

**New York Times Best Seller**

**Free  
Chapter**

# **THE BANK ON YOURSELF REVOLUTION**

**Fire Your Banker,  
Bypass Wall Street,  
and Take Control of Your  
Own Financial Future**

**PAMELA YELLEN**

*New York Times and Wall Street Journal Bestselling Author*

PARTIAL LIST OF  
ADVANCE PRAISE FOR  
*The Bank On Yourself Revolution*

“You need all the helpful information you can find in these uncertain economic times. Pamela Yellen once again is ‘right on the money’ when it comes to financial security.”—Harvey Mackay, author of the New York Times #1 bestseller *Swim With The Sharks Without Being Eaten Alive*

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# THE BANK ON YOURSELF REVOLUTION

*Fire Your Banker,  
Bypass Wall Street,  
and Take Control  
of Your Own Financial Future*

PAMELA YELLEN



BENBELLA BOOKS, INC.  
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*This book is dedicated to all the Bank On Yourself revolutionaries,  
the people who had the courage to question today's conventional  
financial wisdom, buck the system, and set out  
on a path less traveled.*

*In doing so, you created true financial security for yourselves and  
your families.*

*You are my heroes and my inspiration.*

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## INTRODUCTION

# I Swore I'd Never Write Another Book

I absolutely did *not* want to write this book.

First of all, writing a book is a real pain in the you-know-what. It takes *months* of brain-numbing work and scads of helpers to do research, verify stats, and make it all readable. By the time I finished my last book (*Bank On Yourself: The Life-Changing Secret to Growing and Protecting Your Financial Future*), I swore to my husband Larry that I would never, ever again set myself up for the *stress* of looming deadlines, the *agony* of the editor's red pen, and the *loss* of so many weekends and so much sleep.

Nope. Never again.

Then the book hit the bestseller lists. (That was nice, and softened the pain a bit.) And we got a tremendous response from folks who were thrilled to have discovered *Bank On Yourself*. (That was even better.)

*Then* the backlash started. (Not fun at all.)

People who have a vested interest in keeping the same-old, same-old going (that would be many of your celebrity money gurus, financial advisors, stockbrokers, money managers, and bankers) went on *total* attack! I received vile letters and nasty e-mails that were unbelievably vitriolic and accusatory. (Honestly, who has that kind of time on their hands?)

I got attacked in blogs, in articles, and by talking heads both online and offline. Most of the attackers had not done their homework, and some were totally illogical and unreasonable in their arguments against the *Bank On Yourself* strategy. (Then again, I guess illogical and unreasonable is kinda the currency of the day, isn't it?) But I *still* had to step up and defend myself and the *Bank On Yourself* concept against them.

One article that I found particularly amusing was written by an investment advisor and blogger for a major news website. He wrote an “exposé” about how he’d discovered the *fatal flaw* in Bank On Yourself. Really? That I had to see. Turns out the only way he could punch a hole in the concept was to compare the cost of purchasing a car and financing it through Bank On Yourself to the cost of *not buying a car at all*. Well, duh. Of *course* you’ll have more money if you don’t buy a car! (Someone once told me that blogging isn’t writing. It’s graffiti with punctuation.) To read the point-by-point rebuttal we posted to that article, go to [www.BankOnYourself.com/rebuttal](http://www.BankOnYourself.com/rebuttal).

If I had a dollar for every myth and misconception published online and offline about Bank On Yourself, I’d have more money than all the fat cats on Wall Street put together.

Does it sound like I took these attacks lightly? I didn’t. The truth is that being attacked all the time—even if the attacks aren’t valid—really hurts a lot and is exhausting.

So I told Larry, “That’s it. I’m done.”

It was a very hard time for me. Not only would I *never* write another book, but there were more than a few moments when I thought about completely giving up my mission to educate people about this proven wealth-building strategy. I’d just go back to the quiet life I had before all of this, where most people who know me actually like and respect me. That was in 2009.

## But Then ...

By the end of 2010, the recession had *crushed* the net worth of most Americans. The median net worth of the middle class—who were hit the hardest—fell by so much, it erased eighteen years of gains.<sup>1</sup> Savers have been “rewarded” for their diligence with near-zero yields on their hard-earned life savings for five long years because the Federal Reserve deliberately kept interest rates as low as possible.

And soon the talking heads on Wall Street—whose advice got us into this mess in the first place!—were urging us to leap right back in and *take more risk*, as if it makes perfect sense to make up for your gambling losses by doubling down on your bets.



People who followed all the conventional financial wisdom got *clobbered* in the last recession, losing homes, college savings, and retirement funds. And they want us to do it *again*?

It makes me absolutely *furious* that the financial community is *bent* on getting us to walk down that same rosy garden path that has nothing at the end of it but quicksand! I *know* there's a way out, and I've *seen* so many people benefit from it. I *know* there's a safe way to grow your wealth and have access to the cash you need while guaranteeing a comfortable retirement and setting up a legacy to be left to those you love.

