Debt Free 4 Life™

Pay your debts in less time…

Cover large purchases later in life…

And live less taxed…

Without changing your monthly budget!

by Tracey Spikes

Debt Free 4 Life™

Prologue Insight

It is not hard to see why debt has become an American epidemic, killing our financial growth and personal freedom.

It's easy to get pulled into debt. We want things; we work hard and have good salaries, but we still feel behind. Debt is useful for financing our homes and other purchases, but it can be hard to pull ourselves out of debt, even those of us earning good money.

This American dream can turn into a financial nightmare. Einstein said it best: "Compound interest is the eighth wonder of the world. He who understands it, earns it. He who doesn't, pays it."[1]

This book, *Debt Free 4 Life*™, will help you understand how you can flip the script on being the victim of debt…allowing you to pay premiums into a life insurance plan and steadily build cash value from a portion of those payments through compound interest. The system could take years off your current debt repayment timelines, sparing you from long-term interest expenses on borrowed funds. Although it takes diligence on your part, the *Debt Free 4 Life*™ (DF4L) process doesn't strip you of life's enjoyments and force you to live like a pauper. You'll still buy things, have fun, and eat good food, but you'll have a systematic plan to rid yourself of that debt over time.

This book's author, Tracey Spikes, has helped Americans just like you finally make progress toward eliminating debt. It's why I'm so proud to have joined Tracey on this mission.

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[1] https://www.goodreads.com/quotes/76863-compound-interest-is-the-eighth-wonder-of-the-world-he

This book will show you - in detail - how DF4L spins the compound interest tables in your favor, not just tackling your debt faster, but also steadily building up cash value in your whole life insurance plan.

The great news is once money starts compounding in your whole life insurance plan, as long as you keep paying the premiums, it never stops, so you'll grow more and more cash value over time and that cash value will grow tax free! By borrowing from your life insurance policy, you can "snowball" debt repayments to eliminate debt faster and begin to self-finance your major purchases. By paying yourself back, you grow your capital like the banks, credit card companies, student loan lenders, and automobile financiers have been for years. The DF4L program helps you manage these strategies.

Once you are finished reading, and you understand the value of this system, I would be honored to help you take full advantage of everything *Debt Free 4 Life*™ has to offer. My contact information is on the back cover of this book. I am available at your convenience.

Congratulations on your journey to becoming *Debt Free 4 Life*™!

Before You Keep Reading: A Word From Smart Publishing

The *Debt Free 4 Life*™ program is based on you purchasing a whole life insurance policy with two components: a death benefit and tax-deferred cash value that earns compound interest over time. Using the DF4L software tools and algorithms available to your agent, the system will help monitor your cash value growth in your policy so you can borrow against the cash value to pay off your debts.

The goal is to eliminate your existing debt by the end of the plan created for you while working within your existing budget. Later, you may choose to use the cash value in your account to fund future major purchases without taking a traditional loan from a bank or other lender.

Before you get started, you should know:

- DF4L was created for people with the sufficient incomes and the financial means to make regular payments against their existing debt obligations, who also have extra money in their budget, and want a better way to pay-off their existing debt using a modified approach to snowballing their debt.
- DF4L is not a debt relief or debt settlement program. DFL4 does not renegotiate, settle, or in any way alter the terms of payment, interest rates, or other terms of your debt. DF4L does not make any

payments for your or combine your loans into one or more new payment obligations.

- You will be required to pay regular, ongoing premiums toward a whole life insurance policy with a paid-up additions feature that will compound interest inside your policy's cash value.
- Premiums paid to whole life insurance policies are higher than those paid to term life insurance policies; but term life insurance has no cash value, just a death benefit.
- Some of the money you pay into the policy will be applied to a savings component of the policy, referred to as the cash value of your policy. Some of the money will go to insurance benefit expenses.
- If you borrow money from the cash value portion of your policy (for example, to pay off a debt), the policy issuer will charge interest on the outstanding principal of that loan. Additionally, the policy issuer will also continue to compound your cash value. The net effect can be in your favor or result in a lower effective borrowing cost when the accumulation is considered as an offset to the cost of borrowing.
- Different insurance companies have different terms for how much cash value you must accumulate or how long you must maintain the account before borrowing. You may be restricted in how many loans and/or withdrawals can be taken during a calendar year or in the amount of the loans and/or withdrawals. Your agent (not Smart Publishing) will work with you to find the plan that works for you and the DF4L system.

- Your cash value will be less than the premiums you pay for several years to reflect the cost of insurance and other costs associated with the purchase of the policy.
- You will need to repay what you borrow from your policy to maximize the benefits, but the funds are not taxable if your policy remains in-force.
- If you borrow money from the cash value portion of your policy and die before full repayment of the loan, the death benefit of your policy will be reduced by the amount of the outstanding principal but will be more than the premiums you paid.
- Even if you have no outstanding loan against your policy, upon your death, money accumulated in the cash value component of your policy is reflected in the total death benefit paid by the insurer.
- Your results from using the DF4L program will be unique to you based on your current number and type of debts, payment obligations, interest rates, ability to pay, and other factors. Any examples used in this book are unique scenarios based on stated financial circumstances and are not necessarily representative of your situation or the results you will achieve.
- Under NO circumstance will you be charged for the DF4L report. In the event you are, please contact Smart Publishing immediately to report the event. Smart Publishing: 1-800-499-0797.

I want you to go into this program fully informed, so read this book carefully, ask questions of the agent presenting DF4L, review any policy documents, and determine if DF4L is the right solution for you.

Chapter 1

Over the last several years, our top priority has been to help everyday folks who earn good money to understand just how damaging interest payments are to their futures. It's not just that interest goes straight out of your pocket and into somebody else's with no value to you at all…it's also the opportunity cost. The money you pay in interest would be far better spent building your wealth. Unfortunately, once it leaves your bank account, that opportunity (not to mention the money itself) is lost forever.

