return of between 7% to 10% on the money the Money Max Account helps them to save in debt payments.* And similar to the ALOC, this wealth building account also comes with a "two-way door" feature, where you can put money in and draw money back out as needed, allowing you to be as aggressive with your wealth building as you choose.*

| Benefits of the *Converting Debt to Income*™ Strategy: |
|---|
| • Wealth can be built with the money you no longer have to pay in debt payments<br>• Historically earns on average 7 – 10% interest return*<br>• No risk of loss of principal. When the market drops, your principal doesn't.<br>• You can draw money back out of your Wealth Account for expenses<br>• Can generate 100% tax-free income for life |

This wealth building strategy enables eligible consumers to convert the payments they will no longer have to pay their lender in interest, into interest earning income, that is 100% tax free and payable for life.

Referencing graph 6.2 below, remember that the Smith family was scheduled to pay $251,960 in interest payments alone ($575,850 in total) over the remaining 30 years on their mortgage and other debts. Under the *Converting Debt to Income™* strategy, the Smiths could now have all their debts completely paid off in as little as 5-years and have almost $1.1 million dollars built up in their wealth account in that same amount of time. Over the Smiths' life expectancy, they could have nearly $2 million dollars built up in their wealth account and earning tax-free monthly income for the rest of their lives!*

The Smiths could produce $1,094,860 over 25-years.




Graph 6.2

In comparison, the *Converting Debt to Income™* strategy is far more beneficial than making debt payments over 30 years, with the $251,960 in interest cost and no tax-free income.

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Again, these examples are just a few of the many possibilities consumers have to Convert their Debt to Wealth, by strategically eliminating their debt many years ahead of schedule and taking control of their financial future.

*To see how much potential wealth the *Converting Debt to Income™* strategy can help you achieve, please refer to Question #2 of our FAQ.

# CHAPTER 7

## Funding a Vacation Home, Toys and Fun!

Hopefully, by this point, you are beginning to see some of the possibilities of building wealth with the money you will no longer have to pay in debt payments. In addition to learning how the program helps you to pay off your mortgage and other debt in as little as 5 – 7 years while also building significant wealth, we would now like to show you some other options for how to have some extra fun with the program.

### THE VACATION HOME

Moving on to our next example, let's say that after the Smiths had been using the program for one year, instead of buying rentals or investing, they decided to explore the option of buying a vacation home. Having always loved vacationing in Kissimmee, Florida for its close proximity to the beach, Disney World and other fun attractions, the Smiths searched for properties with a realtor in the Kissimmee area. Here, they found that they could purchase a nice four-bedroom house in a great location for $295,000. The realtor explained to the Smith family that their real estate agency has a property management division that manages vacation rentals. The realtor further explained that the house they were considering was in a very popular vacation area. Their realtor then told them that they could potentially rent out their vacation home for $300 - $400 per night, when they were not staying there.

Fond of this idea, the Smiths ran all of this information through our program to see what the potential payoff results could be. The Smiths found that a standard 30-year mortgage payment on their new vacation home would be approximately $1,694 per month, including taxes and insurance. Then, based on their realtor's feedback, they calculated that they could potentially rent out their new home for an average of $350 per night, with a 60% annual occupancy rate. Annualized, this would equal approximately $6,387 per month in rents. After a 10% property management fee for keeping the property rented and maintained, the Smiths could earn approximately $5,748 per month on their vacation home.


"Wow!" the Smiths thought to themselves, "After subtracting our new monthly payment of $1,694 and the monthly property management fees of $638, that would earn us around $4,055 per month in rents on this new property!" Furthering their analysis, the Smiths noticed how quickly the program could help them pay off their new vacation home and realized that they could have their primary residence and their new vacation home paid off in a total of 8.4 years, saving an additional $189,718 in interest payments on their vacation home!