I couldn't just stand by and let people suffer when they don't have to. So I said to Larry, "Maybe just one more book."

Prominently placed on my office wall is a quote from Dan Kennedy, one of my mentors:

*"If you don't offend somebody by noon each day, you're not doing much."*

And isn't that true? If I weren't stirring up the waters or getting any pushback, it would be because I was parroting the same old pap that clearly doesn't work.

But that's not what I'm doing.

I'm inciting a revolution.

## CHAPTER 1

# An Idea Whose Time Has Come

*The highest form of ignorance is to reject something you know nothing about.*

—DR. WAYNE DYER

**T**HIS BOOK may make you crazy angry.

It might make you feel uncomfortable, anxious, confused. It might make you question some of your long-held beliefs about money, the stock market, investing, how to get ahead, and how to build wealth. You may start doubting the very validity of the financial strategies and vehicles you've poured your blood, sweat, tears, and dollars into.

And if this painful truth hasn't dawned on you previously, you might feel more than a little squeamish to realize that *you've built your financial future on a house of cards* that can—or has—come tumbling down through no fault of your own.

Yep. I'm the bearer of bad tidings.

But if you can get through all the angst and anger and fear and sadness those bad tidings will cause you, I've got some good news for

### INSIDE THIS CHAPTER . . .

- You Can't Predict the Future— But That's Okay
- How I Figured Out What *Doesn't* Work
- What's the Bank On Yourself Revolution All About?
- Who Bank On Yourself Isn't Right For
- Stop Losing Money to the Randomness of the Market and Create *Real* Wealth

you as well. And if you're willing to keep an open mind, I can show you a way out.

A way out of the constant worry about whether you'll ever be in a financial position to retire. Out of the stress of figuring out how you'll ever be able to afford your children's college education. Out of the crazy-making exercise of trying to second-guess a stock market whose strings are pulled by people whose greed is only outstripped by their ingenuity for coming up with complex smoke-and-mirrors financial schemes.

A way out of the discouragement you feel paying steep credit card fees, the panic you feel when unexpected and shockingly expensive emergencies strike, the sadness you might feel when you realize that you worked really, really hard for decades to end up with . . . not very much at all.

## Is It the Best of Times or the Worst of Times?

I have *no idea* what the economic climate will be as you read this book. Absolutely no clue. We could be in a screaming bull market, or in the throes of a financial crash and recession, or somewhere in between.

The critical question is: *How much does your financial security depend on things you can't predict or control?*

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When my first book on Bank On Yourself came out in 2009, we were two years into what turned out to be the deepest and longest recession since the Great Depression. The stock market crashed, losing almost half its value—the second horrific crash in a decade. The housing market collapsed, ultimately wiping out a decade of home equity. Millions of people lost their homes, and many more homeowners found themselves owing more on their mortgages than their homes were worth. The government bailed out the too-big-to-fail companies, and all the little people like us were left to fend for ourselves.

It was the biggest financial crisis in decades, yet how many people saw it coming? As Nobel Prize–winning physicist Neils Bohr reminded us, “Prediction is very difficult, especially if it’s about the future.”

As I update this at the end of 2015, central banks around the world are still running their money printing presses 24/7, and government debt levels have hit unprecedented nosebleed territory. This is creating a level of debt that may mortgage our children’s and grandchildren’s future for decades. The Fed’s easy-money policies have forced money into riskier assets and created new bubbles.

The stock market reached new highs, and over the past year it has experienced renewed volatility and gone nowhere. Investors have gone nowhere since 2000, when inflation and fees are taken into account. Home values are recovering (though still below their highs) and some real estate markets have become hot again, with investors and home buyers swarming all over anything that hits the market (*déjà vu* all over again?).

Are things getting better? Or are we in the eye of the hurricane, the lull before the trailing edge of the storm whips through and lays us flat again?

I don’t know—and *neither does anyone else*. And *that’s* the problem.

Economic growth is sluggish, and many countries around the world remain vulnerable to economic collapse. The typical household nearing retirement has an average of only \$111,000 in their *combined* retirement accounts, according to the latest Federal Reserve Survey of Consumer Finances. It’s estimated that will provide an income in retirement of *only \$500 per month*, which won’t cover groceries, let alone health care, heating, transportation, and other necessities. And that \$500 per month is likely to be a household’s *only* source of retirement income other than Social Security.

### **Did They Fix What Was Broken in the Financial Markets?**

Are they still rigging the system?

Banks were fined billions of dollars for rigging a key interest rate (Libor) in their favor, and regulators are now investigating them to determine if they’ve manipulated pricing in Treasuries around the dates of

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government auctions. It was also discovered that high-speed traders used a hidden facet of the Chicago Mercantile Exchange's computer system to get an edge before other traders get the same information.<sup>1</sup>

In the last few years, no major market has been immune to being rigged—currencies, commodities, precious metals, foreign exchange rates, default swaps, stocks—you name it.

