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Inside Business Edition

## **Business owners as their own source of financing**

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Imagine needing capital for your business and being able to get it by answering just one question: How much do you want?

No begging, no prying credit applications to fill out, and no need to pledge your firstborn.

And what if you could pay that money back on your own schedule, not someone else's?

What would you do with those funds? Expand your business? Add equipment or technology that puts you far ahead of your competition? Hire that COO, manager or executive assistant so you can cut back on your hours?

And what if, simply by becoming your own financing source for major business expenses, you could simultaneously create a bigger stream of income at retirement?

All of this, and much more, is possible, and hundreds of thousands of business owners and professionals are already doing it.

Like the photographer from the Southwest profiled in my book, "Bank On Yourself," who became her own source of financing for expensive equipment she used to lease that creates photos on chocolate, and the surgeon from the Midwest who now finances his medical equipment himself.

The financial and credit crisis has made business owners painfully aware of the fact that you have no control when you rely on other people's money.

And many businesses are still finding it difficult or even impossible to get financing. Lines of credit have been reduced or frozen without warning, and interest rates have surged.

By becoming your own source of financing, you avoid these pitfalls. Surprisingly, it's easy to do, and more rewarding than you might think. And almost anyone can do it. Here's how...

The vehicle that lets you become your own source of financing while building a retirement plan you can predict and count on, is a specially designed, dividend-paying whole life insurance policy that not one in 1,000 financial advisers knows or talks about.

By adding little-known riders to the policy, you can turbo-charge the growth of your equity or "cash value" in the policy, so you can use it as a powerful financial management tool from day one.

Here are 10 advantages of using this method:

1. You can borrow your equity in the policy any time you want, and for any purpose you want, without filling out any nosey credit applications.
2. You cannot be turned down for a loan; you have a contractually guaranteed first right of refusal to the equity in your policy.
3. You can pay your loans back on your own schedule. If you need to reduce or skip some payments in a crunch, you can do that and no collection agency will hassle you, you won't incur late fees, and you won't get a black mark on your credit report.

4. Although you'll pay interest on your loans, that interest ultimately benefits you as policy owner.
  5. When you borrow from your policy, the policy can continue to grow as though you never touched a dime of it, if it's issued by one of the handful of companies that offer this feature.
  6. Your policy grows by a pre-set and guaranteed amount every year, and the growth is exponential, meaning it gets better every single year you have it. No luck, skill, or guesswork is required to make that happen.
- These policies have increased in value during every stock market decline and every period of economic boom-and-bust for more than a century.
7. Once credited to your policy, both your guaranteed annual increase, plus any dividends you may receive, are locked in. They don't vanish due to a market correction.
  8. You can have peace of mind for retirement planning, because you'll know the minimum guaranteed income you can take from your policy, and for how long you can take it.
  9. Unlike 401(k)s, IRAs, and other traditional retirement plans, you control the money in your policy and there are no penalties or restrictions on when or how much income you can take from the plan.
  10. It's possible to take income from your policy with little or no tax consequences, under current tax law.

There are many myths and a great deal of misinformation about this powerful financial tool, and no shortage of "experts" who will tell you to avoid whole life policies.

That's why I created the \$100,000 challenge.

It lets you test your knowledge of the facts about dividend-paying whole life.

And a \$100,000 cash reward awaits the first person who has a different product or strategy that can match or beat a properly structured dividend-paying whole life policy.

A consultant, author and financial security expert, **Pamela Yellen** is the author of "Bank on Yourself: The Life-Changing Secret to Growing and Protecting Your Financial Future." To find out more, visit [www.BankOnYourself.com](http://www.BankOnYourself.com).

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