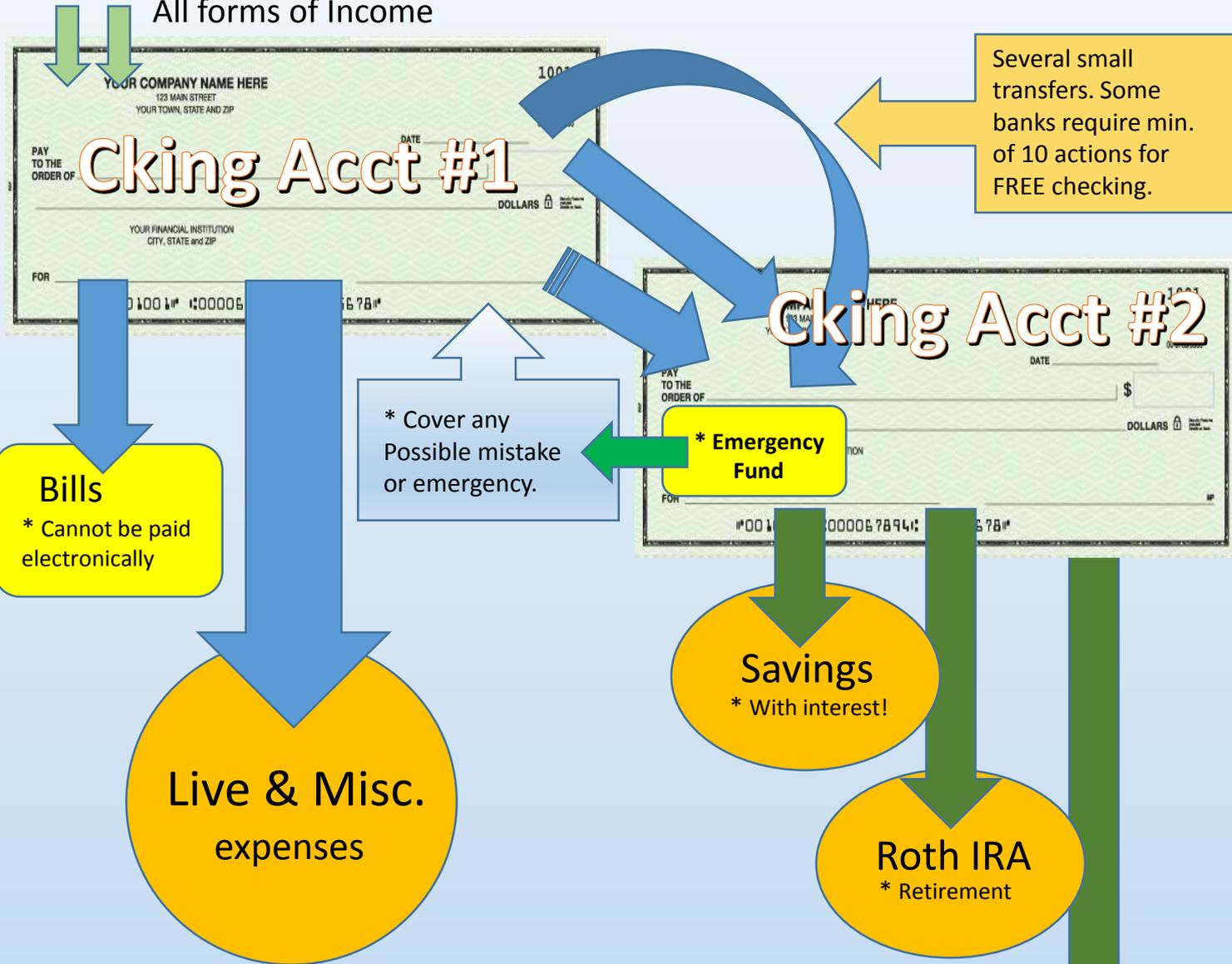


Automated Money System

How to become a **Millionaire**

INCOME

All forms of Income



How to Become Millionaire

If you're twenty years old and want to become rich or just want to make sure you retire a millionaire consider first following these simple easy steps.