They've passed a passel of new regulations in the past few years, but has anything really changed?

Warren Buffett, who's considered to be one of the most successful investors of all time, told CNBC, "We will have a bubble, and it will burst. It won't be the same as the last one. That's been the history. You don't have one Internet bubble after another. You have [the] housing [bubble] after the Internet [bubble]."

Eye of the storm or economic recovery? I don't know (though I'd definitely land on the storm side of the debate because I just don't see that they fixed what was broken). But in many ways, *it just doesn't matter*.

It doesn't matter because the wealth-building strategy I'm writing about has survived and even thrived during *every* period of economic boom *and* bust for more than 160 years. Whether interest rates were high or low. During bull markets and crashes. Even during the Great Depression. Housing market that's tanked or steaming hot. Dow Jones up or Dow Jones down.

Whatever's going on, there is a way to secure your family's future, without being at the mercy of the economic climate that swirls around you, and without relying on banks and Wall Street.

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Warren Buffett, one of the most successful investors of all time, has on several occasions predicted another financial crisis that will shock the markets.

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## What I Know About You

Pardon me for being bold, but if you've picked up this book, I think I know a few things about you, things you and I have in common.

- **You're *not* stupid.** Your financial picture may not be as solid as you want it to be, but not because you didn't pay attention. You listened to the experts and did what they told you to do. You probably consult a financial advisor, have a CPA do your taxes, and follow trends in the economy. Maybe you've educated yourself by reading books on personal finance or taking classes. You don't just rely on hearsay, *you want the facts*. (Me, too.)

- **You're *not* lazy.** You work hard and earn every penny that comes your way. You're not looking for a free ride and wouldn't feel good if you got one. You're proud that, by working hard and using your talents, you can earn a good living. You will do almost *anything it takes* to provide for your family and secure their future. (Yep, me, too.)

- **You're *not* looking for a magic bullet.** Okay, it *would* be nice if there were some genie in a bottle to grant you the financial well-being you want. (If you find one, feel free to give me a call.) But you're not counting on it or even looking for it. (I'm not into fairy-tale finance either.)

### Did We Fix What Was Broken with Small Investors?

Having missed out on much of the recent rally on Wall Street, individual investors are now starting to pour in again—in *spite* of the fact that, in the history of the S&P 500, there have only been four times that the market gained a larger percentage than the current one.<sup>3</sup>

Small investors also have rediscovered margin debt (borrowing against their portfolios to buy more investments) at levels not seen since right before the last crash. Margin debt hit a peak right before the last two bear markets. "It's a warning sign that the Federal Reserve's easy-money policies are creating a bubble mentality among stock traders."<sup>4</sup>

- **You are misguided.** Say *what*? Yep, you're misguided. You've been following that same conventional financial wisdom that isn't working for *anyone*! You're pouring as much as possible into your 401(k) or IRA—and seeing its value decline or remain stagnant. You may be trying to pay off your mortgage early—only to see that the worth of your house is less than what you still owe on it. You're sinking money into a 529 college plan—only to worry that the market may tank again right when your child is ready to go to college.

You've been misguided. (And so was I.) It sucks.

- **You are willing to see it differently.** Okay, here's where you either toss this book in the trash or you keep reading further. Are you willing to see it differently? Are you *willing* to absorb the stats, validate the research, do your homework, and see if maybe the conventional financial wisdom you've followed is flawed? Are you *willing* to entertain the possibility that there might be a solid, time-tested strategy that few financial gurus will acknowledge but that hundreds of thousands of people like you are using successfully? (I was willing, and so now I'm one of those hundreds of thousands!)

## I've Been There and Done That, Too

I'm not stupid. I'm not lazy. I wasn't looking for a magic bullet. But I was misguided. *And* I was willing to see it differently.

My husband Larry and I had invested in all sorts of financial products and vehicles starting in 1987, but we had never come close to getting the returns we were told we should be able to get.

At one point, we figured the problem must be *us*. You know how some people seem to be unlucky in love? Well, we seemed to be unlucky in investing. So we decided to hire an expert to manage our money for us. We ultimately hired three oh-so-pricey experts—and *all three of them* lost us money during what turned out to be the *longest-running bull market* in history!

We picked ourselves up, dusted ourselves off, and continued searching. Since 1990, I've coached tens of thousands of financial advisors on

how to build their businesses, so I had access to a multitude of financial vehicles. I ended up investigating more than 450 *different financial products, strategies, and vehicles*, and *only a few* passed my due diligence tests.

But even those few turned out to be disappointments. What sounded great in theory and looked seductive on paper simply didn't show up in reality.

