



THE 7 PRINCIPLES OF PROSPERITY™

PROSPERITY ECONOMICS

1 THINK:

Owning a prosperity mind-set eliminates poverty; scarcity thinking keeps you stuck.

2 SEE:

Increase your prosperity by adopting a 'big picture' perspective in which you can see how each one of your economic decisions affects all the others. Avoid financial 'tunnel vision.'

3 MEASURE:

Always measure your opportunity costs — what your dollars could earn if you did not spend or commit them elsewhere. Awareness of opportunity costs enables you to recover them. Ignore this at your peril.

4 FLOW:

The true measure of prosperity is cash flow. Don't focus on net worth alone.

5 CONTROL:

Those with the gold make the rules. Stay in control of your money rather than relinquishing control to others.

6 MOVE:

The velocity of money is the movement of dollars through assets. Movement accelerates prosperity; accumulation slows it down. Avoid stagnation in assets where dollars accumulate but are not put to use.

7 MULTIPLY:

Prosperity comes readily when your money "multiplies" — meaning that one dollar does many jobs. Your money is disabled when each dollar performs only one or two jobs.

STRATEGIES

- ▶ Have high deductibles on car/home/liability umbrella insurance
- ▶ Use dividend paying whole life insurance as your emergency/opportunity fund
- ▶ Take all dividends and short term capital gains from NON-IRA monies in cash
- ▶ Fund retirement plan accounts to the MATCH level only
- ▶ Use 30 year mortgages with minimum down and no pre payments
- ▶ Borrow AGAINST Life Insurance
- ▶ Reduce any Universal Life style policies' death benefits
- ▶ Pay your savings back at interest
- ▶ Focus on cash flow (in and out) not net worth
- ▶ Develop and protect life long income strategies
- ▶ Maintain a Prosperity Flow Through account for accountability
- ▶ Keep current wills and trusts and other legal documents
- ▶ Pay Down accounts while in "spending phase"
- ▶ Use Death Benefits as permission slips to spend other assets
- ▶ Keep working, don't retire, take numerous free days along the way
- ▶ Educate future generations with financial and values legacies

PROSPERITY ECONOMICS MOVEMENT FOR FINANCIAL ADVISORS

Vision: Expand the connection between financial advisors across the nation who are using Prosperity Economics and the 7 Principles of Prosperity so that they can connect with each other and not feel like they are the only ones out there.

Mission: Learn the whole truth about money and apply it daily, teach it to clients' & others (including our children) and guide our nation onto more solid economic ground.

Purpose: Support the idea of finding work we love, and working until we no longer can, taking lots of vacations and sabbaticals all along the way and continuing to focus on our strengths and innate talents to help others.

Values: We prefer preparation over planning, protection over risk tolerance, creation over consumption and prosperity over scarcity.

Code of Honor: We will seek out the whole truth around our money decisions.

THE PROSPERITY ECONOMICS MOVEMENTS CREED

- ▶ Help all clients save 10-20% or more of all income earned
- ▶ Build emergency/opportunity funds for our future
- ▶ Protect our Human Life Value with a mix of term and whole life insurance
- ▶ Leave any existing whole life insurance policies in place
- ▶ Optimize all other insurances with high deductibles and lower premiums
- ▶ Seek alternative investments that don't fluctuate in value

TENETS:

- 1 As adherents of Truth, we take the time to show clients the whole truth about their money, educating them about the good and the bad aspects of each product and strategy.
- 2 We acknowledge that there will be occasions when we have to forego commissions in order to help the client make progress.
- 3 We acknowledge that we cannot help every person we meet, but that we should try in any way we can to do some good in every situation.
- 4 We acknowledge that all change starts in our thinking, and in our clients' thinking and we pledge to help our clients address all areas of their lives by helping them include others on their team to do so.
- 5 We acknowledge that as a group, we have a stronger voice than as an individual and we promise to help each committed member of our group in any reasonable way possible.
- 6 And we promise to invite others to our movement and help them grow as we have been helped along ourselves.