

S u c c e s s R a d i o 1 1 : 1 1

Presented by Bill White
<http://www.synchronicity-expert.com>

Intro: Synchronicity expert Bill White brings you [Success Radio 11:11](#).

Bill White: Hi! This is Bill White, synchronicity expert with Success Radio 11:11. It gives me great pleasure today to tell you that my special guest is none other than Clive Swersky, America's most top full financial alchemist, the publisher of the weekly Must-Know Info Bulletin, and the creator of 17-week E-course called, "The 50 Costliest Common Personal Financial Blunders You Must Avoid Now." Clive will be speaking to us today about how to make the best possible personal financial decisions for your future. So Clive, welcome! It is great to have you on the show today.

Clive Swersky: Thank you, Bill. It is great to be here.

Bill White: Okay. To begin Clive, tell me what makes you qualified to tell listeners how to make the best possible personal financial decisions for their future?

Clive Swersky: Well Bill, I qualified as a tax lawyer after eight and a half years of study during which I earned four degrees, a commerce degree, a law degree, an honors in taxation degree, and a masters of laws and taxation degree. After practicing as a tax lawyer at three different law firms in Manhattan for nine and a half years and then being a representative of a major financial institution for four years after that, I felt I knew all there was to know about making smart personal financial decision, but in April of 1996, I heard a presentation from a man who created a proprietary financial system that is described on my website, cliveswersky.com, and immediately after that I realized that I did not know nearly all there was to know about making smart personal financial decisions.

Bill White: But what did you hear in that presentation that made you realized that your knowledge was lacking?

Clive Swersky: I became aware of the impact of the lost opportunity cost and the extent to which they diminish our wealth over time without us even realizing it.

Bill White: Can you elaborate on that?

Clive Swersky: Sure. If you look at articles in the financial media, you hardly ever see any mention of the term lost opportunity cost. Members of the public are encouraged to allow their money to compound in taxable accounts over time and to invest 60 months every month in so called Dollar Cost Averaging Program. What I saw for the first time was that those same members of the public have to dip into their other funds to pay the tax on the gross in those accounts and when they do that, they lose the earnings on the money they paid in taxes as well. Over time, that leads to a dramatic reduction in wealth that is never noted by the vast majority of representatives of major financial institutions and if people have money compounding in tax deferred accounts like pension plans and traditional IRAs, while they are avoiding incurring lost opportunity cost, they face a steep tax when they withdraw their money from those accounts and the buying power of their money is also eroded by inflation over time.

Bill White: I see. So, after you attended that presentation in April of 1996, then what happened?

Clive Swersky: I immediately began a journey of exploration into what this man who gave the presentation had to offer and ever since then I have been doing whatever I can to tell as many people as possible about the system he has created to help people make the best possible personal financial decisions for their future.

Bill White: Oh, what is so special about his system?

Clive Swersky: Whether we know it or not and whether we like it or not, we are all engaged in a game of financial chess against the financial institutions and the government, which both want as much about money as they can get. In this game, the financial products we acquire like different investments, bonds, annuities, certificates of deposit, IRAs, 401Ks, real estates, and insurance policies, they are all financial chess pieces. Yet in this game of financial chess, people do not have a chessboard. So, it is not possible for them to see how they are doing or how badly they are losing. At the heart of this system I have been describing, there is a financial chessboard, which is an essential economic and financial measuring tool. As you know, to find out how fast you are going, you use a speedometer. To determine the temperature, you use a thermometer and to tell how much you weigh, you use a scale. We have different measuring tools in so many other areas of our life. Fortunately, there is now also a measuring tool for making the best possible personal financial decisions for your future and it is the financial chessboard. The financial chessboard consists of three distinct sections or components, the protection components, the savings components, and the growth components and there are nine squares within each component. The protection component represents a moat that protects the castle consisting of savings and growth assets.

Bill White: Okay. So, how is exactly do you use the financial chessboard?

Clive Swersky: When I see the financial information of my clients on the financial chessboard, it is like I am a pilot looking at the gauges in a cockpit, checking the information against benchmark to see if the plane can take off for a long, safe, and prosperous journey. What I and colleagues of mine have noticed after working with several different clients is that the same financial blunders are being committed over and over again because people do not have access to the financial chessboard. So, I created my 17-week E-course called, "The 50 Costliest Common Personal Financial Blunders You Must Avoid Now." When I work with a client, I first check each square on his or her financial chessboard to see if it is as good as it can be. I then see how well each financial product is integrated and coordinated with the other financial products the person has and the third step is to harness the forces of synergy to create the optimum combination of financial products and strategies which I call a person's opticom. In my experience, without the financial chessboard, it is not possible for anyone including the smartest CPAs or lawyers you can find to determine a person's opticom and people are destined to leave hundreds of thousands, and possibly even millions of dollars over the course of their lifetime without knowing what their opticom is.