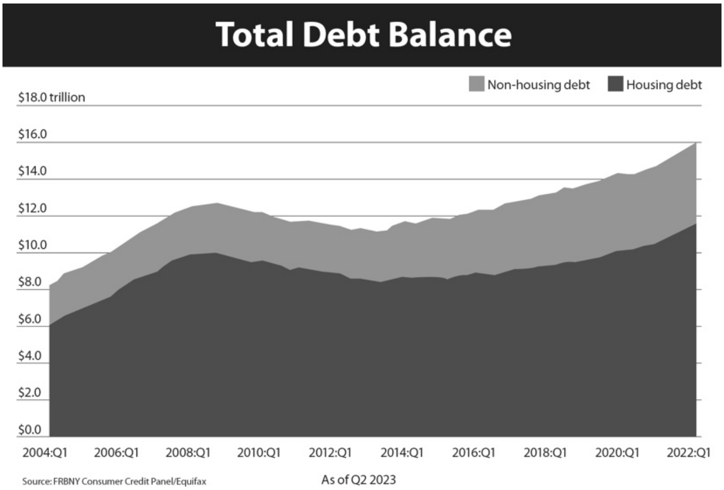
When we spin the tables on compound interest, making it work for you instead of against you, you will have a defined path to a better financial future. Not just for you but for generations to come. And that's not an exaggeration either…the *Debt Free 4 Life*™ system allowed me to personally clear hundreds of thousands in debt …saving me years of additional monthly payments and hundreds of thousands of dollars in interest costs. While each individual's scenario is different, and your specific DF4L plan will be unique to you, you can rest assured that I truly believe in and endorse Debt Free 4 Life™, as it has personally changed my life and brought me financial peace of mind faster than I thought possible.

Debt: The cost to your future self

Life in America is transforming, and not just because of COVID, inflation, work shortages, and skyrocketing home and rent costs. Don't get me started on the cost of filling your gas tank. We're seeing more and more families who make good money turn to debt as a way to maintain their lifestyle, and it's quickly spiraling into a crisis—a crisis most people have no clue how to get out of, because amortization (the math behind most loans) is confusing. Thankfully, our system and the availability of whole life insurance plans that let you grow and borrow from their cash value may provide a solution to help you combat the financial pitfalls of debt.

Figure 1

As of the second quarter (Q2) of 2023, there was over $17 trillion in personal household debt in the United States. That's trillion, with twelve zeros. Or more than $51,000 per American. That's up from around $8 trillion in 2004.[2]



[2] https://www.newyorkfed.org/microeconomics/hhdc

Figure 2

Let's look at a breakdown of that debt. As of Q2 2023, consumers in the United States had more than $1 trillion worth of personal credit card debt.

Figure 3 [3]

Auto debt by Q1 of 2023 was about $1.56 trillion. In fact, the average car payment hit a record high of $725 a month during the same time period.[4] No wonder Ford is worried about rising delinquency rates.[5]

Figure 4 [6]

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[3] https://www.lendingtree.com/credit-cards/credit-card-debt-statistics/
[4] https://www.lendingtree.com/auto/debt-statistics/
[5] https://www.foxbusiness.com/lifestyle/ford-car-loan-delinquencies
[6] https://www.lendingtree.com/auto/debt-statistics/

Mortgage debt has reached $12.01 trillion. And as with auto loans, mortgage delinquencies are up right now—currently 55 percent higher than they were before the pandemic.[7] Which means debt obligations are soaring so high that many people are looking for new ways to manage them. With the high cost of real estate, that number could very well rise over time.

Figure 5 [8]

The American dream of home ownership is becoming more and more of a financial nightmare.

None of these statistics address student loan debt, another $1.76 trillion as of Q2 2023.[9] All that is troubling news, but here's the worst news: When you're in debt to others, the math does not work in your favor. In fact, the only people getting financial gains here are the bankers and lending institutions.

[7] https://www.marketwatch.com/picks/serious-mortgage-delinquencies-are-up-55-over-pre-pandemic-levels-but-what-this-means-for-the-housing-market-isnt-what-you-might-think-01654348102
[8] https://www.newyorkfed.org/microeconomics/hhdc
[9] https://www.federalreserve.gov/releases/g19/current/default.htm

Figure 6

Nobody enjoys being in debt. Of all the people you know, do any of them walk around bragging about how much debt they have? Of course not. They're embarrassed about it and, given the choice, they'd like to change that circumstance. Unfortunately, few options exist to show them how. For some people, this may mean they'll have to delay their retirement. Some may even be concerned whether they'll ever be able to retire.

Once I found a real solution to this crisis, I dedicated my life to spreading the word far and wide. In just over 5 years, *Debt Free 4 Life*™ has helped Americans all over the country with a systematic approach to pay off their debts and put them on the path to accumulate substantial tax-free cash availability over time. What I have learned over many years - and countless conversations - is that once you truly understand the difference between compound interest working for you versus working against you, it's that much more obvious how to flip the script. The idea of giving away up to 50% of your monthly payments to interest (explained in the next section) very quickly becomes unacceptable.

The heart of the problem

Debt often happens because we look at our gross income and think that's what we can afford to spend. Gross income is the amount we're paid before deductions (health insurance, 401K, etc.) and taxes. Gross income is the number we **think** is our salary, forgetting how much of it disappears before our paycheck ever hits our bank accounts. What's left is our net income…and that's what we have to live on.

Net income funds our lifestyle: rent and/or mortgage, utility bills, groceries, etc. So while your gross income may say you make enough to drive nice cars, own designer purses, and live in the nicest neighborhood, your net income tells a different story. The car your net income can afford may not be so nice. The purse, maybe not designer. The house? Maybe not in the swankiest neighborhood.

Figure 7

Because we want a fun, happy lifestyle, it's easier just to say yes to debt than it is to pay cash for what we want. Now, most people cannot afford to pay cash for their lifestyle, so it's easy to go into debt. Over my professional career, it seems to me that the average person I know spends about 25% of their take-home income on debt payments every single month. If you're giving away 25% of every paycheck to somebody else, it sure is hard to get ahead financially.

And what do we know about compound interest? "He who understands it, earns it. He who doesn't, pays it." Which do you think applies to you if you're the one in debt? Yeah, you're the one paying for it.

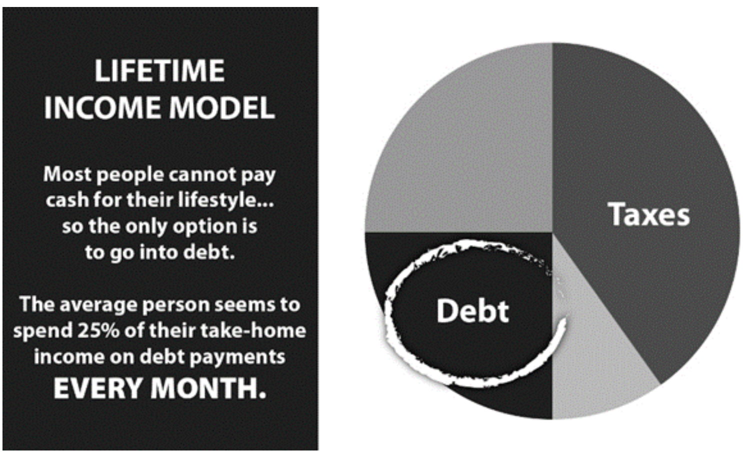


Figure 8 [10]

I see this repeatedly when working with folks just like you who are making a good amount of money each month. So much money going to debt payments, there's little to nothing left at the end of the month for saving. And

[10] This statistic and chart were observations by the author representing a typical client. Small percentages of income allocated to various expenses were added up to estimate this total.

