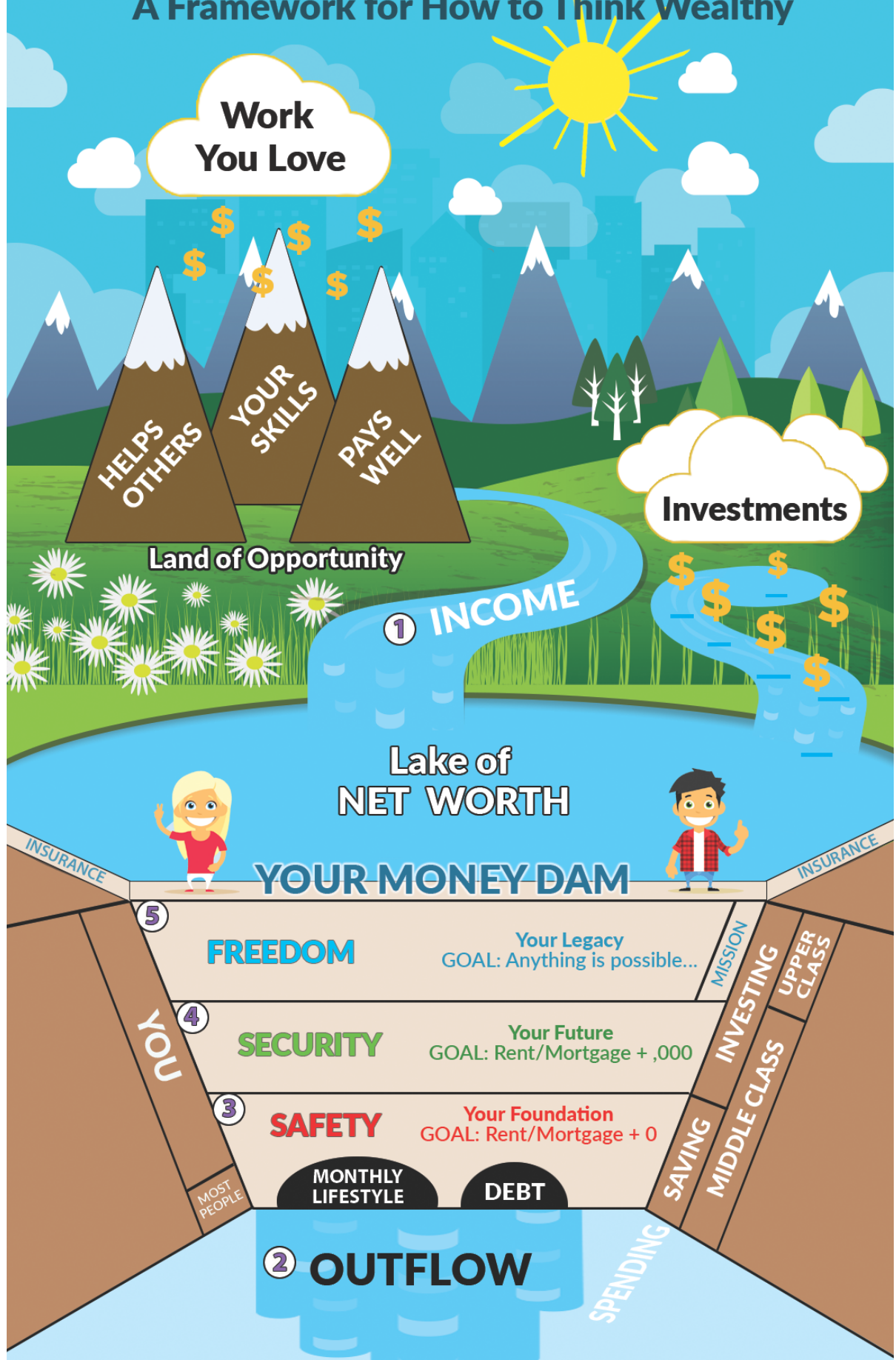


# The Money Dam™

A Framework for How to Think Wealthy



# ◆ THE MONEY DAM ◆

If you don't give a dam about your money, no one else will.



The only financial goal in life is **DEPENDABLE MONTHLY CASH FLOW** until game over, not (necessarily) a high net worth.



There are only **THREE** things you can do with your money:  
\* **SPEND**  
\* **SAVE**  
\* **INVEST**



Your Money Dam is built **HIGH** by your **DESIRE** to be wealthier than you are today, knowing you **DESERVE** it and the belief you **CAN FIGURE IT OUT**.



Your Money Dam can be built at **ANY TIME** in your life.



You will never attain and maintain financial **WEALTH** without understanding the principles of The Money Dam.