### Did They Fix What Was Broken in Financial Products?

The financial products that played a role in the crisis are coming back. In just the first quarter of 2013, banks sold about \$1 billion of synthetic collateralized debt obligations (CDOs)—the same stuff that caused the credit bubble to burst in 2008. The former head of the Troubled Asset Relief Program, which oversaw the \$700 billion bailout, said, “History is repeating itself. Because banks profited from the credit bubble and then faced no jail time when it popped, there’s little reason to think that [these instruments] are going to be significantly better this time around.”<sup>5</sup>

Finally one of my financial advisor clients said, “Pamela, have you ever heard about this?” *This* turned out to be a *little-known twist* on a financial asset that’s increased in value every single year for more than 160 years: **dividend-paying whole life insurance**.

Okay, so *now* you’re ready to throw this book in the trash! But hold on. Don’t tune me out, because this is *nothing* like the whole life insurance policies Suze Orman, Dave Ramsey, and most financial advisors love to hate.

Properly structured, the policies I’ll show you grow cash value as much as forty times faster than the ones Suze and Dave, et al., talk about. They pay the advisor or insurance agent 50–70 percent *less* commission. And you can use them as a powerful financial-management tool right from the start to fire your banker, bypass Wall Street, and have financial security for life.

I’ll explain it all in detail in this book.



## About the Bank On Yourself Revolution

This isn't a pitchforks-and-bayonets kind of revolution. It started quietly and without a lot of fanfare. People who were tired of doing "all the right things" financially and ending up with little or nothing to show for it simply decided that enough was enough. They didn't throw Molotov cocktails or storm the castle walls of the Federal Reserve. They just quietly stopped putting their money into financial vehicles that didn't deliver.

They put less money into their 401(k)s and IRAs, and some stopped funding them altogether. They pulled back on their mutual funds and stocks and bonds. They pulled the plug on some of their real estate investments. They stopped letting their futures be determined by the hysteria of Wall Street and the seductive advice of financial gurus.

They took back control.

For the first time in their lives they had a *solid* financial foundation to build their futures on. They could move forward without the stress, worry, and uncertainty they had lived with, in the past.

And even though everyone from Bloomberg to MSN to Yahoo Finance swore up and down that there was *no* place to hide from the recession that rocked the world, these quiet revolutionaries found one.

Hundreds of thousands of people embraced the Bank On Yourself method and saw their money grow *safely and predictably every single year—even when the markets tumbled.*

- Their plans never even skipped a beat when the stock and real estate markets crashed.
- They didn't have to gamble on Wall Street to accumulate a sizeable nest egg. They didn't have to worry about when the next crash would come and wipe out their life savings again.
- They could tell banks and finance and credit card companies to go take a hike and still have access to the money they needed, whenever and for whatever they needed it.
- They didn't need to depend on their employer or the government for their financial security.
- They finally had *control over their own financial futures.*

I wish I could take credit for this revolution, but I can't. It had started way before I was fortunate enough to learn about the financial tool and concept I now call "Bank On Yourself." Why did I name this strategy Bank On Yourself? Because I could see how people were using it to pull themselves out of economic bondage and move toward freedom and economic *sanity*. Where they had been seduced into banking on the government, Wall Street, and financial institutions to cover their backs, Bank On Yourself revolutionaries were now banking on *themselves*—their own effort, resources, and good sense—to keep their families safe and financially secure. They were no longer pawns being manipulated by faceless fat cats around the globe with self-serving agendas.

And I needed a phrase that I could use as a rallying cry, because when I realized the sheer power and potential of the Bank On Yourself method and how *few* people were aware of it, I knew I just *had* to spread the word. There really is a better way! It became my mission to help educate others about it so they, too, could break free of their economic chains and bank on themselves.

### Did They Fix What Was Broken in the Housing Market?

In 2013, the same kind of subprime loans (high-rate mortgages for high-risk borrowers) that brought the housing market to its knees made a comeback. And in April 2015, it was reported that risky mortgages are increasingly being underwritten by thinly capitalized non-banks and guaranteed by the Federal Housing Administration, which could bankrupt the companies and leave the FHA holding the bag.<sup>6</sup> In some cities, houses hit the market and receive multiple bids *above the asking price* on the first day, often accompanied by tearful letters from the hopeful buyers pleading to be given a chance (shades of 2007?).

In 2004, then president of the Federal Reserve Alan Greenspan claimed that *adjustable-rate* mortgages, rather than fixed-rate mortgages, could save homeowners tens of thousands of dollars. That speech came at a time Greenspan had been cutting or holding rates flat for years—but only a few months later, he proceeded to raise rates at every single Federal Open Market Committee meeting, more than quadrupling interest rates within two years.<sup>7</sup>

## How to Use this Book

My first book introduced many people to the Bank On Yourself concept. This book goes much further into debunking myths of conventional financial wisdom as well as explaining the nuts and bolts of the Bank On Yourself structure and how and why it works. I'll also show you how this vehicle can provide you with everything from liquidity to finance major purchases or a college education, to a safe, predictable way to grow your retirement fund, to how to leave a significant legacy while still having access to money when you need it.

