Now, to close out on this particular part of the Money session, to help you understand, we want to let you know, in order to build a financial house, there's 4 points to a financial game plan. There's different bricks you need to have in place. As I said in the beginning, if you're building a house, and it's the house of our dreams, and you move some of the bricks out of place, what will happen to the house? That's right. It gets very weak, and then it crumbles. There are basically four bricks or 4 points to a financial game plan when you are working to build your financial house. Number One, Protection. What is Protection? You want to protect everything that you have worked to build. The most important thing in Protection is Insurance. What kind of Insurance do you need to have? Life Insurance, which is one of the most important things you need to have to protect and secure your wealth. Disability Insurance, Health insurance, Homeowners' Insurance, Auto insurance.

The next particular brick you want to put in place is your Emergency Brick because wouldn't you agree, some emergencies are going to happen in your lifetime? Now, different studies say different things, but pretty much, you want to work to build at least anywhere from 3 to 6 months, maximum of about 8 months of income in reserve. You want to build this over a 36-month period. So what you need to do is take whatever the monthly income that you need to pay your minimum bills or your minimum expenses and accumulate this over a 36-month period of time by opening up a separate account.

There are various accounts in which you can do that. We suggest you do it into a Money Market Account. Why? These accounts pay higher than a regular checking and savings account. It has a liquidity to it. It not only has check-writing privileges, but also stresses you to have discipline. A lot of times, you cannot get to it as fast as you would like. When you get money from your Money Market account, depending on what kind you set up, most of the time they have a minimum increment amount that you have to take out.

But most importantly, the reason why we tell you that you need to have an Emergency Fund in a separate account is because your checking and savings accounts are put and take accounts. When you get paid, you deposit money into those accounts. When you have things such as expenses or you're having celebrations for yourself or for your children, you go into those accounts to pay for those different expenses and events. So there's no way that money can grow because you're steadily putting money in, taking money out. So you need to have a separate account that's strictly designated and allocated for you to accumulate your reserves.

Then the next particular vehicle that you want to have is your Growth Brick. In the Growth Brick are things that you have such as Mutual Funds, real estate, Annuities and Stocks. These are things that you're using to grow. Also, in there you can have your Retirement. You can have your Estate Planning. These are things you're doing to grow.

Then the last brick that you can have is your Dream Brick. In your Dream Brick are the things that you are using to put money into so that you'll be able to accomplish some of your dreams.

Now, let me just give you a quick example of how this will work. If you are making or you are able to save $500 a month, you set up each one of the bricks. You set up each one of the bricks where you're able to put, for example, say $125 into each brick. You put $125 allocated to take care of some of your basic insurance needs; $125 to take care of your Emergency needs, your Investment and your Retirement needs. Now, what happens is you take the profit that you make from your Investment Brick and from your Growth Brick, and you split them up into thirds. You put a little back into your Emergency Brick, reinvest a little back into your Investment and Growth Brick and put some into your Dream Brick.

So, therefore, you are able to take advantage of when the Market is up and when the Market is down. And you have your money allocated and diversified and are not putting all your eggs in one basket, where you're able to accumulate wealth. So this way, it allows you to be successful.

So that's why we tell you to sit down with a professional, sit down with someone, a financial broker, a financial representative. You can get a lot of information from one particular place, if you find someone that you're comfortable with, that'll be able to set up a financial game plan for you.

We tell you, these are some of the basic things you need to do to go from Zero to Hero. We tell you, it doesn't matter what status you're in, what level you're at. If you want to achieve financial success, you can! The first thing you need to do is make an active decision; sit down and say exactly and write down exactly what you want. It doesn't matter if you need to file bankruptcy and you just came out of bankruptcy. It does not matter. You need to decide where you're going to have a starting point. Decide where you're at. And then decide a course of action and the people that you're going to surround yourself with to be positive and help you get to that next level.

So take these things down. Make sure you take time to review and go over all this information again. See you at the top.

RECAP AND ACTION NOTES (FREEDOM)

Chapter Four

CHAPTER FIVE - PROTECTING YOUR INCOME

"We are born to be the master over everything." *Honorable Louis Farrakhan*

The next thing we're going to talk about is the Theory of Decreasing Responsibility. What we're talking about with the Theory of Decreasing Responsibility is how life really works. Now, we're getting ready to get into the area of breaking down income protection. For example, how the Theory of Decreasing Responsibility works is this: it shows that when you are in your early years, you need more coverage, more insurance, more protection, and in the later years, you may not. Why? Because as you get older, you should be making the right investments, the right savings, limiting your expenses and doing the things that we talked about earlier in this program so you can accumulate wealth. For example, if a person is the age of 30, we show the loss of income would be devastating. What do we mean by that? When you are young or you've got young children, you've got high debt, you're getting first house. So, therefore, if something was to happen to your income, the family could be totally devastated.