## WEALTH = INCOME > OUTFLOW



This is also known as **EARN > Spend** (**EARN** more than you **Spend**) and it's the **ONLY** equation for **WEALTH** you ever need to learn.



If you simply have **Income > Outflow** every month for the rest of your life, you will instantly be **WEALTHY** because you'll never run out of money.



**CASH** pays the monthly bills, but **MONEY** grants you three things: short-term **SAFETY**, long-term **SECURITY** and total **FREEDOM** ...in that order.

# 1

## INCOME ◆

To find work you **LOVE**, follow your **CURIOSITY** into the Land of Opportunity, using skills you're good at that help others or solve a problem and that can pay you well.

Money is completely **ABUNDANT** in the world when you know **WHERE** to find it and **HOW** to collect it.

You **CHOOSE** what to do with your income...its only job is to flow to what you **VALUE** in life to make you healthy, happy and wealthy.

# 2

## OUTFLOW – Your Monthly Lifestyle

aka: CASH or Checking Account



### MONTHLY BILLS

You will ALWAYS have monthly bills, regardless of how much money you store behind Your Money Dam. Billionaires have monthly bills, too.



### MONTHLY LIFESTYLE

Your monthly lifestyle consists of: Housing, Utilities, Food, Transportation, Insurance, Donations, Entertainment and Gifts.



### ALWAYS IN CONTROL

You are ALWAYS in control of the Outflow (Monthly Expenses + Debt) of your life...and always have been... based on each CHOICE you make with your money.



### OUTFLOW = WHAT YOU VALUE

You SPEND your money based on what you VALUE. If you never set SPECIFIC financial goals, as most people don't, your Money Dam will never be built.

## BUT BEWARE...



### DEBT!

Consumer debt (credit cards, student loans, car loans, etc.) creates a big HOLE that weakens the very heart of Your Money Dam. You want to plug it up ASAP while building your foundation.

# 3 SAFETY - Your Foundation

aka: Savings Account (High Yield)

**GOAL:** Your Monthly Rent/Mortgage + 0  
(example: \$800 rent + 0 = \$8,000 SAFETY)

- ✓ Savings SAVE you.
- ✓ Savings make you feel SAFE in life.
- ✓ With Savings, you finally begin to LIVE LIFE because you start trusting that you can handle **anything** that comes your way... first financially and then emotionally.
- ✓ To have any financial FUTURE you must first build a strong Foundation.
- ✓ Don't think of your Foundation as an "emergency fund" or "rainy day fund" - you maintain this until the...[ahem]...very end.



Your Foundation does NOT INCLUDE anything you SAVE UP FOR such as a vacation, a down payment on a house or car, etc. That grows in a separate SAVINGS account with its own specific GOAL.



Once you start successfully saving step-by-step toward your x10 goal, you realize you can do ANYTHING you put your mind to.

# 4 SECURITY - Your Future

aka: Investment Accounts (tax-advantaged retirement accounts such as 401(k)s, IRAs, TSPs...), pensions, Real Estate that produces cash flow...

**GOAL:** Your Monthly Rent/Mortgage + ,000  
(example: \$800 rent + ,000 = \$800,000 SECURITY by retirement)



This is the traditional model of retirement where you start investing in your long-term SECURITY as EARLY as possible to leverage the amazing power of COMPOUND INTEREST to grow your lake of NET WORTH.



While feeling SAFE requires the simple saving of dollars, feeling SECURE relies on INVESTING and leveraging time and the markets so your dollars make EVEN MORE (FREE) MONEY.



From here on up Your Money Dam wall, the only thing to learn about is how to INVEST your money.



Don't worry - there's help! The WEALTHIER you become, the larger your team of professional tax, legal and investment advisors who will support you.



The larger goal of SECURITY is to amass income-producing assets (i.e., stocks/bonds, investment real estate, etc.) so your INVESTMENTS replace your salary later in life.

# 5 FREEDOM – Your Legacy



aka: Businesses, Foundations, Family Estates, Trusts, etc.

**GOAL:** The sky's the limit! This level of wealth is more money than you can spend in your lifetime based on the needs of your lifestyle.



This is the level of Philanthropy, Foundations, Family Offices, Heirs...an ever-increasing level of responsibility based on the level of wealth you attain.



The BIGGEST investment for Financial Freedom is INVESTING IN YOURSELF.

- ✓ Reaching financial freedom is a great **ACHIEVEMENT...but it is not FULFILLMENT.**
- ✓ Wealth is a **PROCESS...not an event.**
- ✓ Wealth is not acquiring more and more **THINGS...it's the FREEDOM to live your life on your terms.**

\* Earn More than You Spend and Invest the Rest - Dam it! \*

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