I’ve got news for you: the bucket of money most folks are sending to banks and lenders is always bigger than the bucket of money they’re sending to themselves. Sacrificing savings to pay debt is a very slippery slope, because if an emergency expense comes up, and your savings can’t cover it, there’s only one answer: take on more debt, and end up further and further in a financial hole.

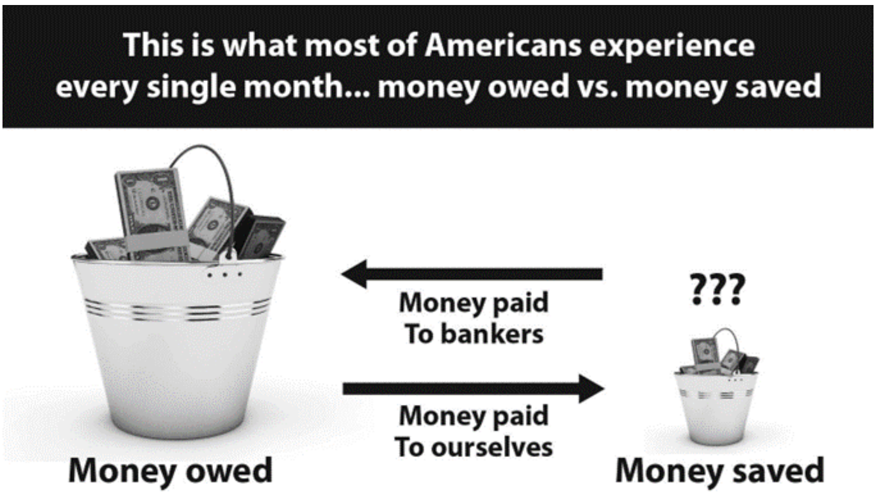


Figure 9

In fact, most people aren’t even aware of how much money they’re trying to save because they don’t make it a priority. But what if you could save some of the money you’re currently losing to interest every month? And instead, make it work for you so you’re able to pay your debts off years ahead of schedule? Understanding the math will help you see how we can guide you to this goal.

The *Debt Free 4 Life*™ system will help you do it. And in the next few chapters, you’ll see exactly how it works, how it has worked for people just like you, and how it can change your life too!

Any Questions About The *Debt Free 4 Life*™ Program?

DEBT FREE
4 LIFE™

Contact Your Advisor Today

(Their Phone Number & Email Address
Are On The Back Cover Of This Book)!

Chapter 2

To understand why the *Debt Free 4 Life™* system is so important, you first need to understand effective interest cost.

Effective interest cost, or EIC for short, may be the single-most misunderstood calculation on the planet. EIC is the most blatant way over 300 million Americans are paying out hard earned dollars every single month.

Once you understand the impact of effective interest cost, you'll understand why I'm so determined to reverse it.

Effective Interest Cost

Consider a thirty-year mortgage for $100,000 at 4%.

Figure 10

If I ask you what the effective interest cost is for this mortgage, you will probably say 4%. But that's incorrect. A $100,000, thirty-year mortgage at 4%

has a monthly payment of $477.42. Now, watch how we determine the effective interest cost:

First, calculate total payments over the life of the mortgage…

$477.42 x 360 months (30 years) = $171,871.20

That means, on a $100,000 mortgage, we paid $71,871.20 in interest!

Next, divide the interest paid by the entire amount…

$71,871.20 ÷ $171,871.20 = <u>41.81%</u>

That's right! Our effective interest cost is <u>41.81%</u>, not the 4% we thought it was!

And the question is always this: Where on God's green earth are you earning 42 percent on any of your savings or investments? Nowhere.

Let's consider a $30,000, ten-year term student loan at 4.79 percent. What is the effective interest cost on that loan? Here's the math:

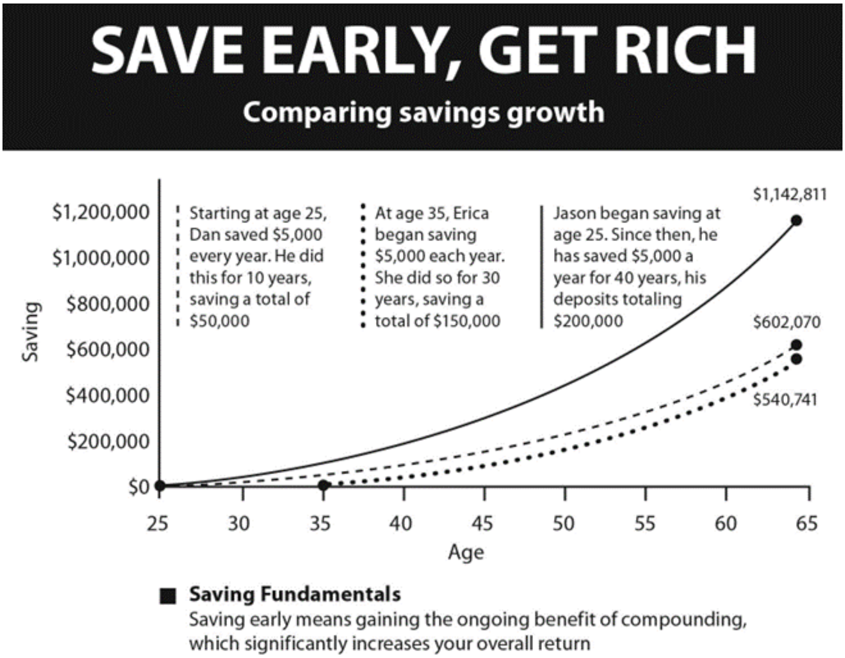
$315 x 120 months (10 years) = $37,815 total payment

$7,815 ÷ $37,815 = 20.66%

The effective interest cost of this student loan is more than 4 times as much as the "on-paper" interest rate!

Bankers use this fuzzy math and consumers don't fully recognize the impact of debt. This amortized loan process makes it almost impossible for many consumers to get free from the cycle of debt without the extreme cost of interest.

