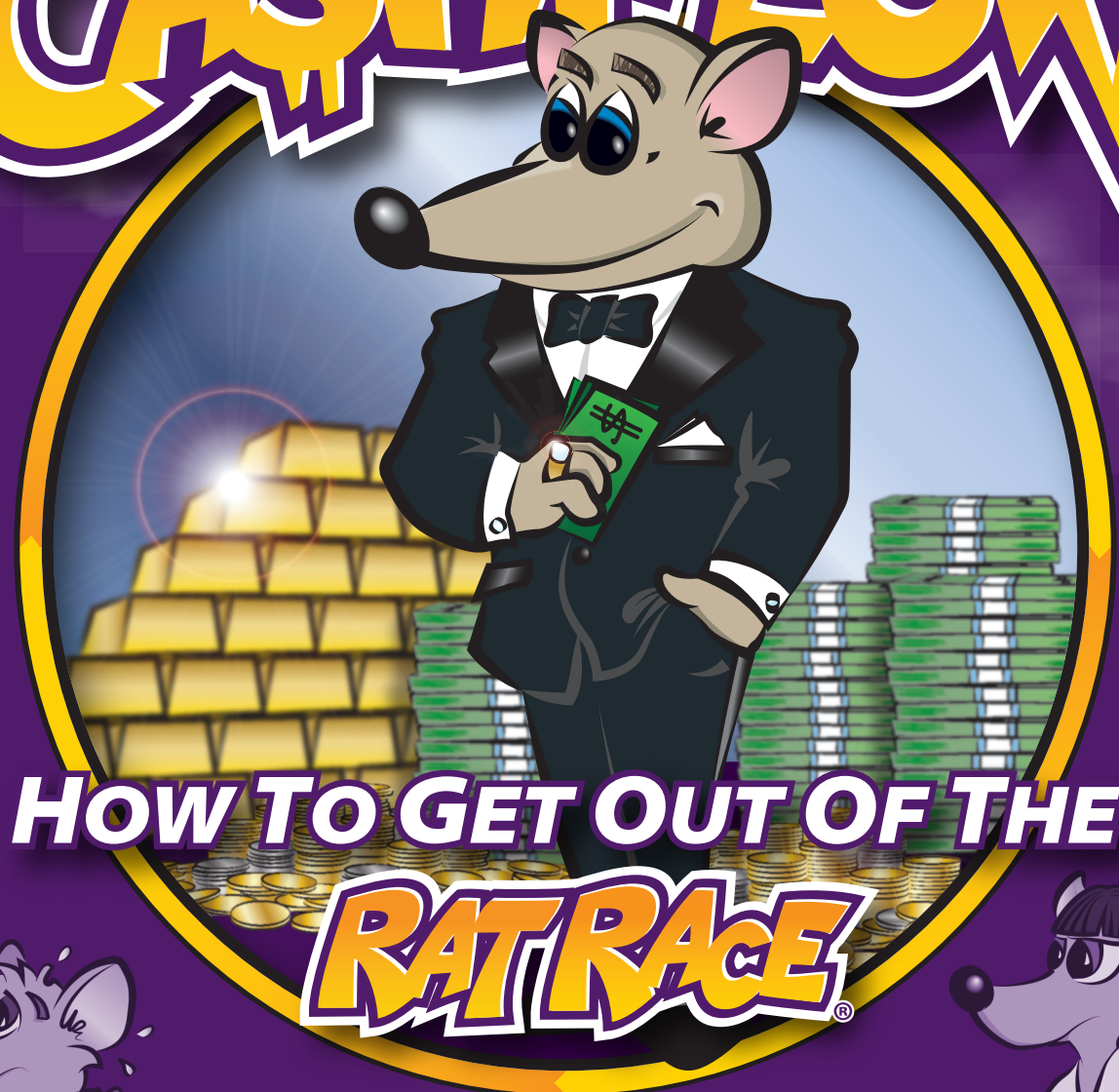


Game Instructions

CASHFLOW[®]