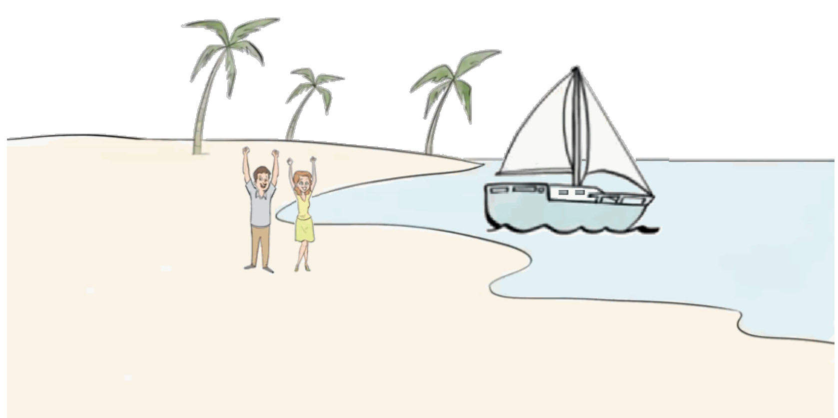
In summary, the Smiths would not only have their primary residence paid off free and clear in just 5 years, but now they could have a vacation home paid off in an additional 3.4 years, saving an additional $189,718 in interest payments. Never looking back, the Smiths decided to purchase their new vacation home and have been thrilled with their decision.

## THE NEW BOAT

Two years into using the program, the Smiths were shocked at how quickly the program was paying down their mortgages and other debts. This got Mrs. Smith to thinking: she had always wanted a boat to take the kids onto the lake for some family fun in the sun. After discussing this idea with Mr. Smith, they started exploring various boat purchase options.


After looking for several weeks, the Smiths found the perfect boat for their family. Before they made their buying decision, the Smiths wanted to see what this purchase would do to their overall financial scenario and debt payoff time. Using the program, the Smiths entered the new boat purchase price of $20k and discovered that it only increased their total debt payoff time from 8.4 years to 8.7 Years.* "Wow, only three months longer!" Mrs. Smith exclaimed.

The Smiths couldn't believe it when the program showed how quickly everything, including the new boat, could be paid off! After consulting with each other, the Smiths decided that the increased payoff time was worth all the fun the family would have together. So, they decided to complete the purchase of the boat.



THE HAWAII VACATION

After a summer full of boating fun with the kids, the Smiths felt they could use a vacation for just the two of them. Researching how much a nice 10-day vacation to their favorite Hawaiian island would cost, they found an all expense trip for about $6,000. With an understanding of the benefits that come with our financial system, the Smiths entered the vacation cost of $6k into the program and found that it only increased their total debt payoff time by one month, from 8.7 years to only 8.8 years.* "That's amazing!" they said to each other.


So, the Smiths booked the Hawaiian trip and they had the time of their lives!

You see, for so long people have thought that you simply have to work harder to get out of debt. When in reality, if you simply have the right tools and knowledge, you can work smarter to get out of debt, build wealth, and have fun all at the same time!

Are you starting to notice a trend with the wealth building, vacation and fun examples in this book? By using the program to your advantage, you are taking back your financial future, and the benefits that come with it, from the banks. In other words, instead of the banks building wealth, vacationing and having fun off of your hard-earned money, you are now the one benefiting from your own efforts, which is just how it should be.

# CHAPTER 8

## What's in Your Future?

Given the fact that you are reading this book, it is clear that you have a desire to get out of debt and to improve your financial life. There are currently people all over the world who earn a reasonable income but don't see any possible way to become debt free and wealthy simultaneously. Many of these people have bought into the idea that only the privileged can be wealthy and financially independent. This flawed way of thinking must be adjusted if they ever want to rise above their current financial situation.

If you have ever heard stories about people who went from humble beginnings to becoming extremely successful, we guarantee there are more details behind their road to success than what's on the surface. Often, these people had to change their way of thinking before they could ever hope for something better. Many times, they probably had to take a step outside their comfort zone and do things differently from the people around them. It is rumored that Albert Einstein stated, "The definition of insanity is doing the same thing over and over again and expecting different results." Though it's debatable who originally coined this phrase, what's not debatable is the truth behind it.

Did you know that in Latin, the word "Mortgage" actually means "Death-Pledge"? This word is fairly accurate when you consider how long the average homeowner makes payments on their mortgage before its 100% paid off. The most common mortgage term in America is 30 years. When you consider that many homeowners across the country will refinance their mortgage 5 – 7 times in their lifetime (literally hitting "reset" on their mortgage term each time they refinance), it's no wonder so many Americans are still paying on their mortgage far into their retirement years.