So what we show people in the early years, when you don't have a lot of money, that's when you need the insurance to protect your coverage. But as you get older into your Golden Years, your later years, your experienced years, that's when you need to have the income. So we show, as you get to the Retirement Age and your children are grown, they should be able to take care of themselves. Your debt is lower because as you get older, your needs start to decrease a little, and your mortgage is paid, if not, half paid or on the way to being paid. So we tell you with the Theory of Decreasing Responsibility, you need to make sure you buy the right kind of insurance that's going to be there for you when you need it the most, and to protect your income and to protect your Estate.

Now, when we talk about that, when you're looking at building wealth and putting your program together, and you're talking about putting your insurance in order, you need to look at some basic things. You need not to use insurance as an investment. Insurance is not used to make money or use for investment. Insurance is used to protect your investments while you're working to accumulate them.

For example, we let people know how a lot of Corporate Executives buy insurance; it's unlike the traditional consumers. The traditional consumer looks at insurance as an expense, as something they don't need. They just do it because it's the law or because their wife or husband mentioned it or forced them or pressured them to do it. Let me educate you on exactly how to use insurance to benefit you, and not the insurance company. For example, there's something called the Dime Theory. In the Dime Theory, the

D = Death
I = Income
M = Mortgage and Debt
E = Education

What we ask people, and you can ask yourself right now, if you died today, could your family maintain their standard of living without you providing income? What's the answer to that question? For example, you bring home a $2,000 income. If that $2,000 was not able to come in because you got laid off or you had a cut in your pay, could your family live the same lifestyle on $1,000? We all know the answer to that question is, NO.

So we show people, when you're setting up your Estate and your financial program, you've got to realize to get the insurance to protect, you've got to understand why you are getting it. Number One, you want to make sure if something happened to you, that you have enough money, separate from the insurance plan, just to take care of the death expenses.

The next thing, which is most important—is the income. You want to make sure that if you have young children, a new family, a new house, that you have enough insurance to take care of them for the next 20 or 30 years, if not longer. So therefore, the insurance can replace your income.

See, insurance is really something to protect your assets, to protect your income. So we make sure that you have enough insurance, income protection, to replace your income.

So if you're making a $30,000 income, we would give you a $300,000 policy, and you would be able to generate an interest check off of the $300,000 policy to replace your income. Now the same income that you were bringing in has been replaced.

The next thing we need to do is to make sure that, within your insurance program, we have enough allocated and set aside to pay off your mortgage and your debt. Therefore, the debt expenses or the mortgage expenses do not totally wipe out the insurance when majority expenses go to that.

And the last thing is education. We have found out that most families would like for their children either to start their own businesses or to further their education. So you want to have money totally allocated and separated for your children to have a chance in life.

Now, let me let you know there are different kinds of policies out there. There are pretty much two different types of policies. They have a lot of different names. The first one is Term Insurance and the second is called a Cash Value Policy. These are the two different types.

Now, within these two different types, they have different ones. For the sake of example, with Term Insurance, they have something that is called "Annual Renewal Term". They have Term Insurance that renews in 5, 10, or 20 years. They even have Term Insurance that you can get if you're 35, the price and coverage would not change unless you adjust it, and would last until the age of 65.

What happens in the industry is that they will try to get you to think the only insurance out there is Annual Term. They will ask you why would you want to have a policy that increases every year or every month or every quarter? This is what they emphasize, and this is what the public buys into. But when you get insurance, you have to realize you bought it to protect your income. So you want the least amount of costs you've got to pay for the maximum coverage. That is what you want. That is because you're spending strictly for protection.

Term is what you want because it's no frills, and no thrills. It's strictly for protection. For example, how many of us work a job, and have health insurance on the job? If you never, ever get sick and have to go to the hospital, clinic, or any other agency for any medical assistance, you don't get any refund back for the insurance that you paid on a monthly basis.

Now, what if your Health Insurance Benefit Department said, excuse me, ma'am or sir, can you give me $100 for your health benefits and give me an extra $50 for us to keep and save for you? What would you tell them? Yes, something like that. We understand.

We tell people, you want to buy life insurance the same way you buy your health insurance, your homeowner's insurance and your car insurance. You want the least amount of cost to pay for it, but you want the maximum protection to protect your car, to protect your home, to protect your health. Why not do it for the most important things, yourself and your family?

Right now, in this phase, I would like for you to get a sheet of paper. I want to write down exactly what is the balance on your mortgage. I'd like you to write down what is the income you make on a yearly basis, multiple it times 10. I would like for you to put down the amount of children you have. If the children are 13 and under, I'd like for you to put down, $20,000 and if they are 14 and over, I want you to put down $40,000. That's about how much it's going to take and be put away for them to be able to go to school. I'd like for you to put on an average, about $10,000 for expenses and for the insurance that you need for funeral expenses.

Now, I want you to do that and calculate that so you can get an idea, truly, of how much you need. When you shop around to get a quote, you will know exactly what you're looking for. You know, kind of, why you need it. Therefore, you can find something better for you. So when you call around, make sure you call and tell them you are interested in getting Term. You want something that's fixed for a period of time. You can get you a 25 or 30-year term. You want to get something that's economical, and you want to make sure you get something that's going to totally take care of you and totally protect your family.