**HOW TO GET OUT OF THE
RAT RACE[®]**



Quick Start Instructions

1. Select a **Banker** for the game.
2. Place **Big Deal, Small Deal, Market,** and **Doodads** cards on the board.
3. Distribute a **Financial Statement** to each player.
4. Deal out one **Profession Card** to each player.
5. Transfer information from your **Profession Card** to your **Financial Statement**.
6. Meet your **Auditor** (player to your right).
7. **Banker** distributes cash (**Monthly Cash Flow + Savings**) to each player.
8. Choose your playing pieces: Rat, Cheese, and Tokens, all of the same color.
9. Choose your **Dream** on the Fast Track by placing your Cheese piece on it. **Note:** When choosing your Dream, choose the Dream you truly want, not the Dream that makes it easier to win the game. How often, in real life, do we chase a Dream (or someone else's Dream) for reasons other than choosing the Dream we truly want.
10. Place your Rat playing piece on the "Start" arrow on the Rat Race circle. Play is clockwise (the direction the rats are running).
11. Roll one die to determine who starts. The person who rolls the highest number starts first.
12. The first Player rolls one die and counts the green Big Deal/Small Deal space (above the "Start" arrow) as the first space. Players in the Rat Race roll one die (unless they land on the Charity space and donate 10% of their total income).

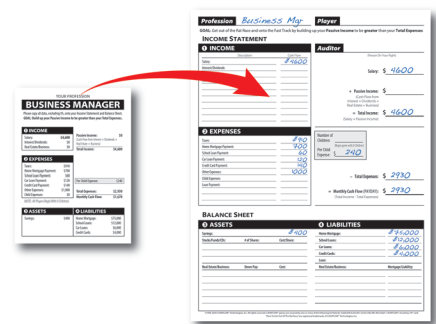
Begin playing **CASHFLOW**!

Points to Remember:

- To get out of the Rat Race, your Passive Income must be greater than your Total Expenses.
- To build up your Passive Income, buy assets that provide a positive cash flow.
- Read the Big Deal, Small Deal, Market, and Doodad cards aloud.
- Beware of Bankruptcy. Be smart with your investments.
- Adjust your strategy as the market changes.



Place Big Deal, Small Deal, Market, and Doodads cards on the game board.



Transfer information from Profession Card to Financial Statement.

Rules of the Game

Why Play the Game?

- Increase your Financial IQ.
- Learn concepts that the rich understand about money that you were never taught.
- Realize that taking investment "risks" is not so risky when you know what you're doing.
- Expand your context about money and investing.
- It's fun!

Objectives (How to Win)

CASHFLOW is played in two parts:

Part 1: Rat Race

The Rat Race is the inner circle of the game board; it's where most people get trapped day in and day out. Your first goal is to get out of the Rat Race and move to the Fast Track.

To get out of the Rat Race, you must buy investments, which give you cash flow (passive income). You want your **Passive Income** to become greater than your **Total Expenses**.

Part 2: Fast Track

The Fast Track is the outer track of the game board. The Fast Track is where the rich play the game of money. Once you've moved from the Rat Race onto the Fast Track, you can win the game if you are the first person to do one of the following:

1. **Buy Your Dream**
The Dreams are the blue cloud spaces on the Fast Track.
- OR
2. **Increase Your Monthly Cash Flow by \$50,000**

HAVE LOTS OF FUN WHILE LEARNING!



Part 1: Rat Race



Part 2: Fast Track

Game Setup

1. Elect one Player to act as **Banker**. The Banker should be someone good with numbers and able to handle cash transactions quickly. If the Banker is also playing the game, then they must keep their own game money separate from the money of the Bank.
2. Shuffle the **Big Deal, Small Deal, Market,** and **Doodads** cards. Place them face down on the game board on their marked places.
3. Distribute one **Financial Statement** to each Player. Take a moment to review the Financial Statement and get familiar with the form and the words (see page 3).

Use the **Income Statement/Balance Sheet** side of your Financial Statement for the Rat Race portion of the game. (The side of your Financial Statement labeled "Congratulations!" is used when you enter the Fast Track.)

4. Shuffle the **Profession** cards and randomly deal one, face down, to each Player. Each Player then turns over their Profession card and copies the information from it, exactly as it is written, onto their Financial Statement.

Note: Each Player starts the game with no loans, no loan payment, and no children.

5. Meet your **Auditor**. This is the person on your right. The Auditor's role is to assist you in making accurate calculations. Your Auditor must check your work at these events:
 - a) After you enter your information from your Profession Card on to your Financial Statement.
 - b) When you are entering the Fast Track.
 - c) When you win the game.
 - d) Whenever you have a question about your calculations.