Many experts agree that the key to improvement is change; on that premise, while some change can be scary, some change can actually be very exciting and encouraging. There is no question that many people across the country would be willing to make the needed changes in their lives if, somehow, they had a crystal ball to reveal the future effects of the changes they were considering. Unfortunately, there is no crystal ball; however, there are clues along the way to help us make better decisions and informed changes. In essence, regardless of whether you choose to use our financial system or not, there is no doubt that playing the bank's game will only continue to make them richer while robbing you of what could have been. Making a positive change for your financial future could reverse that dynamic.

If you have debt right now, in reality, you already took a risk the moment you signed the loan documents. You are currently obligated to pay back those loans under the terms the bank has set. The good news is, there are ways to work within the terms of your loan agreements that can set you free from decades of monthly debt payments and help redirect you on a much brighter path to financial independence.

At this point you may ask yourself: "Am I happy with where I am financially?" If your answer is a yes, then we sincerely congratulate you! If your answer is no, then we invite you to take a closer look at what this program has to offer. In fact, we encourage you to take a closer look either way. Over the years, we have had countless clients who were in great financial shape before getting on the program only to realize the program helped improve their finances even more!

Ever since 2004 this program has been changing people's lives for the better. One of the most common things we hear from our clients is:

"Not only am I getting out of debt and saving interest, but this program has taken so much stress out of my life! It's literally like putting my finances on Autopilot!"

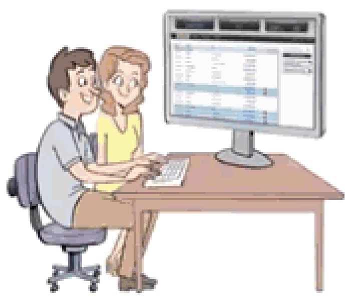
And the second most common thing we hear is:

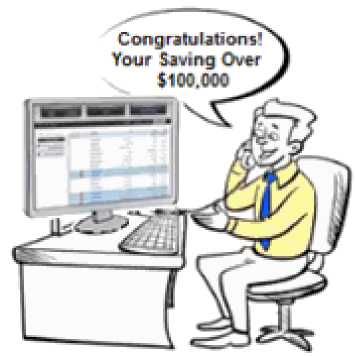
"I'm not changing anything in the way I live my life. I'm getting out of debt so quickly, but I still spend my money the way I always have. This program is amazing!"

With this program, you are going to instantly realize that there is a better way to achieve financial independence. You will begin to see what the banks have known for many decades, which is: *how to maximize YOUR money!*

Clear back in 2004 when our first "Program Pioneer" homeowners started on this journey, there was no one who had preceded them. Now, with **more than $2,000,000,000 (two billion dollars) of debt reduction** with the assistance of this program, there is no question that it works. You may want to reduce your debt fast, or you may want to increase wealth quickly. Either way, this program is proven to effectively assist with both.

If you would like more information on how much debt this program can help you eliminate and/or how much potential wealth it can help you build, the next step is to schedule a free Benefits Call. During this call your Benefits Representative will analyze your current financial situation, calculate your time and interest savings, and let you know how much potential wealth you could build.






To schedule your free Benefits Call, please contact Benefits Representative **Financial Literacy Group** at **323-419-1600**.

You can also request more information on our website at: www.moneymaxaccount.com/financialliteracygrp/ContactMe

# Frequently Asked Questions

In this section we cover some of the most commonly asked questions about our program. That being said, if you ever have additional questions about information that is not covered in this section, please don't hesitate to contact us. Since 2005, we have been enthusiastically answering consumers questions about debt elimination and about wealth building. No matter what the question may be, we find it refreshing to hear. ☺

**1.** Q How can I find out how much time and interest the Money Max Account can save me?

A We provide consumers with a free Benefits Call. On this call, we confirm how much time and interest the program can save you, and answer any questions you may have.

For your free Benefits Call, please contact Benefits Representative **Financial Literacy Group** at **323-419-1600**.

You can also request more information on our website at: www.moneymaxaccount.com/financialliteracygrp/ContactMe

**2.** Q How can I find out how much wealth building the Converting Debt to Income™ feature could help me achieve?

A Similar to Answer #1, we provide consumers with a free Benefits Call. On this call you will get a good estimate of the kind of wealth and income you can build and answers to any questions you may have about the program.

For your free Benefits Call, please contact our Converting Debt to Income™ Team at .

