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Captive Insurance Services



# Preservation of Your Capital

**Capital preservation**, retained earnings, surplus, cash (value).

Preserve it, in every way possible: in your savings account, in your business, or your retirement account. Most people are aware of these traditional, important methods to Capital preservation. There are many additional, less- common, yet significantly more powerful methods including cash value of life insurance, deferred compensation, surplus of your insurance company, making an election, and many more.

Why, because those with assets have the ability to make choices! Those without don't. By reserving capital for future events, future cash flows of an individual or business become more consistent as future events are paid from reserved capital rather than current income or operating company cash. The ups and downs of paying either personal or business expenses or claims in the future become more predictable and stable.

**Preservation of capital** is not unique. Each and everyone one of our grandparents or great-grandparents, a full generation coming out of the great depression, lived and breathed this principal, first out of necessity, then out of choice.

**Preservation of Capital** is self-reliance. "Without self-reliance one cannot exercise these innate desires to serve. How can we give if there is nothing there? Food for the hungry cannot come from empty shelves. Money to assist the needy cannot come from an empty purse. Support and understanding cannot come from the emotionally starved. Teaching cannot come from the unlearned. And most important of all spiritual guidance cannot come from the spiritually weak." <sup>1</sup>.



**Preserving capital** is working capital. It is working for retirement, a charity or cause of your choosing, education, business expansion, protection. Capital is insurance for the known as well as the unknown. Preservation of capital is your capital to fulfill your passion and stewardship.

Here are three important questions to consider???

1. How is Capital most efficiently created?
2. How is Capital best maximized or deployed?
3. When do I start or restart?

Each important answer is personal and individual, based upon where you are today, and where you intend to be tomorrow. There are opportunities available now like never before. Think outside the box. There is a better way.

For high net-worth individuals, entrepreneurs, and business owners there are more options available than most. Consider legal, operational, structural, and strategic options. Are you familiar with ILIT's, 831bs, CRUTS, QSBS, etc.?

Many of these options serve multiple purposes, compounding the power and value they each provide. More net income, more basis, more capital allows exponentially MORE opportunities today and tomorrow.



John Kotter said, "A higher rate of urgency does not imply ever-present panic, anxiety, or fear. It means a state in which complacency is virtually absent."

Urgency creates action. Action creates

# Your **Link** to Security

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1. The celestial nature of self-reliance, Ensign, Nov 1982,1983.