What are *your* top concerns about money? Here's where I address them:

- Worried about having enough money to retire? Afraid that you've started too late? See Chapters 2, 5, and 10
- Anxious about how you'll pay for your children's college education? See Chapter 8
- Nervous about having too much of your nest egg on the roller coaster we call Wall Street? Disgusted with the poor results your investments are producing? See Chapter 2
- Uneasy about the economic landscape your children will be entering? Concerned about how they'll ever be able to make it financially? See Chapters 6 and 11
- Stressed about finding the capital you need to start your own business or keep your business going? See Chapter 9
- Feeling strangled by credit card debt? Or trying to avoid piling up debt in the first place? See Chapter 7
- Feeling strapped because you've retired but your nest egg isn't earning enough income for you, and you'd rather not take more risk with your money? See Chapter 10
- Fed up with feeling stressed about money in general? See Chapter 6—then read the whole book!

## How Almost Anyone from Age Zero to Eighty-Five Can Benefit

No matter what age you are, from zero to eighty-five, Bank On Yourself can be a powerful financial tool. To get the most benefit, I suggest you

read the whole book, even sections that you don't think apply to you. But I also recommend that you focus on specific chapters depending on your age:

- **If you're in your twenties:** You may be struggling with student debt, a tough job market, and salaries that don't seem to leave room for savings. You may have seen your parents and grandparents struggle during the financial crisis and want to avoid making the mistakes they made. You need a strategy where you can start small and build it up. (See Chapter 6 for financial basics to get you started off on the right foot and Chapter 11 for an example of how starting small can end up being big.)

- **If you're in your thirties and forties:** You might be growing a family, maintaining a home, and starting to think about how to pay for college. You may have incurred a lot of debt and feel like it's all you can do to keep your head above water. You need a strategy that will help you turn the ship around and reduce your debt while growing money you'll need for the kids' college expenses and your own retirement. (Chapter 7 will show you how to become your own source of financing. See Chapter 8 for a smarter way to pay for college.)

And if you're starting to get serious about saving for retirement, don't miss Chapters 2 and 5.

- **If you're in your fifties and early sixties:** You may be in your peak earnings years, but you also may have parents and kids you're helping out financially. Yet it's time to make serious headway on your retirement savings, and you need to plan to cover the enormous health-care costs you know are looming. You need a strategy that will enhance your retirement savings yet remain liquid for potential emergencies. (See Chapter 5 for ways to build a healthy retirement fund that lets you access your money whenever you need or want to—while it continues growing as though you hadn't touched it.)

- **If you're in your late sixties, seventies, or eighties, or already retired:** Your nest egg may have taken a severe hit in

recent years, leaving you less than you had planned for. If your money is in CDs, savings and money market accounts, you're probably concerned about the low returns you're getting. You may be worried about the forced distributions (RMDs) you're required to take from your retirement account. You also may be thinking about passing a financial legacy to your children and grandchildren. (See Chapter 10 for ways Bank On Yourself addresses the specific concerns of seniors.)

## Who Bank On Yourself *Isn't* Right For

Bank On Yourself is not a get-rich-quick scheme. It takes some patience and discipline. If you have those traits, it pays a lifetime of benefits. But if it takes pie-in-the-sky promises of 12 percent, 20 percent, or more in annual gains to get your attention, this book is not for you.

And if you regularly spend more than you make, wait until you've got that under control before looking at this strategy. (Chapter 6 has some helpful tips for gaining control of your money and spending.)

The Bank On Yourself strategy gives you a *rare combination of guarantees, safety, liquidity, and control*. Your money grows by a guaranteed and predictable amount every year, and that growth gets better every year you have it. Bank On Yourself is for those who want to grow their wealth consistently every day and have control of their money and finances.

This strategy is so safe and so consistent that it's actually really pretty boring. If you need something sexier, try your hand at pork bellies or gold futures on the commodity exchange. Trust me, Bank On Yourself is not the stuff that makes for titillating cocktail party conversation.

If you'd like to find a financial strategy that doesn't promise you the moon (but will deliver impressive results), and if you're more interested in truth and pragmatism than blue-sky fantasies, then let me introduce you to someone who now thinks *boring* is pretty darn *exciting*.

## When Boring Takes Your Breath Away

Dan Proskauer is vice president of technology engineering for a major health care company who holds three U.S. patents. He lives below his means and has significant savings discipline. Dan is a sophisticated investor, but after the two financial crashes of 2000 and 2008, he realized he had *nothing* to show for decades of saving and investing his hard-earned money and “doing all the right things.”

Dan is very analytical and has spent literally *hundreds of hours* investigating Bank On Yourself and, as he puts it, “The more I look at this, the better it looks.”

