



Debt **Action Plan**™

EXAMPLE -

Client of Root Assets

Female

Age 36

January 26, 2023



Prepared by
Analysis date
License Number

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2023-01-26
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Root Assets | 520-222-7225

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The following (the "Illustration") is an illustration only and not a guarantee of results. The Illustration uses estimates to compare information you have provided regarding your current debt situation with a projected modified debt and investment plan that is based on investment by you in standard investment vehicles as well as one or more whole life insurance policies. The Illustration provides only broad, general estimates that may be helpful in informing your consideration of whether to maintain your current debt situation or pursue a modified debt and investment plan. Please note that the results depicted in the Illustration are based on the specific information you have provided. Any variation in the information used will cause significant variations in the illustrated results and could materially impact the value of the illustration for comparative purposes.

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Plan Summary

Your Debt Action Plan uses modern banking principles to quickly eliminate debt and build wealth. Rather than focusing on diminishing your lifestyle to get out of debt, this strategy shows you how to significantly reduce the interest you pay, reduce your tax burden, and build wealth in a way that creates tremendous cash flow during retirement.



It's not magic, it's just math combined with a few incredible strategies that can significantly change your lifestyle over time.

Using the information you provided, we have compared your current payment plan with the strategies outlined in the Debt Action Plan. Below is the savings you can expect by implementing these strategies.

With our plan, you could save **\$29,889.05** in interest payments and become debt free in only **4 Years and 6 Months!** Even better, you will become debt free without spending any more money each month!

Your Current Plan

Debt Action Plan

Debt Principal	\$40,663.00	\$40,663.00
Scheduled Interest	\$36,213.15	\$6,324.10
Total Payments	\$76,876.15	\$46,987.10
Time to pay off	28 Years and 8 Months	4 Years and 6 Months

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Strategy Description

So how are we able to pay your debt off so quickly? We help you run your personal finances similar to how banks handle your money, taking advantage of banking principles to make your money work more efficiently. The basic steps are listed below



Identify Inefficient Payment Strategies

After entering in all your financial data our software charts the plan for us. The first thing it does is identify areas where your income is not being used in the most efficient way and the system will redirect that money to make it more efficient.



Make Minimum Payment to all Debts

Only minimum payments are made to all your debts moving forward and each debt will be paid off in a lump sum at the appropriate time.



Build Up Cash Value

One of the major components of this Debt Action Plan is a uniquely designed life insurance policy. We use life insurance to take advantage of many favorable tax codes as we pay down your debt and build your wealth. As we fund the insurance policy each month we build up cash value all along the way.



Take Out Policy Loans to Pay Off Debts

The insurance company allows you to borrow money against your death benefit, based on the cash value in your policy. The action plan will tell you exactly when to take out a policy loan to pay off your first debt. As your first debt is paid off, use that freed up money to increase your cash value in your policy



Inefficient Dollars to Redirect

With the Debt Action Plan you won't be spending any additional money each month. This is where we found your inefficient dollars

Source	Monthly Redirecting	Lump Sum Redirecting
Insurance	\$0.00	\$0.00
Debt	\$20.00	\$0.00
Mortgages	\$0.00	\$0.00
Investments	\$230.00	\$2,400.00
Income	\$0.00	\$0.00
TOTAL AMOUNT:	\$250.00	\$2,400.00

Did you know that your money can do more than one thing at a time? Your inefficient dollars can cancel debt and grow wealth simultaneously! That concept is at the core of this strategy.

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Your Current Plan

The table below shows all your debts with current timelines on how long it will take to pay them off.