6. The Banker distributes cash to each Player. The amount of cash each Player receives at the beginning of the game is: **Monthly Cash Flow (Total Income minus Total Expenses)**

PLUS

Savings (listed on your Financial Statement under **Assets**). Your savings is only paid to you at the start of the game. Erase the savings amount from your Financial Statement once you receive it in cash. Savings is not part of your Monthly Cash Flow.

Note: CASHFLOW® Cash Ledger: If you choose to use the Cash Ledger instead of cash, then see instructions on page 12.

YOU ARE NOW READY TO PLAY CASHFLOW®!

To Begin Play:

1. Each Player chooses two playing pieces (a Rat and a Cheese) of the same color, as well as a set of tokens of the same color.
2. Place your Cheese playing piece on one of the **Dreams** (blue cloud spaces) on the Fast Track. Multiple Players may choose the same Dream. Place your Rat piece on the arrow marked "Start" on the Rat Race.
3. Players roll one die. The Player with the highest number goes first. Play then passes to the Player on the left. (Order of play remains the same whether Players are in the Rat Race or on the Fast Track.)
4. Players in the Rat Race roll one die on their turn. The first Player rolls the die and moves in a clockwise direction. Landing on the same space as another Player does not affect either Player.
5. If you land on **Big Deal/Small Deal, Market,** or **Doodads**, draw a card and read it out loud.
6. If you land on or pass over a **Payday** space, collect your Monthly Cash Flow from the Banker.

NOTE: You must ask the Banker for your Monthly Cash Flow before your turn is over. If you do not ask for it, you don't receive it. Just as in real life, if you don't ask for your money, you often don't get it.

Profession Cards & Financial Statements

Profession Card

Before you begin the game, enter the information from your **Profession Card** onto your **Financial Statement**, exactly as it is written.

YOUR PROFESSION	
BUSINESS MANAGER	
Please copy all data, excluding 0's, onto your Income Statement and Balance Sheet. GOAL: Build up your Passive Income to be greater than your Total Expenses.	
INCOME	Passive Income: \$0 (Cash Flow from Interest + Dividends + Real Estate + Business)
Salary: \$4,600	Total Income: \$4,600
Interest/Dividends: \$0	
Real Estate/Business: \$0	
EXPENSES	Per Child Expense: \$240
Taxes: \$910	
Home Mortgage Payment: \$700	
School Loan Payment: \$60	
Car Loan Payment: \$120	
Credit Card Payment: \$140	
Other Expenses: \$1,000	Total Expenses: \$2,930
Child Expenses: \$0	Monthly Cash Flow: \$1,670
ASSETS	LIABILITIES
Savings: \$400	Home Mortgage: \$75,000
	School Loans: \$12,000
	Car Loans: \$6,000
	Credit Cards: \$4,000

Financial Statement

This is where you keep record of your Income, Expenses, Assets, and Liabilities, and where you calculate your Monthly Cash Flow.

Your **Profession** determines your income, expenses and liabilities.

Income is money coming in.

Salary is money you work for.

Expenses is money going out.

Assets put money into your pocket whether you work or not. This is your money working for you. Cash-flow assets will have a related Income entry. Capital-gain assets will give you a cash payment when you sell.

Profession	Business Mgr	Player
GOAL: Get out of the Rat Race and onto the Fast Track by building up your Passive Income to be greater than your Total Expenses		
INCOME STATEMENT		
INCOME		
Salary:		\$ 4,600
Interest/Dividends:		
Real Estate/Business:		
EXPENSES		
Taxes:		\$ 910
Home Mortgage Payment:		700
School Loan Payment:		60
Car Loan Payment:		120
Credit Card Payment:		140
Other Expenses:		1,000
Child Expenses:		
Loan Payment:		
BALANCE SHEET		
ASSETS		
Savings:		\$ 400
Stocks/Funds/CDs:	# of Shares:	Cost/Share:
LIABILITIES		
Home Mortgage:		\$ 75,000
School Loans:		\$ 12,000
Car Loans:		\$ 6,000
Credit Cards:		\$ 4,000
Loan:		
Real Estate/Business:	Down Pay:	Cost:
Real Estate/Business:		Mortgage/Liability:

Your **Auditor** checks your math.

Copy your **Salary** from Section 1 of your Profession Card.

