



Success *And* Money *For Adults*



By

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SuccessAndMoneyFoundation.org
Offers

400 FREE

Success And Money
Online Classes



A Question for Adults

If you could give your children only one thing
Money or Knowledge
which would you give them?

Add **Experience**

And you have a Life Changing Program





Ponder This ...

If you could
start over
again, what
would you do
differently?





Who Taught You About Money?

- Did your parents teach you?
- Were they good at money?
- Did you learn about money in school?
- Did you take any classes about money?





3 Steps to Financial Freedom

1. Invest in yourself first

Open a Financial Freedom Account

- Investment Accounts
- Retirement Accounts
 - IRA
 - Roth IRA
 - 401 K

Some people make so much money off their investments, they don't have a job.

How much money do you need to invest each month to have a million dollars at retirement?

On the next page, it will show the amount needed for your age.

Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly	Age	Monthly
1	\$14	16	\$64	31	\$292	46	\$1,479	61	\$17,029
2	\$16	17	\$71	32	\$324	47	\$1,665	62	\$23,934
3	\$17	18	\$78	33	\$359	48	\$1,879	63	\$37,812
4	\$19	19	\$86	34	\$398	49	\$2,126	64	\$79,583
5	\$21	20	\$95	35	\$442	50	\$2,413	Monthly savings required to reach \$1 Million by age 65 (10% rate)	
6	\$23	21	\$106	36	\$491	51	\$2,749		
7	\$26	22	\$117	37	\$546	52	\$3,145		
8	\$29	23	\$129	38	\$608	53	\$3,617		
9	\$32	24	\$143	39	\$676	54	\$4,187		
10	\$35	25	\$158	40	\$754	55	\$4,882		
11	\$39	26	\$175	41	\$841	56	\$5,745		
12	\$43	27	\$194	42	\$938	57	\$6,841		
13	\$47	28	\$215	43	\$1,049	58	\$8,268		
14	\$52	29	\$238	44	\$1,174	59	\$10,193		
15	\$58	30	\$263	45	\$1,317	60	\$12,914		



Put your Investing on Auto Pilot

- Would you like to be a millionaire the easy way?
- Put your investing on Auto Pilot.
- Each month have your broker automatically take funds out of your check or checking account and invest it in the S & P 500
- The S&P 500 is a group of stocks that is made up of 500 of the largest companies.
- Some years it goes up, some years it goes down. On average it has appreciated over 10% per year.





Setting Up Your Investment Plan

MAKE MONEY



BANK



10% TO CHARITY



INVESTMENT ACCOUNT



Open an investment account at an investment brokerage.

Have your investment account automatically transfer money from your savings account each month.

Invest in a mutual fund or the S&P 500



The World of Investments has Become So Confusing

- No Load Mutual Funds
 - S&P 500 Index
 - Variable Annuities
 - Rollover IRAs
 - Municipal Bonds
-
- For more information on these investments, go to www.moneymadeeasy.com





Would you like to get a tax deduction this year?

Open an Individual Retirement Account.

When you contribute to your IRA, you get a tax deduction, and pay less taxes this year.



Strategy: Set up an IRA and get a tax deduction this year

Individual Retirement IRA



Individual Retirement Account (IRA)

TAX RETURN



Before IRA

Salary	\$50,000
Reported to IRS	\$50,000

After IRA

Salary	\$50,000
(-) IRA Contribution	\$ 3,000
(=) Reported to IRS	\$47,000

Benefit

You can deduct the amount you contribute to your IRA from your taxes this year.

Challenge

When you retire, you pay taxes as you withdraw the money.



Would you rather not get a tax deduction this year.

Instead be able to spend all the money at retirement without paying any taxes?

Open a ROTH IRA



Strategy: Set up a ROTH IRA and pay no taxes when you withdraw the money



ROTH Individual Retirement Account (ROTH IRA)

TAX RETURN



ROTH IRA	
Salary	\$50,000
Reported to IRS	\$50,000

Benefit
When you retire, you pay no taxes on the money when you receive it.

Challenge
There is no tax deductions this year.





Would you like to get a 100% return on your money?

Does your employer have a 401K?

Some employers match 3% of your salary, when you contribute 3% of your salary to your retirement.

