

THE HOME BUSINESS WEALTH FORMULA

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***"Get out of debt and rid yourself of the terrible
bondage that debt brings. Discipline yourself in
matters of spending, in matters of borrowing, in
practices that lead to bankruptcy and the agony that
comes therewith."***

- Gordon B. Hinckley

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"I remember saying to my mentor: If I had more money, I would have a better plan. He quickly responded, "I would suggest that if you had a better plan, you would have more money. You see, it's not the amount that counts; it's the plan that counts."
- Jim Rohn

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"Interest never sleeps nor sickens nor dies; Once in debt, interest is your companion every minute of the day and night; you cannot shun it or slip away from it; you cannot dismiss it; it yields neither to entreaties, demands, or orders; and whenever you get in its way or cross its course or fail to meet its demands, it crushes you."
- J. Reuben Clark, Jr.

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"The average American will spend \$1,860,000 on goods and services in his or her lifetime."
- American Demographics

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"Almost 1 in 5 households with income over \$50,000 have no savings."
- Smart Money

"More than half of all the money you make in your lifetime will go towards taxes, debt payments, and fees."
- Personal Financial Mastery

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"One half of American households have accumulated less than \$1,000 in net financial assets."

- Capital Research Associates

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"The problems of today cannot be solved with the same thinking that got us here in the first place. You must rise to the next level to solve it."

- Albert Einstein

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THE HOME BUSINESS WEALTH FORMULA

The **HOME BUSINESS WEALTH FORMULA** reveals how to combine **YOUR HOME BUSINESS INCOME** with **DEBT-ELIMINATION**, turning of your debt payments into **WEALTH**, creating **MULTIPLE STREAMS OF INCOME**, and **TAX REDUCTION** -- all rolled up into one **WEALTH CREATION FORMULA** to achieve a **DEBT-FREE LIFE** of financial independence.

As you know, the acquisition of money has been a problem for generations of time.

Throughout history people have designed various ways, strategies, systems, jobs, business ventures and opportunities to earn money, save money and build wealth.

However, a very simple, wealth-building system has always been right there in your possession.

It is something that you or anyone can begin to use right now, without a college education, without additional income, without a business investment, without doing any extra work, and without joining a business opportunity!

WHAT???

Yes. I will tell you something that most people in the HOME BUSINESS, network marketing, home-based business world don't readily admit or realize.

You can become debt-free and financially independent using your existing income from your regular old JOB or business income you currently have.

That's right; it's doable and possible for you to become debt-free and financially independent without joining any kind of business opportunity.

You're probably scratching your head now.

If you can do it all without joining any business opportunity really, so WHY then am I still an advocate of a home-based business, direct marketing, HOME BUSINESS, direct selling, network marketing opportunities, and promoting them?

Good question.

Pay close attention to my answer.

I am an advocate of the home business industry because I know that for most people if they get the right knowledge, education and orientation about debt-elimination, wealth-building, creating multiple streams, and tax advantages for business owners, it will give them the ultimate advantage to use the PART-TIME INCOME or FULL-TIME INCOME gained from their HOME BUSINESS to dramatically ACCELERATE their debt-elimination and wealth-building.

Their HOME BUSINESS income can help them accomplish the goal of living a debt-free lifestyle and enjoying total financial freedom and independence MANY TIMES FASTER!

An extra \$500 to \$1,000 a month from HOME BUSINESS would make a difference in many people's lives, but without the understanding you're about learn, they would just go along using the money, spending on this and that -- blowing it, without a power increase of their financial independence.

However,

An extra \$500 to \$1,000 a month from HOME BUSINESS used in conjunction with the systematic debt-elimination, wealth-building, multiple streams of income and tax reduction strategies you're about to learn could help create fortunes.

The information you are about to learn could change financial life.

Let's begin.

You will learn a simple financial principle that will liberate you from the bondage of debt and put you on the road to financial well-being.

You should know that each dollar that comes into your hands is a money seed that can grow into a money tree and every dollar you waste robs your lifetime income potential.

What you do with every dollar that flows into your hands today will make or break your lifestyle tomorrow.