In late 2012, Dan sent me a chart showing how his family’s net worth has grown since he started his first Bank On Yourself plan three and a half years earlier, and how that growth compared to the previous ten years of rolling the dice in the Wall Street Casino.

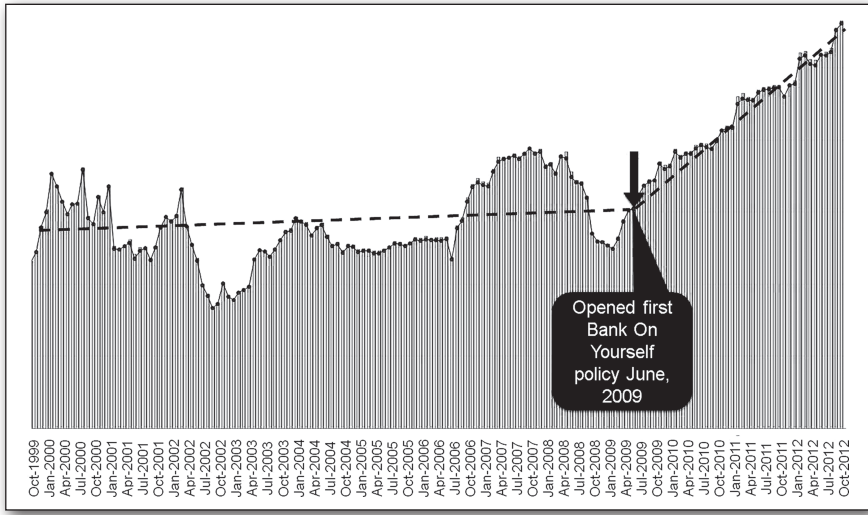
When Dan saw this chart on his financial tracking software program, he said his jaw dropped so hard it left a dent on his keyboard. He told me the story this way when I interviewed him for my Bank On Yourself blog: “One chart I track shows me our family’s net worth, which is the value of our assets minus the value of any liabilities we have.

“I look at this chart every time I start up Quicken, or I at least glance at it, and I was thinking, ‘Man, this chart just hasn’t changed very much. It looks pretty much the same as it has for a long time.’ I was expecting to see some difference as we embarked on our journey with Bank On Yourself.

“So, just two weeks ago, it was bothering me so much I opened up the chart and took a closer look at it.” It turns out that two years previously, Dan had set the chart for a specific date range and forgot that he’d done that. So for two years it was just showing him the same data over and over again.

“When I removed that date restriction and saw the data from my whole record, I was stunned!

“When I compared what happened to the left of that arrow to the time we started to implement the Bank On Yourself method, the picture

**NET WORTH OVER TIME: EXCLUDING HOME/REAL ESTATE**

was completely different. After starting our Bank On Yourself plans, the volatility is largely gone. It's a very smooth slope, and the slope is tremendously steeper—in a *good* way—than I ever expected. That just floored me.”

## High Expectations Exceeded

Dan continued, “When I saw this chart, I realized that my high expectations had been really exceeded. I felt a tremendous sense of accomplishment that I made this decision. Frankly, it's working out far better than I could have expected. I feel really good about it, and I want to shout it from the rooftops!

“The other thing is, I go to sleep every night knowing I don't have to worry about ‘What's going to be the news out of Europe when I wake up in the morning? What's going to be the news out of Asia?’ Or when I get up and go to work, ‘What's going to happen during the day in the U.S.?’ I just don't really worry about any of that. I know that our family has a solid and predictable financial future, with this as a foundation.

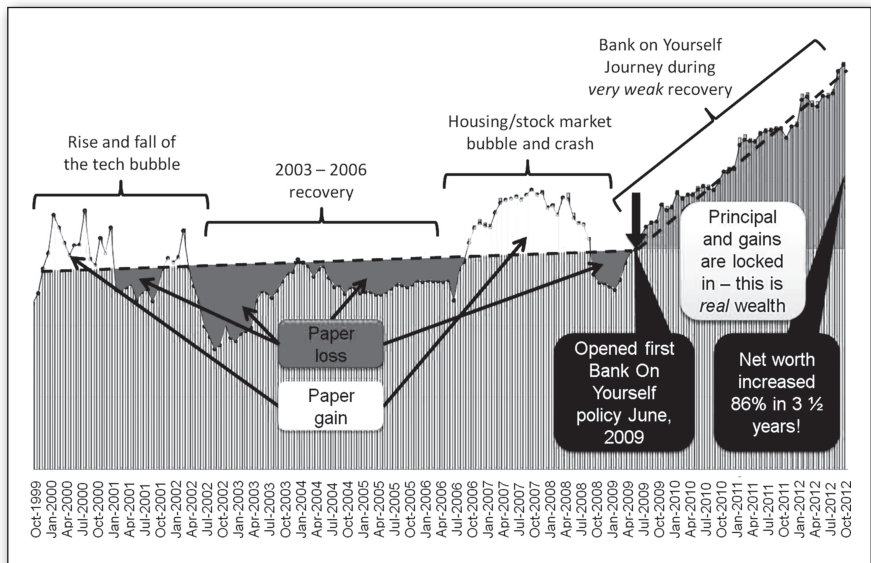
“The Bank On Yourself method offers something you truly deserve, but may not have—financial security and peace of mind. With Bank On Yourself, you can sleep well knowing your savings can only grow, never shrink. With Bank On Yourself, you *know*, rather than hope.”