Bill White: Okay. Clive, what are some of the blunders that people often commit?

Clive Swersky: In the area of insuring tangible assets for example, like cars and homes, insurance companies encourage people to opt for low deductibles so that they all incur a low out-of-pocket cost in the event of a claim. If those same people tend not to have liability insurance,

which is also known as umbrella insurance, by raising the deductibles, the premium for car and home insurance drops and the savings can often end to use to help acquire \$1 million or more of liability insurance, which provides a valuable additional protection in the event a persons is due. Another blunder is that often people contribute as much as possible into their tax-deductible retirement plan to obtain a tax benefit. If they diminish that benefit by paying off their mortgage as quickly as possible in the belief that they saved money by doing that, those kinds of blunders occur because people do not have the global perspective provided by the financial chessboard.

Bill White: I see. How can listeners obtain your 17-week E-course on The 50 Costliest Common Personal Financial Blunders You Must Avoid Now, and how can they see their own financial information on their own financial chessboard?

Clive Swersky: To obtain my E-course, people can go to my website, cliveswersky.com. That is spelled c-l-i-v-e-s-w-e-r-s-k-y-dot-com and click on the link in the big rectangle on the homepage and they will find it. They will also pick up several, particularly useful bonuses along the way. To see their information on their own financial chessboard, there is a section on my website called, "Begin, To Win." There, people can fill out just seven items of information and send them to me free. I will then contact them to arrange an initial consultation, which by the way, is free.

Bill White: Terrific! That is so nice of you. Clive, I want to ask you specifically, you mentioned that people make the mistake of paying off their mortgage. I have heard that in several places before, and I would like you to talk a little bit more about that because I know that coming up my parent's generation, I was always told that, "If you double up on your payments and pay off your house quicker, that's a good thing because the home is your primary asset."

Clive Swersky: Yeah. Now, there is definitely a misconception that exists out there in the financial information that is provided to people. There is a belief that by paying off your mortgage faster you save interest and that is absolutely correct. Definitely, if you look at the amount of interest the person pays with the 15-year mortgage versus the amount of interest the person pays with a 30-year mortgage, if you do the math, the amount of interest will be less. There is no question about that, but the real question is, will the person save money by paying off that mortgage faster. You have got to realize that there are different factors involved when it comes to paying the mortgage, there are taxes, there is cash flow and there is inflation. Now, if you take three people, person A, person B, and person C, let us say person A buys a home for cash, when that person puts down -- let us say the home is \$400,000, that person then takes \$400,000 out of their account and they pay for the home in cash. Now, over a 30-day period that home will end up costing a certain amount of money, and let us say we use an interest rate of 8%, \$400,000 invested at 8% will be a certain amount, let us say it is a \$1.2 million, so that home -- although the person paid \$400,000 in cash, that home will have cost that person, with lost opportunity cost computed into the computation, that home will have cost that person \$1.2 million. If the person buys a home in a 15-year mortgage structure, the person will pay six payments every month for 15 years, and when you work out the payments invested at 8%, the amount that person will not have at the end of 30 years will be the same amount. If that amount is \$1.2 million, it will be the same amount and similarly, if you took the payments that someone buying a home with a 30-year mortgage would have to incur, if you work out their payments and the earnings on those payments at the end of 30 years, that home will have cost the same amount. So, whether the person takes cash, uses a 15-year amortization, or a 30-year amortization, the total out-of-pocket cost including lost opportunity cost is the same across the board. So, there is no difference in that respect, whether you pay cash, a 15-year mortgage, or a 30-year mortgage. Now, where do the differences come in? Well, we know that when you use a 30-year mortgage