CALCULATE YOUR LIFETIME INCOME

In your working lifetime, a lot of money flows through your hands during a 40 year period from age 25 to age 65.

| HOUSEHOLD INCOME | WORKING YEARS (25-65) | LIFETIME INCOME |
|-------------------------|------------------------------|------------------------|
| \$25,000 | X 40 YEARS | \$1,000,000 |
| \$50,000 | X 40 YEARS | \$2,000,000 |
| \$75,000 | X 40 YEARS | \$3,000,000 |
| \$100,000 | X 40 YEARS | \$4,000,000 |
| \$200,000 | X 40 YEARS | \$8,000,000 |
| \$300,000 | X 40 YEARS | \$12,000,000 |

If your household income is only \$25,000 per year, over 40 years, your LIFETIME INCOME is \$1,000,000. Many people will earn \$1,000,000 or more in their lifetime, but the question is what happens to this income?

AMERICANS AT AGE 65

85% - have less than \$250 in savings

75% - are dependent upon relatives, government or charity

23% - are still working

2% - are financially self-sufficient

The average American household saves only 4.5% of their income annually and 90% of the population earns less than \$40,000 a year.

THE 4 STEPS TO FINANCIAL FREEDOM

- 1. Debt Elimination Using Money You Already Make**
- 2. Turn Your Debts into Wealth**
- 3. Create Multiple Streams of Income**
- 4. Reduce What You Spend on Taxes**

"More than half of all the money you make in your lifetime will go towards taxes, debt payments, and fees."

– Personal Financial Mastery

THE POWER OF COMPOUNDING INTEREST

Albert Einstein stated that the greatest invention he ever witnessed was compounding interest. It can either work for you or against you.

The difference lies in whether you are on the borrowing or lending side of the equation.

When you borrow or use other people's money, compounding interest is working against you and the lender profits massively.

When you save and invest your money, it is you who becomes the lender and other people pay you interest for using your money, making you rich.

This positive side of compounding interest will create a perpetual stream of income for you and generations of your family.

THE ILLUSION OF THE FINANCED LIFESTYLE

Many people have become accustomed to living on "financed" lifestyle.

They don't really "own" much.

They just have the appearance of owning things, but the truth is that these "things" are owned by the bank or the lending institution.

When the financing term is complete, the INTEREST paid usually doubles or triples the cost of the item purchased.

If you buy a \$200,000 home today and paid the minimum payments over the next 30 years, you will pay approximately \$600,000 for the same \$200,000 home.

What happens to the \$400,000 profit?

The \$400,000 profit goes to your lender.

You worked 30 years just so you could give \$400,000 away to your creditor.

Most people forfeit their lifetime income to creditors, lenders, debt and interest.

This is not the road to financial freedom.

This is exactly why you want to eliminate all of your debts as fast as you can so you can get on the right side of compounding interest and start to build wealth.

If you absolutely must incur some debt, you should work to pay it off as quickly as possible.

DEBT CHART EXAMPLE

| NAME OF DEBT | BALANCE | MONTHLY PAYMENT | PAYMENTS LEFT | PAY-OFF ORDER |
|--------------|---------|-----------------|---------------|---------------|
| | | | | |
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INSTRUCTIONS FOR USING THE DEBT CHART

1. NAME OF DEBT - Write down the name of the debt you owe. (Home, car, credit card, loan)
2. BALANCE - Write down your current outstanding balance for the debt you owe.
3. MONTHLY PAYMENT - Write down the amount of your monthly payments.
4. NUMBER OF PAYMENTS LEFT - Write down the number of payments left before the debt is paid off. To calculate the number of payment divide your remaining balance by the monthly payment amount. For example, a \$25,000 school loan divided by a \$200 monthly payment = 125 payments remaining.
5. PAY-OFF ORDER - Determine the pay-off order by ranking #1 for the debt with the lowest number of

payment. Write #2 for the debt with the next highest number of payments, and so on. This ranking process will give you the order in which you will start to eliminate your debts.