This reduces their savings power and their overall wealth potential, making any kind of life or retirement planning that much more difficult. We all know that the earlier we start saving, the more money we will eventually have. Look at the chart in Figure 11.



***Hypothetical Investment Earning 7%*

Figure 11

In reviewing this chart, you realize that the mantra we should all live by is: Start early, get rich! But the banks make that hard to do when people face effective interest costs between 20 and 60 percent on mortgages, auto loans, student loans, credit cards, and business debts.

It's very simple to understand the secret here. When your money compounds for you, it's always better than compounding for someone else. When you give someone else your dollar, you forever lose your ability to earn compound interest on that dollar in the future.

Let me show you what I mean by walking through an example using a hypothetical couple we'll call "Scott and Erin." Assume Scott and Erin have some credit card debt, some auto debt, and a mortgage, and their monthly obligations are about $3,500 a month.

Figure 12

When you add everything up, they owe just over $327,000. On paper, everything looks great. Their average interest rate is just 3.33%. Or so they think…

Debt	Balance	Interest Rate	Payment
Master Card (Credit Card)	$781	18.9%	$35
GECU (Boat)	$1,865	5.75%	$165
Visa (Credit Card)	$2,385	15.95%	$122
BOA (Car)	$4,236	4.5%	$583
FMC (Truck)	$20,568	2.7%	$831
BOA (Mortgage)	$297,251	3.2%	$1,840
Totals:	**$327,086**	**3.33%**	**$3,576**

Table 1

Unfortunately, looks can be deceiving. Let's dive in and discover what Scott and Erin are *really* paying toward interest:

Debt	Balance	Interest Rate	Payment	Monthly Interest	Eff. Int. Cost
Master Card (Credit Card)	$781	18.9%	$35	$12	35.15%
GECU (Boat)	$1,865	5.75%	$165	$8	5.42%
Visa (Credit Card)	$2,385	15.95%	$122	$31	25.98%
BOA (Car)	$4,236	4.5%	$583	$15	2.72%
FMC (Truck)	$20,568	2.7%	$831	$46	5.57%
BOA (Mortgage)	$297,251	3.2%	$1,840	$792	43.08%
Totals:	**$327,086**	**3.33%**	**$3,576**	**$907**	**25.36%**

Table 2

As you can see, when looking at the monthly interest on their various debts, Scott and Erin are paying more than $900 per month in interest ALONE, and their true effective interest cost is 25.36% of that month's payments. In other words, for every dollar they pay towards their debt, 25 cents goes to interest payments only. That's $907 per month out of their total monthly payments of $3,576. That $907 doesn't get them any additional ownership of their truck, car, boat, or their house—it goes straight to the lenders. That $907 a month (or $10,884 per year) is essentially transferred away from them, never earning them any interest for their future.

Now do you see why I believe effective interest cost is financially harmful? Where else could Scott and Erin earn 25 percent on their money? You guessed it: nowhere. We need to stop this cycle. As far as we were concerned, Scott and Erin have two choices:

1. Do nothing and stay in debt for roughly 18 more years making minimum payments.
2. Use the *Debt Free 4 Life*™ system and be debt free in about six years. This assumes Scott and Erin add no new debts and follow the prescribed payment schedules.

Now let's see what could happen if Scott and Erin choose to be *Debt Free 4 Life*™.

From debt to debt-free

DF4L helps Scott and Erin with a plan enabling them to pay off $327,000 in 6 years. Based on their plan, 3 years after paying off their debts, they'll have $227,000 in tax-free, accessible cash value in their specially designed whole life insurance policy.

Debt	Paid With Minimum Payments	Paid With Debt Free 4 Life™	Interest Saved With Debt Free 4 Life™
Master Card Credit Card)	28 months/2.33 years $188 interest	2 months $24 interest	$164
GECU (Boat)	12 months $57 interest	4 months $31 interest	$25
BOA (Car)	8 months $67 interest	5 months $58 interest	$9
Visa (Credit Card)	23 months/1.92 years $395 interest	7 months $196 interest	$199
FMC (Truck)	26 months/2.17 years $618 interest	13 months/1.08 years $458 interest	$159
BOA (Mortgage)	212 months/17.67 years $92,097 interest	74 months/6.17 years $43,005 interest	$49,650
100% Paid Off:	Dec 2039	June 2028	Saved $49,650

Debt free in 6 years >>> paid off $327,000
by year 9 >>> $227,000 in a tax free account

**Results not typical. Results vary based on number of debts, minimum payments, interest rates, available budget to allocate to the DF4L Plan, the performance of the insurance carrier's cash value and loan rates.*

Figure 13

Now, here's your question: Would you rather stay in debt for decades, or would you rather be debt free faster than under your current minimum payment schedule while building cash value available to use in the future?

And would you like to do it without:

- Changing your monthly expenses
- Cutting back your lifestyle
- Missing out on any of life's big moments?

Then turn the page and discover how you, too, can use the *Debt Free 4 Life™* approach!

Want To Learn More About The *Debt Free 4 Life*™ Program?

Contact Your Advisor Today

(Their Phone Number & Email Address
Are On The Back Cover Of This Book)!

Chapter 3

Debt Free 4 Life™

If you've looked for ways to gain control of your debt in the past, chances are good you've at least heard about Dave Ramsey and his famous debt snowball. Dave Ramsey has done an amazing job helping people get out of debt.

The debt snowball at the root of Dave's program is an effective way to pay off debt. To understand how it works, let's examine this next hypothetical example. Say Tony has $1,847.00 in credit card debt, $22,318 in student loan debt, and $27,905 in auto loans.

Figure 14

The minimum payment for Tony's credit card is $71 per month. Minimum payments for the student loan and auto loans are $643 and $413, respectively. This means that every month, to stay on his lenders' good side, Tony needs to pay $1,127. But what if Tony has an extra $500 a month that he can put toward debt repayment? Should he divide that $500 into three and pay a bit more on each debt? Not if he wants to do the snowball method. In that case, he simply applies the extra $500 to the smallest debt to pay it off faster.

Figure 15

It's not long before Tony pays off that credit card. Then, Tony has $571 extra per month—because he no longer has a credit card minimum payment to make and Tony was smart enough not to incur any new credit card charges. What can he do with that extra money? Well, he can keep that snowball rolling down the hill and use it to pay off his next smallest debt—his student loans.

Figure 16

What do you think happens after that? He pays off his student loans much faster and has one debt left—his auto loan. Now, with $1214 extra between the minimum payments on the student loan and credit cards, and the extra $500 in his budget, he can put all that toward the auto loan, and BAM! He’s on his way to being debt-free before you know it.