Passive Income is money generated by your assets (money working for you).

Your **Total Income** is the sum of everything in the **Income** section.

Start the game with no children. If you land on the **Baby** space, add your **Per Child Expense** to your Expenses. Watch your expenses grow like your baby. Add to the **Number of Children** (limit of 3).

Your **Total Expenses** are the sum of everything in the **Expenses** section.

Monthly Cash Flow is your **Total Income** minus your **Total Expenses**. Collect this amount when you land on or pass **Payday**.

Liabilities take money out of your pocket. Liabilities may have a related Expense entry.

Rat Race Cards & Spaces



Your Payday is your Salary plus any Passive Income minus your Total Expenses. Each time you land on or pass **Payday**, you must ask for the amount of your Monthly Cash Flow from the Bank. If this amount is negative (minus), pay that amount to the Bank. The **Payday** period is one month. Cash you receive is added to your supply of cash on hand.



Opportunity cards include a variety of investment opportunities that may help you in your quest to get out of the Rat Race.

When you land on a **Opportunity** space, you may choose either a **Big Deal** card or a **Small Deal** card. **The Big Deals begin at \$6,000. The largest Small Deal costs \$5,000.**

Read the card aloud. Every card is a learning opportunity. Some Deals may allow other Players to buy or sell assets as well.

If you don't have enough cash, you may take out a loan (see page 9), unless you are bankrupt (see page 9).

Assets may only be sold when a card permits or when required by bankruptcy. Players may only sell assets they have already purchased.

If you do not wish to buy the deal offered on the **Big Deal/Small Deal** card you draw, you may sell the card to another Player – **but only if the card says so.** The price is negotiated between the Players. (The Player is selling the *option* to buy the investment listed.) The Player who buys the card must then buy the asset offered at the price specified on the card at that time.

Deals expire when the next Player moves.



Market cards are where you'll find buyers for your investments. Market cards also include economic events, which may affect your financial position. When you land on a Market space, draw a Market card. **Read the card aloud.**

Everyone who has the exact asset mentioned on the card may sell at the specified price. If you sell, remember to adjust your **Financial Statement** accordingly. When you sell, you will receive your monies from the Bank on behalf of the buyer.

HOUSE FOR SALE – 3BR/2BA
Downsized manager must sell this 3/2 house, cannot afford payments on new salary. Area in transition.
Use this yourself or sell to another player.

Price: \$61,000
w: +\$300

OPPORTUNITY BIG DEAL

STOCK – MYT4U TECHNOLOGY Co.
Low interest rates lead to substantial share price for this home technology company.
Only you may buy as many shares as you want at this price.

Price: \$30

OPPORTUNITY SMALL DEAL

WIDGET COMPANY BUYER
Engineer/Inventor who owns machinery company offers \$50,000 cash for inventive method of making widgets.
Anyone who owns a widget company may sell at the price specified on the card and currently receive

MARKET

Rat Race Cards & Spaces



Doodads are the unexpected and often unnecessary items on which you spend your money. When you land on a **Doodads** space, draw a **Doodads** card and follow the directions. **Doodads are mandatory, not optional.** You may borrow from the Bank (see **Loans** on page 9) to pay Doodad bills.



Charity is optional. Upon landing on Charity, you may choose to give **10%** of your **Total Income** to Charity (pay it to the Bank), in exchange for the optional use of 1 or 2 dice on your next 3 turns.

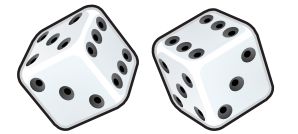


A new addition to your family! When you land on **Baby** do the following:

- 1 Increase the number of children on your **Financial Statement**. (Maximum 3 children per player.)
- 2 Add the **Per Child Expense** on your **Financial Statement** to your Child Expenses in the Expense column.
- 3 Add your Per Child Expense to your **Total Expenses**.
- 4 Calculate your new Monthly Cash Flow.



Landing on **Downsized** means you have temporarily lost your job! Pay the amount of your Total Expenses to the Bank and lose 2 turns. **(This also ends the effect of Charity.)**



GOAL: Get out of the Rat Race and onto the Fast Track by building up your **Passive Income** to be greater than your **Total Expenses**.