For every dollar your employer matches, It's like getting a 100% return on your money.



Strategy: Contribute to your companies 401K retirement account.



401 K Retirement Account

Pay Check



Before 401 K

Salary	\$50,000
Reported to IRS	\$50,000

After 401K

Salary	\$50,000
(-) 401K Contribution \$	1,500
(=) Reported to IRS	\$48,500
Company Match	\$ 1,500
Total Contribution	\$ 3,000

Benefit

You can deduct the amount you contribute to your 401 K from your taxes this year.

Benefit

The company matched your contribution for a grand total of \$3,000

Challenge

When you retire, you pay taxes as you withdraw the money.



Need money to invest?

- Do you need money to invest in your 401K?
- Are you getting a tax refund?
- If so, change your W4 on your payroll and decrease your withholdings from your paycheck.
- Take the additional amount and Invest that in your company 401 K





Investment Account Options

	Monthly	Company Contribution	Tax Deduction this year	// of years	% Increase in value	Value	Taxes at Retirement (30%)	Net at Retirement
Investment Account	\$300	No	No	40	10%	\$144,000 Monthly contribution \$1,608,666 appreciation	\$-482,600	\$1,126,066
IRA	\$300	No	Yes	40	10%	\$1,752,666	-\$525,799	\$1,226,866
Roth IRA	\$300	No	No	40	10%	\$1,752,666	-\$0	\$1,752,666
401K	\$300	Yes \$300	Yes	40	10%	\$3,505,333	-\$1,051,600	\$2,453,733

Which program is best for you?
 Would you rather pay taxes on the
 Seed (Investment Account, Roth IRA) or on the
 Harvest (IRA, 401K)



3 Steps to Financial Freedom

2. Decrease your Cash OUT Flow.
Increase your Cash IN Flow

- **Financial Defense**
 - Living Expenses
 - Financial Expenses
 - Tax Savings
- **Financial Offense**
 - Small Business

Increase Your Cash Flow

Financial Defense is anytime you write a check

Financial Offense is anytime you cash a check





Where does all your money go?

- Auto, insurance, food, entertainment, credit cards, communication, medical, apparel
- Housing
- Taxes





Investments

Savings



Equity

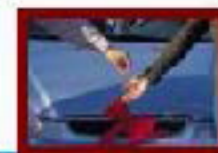


Expenses

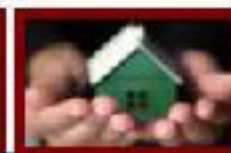
Living Expenses



Auto



Mortgage



Taxes



**Reduce your
expenses by 20%
and invest the
savings.**





What do things really cost?

**Are you spending money on things
You could/should go without?**

Item	Cost	Times per month	Yearly cost	Same amount invested for 40 years @10%
Cigarettes	\$ 4.00	15	\$720	\$350,533
Starbucks	\$ 5.00	20	\$1,200	\$584,222
Alcohol	\$100.00	4	\$4,800	\$2,336,888
Drugs	\$250.00	4	\$12,000	\$5,842,221



Strategy: Cut up all personal credit cards, keep business cards.

- Carrying a credit card automatically increases your spending by 20%
- How much do you spend a month with your credit card?
 - **\$3,000**
 - **\$4,000**
 - **\$5,000**
- Save a \$600 to \$1,000 with simple plastic surgery





Cut Your Credit Card Expense

- What is the difference between these credit cards?
- About \$300 a year in interest
- Are you tired of paying 18-21% on your credit cards when there are so many cards at 9% or less?





Credit Card Debt

- **\$10,000** in credit card purchases
- Monthly payments of \$183
- At that rate, it will take you 15 years to pay off the card
- You will have spent **\$32,951**