COMPLETED DEBT CHART EXAMPLE

| NAME OF DEBT | BALANCE | MONTHLY PAYMENT | # PAYMENTS LEFT | PAY-OFF ORDER |
|--------------|-----------|-----------------|-----------------|---------------|
| HOME | \$150,000 | \$1,000 | 150 | #4 |
| PIANO | \$1,000 | \$100 | 10 | #1 |
| SCHOOL | \$25,000 | \$200 | 125 | #3 |
| CREDIT CARD | \$2,250 | \$75 | 30 | #2 |

DEBT ROLLOVER CHART EXAMPLE

| DEBT #1 | DEBT #2 | DEBT #3 | DEBT #4 | DEBT #5 | DEBT #6 | DEBT #7 |
|---------|---------|---------|---------|---------|---------|---------|
| \$100 | \$75 | \$200 | \$1,000 | | | |
| \$100 | \$75 | \$200 | \$1,000 | | | |
| \$100 | \$75 | \$200 | \$1,000 | | | |
| \$100 | \$175 | \$200 | \$1,000 | | | |
| | \$175 | \$200 | \$1,000 | | | |
| | \$175 | \$200 | \$1,000 | | | |
| | | \$375 | \$1,000 | | | |
| | | \$375 | \$1,000 | | | |
| | | \$375 | \$1,000 | | | |
| | | \$375 | \$1,000 | | | |
| | | | \$1,375 | | | |
| | | | \$1,375 | | | |

HOW TO BEGIN THE DEBT ELIMINATION PROCESS

Start with debt #1 in the pay-order.

When debt #1 is paid, add the payment from debt #1 to the monthly payment for debt #2.

When debt #2 is paid, add the debt payments from debt #1 and debt #2 to debt #3 until it is paid.

When debt #3 is paid, add the debt payments from debt #1, debt #2 and debt #3 to debt #4 until it is paid.

Continue this process until all of your debts are paid off in full, including your home mortgage.

ACCELERATE YOUR DEBT-ELIMINATION PROCESS

You can become completely debt free using your current income alone and you can accelerate your debt-elimination process by doing the following:

Decide to spend 5%, 10%, 15% or more of your monthly income toward debt-elimination by dedicating this amount of your monthly income to debt #1 to pay it off faster and continue rolling over the same percentage of your monthly income to your debt-elimination process until all of your debts are paid. This will dramatically speed up how fast you become debt free.

Become a smart shopper and **SAVE MORE MONEY** on everything you buy. The money you save means extra money you didn't have to spend, but you must actually

take the savings and apply it to your debt-elimination process.

Develop a saving mentality instead of a spending mentality.

KEEP YOUR FOCUS ON ELIMINATING YOUR DEBTS

While you are going through the debt-elimination process, it is critical that you don't get side-tracked and deviate from your goal.

Once you pay off debt #1, do NOT take the extra money each month and blow it on other products, services or going out and having FUN with it!

This is where your discipline comes into play.

You MUST take 100% of the money from the debt #1 and roll it over to debt #2, and so on, until ALL of your debts are paid in full.

You won't miss the money anyway, because that money was going to pay debts.

You can do this process without earning anything other than your current income.

That's right, you don't even need money from a HOME BUSINESS, network marketing business in order to accomplish this!

However, I will show you **WHY** you can speed up your debt-elimination process and your wealth-building process dramatically **IF** you apply the money you earn from your **HOME BUSINESS** to your debt-elimination and wealth-building process.

HOW TO TURN YOUR DEBTS INTO WEALTH

When you are debt-free, you can start saving or investing all of the money which previously went towards debt payments, which could be \$1,000 to \$3,000 or more per month! Previously your debt payments made your creditors rich, but when you're debt-free these same debt payments can work to make you rich.

In the example in the above debt-elimination charts, when you finish eliminating all of the 4 debts listed, you would have \$1,375 monthly available to begin your wealth-building phase into your savings or investments.

This \$1,375 per month is money that previously went towards debt payments anyway, so you will not miss it from your monthly budget when you turn around and invest it on a monthly basis.

Over the next 10 years alone this amount will add up to \$165,000 without any kind of compounding interest being applied to it. Have you ever had \$165,000 just sitting somewhere in your savings account? Most likely, not. What about most of your family and friends? Again, most

likely, not. However, with the help of a qualified investment advisor, you may be able to find an investment that may 8% to 10% more in annual returns.

IS THERE LIFE AFTER DEBT?