Figure 17

As a debt-repayment strategy, the debt snowball is very useful. With diligence, discipline, and attention to detail, it can work. It starts by looking at your budget to determine if you have any excess money that can go toward your debt. You focus on the lowest balance first and continue to pay on that until it's completely gone. Then, you bundle your extra money and that monthly minimum for the now-paid-off debt and focus on the next-lowest balance. You continue that cycle until you get through the entire list of your loans, and eventually, you're paid in full.

This is not a knock, but the debt snowball program the way it's often taught is not a perfect solution for everyone. The good news is you're taking a systematic approach to paying off your debts in a sensible manner; the bad news is you were spending all your excess cash on paying back the financial institutions holding your debt.

In focusing solely on the snowball, this approach largely ignores the savings aspect of your finances for future purchases. You may reach the end of the program out of debt—but you're also out of cash, which means people who do this generally go back into debt when they need to buy things.

This is where *Debt Free 4 Life™* differentiates itself. With DF4L, we make sure you're not just sending money off to financial institutions, but that you're also saving money for *your* future major purchases.

Compounding *your* interest

What do we know about compound interest?

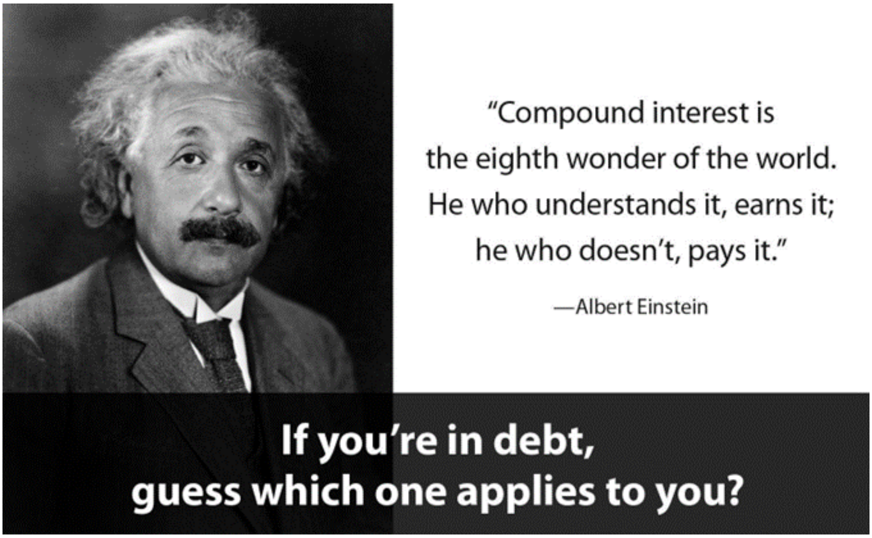


Figure 18

If compounding interest makes the banks and lenders money, then you should use it too. And that's the key to success on which we built the *Debt Free 4 Life™* system. Instead of paying extra money toward your balances owed, you pay yourself first by paying money into a whole life insurance plan with a cash value component and put that cash value to work for you… here's how:

The DF4L Snowball

With the DF4L snowball concept, you make all your normal minimum payments to your various credit card companies and lenders. Remember the $500 extra we found in Tony's budget? In the traditional debt snowball method, he sent that $500 immediately to one of his creditors every month. That creditor applied it to pay Tony's debt down faster and then used that money to earn compound interest for themselves.

Figure 19

With the DF4L strategy, Tony will not give up the compounding power of that extra $500 to his creditors; he's going to put that into what we call a whole life insurance policy where it can grow and the cash value compounds.

Figure 20

Here is where the DF4L system can keep you on track and disciplined about making the right payments at the right time. Once the cash value in the whole life insurance policy has grown enough, we'll call Tony and walk him through taking the funds out via a policy loan and paying off his first, smallest debt with it.

Figure 21

Then, Tony will continue making the minimum payments on his remaining debts while depositing the $500 AND his old minimum payment of $71/month on the now-paid-off credit card into his whole life insurance policy.

Figure 22

So for Tony, once he pays off that Mastercard, we have him redirect that money back into his policy to keep growing cash value, and we continue to track it for him until enough has accrued to pay off his next-smallest debt. Funds are then loaned from the life insurance policy to pay off that debt.

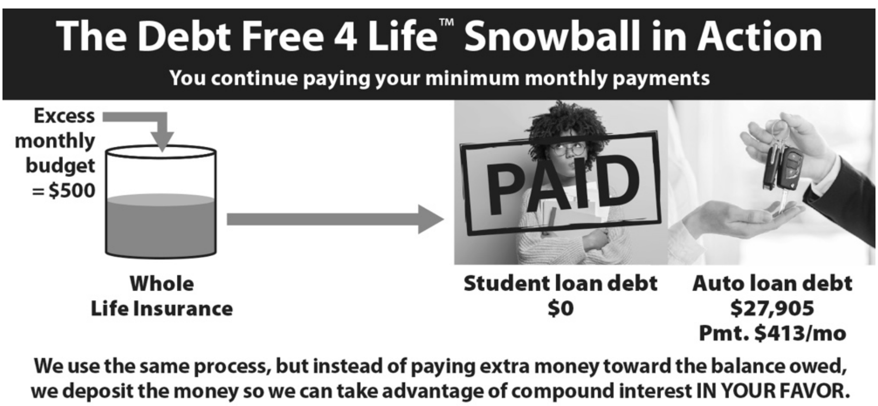


Figure 23

Once that occurs, the minimum payment from the second paid-off debt goes back into the life insurance contract, and now he throws everything he can at whatever debt remains.

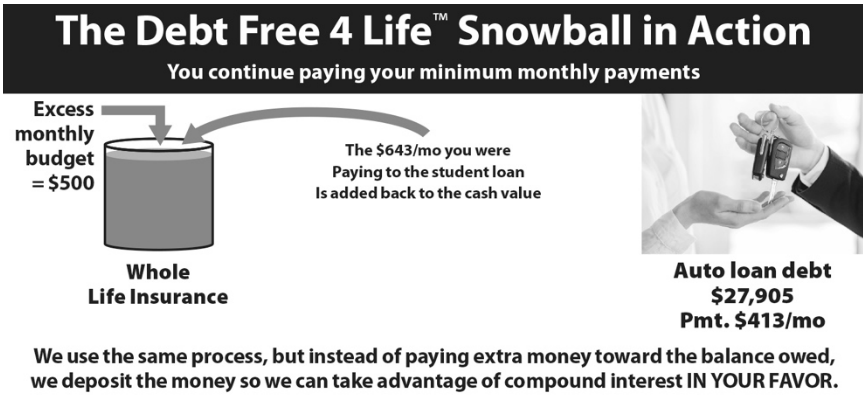


Figure 24

Eventually, Tony finishes paying off everybody ***and*** he's got money compounding interest for him.