You can also request more information on our website at: www.moneymaxaccount.com/financialliteracygrp/ContactMe

**3.** Q What do I get when I sign up for the Money Max Account?

A With our Financial Service, each homeowner receives the following:

1. Personalized financial coaching for using the program, getting out of debt quickly and additional ways to save money.
2. Your own personalized debt elimination / wealth building account activation.
3. Live coaching on how to build wealth with the program.
4. Information on the very best Advanced Line of Credit (ALOC) lenders to use with the program.
5. Live, lifetime coaching and customer support.

Each time homeowners decide to activate their debt elimination / wealth building program, they are provided with live coaching and support every step of the way. Based on the feedback from our clients, the program is extremely easy to use but live coaching and support helps consumers achieve even greater time and interest savings, in addition to their wealth building results.

**4.** Q Can this program work for me if I have debt, but I don't have a mortgage?

A Yes. The system has been engineered to work with just a standard checking and savings account and/or many different lines of credit. By building the system this way, it helps far more people get out of debt, save interest and build wealth.

**5.** Q What kind of Guarantee does this program have that it will work for me?

A The program is guaranteed to save you the exact time and interest that is displayed on your personalized program screen. As long as the information you have entered in your program is correct, and you follow the simple prompts of the program, the system will deliver the exact time and interest savings as displayed.

| | | |
|---|---|---|
| **6.** | Q | How do I get an ALOC and how do I know which ALOC works best with the program? |
| | A | Each of our clients is provided with a list of ALOC Lenders who have proven to have the very best ALOC options to work with our program. Our support staff will guide you on exactly what you need to do to get the best ALOC for you. Our system is set up to help you start saving interest on your debt immediately with just a standard checking and savings account. Then, as soon as your ALOC is set up, it will be activated into your program. |

| | | |
|---|---|---|
| **7.** | Q | Can I still qualify for the program even if I have little to no equity in my home? |
| | A | Yes. The program does not require that you have any equity to get started. As long as you have a standard checking and savings account, the program is engineered to help you generate equity in your home very quickly. Once you have built up a sufficient amount of equity, your new ALOC can simply be added to the program to further accelerate your time and interest savings results. |

| | | |
|---|---|---|
| **8.** | Q | What if the interest rate on my ALOC rises, or is higher than my first mortgage rate? |
| | A | This is another area where the Financial Software System really shines. The system is engineered to cancel out as much interest as possible on both your first mortgage and your ALOC. Even if interest rates increase significantly on your ALOC, it would make little to no difference on your time and interest savings results because of how the system is engineered to manage the "float" of money between your first mortgage and the daily interest calculation on your ALOC. |

**9. Q** What if I don't qualify for an ALOC because of damaged credit or for some other reason?

**A** It is not critical that you have an ALOC when starting the program. The program is designed to help you start building equity and eliminating debt very quickly, as long as you have a standard checking and savings account. The system also helps repair your credit. As a result, with increased equity and improved credit scores, you will be more likely to qualify for an ALOC, which will then further accelerate the payoff of your debts.

**10. Q** Can I pay off my mortgage and other debt using the ALOC Method without using the Financial Software System?

**A** The short answer is yes; however, the most realistic answer is we wouldn't recommend it. The entire purpose of this system is to provide consumers with a proven, efficient program that manages and optimizes all of the complexities of this debt elimination method for them, automatically. Without this financial software system, even the slightest miscalculations under this method could potentially cost the consumer years of lost payment and interest savings on their mortgage, ALOC, and other debt from which they could have otherwise benefited. With **more than $2,000,000,000 (two billion dollars)** in debt eliminated with the assistance of this program, our many satisfied clients have no question as to the program's effectiveness.

**11. Q** Will my bank and/or lenders allow me to use this program to pay off my debts?

**A** Yes. This debt elimination program is engineered to work with any and all of the terms underwritten on your debts. For the most part, you have the right to accelerate the pay down of your debts at any pace you would like, unless you have a prepayment clause in your loan paperwork. We will help you determine whether you have a prepayment clause or not and let you know your options.

**12. Q** Is this program legal?

**A** Yes. This program is designed and engineered within all applicable laws and regulations within the United States.

**13. Q** What happens if I sell my house and buy another house?

**A** Once you have activated your program, it stays with you. So, if you sell your house and purchase another house, the program transfers with you to your new home.