Strategy: Increase your payment



**Increase your
monthly payment
from \$183 to \$395**





Payment of \$183 vs. \$395/month

Monthly payment **\$183** ←

Total **\$10,000 Purchases** + **\$22,951 Interest Expense**

= **Total \$32,951**

Monthly payment **\$395** ←

Total **\$10,000 Purchases** + **\$3,323 Interest**

= **Total \$13,323**

Total Saved **Difference of \$19,628**

Increase your Credit Card Payments and Save

Loan Balance	%	Term Years	Payment	Total Interest	Grand Total	Difference
\$ 1,000	21%	15.00	\$ 18.31	\$ 2,295	\$ 3,295	
\$ 1,000	21%	9.99	\$ 20.00	\$ 1,397	\$ 2,397	\$ 898
\$ 1,000	21%	5.78	\$ 25.00	\$ 735	\$ 1,735	\$ 1,560
\$ 1,000	21%	4.21	\$ 30.00	\$ 514	\$ 1,514	\$ 1,781
\$ 1,000	21%	3.33	\$ 35.00	\$ 398	\$ 1,398	\$ 1,897
\$ 1,000	21%	2.76	\$ 40.00	\$ 326	\$ 1,326	\$ 1,969

Loan Balance	%	Term Years	Payment	Total Interest	Grand Total	Difference
\$ 10,000	21%	15.00	\$ 183.06	\$ 22,951	\$ 32,951	
\$ 10,000	21%	9.99	\$ 200.00	\$ 13,972	\$ 23,972	\$ 8,979
\$ 10,000	21%	5.78	\$ 250.00	\$ 7,350	\$ 17,350	\$ 15,601
\$ 10,000	21%	4.21	\$ 300.00	\$ 5,139	\$ 15,139	\$ 17,812
\$ 10,000	21%	3.33	\$ 350.00	\$ 3,984	\$ 13,984	\$ 18,967
\$ 10,000	21%	2.81	\$ 395.00	\$ 3,323	\$ 13,323	\$ 19,628



**Millions of dollars are
in checking and
savings accounts
making**

1%

**and millions of dollars
are charged on
credits cards at**

21%



**How long does it
take for credit card
debt to double?**





How long does it take
for your checking or
savings account to
double in value?

72 YEARS

How long does it take
for your credit card to
double in cost?

3.5 YEARS





The Rule of 72 21% Credit Card Debt

$$\frac{72}{21\%} = 3.5 \text{ years to double}$$

Or

$$21\% \times 3.5 \text{ years} = 72$$

How to save money on a car





Strategy: Buy a Late Model Used Car

- The day you buy a new car and drive it off the lot, it becomes a used car even before you get home
- Everyone drives a used car, but some people pay for a new one
- Buy a pre-owned vehicle
- A pre-owned is half the sticker price
- After finance charges, you save \$15,000



Save 20-30% on your own home





Save 10%-20% on Housing

- Best or worse financial decision?
- \$200,000 house for 30 years
 - \$328,310 Interest
 - \$528,310 Total Payments
- 12 Ways to find it for \$180,000 or less
- \$180,000 house for 30 years
 - \$295,479 Interest
 - \$475,479 Total Payments
- Savings
 - \$52,830



**With good credit,
you can reduce
your interest rate**





Reduce Your Interest Rate

Loan Balance	\$180,000	\$180,000	\$180,000
Interest Rate	8%	7%	6%
Term	30 years	30 years	30 years
Payment	\$1,320	\$1,197	\$1,079
Total %	\$295,479	\$251,116	\$208,508
Grand Total	\$475,479	\$431,116	\$388,508
Difference		(\$44,363)	(\$86,971)
# of times item paid for	2.64	2.39	2.15

**Would you like to
pay off your house
in half the time
and save?**



**How? By increasing
your monthly
payment from \$1,079
to \$1,518**





Pay Off Your House In Half The Time

Loan Balance	\$180,000	\$180,000	Difference
Interest Rate	6%	6%	
Term	30 years	15 years	
Payment	\$1,079	\$1,518	\$439
Total %	\$208,508	\$93,409	\$115,099
Grand Total	\$388,508	\$273,409	
# of times item paid for	2.15	1.51	



Save 10%-20% on Housing

- BEFORE
- \$200,000 house for 30 years
 - \$328,310 Interest
 - \$528,310 Total Payments
- AFTER
- Buy it for 180,000
- Reduce the Interest Rate
- Pay off the house in $\frac{1}{2}$ the time
- Total Saved \$254,900