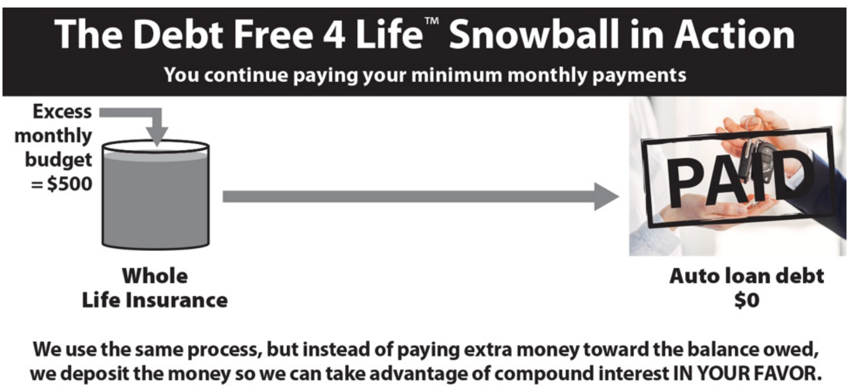


Figure 25

Later, the money can then go toward other big-ticket purchases, keeping Tony from sliding back into debt and thus creating a lifestyle where debt remains under his control.

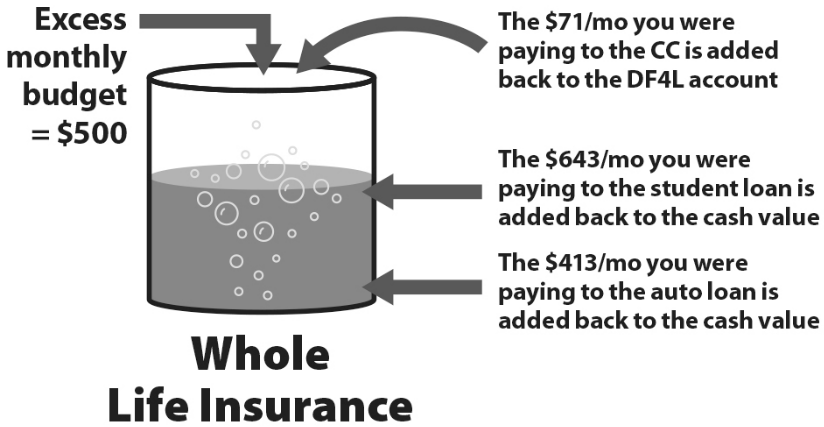


Figure 26

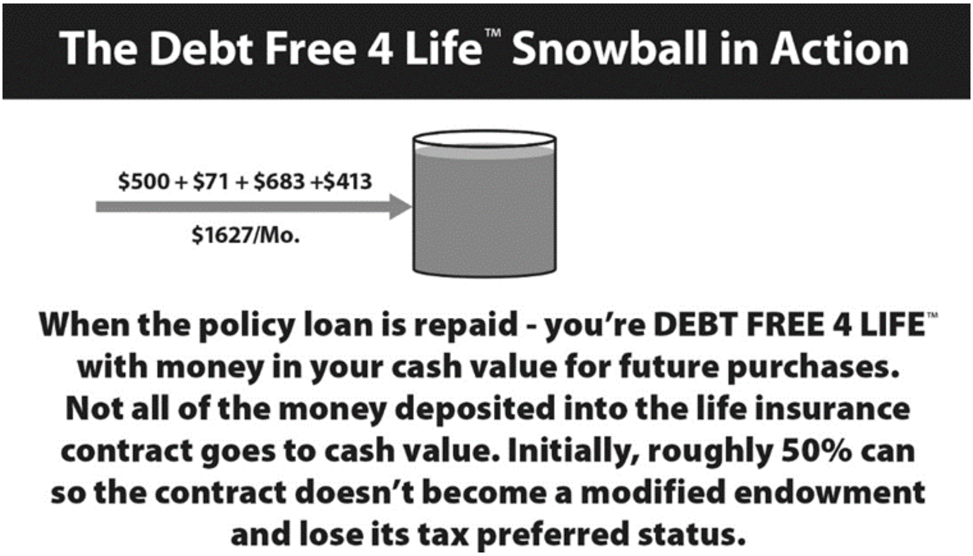


Figure 27

Three debt-elimination choices

When it comes to debt-elimination programs, you essentially have three choices: You can do nothing extra, just keep making the payments. In our example with Tony, that would mean being in debt for about six more years to pay off the $52,000 he owes.

Your second choice is to use the debt snowball plan, adding about $500 to your monthly debt repayments and paying your accounts off about three years earlier.

Or, you can structure a whole life insurance policy with emphasis on building the cash value and allowing that cash value to compound interest, all while using the DF4L software to track and alert your agent when it is time to pay off your debt. In Tony's example, he would accumulate more than $16,000 in savings at the completion of his plan in 7 years. Of course, this is dependent on Tony's complete and continued funding of the plan through that period of time.

Let's look at a side-by-side comparison of all three plans and put yourself in Tony's shoes. I want you to notice down at the bottom—the first two columns say there's no money saved in either of these cash accounts. But using a whole life insurance policy without compound interest and the *Debt Free 4 Life*™ strategy, you have over $16,000 in tax-free cash value…even though your monthly budget stays the exact same as the debt snowball approach. The payoff is just a few months longer, but that little bit of extra time is likely worth it.

Now that $16,000 will continue to grow as long as you to deposit money into this whole life insurance policy the same way you'd pay back a lender.

Your Action Choices

DO NOTHING	DEBT SNOWBALL	DF4L ACCOUNT
Amount to payoff **$52,072**	Amount to payoff **$52,072**	Amount to payoff **$52,072**
Additional budget **$0**	Additional budget **$500**	Additional budget **$500**
New mo. min. payments **$1,127**	New mo. min. payments **$1,627**	New mo. min. payments **$1,627**
Projected payoff date **7 years**	Projected payoff date **3 years**	Projected payoff date **4 years**
Cash balance account **$0**	Cash balance account **$0**	Cash value in policy **$16,262** (7 yrs.)