## Eliminate Volatility and Create *Real* Wealth

“The reduced volatility you see in the chart is completely expected, obviously, because we’re out of the stock market. We’re not having those ups and downs, so I’m not surprised to see the volatility be lower. But the growth! That just blew me away.”

Here’s a more detailed version of Dan’s net-worth chart that makes it clear how market volatility was affecting his wealth:

### NET WORTH OVER TIME: EXCLUDING HOME/REAL ESTATE (WITH ANNOTATIONS)



Because all of your principal and growth is *locked in* when you use the Bank On Yourself method to grow your nest egg, you have *real*



rather than paper wealth. The numbers you see on your annual statements represent the *real* values of your plan. They don't go backward when the markets crash. And that makes *all* the difference in the world. The next chapter shows you why.

Dan noted that his income has increased some in the last four years, as has the amount he saves each year. But the significant difference is that he now has a great place to put that income—his Bank On Yourself plans—where he no longer loses any of it to the randomness of the market. Dan's convinced that the picture of his net worth wouldn't look nearly this good if he hadn't discovered Bank On Yourself.

That's the kind of story I consistently hear from folks who use the Bank On Yourself wealth-building method. Because you can see the growth and you have access to your money in the plan, you're actually more *motivated* to save. You don't have to worry about losing your hard-earned dollars due to the events of the day in the U.S. or in some faraway place. And that gives you the confidence to save more.

Why would someone be willing to discuss something as personal as his net worth for the whole world to see? Because, in Dan's words, "*If I can help a few people start Bank On Yourself this year, instead of next year or instead of never, then it's well worth it.*"

But Dan did even more than banish volatility and gain financial peace of mind by creating *real* wealth instead of paper wealth. He also uses the *living benefits* of his policies to live a fuller lifestyle today. Here's one of his examples:

"I'm fortunate that my mother has a home in New Hampshire, and we spend some time there in the summer. My brother has four children, and I have three children, and we have a boat that we put on the lake. This boat holds eight people. When the kids were younger, we could squeeze the four adults plus my mother and all seven kids into the boat. Twelve people into an eight-person boat, but it wasn't too bad.

"However, the kids have gotten older and bigger. My oldest is sixteen and drives the boat, but we can no longer squeeze everybody in. This summer, everyone wanted to go on the lake, so we had to take turns. That really bothered me because we enjoy boating so much. We're only all together up there a couple weeks a year. So after my brother's family left, I started dragging my wife around to used-boat stores. We found

a twelve-person boat that we really liked. And we were able to make a decision on the spot to buy that boat.

“I called my Bank On Yourself Authorized Advisor and said I needed a policy loan. We got the money within days, and we bought the boat. I set up a repayment schedule to pay off the policy loan. It was an easy decision to make, given that we knew the money we spent on the boat was still continuing to grow.” (Learn how this unique feature of the Bank On Yourself method works and how to fire your banker and become your own source of financing in Chapter 7.)



To listen to or read the full interview  
I did with Dan Proskauer, go to  
**[www.BankOnYourself.com/dans-interview](http://www.BankOnYourself.com/dans-interview)**

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## Is Bank On Yourself for You?

I would need to write a book the size of the New York City phone book to tell you all the inspiring stories I've heard from Bank On Yourself revolutionaries like Dan Proskauer. My commitment to spreading the word about this concept deepens every time I hear a new story of success from these quiet revolutionaries. I would love for everyone to take a serious look at Bank On Yourself!

But I can't coerce you into taking that look and investigating this. Heck, I can't even make you finish reading this book! (But I hope I've intrigued you enough to keep reading.)

Is the Bank On Yourself Revolution right for you? Perhaps it all comes down to how you answer these questions:

- Are you determined to *never again* tolerate another go-nowhere-for-more-than-a-decade level of performance in your financial plan?
- Are you tired of pinning your financial future on things you can't predict or control?

- Are you concerned about another market crash in the next five or ten years—or even tomorrow?
- Are you sick of being held hostage to high interest rates on your credit cards, and fed up with begging for money from bankers who hold all the cards?
- As you think about your future retirement, is it looking pretty bleak—unless you hit the lottery jackpot?
- Are you tired of the hope-and-pray method of financial and retirement planning?