Give yourself a tax cut

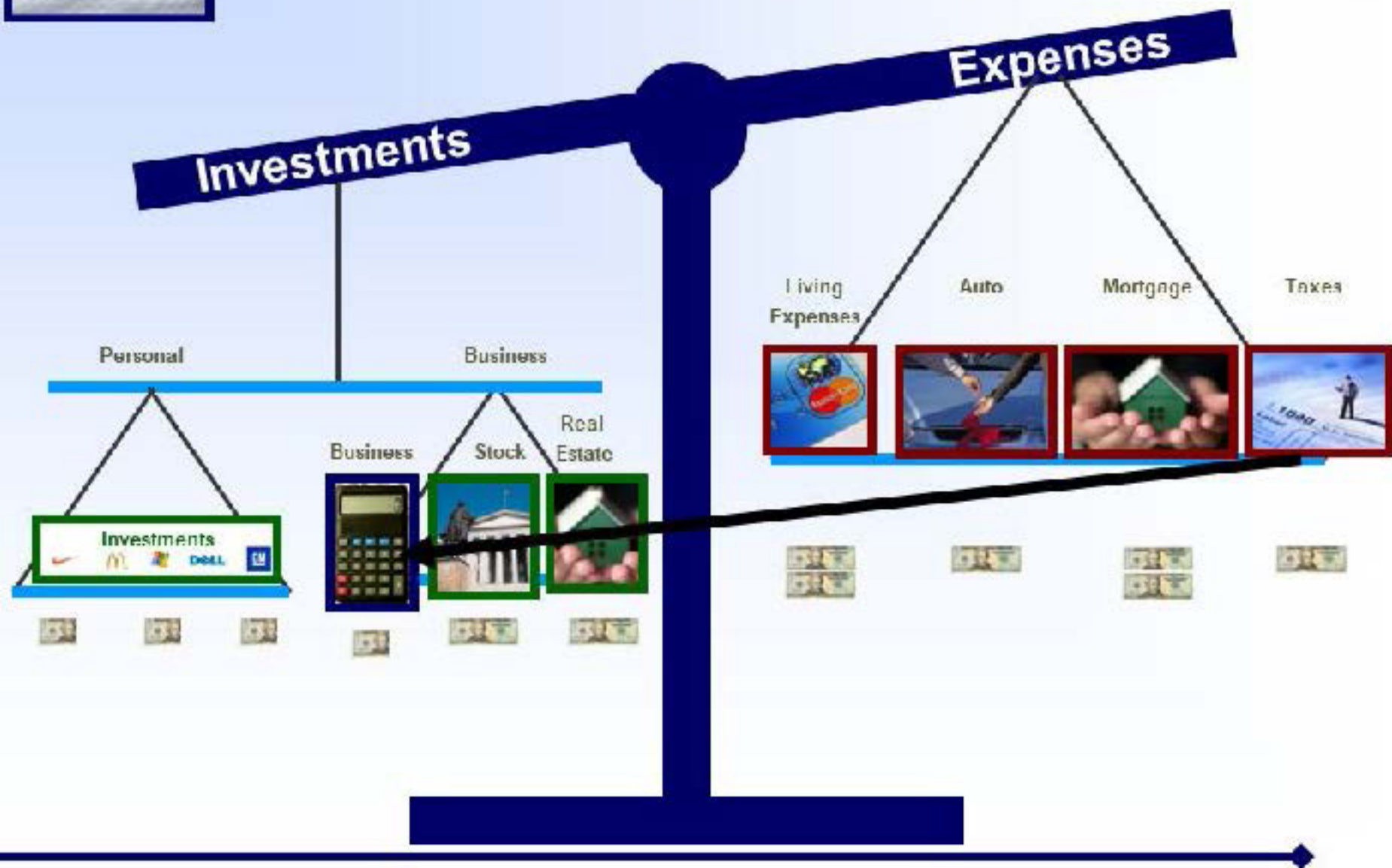
Start a Small Business





Strategy: Shift Expenses

Save thousands of dollars a year
by shifting personal expenses to
business expenses





Strategy: Shift Income

Save thousands of dollars a year
by shifting income to a lower tax
bracket.