**14. Q** How is this program different from me just paying an extra set amount toward my debt each month?

**A** Paying extra each month can help you pay your debt off early, it can also leave you financially strapped at times. This program is engineered to work around your current lifestyle without requiring you to cut back from anything you already enjoy doing. You simply tell the system how you want to live your life, and the system calculates its strategies with all of your current budgets and expenses in mind. Once you get started, you can literally watch your debts evaporate without feeling like you have to decrease your quality of life, and you are always the one in control of your finances.

**15. Q** Does this program touch or move my money for me?

**A** No. You are the only person who has access to your money. The program has been intentionally designed not to touch or move your money.

**16. Q** Will I have to pay mortgage insurance if I take out an ALOC?

**A** No. An ALOC does not come with a mortgage insurance requirement.

**17.** Q What will the closing costs be to open an ALOC?

A It should cost you little to nothing to open an ALOC. Most lenders will cover any fee that it costs them to open an ALOC for you.

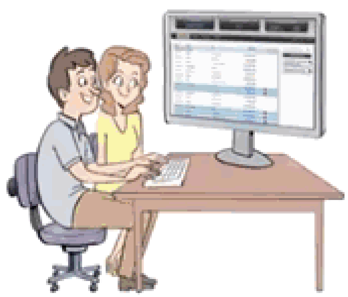
**18.** Q How do I access money from my ALOC?

A Accessing money from your ALOC is very much like accessing money from a standard checking account. Your ALOC will typically provide you with checks, debit cards and online access, which makes accessing money just as convenient and easy.

**19.** Q Does this program work to help pay off rental and investment properties?

A Yes. As discussed in Chapter 6 "Building Wealth, and Lots of It", this program is very effective at quickly paying off rental and investment properties.

If you would like more information on how much debt this program can help you eliminate and/or how much potential wealth it can help you build, the next step is to schedule a free Benefits Call. During this call your Benefits Representative will analyze your current financial situation, calculate your time and interest savings, and let you know how much potential wealth you could build.




To schedule your free Benefits Call, please contact Benefits Representative **Financial Literacy Group** at **323-419-1600**.

You can also request more information on our website at: www.moneymaxaccount.com/financialliteracygrp/ContactMe

# More Consumer Testimonials

*"I cannot tell you how excited I am heading toward paying off our mortgage and our 2nd mortgage in less than 5 years. Light at the end of the tunnel! Thank you for such a wonderful program!!!"*

— CARRIE T.

*"I have already paid off my home mortgage. I am now using your program on a commercial building and have paid it down 1/3 of the original amount. This is the second time I have used your services."*

— DWIGHT & PAT W.

*"This is the most powerful financial info that I have ever seen. I am so excited about it. I look forward to sharing this info to assist others in achieving financial freedom!!!"*

— RANDALL & JANELL G.

*"We're looking forward to paying down our mortgage and building wealth in our home!"*

— MICHAEL & LISA C.

*"Great! I found out I could pay off rental house first then pay off both houses in much less time. Your company has gone way above and beyond!"*

— CHERI B.

*"Set up was really easy and self explanatory with options available if needed. So far I'm impressed with everything from the product to the service."*

— VERNE & DEBORAH S.

*"As soon as I saw the program, I knew it was one of the most powerful financial concepts that I had ever seen."*

— JAMES O.

*"We've been on the program for 1 1/2 years, and this is the best financial move we have ever made. Thank You."*

— SANDY & MIKE M.

*"If we take everything into account that happened over the last 10 years of using this program, we have paid off over $146,000 in projects and vehicles and we have paid off an additional $100,000 on our home using this program!"*

— PENNY H.

*"This is the best debt-reduction system we have ever seen. We reduced our mortgage payoff date from 27.5 yrs. to 8.3 yrs.! Since we are almost 50 yrs. old, it makes retirement look a lot more attractive."*

— ROBERT & DENISE K.

*"The program is great and we are excited to be on an accelerated path to becoming debt free!"*

— TOD & JESSICA M.

*"Thank you for providing this service for us which will help our financial future!! We are excited at this prospect of being totally debt free in less than 9 years. This would not be possible without your help. Thank you!!!"*

— TIM & DEANNA P.

*"I am just beginning the program, but I am very excited. So far everything has been so clear and smooth."*

— RONNIE & SUSAN G.