Don't be concerned if at the moment you don't know where you'll find the funds to begin with Bank On Yourself. Don't worry about any health challenges you may have that have made you ineligible for other types of insurance. Don't worry that you may be too old to take advantage of this. You'll discover that those concerns are often irrelevant.

Your financial success is up to *you*. There's no bailout coming for us. There's no financial silver bullet coming from the government. Banks and Wall Street will continue to line their own pockets at your expense—but only if you let them. You *can* opt out of the system where the odds are stacked against you.

It's up to you. But I believe you would do yourself and your family a disservice if you didn't at least investigate this option. I encourage you to keep an open mind and keep reading. As John F. Kennedy said in his address to the 1962 graduates of Yale University:

*“The great enemy of the truth is very often not the lie—deliberate, contrived, and dishonest—but the myth, persistent, persuasive, and unrealistic.... We enjoy the comfort of opinion without the discomfort of thought.”*

I invite you to turn the page, release the “comfort of opinion,” and really investigate and consider this. There are conventional wisdom myths that are sabotaging your financial peace of mind—and there's another way.

**Note:** This book is *not* a training manual for financial advisors who want to help their clients implement this strategy. It will show you the basics, but if you want to learn to become an expert at it, expect it to take a year of study—even if you're an experienced financial advisor. (To find out how you can get the training you need, turn to “Bank On Yourself Is Looking for a Few Good Men and Women” near the end of the book, or visit [www.BankOnYourself.com/authorized-advisors](http://www.BankOnYourself.com/authorized-advisors).)

## Free No-Obligation Analysis Request Form

Yes! I want to find out how to grow wealth I can predict and count on and become my own source of financing. Please have a Bank On Yourself Authorized Advisor contact me, so I can receive my free, no-obligation Bank On Yourself Analysis. I understand there will be *no* high pressure and I will *not* be asked to buy anything during this meeting. (Note: Please use **black ink** for readability.)

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Day phone: \_\_\_\_\_ Eve. Phone: \_\_\_\_\_

Primary Email Address: \_\_\_\_\_

Best time to speak briefly during business hours: \_\_\_\_\_

NOTE: We *never* trade, rent, sell or abuse your contact or other personal information. We ask for email and phone to make it easy to put you in contact with the Bank On Yourself Authorized Advisor we refer you to, who will prepare your Analysis. By giving us this information, you authorize Bank On Yourself and the Advisor we select for you to contact you regarding your Analysis.

Please tell us about you – this information will be held in strict confidence:

|      | <i>You</i> | <i>Spouse or Significant Other</i> |
|------|------------|------------------------------------|
| Age: | _____      | _____                              |

|             |       |       |
|-------------|-------|-------|
| Occupation: | _____ | _____ |
|-------------|-------|-------|

|                |       |       |
|----------------|-------|-------|
| Annual Income: | _____ | _____ |
|----------------|-------|-------|

Your biggest financial concern: \_\_\_\_\_

Do you own your home? \_\_\_\_\_ Approx. mortgage balance: \_\_\_\_\_

Approx. total credit card debt: \_\_\_\_\_ Interest rates: \_\_\_\_\_

Do you own a business? \_\_\_\_\_ If yes, type: \_\_\_\_\_

How did you hear about Bank On Yourself? \_\_\_\_\_

If you learned about it from someone, please list their name and state: \_\_\_\_\_

\_\_\_\_\_

### How to arrange for your free Bank On Yourself Analysis:

1. Fax this form to 505-466-2167 (no cover sheet necessary)
2. Or mail the form to: Bank On Yourself, 903 W. Alameda St. #526, Santa Fe, NM 87501
3. Or request it online at: [BankOnYourselfFreeAnalysis.com](http://BankOnYourselfFreeAnalysis.com)

# About the Author

**F**INANCIAL SECURITY EXPERT Pamela Yellen investigated more than 450 savings and retirement planning strategies seeking an alternative to the risk and volatility of stocks and other investments. Her research led her to a time-tested, predictable method of growing and protecting wealth now used by more than half a million people. This book is Pamela Yellen's *second* New York Times Best Seller.



Pamela has appeared on every major TV and radio network and served as a source for organizations such as the Associated Press, Fox News, Bloomberg Businessweek, and AARP. Her articles have been featured in thousands of major publications and websites.

Pamela was born in Buffalo, New York, and has lived in Sarasota, Phoenix, and the San Francisco Bay area. She graduated from the University of San Francisco with a degree in psychology. Pamela and her husband Larry currently live outside of Santa Fe, New Mexico. They enjoy theatre and the arts, hiking, biking, bird watching, traveling, gourmet cooking, working out (Pamela can leg press 200 pounds!), reading, spoiling their two grandkids, and are involved in supporting numerous charitable causes.

Ten percent of all author royalties are donated to educational not-for-profits, such as The Smile Train, The Nature Conservancy, Susan G. Komen for the Cure, Heifer International, and Hawk Watch.

**Like what you just read? Then join the Revolution!**

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