Hire your children





Start at 20

First Savings Age 20

Last Savings Age 26

Total Years Saving 7

Annual Investment \$2,400
(\$200 per month)

Interest Rate 10%

Balance at Age 65
\$1,030,518

Age	Deposit	Balance	Age	Balance
15			40	\$95,113
16			41	\$104,624
17			42	\$115,086
18			43	\$126,595
19			44	\$139,254
20	\$2,400	\$2,640	45	\$153,180
21	\$2,400	\$5,544	46	\$168,498
22	\$2,400	\$8,738	47	\$185,348
23	\$2,400	\$12,252	48	\$203,882
24	\$2,400	\$16,117	49	\$224,271
25	\$2,400	\$20,369	50	\$246,698
26	\$2,400	\$25,046	51	\$271,367
27		\$27,551	52	\$298,504
28		\$30,306	53	\$328,355
29		\$33,336	54	\$361,190
30		\$36,670	55	\$397,309
31		\$40,337	56	\$437,040
32		\$44,371	57	\$480,744
33		\$48,808	58	\$528,818
34		\$53,689	59	\$581,700
35		\$59,057	60	\$639,870
36		\$64,963	61	\$703,857
37		\$71,460	62	\$774,243
38		\$78,605	63	\$851,667
39		\$86,466	64	\$936,834
			65	\$1,030,518



Start at 30

First Savings Age 30

Last Savings Age 65

Total Years Saving 36

Annual Investment \$2,400
(\$200 per month)

Interest Rate 10%

Balance at Age 65
\$789,695

Age	Deposit	Balance
40	\$2,400	\$48,922
41	\$2,400	\$56,455
42	\$2,400	\$64,740
43	\$2,400	\$73,854
44	\$2,400	\$83,879
45	\$2,400	\$94,907
46	\$2,400	\$107,038
47	\$2,400	\$120,382
48	\$2,400	\$135,060
49	\$2,400	\$151,206
50	\$2,400	\$168,967
51	\$2,400	\$188,503
52	\$2,400	\$209,994
53	\$2,400	\$233,633
54	\$2,400	\$259,636
55	\$2,400	\$288,240
56	\$2,400	\$319,704
57	\$2,400	\$354,314
58	\$2,400	\$392,386
59	\$2,400	\$434,264
60	\$2,400	\$480,331
61	\$2,400	\$531,004
62	\$2,400	\$586,744
63	\$2,400	\$648,058
64	\$2,400	\$715,504
65	\$2,400	\$789,695



3 Steps to Financial Freedom

3. Increase your Network

Financial Offense

- Small Business
- Real Estate
- Stock Market

Increase Your Network

Financial Offense

Small Business

Stock Market

Real Estate

**How long does it
take for Real Estate
or Stocks
to double in value?**



How much do they appreciate in value?