Debt	Balance	Interest Rate	Minimum Monthly Payment	Current Monthly Payment	Time Left
Credit Card	\$2,624.00	29.99%	\$140.00	\$160.00	1 Year and 10 Months
Auto Loan	\$8,062.00	6.09%	\$268.84	\$268.84	2 Years and 9 Months
Home Equity Loan	\$15,260.00	10.00%	\$135.00	\$135.00	28 Years and 8 Months
Solar Loan	\$14,717.00	2.99%	\$99.57	\$99.57	15 Years and 5 Months
TOTAL	\$40,663.00	6.45%	\$643.41	\$663.41	28 Years and 8 Months

Debt Principal \$40,663.00
Scheduled Interest \$36,213.15
Total Payments **\$76,876.15**
Time To Pay Off **28 Years and 8 Months**

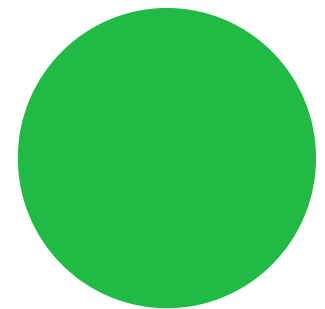
Because of how interest is calculated on an amortization schedule, making only the minimum monthly payment for 5 years on a loan with a 3.5% interest rate will result in over 60% of your total payments going towards interest. So is your loan really a 3.5% loan? By utilizing this strategy, you could effectively cancel thousands of dollars of interest.

Consumer Debt



Principal **\$40,663.00**
 Interest **\$36,213.15**

Mortgage Debt



Principal **\$0.00**
 Interest **\$0.00**

The Debt Action Plan

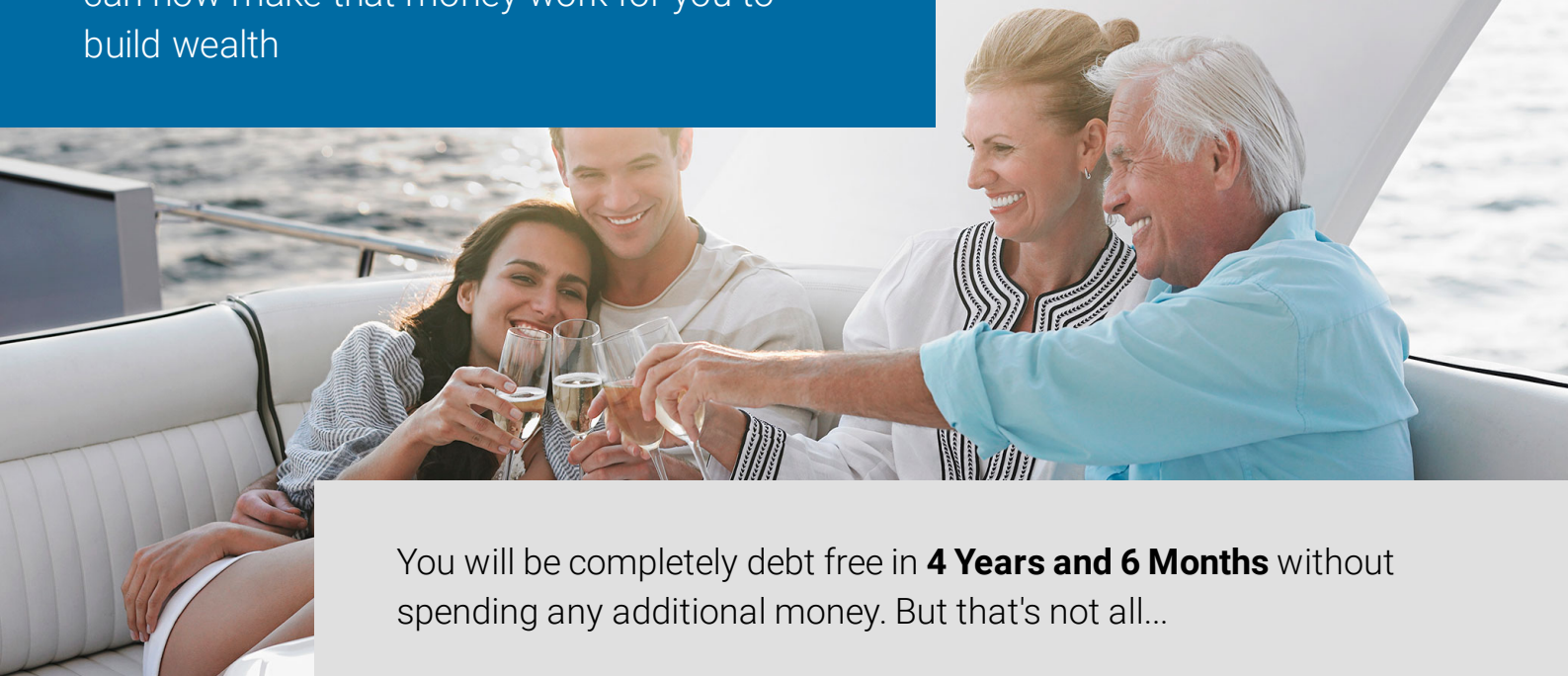
Using the Debt Action Plan, you will be 100% debt free in **4 Years and 6 Months**, instead of **28 Years and 8 Months**. Even better, you will become debt free without spending any more money each month.