Figure 28

DF4L strategy defined

With the *Debt Free 4 Life™* strategy, you keep making your minimum payments (so your credit stays in good standing) and deposit any extra money into the whole life insurance policy. These funds then continue to compound as you "snowball" your debt away. The *Debt Free 4 Life™* process tackles the smallest debts first, just like the traditional debt snowball. So your monthly budget stays the same as with debt snowball, but every month, more and more of your money goes to work for you in your cash value. You get to take advantage of compound interest, instead of just paying it to the banks, credit card companies, auto lenders, and student loan providers.

Meanwhile, in the cash value component of your whole life insurance policy, your funds continue to compound after all the debts are paid, increasing your wealth with monthly deposits. Plus, you have protection contingencies built in for life's challenges and tragedies. The life insurance policy can help cover the dreaded "what-if" scenario of death and disability to protect our loved ones.

As you continue to pay into your whole life insurance policy, the amount of tax-free money you can access via policy loans keeps growing. So, after you have paid back your policy loans into your whole life insurance policy, when you need to make future purchases, you can do so with your cash value instead of costly credit.

In doing so, you've escaped the vicious cycle and officially achieved *Debt Free 4 Life*™ status!

Are You Ready To Put The *Debt Free 4 Life*™ Program To Work For You?

Contact Your Advisor Today

(Their Phone Number & Email Address
Are On The Back Cover Of This Book)!

Chapter 4

Debt Free 4 Life™ is an effective method to help you use your whole life insurance policy to pay off your debt and grow cash value for major purchases in the future. With the traditional debt snowball, you will likely need to return to the banks, auto financiers, and credit card companies for your next major purchase.

Using the *Debt Free 4 Life*™ system, your debts are eliminated over time, and you can self-finance other purchases going forward using the cash value of your whole life policy, tax free, using the contracts loan provisions. By making your whole life policy your future lender, you will save significant dollars otherwise lost in interest costs to banks and other traditional lenders.

Most importantly, you're letting compound interest work in your favor, constantly building cash value to help you enjoy the things you would buy anyway, in the future and can now much better afford…and you get the added advantage of leaving the next generation better off through the whole life insurance policy's death benefits.

Your next step now is to reach out to the person who gave you this book. Ask them to walk you through your very own *Debt Free 4 Life*™ plan, so you'll know exactly how your life can be less debt-burdened and more wealth-oriented. Your agent will get information on your current financial situation and find out if this program can work for you!

Your very own DF4L report will graphically look similar to the example plan shown over the next few pages. The difference is, your plan will be specific to you and your financial and debt situation, showing you exactly how to get out of debt and accumulate tax-free accessible cash value. Remember, this is not an overnight quick fix to debt. It will take a few years of sticking with the plan, making the right payments at the right time, and consistently contributing into your whole life insurance policy. But the DF4L system is here to help you manage the whole life policy so you can achieve financial peace of mind and work toward becoming debt free for life.

So call the person who gave you this book, set up your plan, and live the life you deserve.

To your endless prosperity,

Tracey Spikes

DEBT FREE 4 LIFE™

Prepared for:

Sample Client

Prepared By:

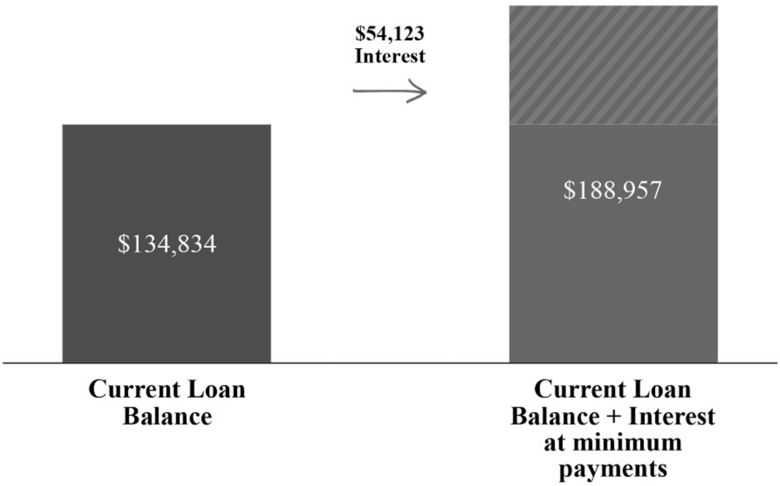
Sample Advisor

advisor@example.com

Section 1: Effective Interest Cost On Your Next Payment

Debt	Balance	Interest Rate	Payment	Monthly Interest	Eff. Int. Cost
A+ (Student Loan)	$11,234	6.00%	$567	$56	9.91%
Audi (Car)	$34,600	4.5%	$789	$129	16.44%
PNC (Mortgage)	$89,000	4%	$478	$296	62.06%
Totals:	$134,834	4.29%	$1,834	$482	26.28%

Section 2: Current Balance Due vs. Balance Plus Interest Due



This illustration is for educational purposes only.
Debt Free 4 Life™ is a product of SMART Retirement Corporation.

SECTION 3: DEBT FREE WHEN?

Debt	Minimum Payments $1,834/mo	Minimum Payment +$1,000 /mo Total $2,834/mo	Interest Saved With Debt Free 4 Life™
A+ (Student Loan)	21 months/1.75 years $625 interest	12 months $502 interest	$123
Audi (Car)	49 months/4.08 years $3,272 interest	27 months/2.25 years $$2,571 interest	$700
PNC (Mortgage)	292 months/24.33 years $50,225 interest	59 months/4.92 years $15,216 interest	$35,009
100% Paid Off:	**Feb-2048**	**Sept-2028**	**Saved $35,832**

The illustration above is based on the minimum monthly payment of ($1,834.00) which does not include the additional monthly premium of ($1,000.00) paid into the whole life policy, 60.84% is directed to paid up additions. Results will vary depending on the policy performance and results may vary.

With Debt Free 4 Life™, you will pay off your debt **233 months/19.42 years** faster saving you **$35,832!**

Your Debt Free 4 Life™ Action Plan and Timeline

A+ (Student Loan) **PAID** in 12 Months (Oct-2024)

Audi (Car) **PAID** in 27 Months (Jan-2026)

PNC (Mortgage) **PAID** in 59 Months (Sep-2028)

The illustration is for educational purposes only.
Debt Free 4 Life™ is a product of SMART Retirement Corporation.

SECTION 4: ESTIMATED CAPITAL AFTER YOUR DEBTS ARE PAID

Debt snowballing can be a very effective method to eliminate debt. However, with the traditional debt snowball you will always need to return to the banks, auto financiers, and credit card companies for your next purchase. Once a dollar is spent you don't have it to make your next purchase.