INCOME STATEMENT		Auditor	
INCOME		Salary: \$	
Salary:		+ Passive Income:	
Interest/Dividends:		Cash Flow from:	
Real Estate/Business:		Rentals + Dividends +	
		Real Estate + Business	
		= Total Income:	\$
		(Salary + Passive Income)	
EXPENSES		Number of Children: 1	
Taxes:		Per Child Expense: \$	
Home Mortgage Payments:			
School Loan Payments:			
Car Loan Payments:			
Credit Card Payments:			
Other Expenses:			
Child Expenses:			
Loan Payments:			
		- Total Expenses: \$	3
		= Monthly Cash Flow (PAYDAY):	\$ 4
		(Total Income - Total Expenses)	
BALANCE SHEET			
ASSETS		LIABILITIES	
Cash:		Home Mortgage:	
Stocks/Bonds/RE:		School Loans:	
Real Estate/Business:		Car Loans:	
		Credit Cards:	
		Loans:	
		Real Estate/Business:	
		Mortgage Liability:	

Land on a Baby Space? Increase your # of Children, Increase your Expenses.

Buying a Real Estate Investment

Return On Investment (ROI):
(Monthly Cash Flow x 12 months) ÷
Down Payment

Cost:
The full purchase price of the property.

Down Payment:
Amount you pay up front to purchase this property.

HOUSE FOR SALE – 3BR/2BA

Downsized manager must sell this 3/2 house, cannot afford payments on new salary. Area in transition.

Use this yourself or sell to another player.

40% ROI, may sell for \$65,000 to \$135,000.

Cost: \$70,000
Down Pay: \$9,000 1

Mortgage: \$61,000
Cash Flow: +\$300

Mortgage:
Amount you owe on this property (your Liability).

Cash Flow:
Amount of monthly **passive income** this property will provide.

Selling a Real Estate Investment

If you decide to sell a property, you will subtract the **Mortgage** of the property from the sale price.

Example:

\$135,000 (Sale Price)
– \$ 61,000 (Mortgage)
– \$ 74,000 (Capital Gain Profit)

HOUSE BUYER – 3BR/2BA

You are offered \$135,000 for a 3/2 rental house. Buyer has secured financing.

Everyone may sell at this price.

If you sell, pay off the related mortgage and give up the cash flow you currently receive on this property.

Profession	Business Mgr	Player
GOAL: Get out of the Rat Race and onto the Fast Track by building up your Passive Income to be greater than your Total Expenses		
INCOME STATEMENT		
1 INCOME		Auditor (Person On Your Right)
Description	Cash Flow	
Salary:	\$4600	Salary: \$4600
Interest/Dividends:		
Real Estate/Business:		
7 3/2 House	8 \$300	+ Passive Income: \$300 9
		(Cash Flow from Interest + Dividends + Real Estate + Business)
		= Total Income: \$4900 10
		(Salary + Passive Income)
2 EXPENSES		Number of Children: (Begin game with 0 Children)
Taxes:	\$90	Per Child Expense: \$240
Home Mortgage Payment:	700	
School Loan Payment:	60	
Car Loan Payment:	120	
Credit Card Payment:	140	
Other Expenses:	1000	
Child Expenses:		
Loan Payment:		
		- Total Expenses: \$2930
		= Monthly Cash Flow (PAYDAY): \$1970 11
		(Total Income - Total Expenses)
BALANCE SHEET		
3 ASSETS		4 LIABILITIES
Savings:		Home Mortgage: \$75,000
Stocks/Funds/CDs:	# of Shares: Cost/Share:	School Loans: \$12,000
		Car Loans: \$6,000
		Credit Cards: \$4,000
		Loan:
Real Estate/Business:	Down Pay: Cost:	Real Estate/Business: Mortgage/Liability:
2 3/2 House	3 \$9,000 4 \$70,000	5 3/2 House 6 \$61,000

To Buy a Real Estate Investment:

1 Pay your down payment to the Bank. If a loan is required, see Loans (page 9).

In the **Asset column under Real Estate**, write in:

- 2 Type of real estate
- 3 Down Payment you paid
- 4 Total Cost of real estate

In the **Liabilities column under Real Estate**, write in:

- 5 Type of real estate
- 6 Mortgage amount you owe the Bank

In the **Income column under Real Estate**, write in:

- 7 Type of real estate
- 8 Amount of Cash Flow (Passive Income)

On the **right-hand side of the Financial Statement**, recalculate the following:

- 9 Passive Income – Add or subtract the amount of Cash Flow
- 10 Total Income – Add or subtract the amount of Cash Flow
- 11 Monthly Cash Flow –
(Monthly Cash Flow = Total Income - Total Expenses)

Note: The only cash you pay to purchase real estate is the Down Payment. The mortgage payment has already been calculated into the Cash Flow on the card. You do not need to enter an expense for this mortgage payment.