The Rule of 72

$$\frac{72}{3\%} = 24 \text{ years to double}$$

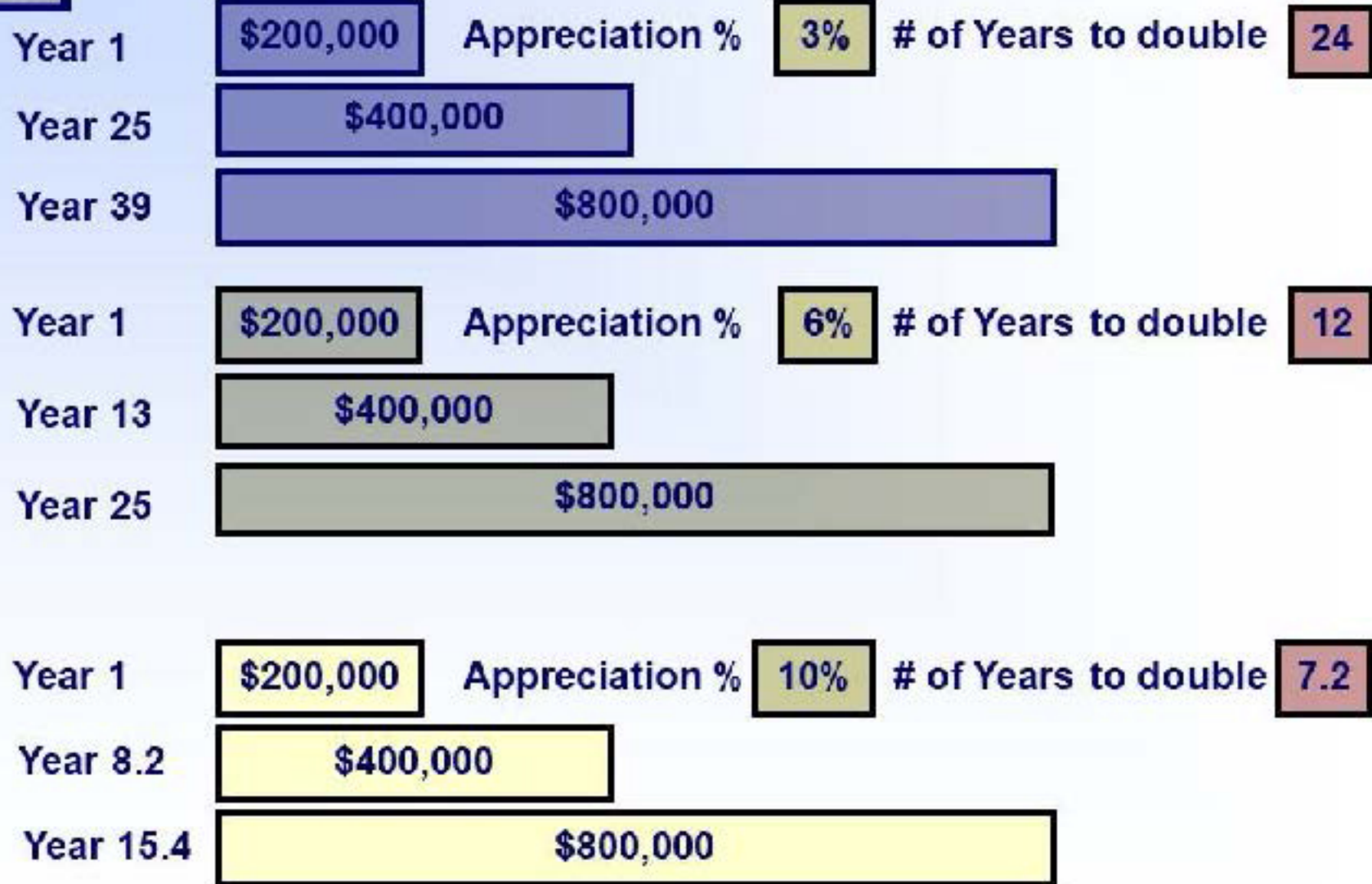
$$\frac{72}{6\%} = 12 \text{ years to double}$$