With Debt Free 4 Life™, your debts get paid off plus there is an accumulated capital that is available to you that you then "loan" to yourself. By making yourself the only banker you will need in the future after you pay off your current debts, you will save significant dollars otherwise lost to the interest expense of future mortgages, student loans, auto loans, credit cards, and other forms of borrowed money.

The most important aspect of Debt Free 4 Life™ is to be HONEST with yourself. The key to Debt Free 4 Life™ success is that you make sure you pay back your whole life policy the dollar amount a commercial bank would have charged you. Over time, this accumulated capital will help you make future major purchases and keep you out of debt for life. Eventually when you are in retirement, the capital you've accumulated can be used for major purchases.

Your Debt Free 4 Life™ advisor will continue to guide you through the process and help you focus on compounding interest for yourself and not for the lending institutions lending you money at your expense. The advisor providing this information to you is an independent advisor. SMART Retirement Corporation is not responsible for the recommendations made by the independent advisor providing you this analysis.

SUMMARY OF BENEFITS

Total Accumulated Net Cash
Plus Estimated Interest Savings
$130,619

Accumulated Net Cash Value
$94,787

Estimated Interest Savings
$35,832

Based on the illustrated values of the policy ledger attached below, which are subject to change due to varying dividend rates, interest rates and other market conditions, the Debt Free 4 Life ™ advisor guiding you through the Debt Free 4 Life™ process, Sample Advisor, estimates a cash value of $94,787 by the end of policy year 8 solely on information provided in the attached illustration.

*This estimate is for educational purposes only and likely inaccurate due to additional purchases you make, new debts you incur, by the modification of your payment schedules or changes in the dividend and/or loan rates made by the Insurance Policy Carrier over this extended period of time.

This report is free of any charge. No fee can be charged for this report. Insurance policies pay compensation to the agent.

The illustration is for educational purposes only.
Debt Free 4 Life™ is a product of SMART Retirement Corporation.

The benefits above are based on funding the plan as illustrated. Additional purchases, changes in interest rates, and changes in dividend rates and loan rates by the insurance company will change the benefits summarized above. A cornerstone of the DF4L program is that you pay back the loans borrowed from your policy. Otherwise, the compounding of your cash value will be reduced by that outstanding loan.

How the DF4L software was developed

The goal in designing the *Debt Free 4 Life*™ program was to ensure that anyone using it was being prudent with their money, and once all the math and programming was done, the verdict was simply that the power of compounding interest is very real, if properly directed on the earning—and not the paying—side.

Now for the economic reality of money spent. When we spend, we lose an opportunity cost that never stops compounding with each doled-out dollar—it just keeps adding up. Miss enough opportunities in your working years, and eventually, you wake up at retirement age with insufficient savings to retire.

A dollar spent will never earn you another penny of interest after you spend it. It's gone, and its ability to compound interest for your financial benefit is gone.

The loss of compounding is the cost of the dollar spent. But what's the point of working hard and planning if we aren't able to live a little and spend? No matter what, we will always be spenders because it's fun, and it makes all our work and effort worth it. It's rare to find the ultra-tight accumulator who lives a sparse, boring life to become the richest man buried in the cemetery. Who would want to be him, anyway?

So if all spending and no saving is a bad plan, but all saving and no spending is also a bad plan, what's the solution? Balancing both with money now, money later, and a lifetime of compounding interest with the *Debt Free 4 Life*™ program.

Want to find out how you can be the only financier you ever need for future major purchases? The advisor who gave you this book has access to our exclusive *Debt Free 4 Life*™ Debt Elimination Planning software and report-generating system.

Ask them to provide you with a personalized plan showing a breakdown of the true, effective interest cost of your debt, your estimated *Debt Free 4 Life*™ timeline to becoming debt-free, your interest savings, and how much tax-free money you can accumulate using just the dollars you are already spending today, and not a penny more.

Not only will this illustrate how much you can save on lifetime interest expenses, but it also estimates the accumulated cash values you could gain toward future financial needs/purchases.

Your *Debt Free 4 Life*™ specialist will continue to guide you through the process and help you focus on compounding interest for yourself and not for the institutions lending you money at your expense.

What have you got to lose?

A lot. Take advantage of this <u>no-cost reporting system</u> and find out just how much interest you can save. Losing interest to the bank is one of the greatest expenses of your lifetime. Let your *Debt Free 4 Life*™ specialist turn the tables and get the compounding interest for you and your future not to further enrich the banks, automobile lenders, student loan processors, and credit card companies. Make a change today. You have a lot of interest payments to lose—and that's a smart thing to do.

It is strictly prohibited to charge a fee of any kind for the *Debt Free 4 Life*™ SMART Debt Elimination Plan. If you choose to implement your plan the advisor will receive compensation from the insurance carrier used for the whole life insurance policy that you purchase.

Disclaimer

The advisor providing this information to you is an independent advisor. SMART™ Publishing is not responsible for the recommendations made by the independent advisor providing you this analysis.

This book outlines a potential use of a whole life insurance policy and makes no affirmative representations that the whole life insurance contract is anything other than a whole life insurance policy.

Nothing in this book is meant to imply or insinuate that the whole life insurance policy, is itself a form of debt relief, nor does it recommend any financial uses that are not legally allowed.

Each individual's financial circumstance is different and unique. No results or examples outlined in this book are guaranteed to be replicated exactly for every person. Different incomes, budget decisions, life events, and countless other intervening factors can affect the outcome for each individual.

Debt Free 4 Life™ is a modified snowball approach to eliminating debt using the savings component of whole life insurance that you would purchase.

Debt Free 4 Life™ takes longer than the traditional snowball approach to debt elimination.

Debt Free 4 Life™ doesn't promise you'll not accumulate new debts. Rather, your future debts may be paid through policy loans rather than traditional financing methods like credit cards, auto loans, personal loans, home equity lines of credit and mortgages.

A specially designed life insurance contract is a whole life contract with a significant percentage of the premium contributions going to paid up additions in order to enhance early cash value, but not all of your deposits go to the cash value. Some of your deposits pay for the death and living benefits of the life insurance policy and compensation to your agent.

The content herein does not constitute nor is it meant to be individual financial advice from the author or publisher This is not investment, tax, legal, planning, or accounting advice. Please seek appropriate professional advice for these matters.

Good luck on your *Debt Free 4 Life*™ journey!

DEBT FREE
4 LIFE™