Profession	Business Mgr	Player
GOAL: Get out of the Rat Race and onto the Fast Track by building up your Passive Income to be greater than your Total Expenses		
INCOME STATEMENT		
1 INCOME		Auditor (Person On Your Right)
Description	Cash Flow	
Salary:	\$4600	Salary: \$4600
Interest/Dividends:		
Real Estate/Business:		
7 3/2 House	8 \$300	+ Passive Income: \$300 9
		(Cash Flow from Interest + Dividends + Real Estate + Business)
		= Total Income: \$4900 10
		(Salary + Passive Income)
2 EXPENSES		Number of Children: (Begin game with 0 Children)
Taxes:	\$90	Per Child Expense: \$240
Home Mortgage Payment:	700	
School Loan Payment:	60	
Car Loan Payment:	120	
Credit Card Payment:	140	
Other Expenses:	1000	
Child Expenses:		
Loan Payment:		
		- Total Expenses: \$2930
		= Monthly Cash Flow (PAYDAY): \$1970 11
		(Total Income - Total Expenses)
BALANCE SHEET		
3 ASSETS		4 LIABILITIES
Savings:		Home Mortgage: \$75,000
Stocks/Funds/CDs:	# of Shares: Cost/Share:	School Loans: \$12,000
		Car Loans: \$6,000
		Credit Cards: \$4,000
		Loan:
Real Estate/Business:	Down Pay: Cost:	Real Estate/Business: Mortgage/Liability:
2 3/2 House	3 \$9,000 4 \$70,000	5 3/2 House 6 \$61,000

To Sell a Real Estate Investment:

1 Calculate your Capital Gains (Profit)
Capital Gain = Sales Price - Mortgage
(If the figure is negative, pay that amount to the Bank.)

In the **Asset column under Real Estate**, remove:

- 2 Type of real estate
- 3 Down Payment you paid
- 4 Cost of real estate

In the **Liabilities column under Real Estate**, remove:

- 5 Type of real estate
- 6 Mortgage amount

In the **Income column under Real Estate**, remove:

- 7 Type of real estate
- 8 Amount of Cash Flow (Passive Income)

On the **right-hand side of the Financial Statement**, recalculate the following:

- 9 Passive Income – Subtract the amount of Cash Flow
- 10 Total Income – Subtract the amount of Cash Flow
- 11 Monthly Cash Flow –
(Monthly Cash Flow = Total Income - Total Expenses)

Buying/Selling Stocks

Symbol:
Name of Stock
– Always check to be sure you're buying/selling the exact same stock.

Today's Buy or Sell Price:
This is the amount a single share of this stock is selling for.

1

PREFERRED STOCK – 2BIG POWER
High-yield, preferred shares of major domestic electric power company. Dividend and price fixed at "fair" level by state utility commission.
Everyone may buy or sell as many as they wish at this time.

Symbol: 2BIG
Yield: 10%
Trading Range: \$1,200 to \$1,200

Today's Price: \$1,200
Dividend: \$10/month

The average high and low prices of this stock.

The amount of cash flow (Passive Income), you will get from this stock.

To BUY Stocks / Funds / CDs

- 1 Calculate the number of shares to buy. If you have a dollar amount you want to invest, divide that amount by Today's Price in order to calculate how many shares you can buy.

Example: $\$1000 \div \$5/\text{share} = 200 \text{ shares}$

Pay this amount to the Bank.