$$\frac{72}{10\% \text{ Increase in value}} = 7.2 \text{ years to double}$$



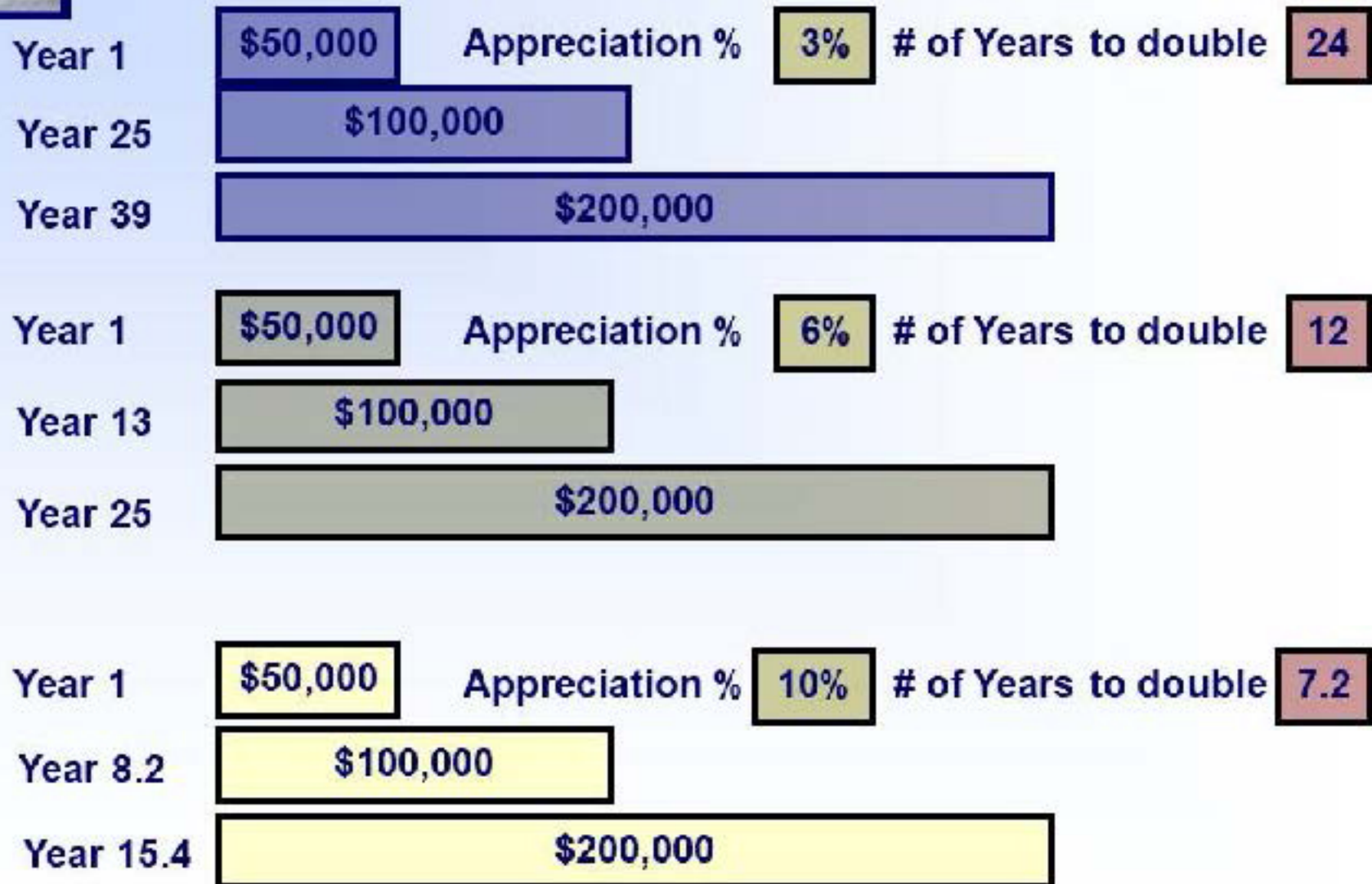


\$200,000 House



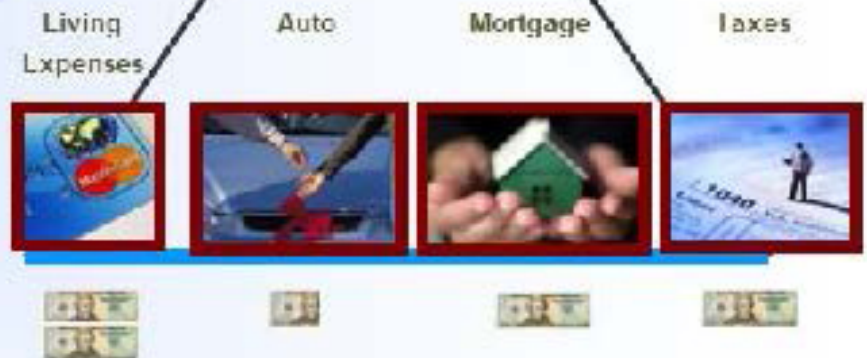
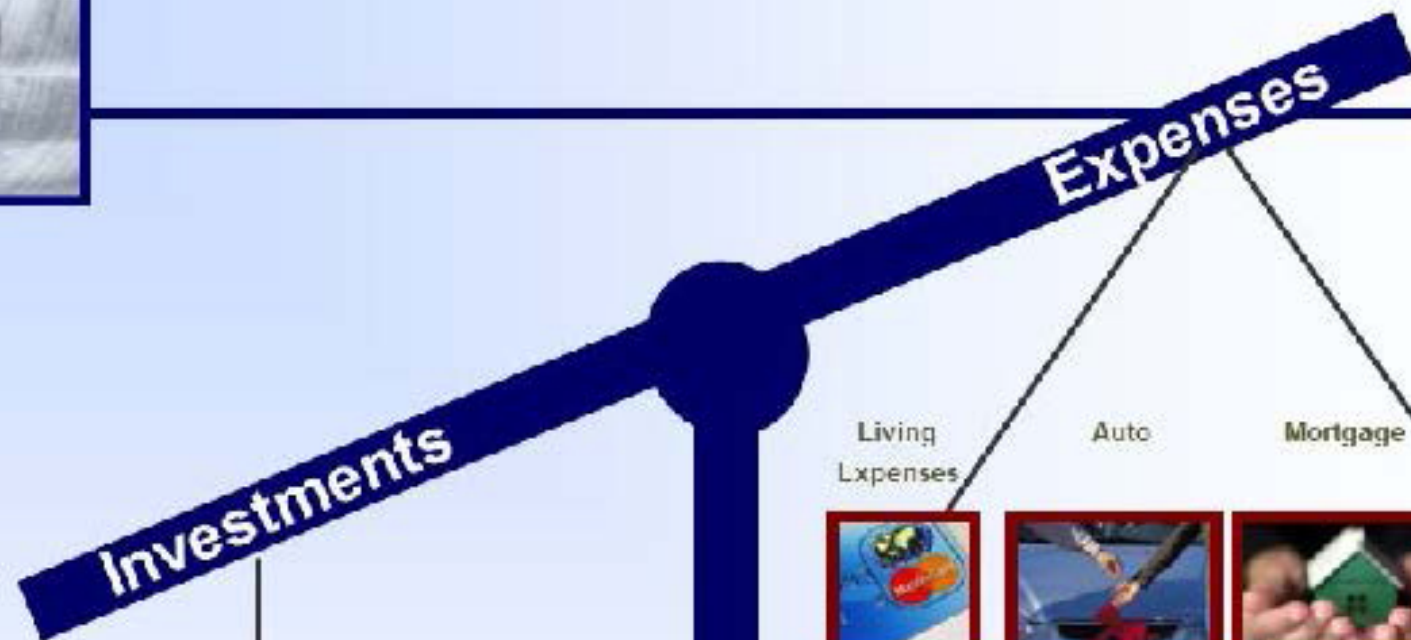


\$50,000 Stock





Putting it all together



Personal

Business

Business

Stock

Real Estate





Putting It All Together

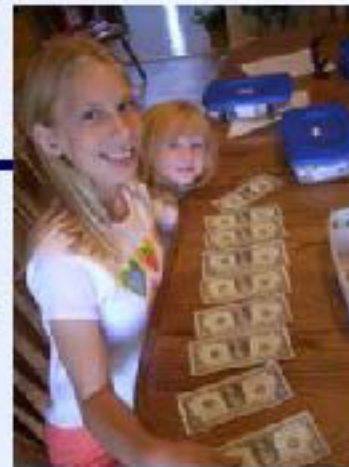
For Example: Jane Dough age 45 wants to retire in 20 years, she has \$50,000 in equity and invests an additional \$100 a month. Her investments are Appreciating at 10% a year.

Plan	Beginning Investments and Equity	Additional Monthly Investments	Yearly Financial Defense	Yearly Financial Offense	+ Monthly Investment + Defense + Offense = Total	Total at Financial Freedom Age
Before	\$50,000	\$1,200	\$0	\$0	\$1,200	\$372,490



Add Financial Defense and Offense

Plan	Beginning Investments and Equity	Additional Monthly Investments	Yearly Financial Defense	Yearly Financial Offense	+ Monthly Investment + Defense + Offense = Total	Total at Financial Freedom Age
Before	\$50,000	\$1,200	\$0	\$0	\$1,200	\$372,490
After						
Conservative	\$50,000	\$1,200	\$2,400	\$14,400	\$18,000	\$1,477,388
Realistic	\$50,000	\$1,200	\$3,600	\$28,800	\$33,600	\$2,503,269
Aggressive	\$50,000	\$1,200	\$4,800	\$57,600	\$63,600	\$4,476,211



**Share the Wealth-
Pass it On**



Share the Wealth-Pass it On

If you could give your children
or loved ones only one thing

Money or Knowledge

which would you give them?
Then Add **Experience**

Take Action NOW!