amortization schedule, you incur more interest. You pay more interest. You are paying lower payments monthly but you are paying more interest, and because interest is deductible, you get more of a tax deduction with the 30-year mortgage. So, the result is that you end up better off because you get more tax savings with the 30-year mortgage. Another advantage is that you get tax benefits, then the second benefit is that when you are using a 30-year mortgage amortization, your monthly payments are lower, so you have a less of a drain on your cash flow, and the third very valuable benefit is that instead of inflation working against you, you now are making lower payments over a longer period and so over time, the payments are costing you less because inflation erodes the buying power of money, but if you have an obligation of a thousand dollars today, it is much less of a burden. A thousand dollars in 30 years is much less of a burden than a thousand dollars today. So, I have a very valuable article on my website and I actually offer it as a bonus to anyone who buys my E-course on *The 50 Costliest Common Personal Financial Blunders You Must Avoid Now*. These distinctions I have described are all laid out in that article and people will get a much better -- what I call a macroeconomic sense of this difference between the 15-year and the 30-year mortgage and why it is generally much more favorable to use a 30-year amortization schedule. Now, the banks want you to pay off your mortgage faster because they love to use your money. The banks turn over your money. They use the velocity of money multiplier effect to create tremendous returns with your money. So, they are always offering incentives for the public to pay off their mortgages as fast as possible, but the smart people know that they are always better off with a 30-year amortization schedule and I would say, it is not always, there maybe circumstances where a person may be better off especially if they are very conservative, there are those exceptions, but for the most part people are better off with a 30-year mortgage amortization schedule.

Bill White: Terrific, terrific. Yeah, one of the questions that occurred to me is that if a person is not versed in investing their money, is it preferable to pay off your mortgage early rather than let it, say, sit in a savings account?

Clive Swersky: Well, Bill, that is a very good question and the best way for me to answer that question is that a person should not make another financial decision without seeing their life on the financial chessboard. There is a difference between what I call micro thinking and macro thinking. Now, when people get their mail everyday or they listen to the radio, they will hear or see an advertisement for a particular financial product or benefit and that is what I call linear thinking, linear one-dimensional thinking and no one will ever arrive at the best possible outcome with their financial decisions with linear one-dimensional thinking. What is required is three-dimensional thinking, and that is to see how all the different pieces of a person's financial structure interrelate. So, you may find a couple for example that is very conservative, they have a lot of money in municipal bonds and they do not want to take risks. No matter who is involved, they will always be served in the best possible way by having this global three-dimensional perspective that you get when you fill financial information on the financial chessboard.

Bill White: Okay. I definitely think it is well worth looking into, in fact, I think I am going to be calling you myself here after our interview.

Clive Swersky: Great.

Bill White: Clive, thanks so much for sharing your information and I have enjoyed having you as my guest today. I encouraged listeners to take advantage of what you have to offer. Could you tell them your website again, please?

Clive Swersky: Absolutely. It is <http://www.cliveswersky.com/>. That is spelled c-l-i-v-e-s-w-e-r-s-k-y-dot-com.

Bill White: Terrific. I will also post a link to that directly on the successradio1111.com site. So, if they would like to stop by and they can just go directly from my site as well.

Clive Swersky: Absolutely, and I offer free Live with Clive teleseminars from time to time. So, if people go to my website and they provide me with their E-mail address, they will be notified of upcoming teleseminars and those are very valuable. I provide a lot of information. People get a very good education in a space of 60 to 90 minutes.

Bill White: Terrific! That is an excellent thing to mention. I think...

Clive Swersky: There is one other thing I would like to mention and that is I recently created an initiative to raise over a million dollars for charity, different charities, through the sales of my E-course on The 50 Costliest Common Personal Financial Blunders You Must Avoid Now. So, 30% of the proceeds and possibly even 60%, if a charity becomes one of my affiliates will go to charity. So, that is something I am very much committed to. I feel I can help people get a better financial education and I can also help people around the world with whatever problems they are facing. So, that is something that is near and dear to my heart and I encourage people to take advantage of the information in my E-course so that everybody can win.

Bill White: Excellent! Well again, thank you so much, Clive. I really appreciate your time. It has been some incredibly valuable information. Definitely, I have to say you pick my interest as well and I really meant when I say I will give you a call after this interview.

Clive Swersky: Excellent, and thank you very much for having me on your show. It has been a pleasure to share my information with you and your listeners and I wish you all the best.

Bill White: Thank you. Same to you.

Clive Swersky: Okay.

Bill White: All right. Bye -bye.

Clive Swersky: Bye -bye

Be sure to visit successradio1111.com. That is success-radio-1-1-1-1-dot-com. This is Bill White, may you be blessed, all the best.