In the Asset column under Stocks/Funds/CDs, write in:

- 2 Symbol of Stock/Fund/CD
 - 3 Number of shares purchased
 - 4 Cost per share (Today's Price)
- If interest or a dividend is being paid, in the Income column under Interest/Dividends, write in:
- 5 Symbol of Stock/Fund/CD
 - 6 Amount of Interest/Dividend

On the right-hand side of the Financial Statement, add:

- 7 Amount of Interest/Dividend to your Passive Income
 - 8 Amount of Interest/Dividend to your Total Income
- Calculate your new Monthly Cash Flow:
- 9 Monthly Cash Flow = Total Income - Total Expenses

INCOME STATEMENT		Auditor	
INCOME		Salary: \$ 4600	
Salary	\$ 4600		
Interest/Dividends	\$ 20		
Real Estate Business	\$ 20		
		+ Passive Income	\$ 20
		Interest + Dividends +	4620
		Real Estate + Business	4620
		Total Income	\$ 4620
EXPENSES		- Total Expenses	
Taxes	\$ 90		
Home Mortgage Payment	\$ 0		
School Loan Payment	\$ 60		
Car Loan Payment	\$ 120		
Credit Card Payment	\$ 140		
Other Expenses	\$ 1000		
Child Expenses			
Loan Payment			
		- Total Expenses	\$ 2930
		Monthly Cash Flow (PAYDAY)	\$ 1690
		(Total Income - Total Expenses)	\$ 1690

BALANCE SHEET		LIABILITIES	
ASSETS		Home Mortgage	
Cash	\$ 5,000		\$ 5,000
Stocks/Funds/CDs	\$ 2,400	School Loans	\$ 12,000
		Car Loans	\$ 4,000
		Credit Cards	\$ 4,000
		Loans	
Real Estate Business	Down Pay	Real Estate Business	Mortgage Liability

Example: Buying Stocks/Funds/CDs

INCOME STATEMENT		Auditor	
INCOME		Salary: \$ 4600	
Salary	\$ 4600		
Interest/Dividends	\$ 20		
Real Estate Business	\$ 20		
		+ Passive Income	\$ 20
		Interest + Dividends +	4600
		Real Estate + Business	4600
		Total Income	\$ 4600
EXPENSES		- Total Expenses	
Taxes	\$ 90		
Home Mortgage Payment	\$ 0		
School Loan Payment	\$ 60		
Car Loan Payment	\$ 120		
Credit Card Payment	\$ 140		
Other Expenses	\$ 1000		
Child Expenses			
Loan Payment			
		- Total Expenses	\$ 2930
		Monthly Cash Flow (PAYDAY)	\$ 1670
		(Total Income - Total Expenses)	\$ 1670

BALANCE SHEET		LIABILITIES	
ASSETS		Home Mortgage	
Cash	\$ 5,000		\$ 5,000
Stocks/Funds/CDs	\$ 2,400	School Loans	\$ 12,000
		Car Loans	\$ 4,000
		Credit Cards	\$ 4,000
Real Estate Business	Down Pay	Loans	
		Real Estate Business	Mortgage Liability

Example: Selling Stocks/Funds/CDs

Options Available to Players in the Rat Race

Loans

You may borrow money unless you are declared **Bankrupt**. Loans must be in multiples of \$1,000 at 10% interest per month. Your monthly interest expense (Loan Payment) is \$100 for every \$1,000 borrowed.

Note: Loans may be paid off in units of \$1,000. Each \$1,000 unit paid towards the Loan reduces your Loan Payment by \$100. When paying off part of your loan, remember to adjust the Loan figure on your Balance Sheet as well as the related Expense on the Income Statement.

If you take out a Loan, follow these steps:

- 1 Add the Loan amount to your Liabilities column, under Loan.
- 2 Add the Loan Payment (10% of what you borrowed) to your Expenses.
- 3 Add the Loan Payment to your Total Expenses.
- 4 Calculate your new Monthly Cash Flow (Monthly Cash Flow = Total Income - Total Expenses)

Note: Your monthly loan payments are interest only. They do not reduce the principal amount of the loan. To reduce the loan principal, and the corresponding Loan Payment, you must pay down the loan directly (see below).

Paying Off Debt

You may choose to pay off debt to reduce your Total Expenses at any time. You must pay off the entire amount of any debt except for Loans, which can be paid off in \$1,000 increments.

Note: Taxes, Other Expenses, and Child Expenses CANNOT be paid off. These are permanent expenses.

