

## Alan J. Eckstrand, LLC Newsletter

January  
2011

We hope you enjoy the new, easy to read, format of our monthly newsletter. Please feel free to contact us with some topics that you may want to see covered within our newsletters.

### NEWSLETTER

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## WHAT'S THE DIFFERENCE?

As I write this I have been an insurance agent/financial advisor for 36.5 years. Over that time I have worked with many people. Most have not succeeded financially some did.

### **Why is it that some people become financially independent and most do not?**

**I do not know exactly, but I can tell you that winning the lottery or inheriting a lot of money is not the answer.** These people wind up not achieving financial independence just like the other 97% of the world, based on what I have seen over the years. The money did not buy happiness and burned a hole in their pockets.

### **So what does it take to become financially successful and financially independent?**

Over the years I have noticed several things financially successful people have in common - without exception:

1. **They pay themselves first.** They save a significant portion of their income (at least 15%). They constantly look to increase savings as their income increases. The more money they earn the greater the percentage of income they save.
2. **They control their spending to make sure they can pay themselves first and save money every payday.** They constantly review their spending to eliminate items that they know are a waste of money. They live well below their means. That doesn't mean they have no fun, however. They take vacations and go out to dinner just like you do. What is different is that they put a limit on what they spend on everything. The limit they choose allows them to have fun without messing up their finances.
3. **They save over an extended period of time.** It takes time to build up your wealth. There is not a quick fix here. Real wealth happens slowly and on purpose.

The real problem is that almost all of us are not taught to operate this way when we are young.

***Researchers tell us that by the time a person turns age 8 their money personality is set for life.***

Try as I might, I cannot punch holes in this theory. I do have a hard time saying "set for life" in the same breath, however. . .

***What I will say is that it is very difficult to change your money personality once you are an adult, but it can be done.***

Changing your money habits requires constant practice and diligence. They say it takes at least 21 days to create a new habit. In my experience it can take months for someone to reprogram themselves financially.

**It is not easy to do, but is it worth it?**

Most people say no, which is why they continue to do the things over and over that have created the financial situation they are not happy with.

I suggest you ask yourself a couple of simple questions before giving up on change:

- **If doing things this way has not worked in the past, what makes me think it will work now?**
  
- **What do I have to lose by trying to do things differently?**

**Here are a few suggestions:**

1. **Make small changes at first.**
2. **Pace yourself.**
3. **Be patient with yourself.**
4. **DO SOMETHING!**

*Please know that I am rooting for you and will do whatever I can to help you.*

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**The Bank On Yourself organization also wants to help you.**

Next month we will be rolling out a community website for people who have **BOY plans** to help them improve their finances and get an opportunity to network with others who have **BOY plans**. Part of the assistance available on the website will be in the area of planning income and spending to maximize your savings.

*--- We will let you know when we have more details ---*

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**Greg's Money Tip:**

**Taxes are no fun . . .  
unless you get a refund ---**

**If you get one . . .  
consider putting it into your  
Paid Up Additions Rider ---**



**Why?** *Because it will help turbo charge your  
Bank On Yourself Plan.*

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