Step 1. Open a two checking accounts.

Have your money, all of your income from all of your sources go into checking acct #1. Most banks charge fees or offer free checking accounts. Some offer free accounts if you fulfill some requirements. My Bank waives the small fee if I have 10 or more transactions per month. This is why I have several small automated transfers (transactions) occurring monthly to make sure I am not hit with a fee. (It's your money, don't give it away to the bank.)

I opened my second cking acct (#2) several months later in order to save up some money to have as an emergency fund. Today I still hold my emergency fund inside my second cking acct (#2) to facilitate ease of access in emergencies.

Step 2. Set up automatic transfers.

All banks have built in services for automatic transfers or to pay bills. It may take a second or two to learn how, but it is not difficult. You can create several transfers (to help with avoidance of bank balance fee) from cking acct #1 to Cking acct #2.

* Checking account #2 is sort of a waiting or holding station.

- Credit Card or cards (minimum or an amount you set)
- Car Payment
- House Insurance
- Mortgage & etc.

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Checking account #2 is where you place your emergency fund (for easy access). It is where you send monies that will be later distributed to fund your savings, retirement fund and to pay certain Bills. Bills like credit cards, mortgage, car payment and others that are a set monthly, bi annually or annual bill.

You should have already written down what your transfers are going to be.

I.e. I need to transfer \$50 to savings every 2 weeks. Most definitely need to transfer \$150 twice a month to cover the car payment. As well as transferring enough money to cover every bill or withdrawal that will come out of Cking acct #2.

Checking acct. #2 is **NOT TO BE TOUCHED** for personal use or fun.

The reason I created this account is because I didn't want to worry about bounced checks, late fees and other mishaps. Even if you try to have all your bills due on the same date or time of month, some companies charge you fees for automatic electronic payments. So much for the paperless society. Other companies simply will not work with you on changing the due date (like my electric company).

Why Save?

Because it's great! No! So you will have funds for financial opportunities like a new business.

Step 3. Automatic transfers out of Cking Acct #2

In this step you should first have an emergency fund sitting in your cking acct #2. This is to cover any mistakes and emergencies that occur in life (\$500 - \$1000). You should also try to have one or two hundred dollars in the account as cushion.

Why have a cushion? Because you are going to be setting up automated withdrawals or payments and no one is perfect. It is possible for you to make a mistake and you want to have a cushion to avoid fees and to give you time to correct any mistake.

(* Some people use credit cards as a way to pay bills and then they pay off, in full, the card each month. The first problem with this plan is that people carry large balances on cards. Not to mention most people have difficulty controlling credit card debt. One mistake and your credit score and more is out the window. I would suggest you use your credit card sparingly and for everyday use. It helps with tracking as well as security and protection on purchases with credit card built in insurance.)

Note: When it comes to bills that are due every two or three months, annually or biannually. My suggestion would be that if it is a bill that is fixed (does not change or change drastically). That you take the total amount you owe and divided up by months.

i.e. My property taxes are \$1,100 a year. It rarely changes by much. So what I do is divide the total by 12 months and I begin to transfer that amount into my Cking acct #2. It remains there until needed in November when my taxes are due.

This helps with making the payment easier by 1. paying small increments. 2. avoiding a I forgot – surprise lump sum payment. (* Some have suggested you put it in a account that gives you interest since it will be sitting around for a year. It works either way. You simply need to set it up correctly, love automation.)

Step 4. Set it and forget it. Well...

This is where I often have to remind myself of a few things. The whole purpose of creating this automated money system is to automate my finances. By this I mean, you set it up and forget it – No! You set it up and you check in on it once or twice a month.

The automation creates freedom. It insures no tricky bank fees because everything is automated. (Sorry Bank, no extra money for you.) All you have to do is check on your accounts once or twice a month to make sure there are no fraudulent charges or mistakes. This will also give you a chance to make any changes if necessary.

You can then focus on more important things – like creating new streams of income.

Remember: If you are the kind of person who wants to become rich at an early age. You need the free time to find new sources of income. Saving money will also give you capital for investing in a new business when the opportunity arises.