When you pay off debt, adjust your Financial Statement as follows:

- 1 Remove (or reduce if paying off part of a Loan), the debt in the Liabilities column.
- 2 Remove (or reduce), the payment in your Expense column.
- 3 Subtract the payment amount from your Total Expenses.
- 4 Calculate your new Monthly Cash Flow. (Monthly Cash Flow = Total Income - Total Expenses)

Bankruptcy – Uh oh! You Ran Out Of Money

When you land on or pass over the **Payday** space and your Monthly Cash Flow is negative and you do not have the cash to pay, then you are **Bankrupt**. (See 1 2 3 in diagram)

If you declare bankruptcy:

- Sell any number of assets you own to the bank and receive 1/2 the Down Payment for each. Use these funds to pay off debts until your Total Income is greater than your Total Expenses. (In other words, your Monthly Cash Flow is positive.)

- You also: Lose 2 turns.

If, after selling all your assets, your Monthly Cash Flow is still negative, then you are officially out of the game.

INCOME STATEMENT		Auditor	
INCOME		Salary: \$ 4600	
Salary	\$ 4600		
Interest/Dividends	\$ 20		
Real Estate Business	\$ 20		
		+ Passive Income	\$ 300
		Interest + Dividends +	4900
		Real Estate + Business	4900
		Total Income	\$ 4900
EXPENSES		- Total Expenses	
Taxes	\$ 90		
Home Mortgage Payment	\$ 0		
School Loan Payment	\$ 60		
Car Loan Payment	\$ 120		
Credit Card Payment	\$ 140		
Other Expenses	\$ 1000		
Child Expenses			
Loan Payment			
		- Total Expenses	\$ 3030
		Monthly Cash Flow (PAYDAY)	\$ 1870
		(Total Income - Total Expenses)	\$ 1870

BALANCE SHEET		LIABILITIES	
ASSETS		Home Mortgage	
Cash	\$ 5,000		\$ 5,000
Stocks/Funds/CDs	\$ 2,400	School Loans	\$ 12,000
		Car Loans	\$ 4,000
		Credit Cards	\$ 4,000
Real Estate Business	Down Pay	Loans	
		Real Estate Business	Mortgage Liability

Example: Loanst

INCOME STATEMENT		Auditor	
INCOME		Salary: \$ 4600	
Salary	\$ 4600		
Interest/Dividends	\$ 20		
Real Estate Business	\$ 20		
		+ Passive Income	\$ 300
		Interest + Dividends +	4900
		Real Estate + Business	4900
		Total Income	\$ 4900
EXPENSES		- Total Expenses	
Taxes	\$ 90		
Home Mortgage Payment	\$ 0		
School Loan Payment	\$ 60		
Car Loan Payment	\$ 120		
Credit Card Payment	\$ 140		
Other Expenses	\$ 1000		
Child Expenses			
Loan Payment			
		- Total Expenses	\$ 2930
		Monthly Cash Flow (PAYDAY)	\$ 1970
		(Total Income - Total Expenses)	\$ 1970

BALANCE SHEET		LIABILITIES	
ASSETS		Home Mortgage	
Cash	\$ 5,000		\$ 5,000
Stocks/Funds/CDs	\$ 2,400	School Loans	\$ 12,000
		Car Loans	\$ 4,000
		Credit Cards	\$ 4,000
Real Estate Business	Down Pay	Loans	
		Real Estate Business	Mortgage Liability

Example: Paying Off Debt

INCOME STATEMENT		Auditor	
INCOME		Salary: \$ 4600	
Salary	\$ 4600		
Interest/Dividends	\$ 20		
Real Estate Business	\$ 20		
		+ Passive Income	\$ 1070
		Interest + Dividends +	5670
		Real Estate + Business	5670
		Total Income	\$ 5670
EXPENSES		- Total Expenses	
Taxes	\$ 90		
Home Mortgage Payment	\$ 0		
School Loan Payment	\$ 60		
Car Loan Payment	\$ 120		
Credit Card Payment	\$ 140		
Other Expenses	\$ 1000		
Child Expenses			
Loan Payment			
		- Total Expenses	\$ 5730
		Monthly Cash Flow (PAYDAY)	\$ -60
		(Total Income - Total Expenses)	\$ -60

BALANCE SHEET		LIABILITIES	
ASSETS		Home Mortgage	
Cash	\$ 5,000		\$ 5,000
Stocks/Funds/CDs	\$ 2,400	School Loans	\$ 12,000
		Car Loans	\$ 4,000
		Credit Cards	\$ 4,000
Real Estate Business	Down Pay	Loans	
		Real Estate Business	Mortgage Liability

Example: Bankruptcy



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