*"This program is INCREDIBLY user friendly and takes minutes to learn. Thanks for getting your product out there!"*

— KIMBALL & GENEVIEVE E.

*"I really like the way the software is laid out. Simple and yet it has everything you need to monitor as you update your payoffs."*

— PATRICK & KATHLEEN H.

*“ It was an excellent source of knowledge going through the coaching session for the program. Thank you so much, Jonathan. ”*

— *MIKE & MOLLY D.*

*“ I'm anxious to get going! This spells out exactly where we are and how to improve our situation. ”*

— *DAVID & KRISTINE C.*

*“ I am very pleased with the support I am getting which makes my wife and I excited that we could now see ourselves be debt free in a fraction of time, that owning a home nowadays is possible through this program. ”*

— *LIRA & RAY B.*

*“ I was really impressed and pleased with the help I received during my scheduled coaching. My instructor was very knowledgeable about the program and responded to all my questions. He was also friendly and engaging to boot! ”*

— *KURT S.*

*“ Thank you for creating this program for people who are working towards holding on to their homes in these trying times. ”*

— *AUGUSTINE & RITA O.*

*“ We are very excited about the program and the freedom of choice it is giving our family! ”*

— *ROBERT & SARA W.*

*“ The Product is superb! The program is easy to use and the support staff is professional & helpful. ”*

— *AYLA W.*

*“ This program is a good thing and I will be sharing this with my family members and friends. Thank You. ”*

— *ALFONSO V.*

*“ This has brought a new dimension to my life. It has laid out a plan in front of me and has given me confidence in managing my finances. ”*

— *DOUGLAS H.*

*“ I see this program allowing my wife and me to fund various projects along the path to financial freedom. ”*

— LARRY & ROSALYN A.

*“ This is a wonderful product. Wish I'd known about it 10 years ago and my house would be paid off by now. ”*

— JOE F.

*“ I have been very blessed to be introduced to the program. It is really making my dreams come true much sooner! Thanks and may God continue to bless! ”*

— YVONNE & OTIS Q.

*“ This program is amazing! It has provided the answer to my financial anxieties. There is light at the end of the tunnel! A literal answer to prayer. ”*

— DEREK & RONDA H.

*“ I love this program even though I just got it. I can really see the potential. It drives you to succeed in your financial goals. Thank you. ”*

— ALAN C.

*“ We are very satisfied with the first three months of usage. We have been able to reduce our principal balance on our 1st mortgage by $13,000.00 and are on schedule to complete the pay off in about eleven years. ”*

— WALT W.

*“ This is, without a doubt, the best thing that has happened financially since we were married. ”*

— LYNN Z.

*“ EXCELLENT and very easy to understand. I feel so safe doing this. The instructor was easy to work with and answered all my questions. ”*

— WESLEY & KELLY M.

> *As a single woman, I look forward to the savings I will receive from my program. Best of all, to the peace of mind of facing retirement age without a mortgage payment!*
>
> — VICTORIA C.

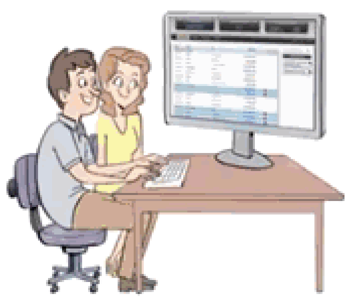
> *Getting started was really easy and self-explanatory with options available if needed. So far I'm impressed.*
>
> — VERNE & DEBORAH S.

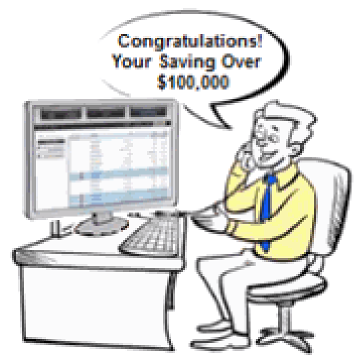
## Debt Elimination Program Recognition

The creators of this life changing program have received the Ernst & Young Entrepreneur of the Year Award in the Financial Services Category in the Utah Region and have been featured in numerous publications!

# Your Free Benefits Call

If you would like more information on how much debt this program can help you to eliminate and/or how much wealth it can help you to build, the next step is to schedule a free Benefits Call. During this call your Benefits Representative will analyze your current financial situation, calculate your debt free date and how much interest you can save, and how much potential wealth you can build.



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