Debt	Balance	Interest Rate	Monthly Payment	Current Payoff Date	New Payoff Date	Time Left	Payoff Amount	Redirected Payment	Interest Saved
Credit Card	\$2,624.00	29.99%	\$140.00	11/26/24	03/26/23	2 Months	\$2,473.30	\$140.00	\$665.68
Auto Loan	\$8,062.00	6.09%	\$268.84	10/26/25	06/26/24	1 Year and 5 Months	\$1,849.62	\$408.84	\$248.22
Home Equity Loan	\$15,260.00	10.00%	\$135.00	09/26/51	05/26/26	3 Years and 4 Months	\$4,572.24	\$543.84	\$26,935.97
Solar Loan	\$14,717.00	2.99%	\$99.57	06/26/38	07/26/27	4 Years and 6 Months	\$3,347.80	\$643.41	\$2,039.18
TOTAL:	\$40,663.00	6.45%	\$643.41			4 Years and 6 Months	\$12,242.96	\$643.41	\$29,889.05

Turn Your Debt into Wealth

Now that your debt is completely gone, using the money you were spending on debt, you can now make that money work for you to build wealth



You will be completely debt free in **4 Years and 6 Months** without spending any additional money. But that's not all...

In 20 years you are projected to have **\$235,397.02** in total assets!

In 30 years you are projected to have **\$490,566.16** in total assets!

In 40 years you are projected to have **\$892,066.94** in total assets!

Imagine the ability to borrow money from your policy for any reason, and without having a credit check or having to qualify for the loan in any way. Borrowing from your policy doesn't reduce the ability for your cash value to keep growing. You can borrow and earn at the same time!

Additional benefits of your Debt Action Plan...

- ✓ Building an asset and not a liability
- ✓ Potential to lower taxes in retirement
- ✓ Death benefit, terminal illness, chronic illness and critical illness protection available through the insurance policy.
- ✓ Your money now has multiple jobs
- ✓ Future support and advice from a Debt Action Plan specialist.

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Important Dates

Below are important dates in your Debt Action Plan. Each date below is when you need to take out a policy loan to pay off a debt completely. Once the loan is taken out, use the rollup amount to pay down the loan each month.

Date	Action	Debt	Amount	Roll Up Amount
03/26/23	Policy Loan	Credit Card	\$2,473.30	\$140.00
06/26/24	Policy Loan	Auto Loan	\$1,849.62	\$408.84
05/26/26	Policy Loan	Home Equity Loan	\$4,572.24	\$543.84
07/26/27	Policy Loan	Solar Loan	\$3,347.80	\$643.41
03/26/29	Savings Account Deposit			

*Since we are using a Whole Life policy there will be a point where no more money can go into the policy and we will need to redirect the additional contributions to another savings vehicle. We will determine the proper savings vehicle for your needs when you reach that date, since financial products vary depending on market conditions. Your projected contribution assessment date is **03/26/29**

Next Steps

- ✔ Only make minimum payments on debts going forward
- ✔ Apply for the insurance component of the plan to get your tax-free benefits.
- ✔ After approval, schedule your first loan payoff with your specialist.
- ✔ Redirect your inefficient dollars to your new plan.
- ✔ Start making your money work more efficiently and turn your debt to wealth.



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