Yes, there is a prosperous financial life and debt. Albert Einstein said that compound interest was the greatest invention he ever witnessed. This is where the miracle of compound interest begins.

| LIFE AFTER DEBT CHART - TURNING YOUR DEBTS INTO WEALTH | | | | | |
|--|-----------------|-----------------|-------------|--------------|--------------|
| | | \$1,375 Mo | \$16,500 Yr | | |
| YEAR # | BALANCE FORWARD | OLD DEBT \$\$\$ | SUB-TOTAL | 10% INTEREST | BALANCE |
| Year 1 | \$0 | \$16,500 | \$16,500 | \$1,650 | \$18,150 |
| Year 2 | \$18,150 | \$16,500 | \$34,650 | \$3,465 | \$38,465 |
| Year 3 | \$38,465 | \$16,500 | \$54,965 | \$5,496.50 | \$60,461.50 |
| Year 4 | \$60,146.50 | \$16,500 | \$76,962 | \$7,696.15 | \$84,657.65 |
| Year 5 | \$84,657.65 | \$16,500 | \$101,158 | \$10,115.76 | \$111,273.41 |
| Year 6 | \$111,273.41 | \$16,500 | \$127,773 | \$12,777.34 | \$140,550.75 |
| Year 7 | \$140,550.75 | \$16,500 | \$157,051 | \$15,705.07 | \$172,755.82 |
| Year 8 | \$172,755.82 | \$16,500 | \$189,256 | \$18,925.58 | \$208,181.40 |
| Year 9 | \$208,181.40 | \$16,500 | \$224,681 | \$22,468.14 | \$247,149.54 |
| Year 10 | \$247,149.54 | \$16,500 | \$263,650 | \$26,364.95 | \$290,014.49 |

The same \$1,375 a month that went to make your creditors rich can now go to work and make you rich instead. That was \$16,500 a year going into the hands of your creditors.

This example illustrates the potential of what could happen to that same \$1,375 a month, or \$16,500 a year, receiving a 10% annual return.

If you just put \$1,375 a month under your mattress or savings account for 10 years, you would have \$165,000.

But a 10% return over the same 10 years would be \$290,014.49.

In this illustration, that's a difference of \$125,014.49!

Also, remember, \$1,375 a month after ALL your debts are paid off may be very conservative for your situation. When ALL of your actual debts are paid off you have freed up \$2,000 or \$3,000 or more per month to save or invest.

Of course, since I am not a financial advisor, I am not allowed to give you any financial investment advice, so for that you will need to contact a qualified financial professional.

LIVING DEBT-FREE!

Imagine being debt-free!

No car payments!

No credit payments!

No loan payments!

No mortgage payments!

No worry about your credit rating anymore!

You don't need credit anyway!

You buy everything you need with cash!

Everything you have is YOURS!

No calls from creditors!

You can pay for emergencies with your own cash!

You can travel on vacations with cash, but it's best to use some kind of travel card like American Express or VISA / MasterCard Bank Debit Card for convenience and for safety.

It's a good feeling to know you finally have control of your money instead of your money having control of you.

CREATE MULTIPLE STREAMS OF INCOME

From my view point, the purpose of earning multiple streams of income is not to just live the high society "rich" life, but to generate MORE income to accelerate your debt-elimination and wealth-building process.

Resist the temptation to just blow your money on buying, buying and more buying.

Your goal is to eliminate all your debts, create multiple streams of income to build wealth faster, so you can get to the point where you no longer need to live on earned

income and buy all the things you need coming from your interest income.

Keep feeding the compound interest machine, because that money will grow throughout your life and potentially for generations of your family to come.

5 KINDS OF INCOME

LINEAR INCOME

This is the kind of income you earn as an employee or a highly paid professional. You work by the hour and get paid by the hour or salary. The drawback to linear income is when you stop working the money stops coming in.

RESIDUAL INCOME

Residual income is also known as royalty income. You do the work one time and you will continue to receive ongoing compensation for the same work.

MULTIPLEX (LEVERAGED) INCOME

Multiplex income is being paid on the efforts of other people. You will find this kind of income in businesses such as network marketing and insurance.

PORTFOLIO INCOME

Portfolio income is compensation from your investments. Are you debt-free, you can work with an investment professional to turn the money from your previous debts, and your other income streams, into wealth.

MULTIPLE STREAMS OF INCOME

One secret of the rich is that they have multiple streams of income working for them. Five streams of income are better than one. If you're like most people, you have only one income stream working for you -- your job. But if something jeopardizes your job, or single income stream, this places your life in financial jeopardy. Here's the rule. Never have just ONE source of income. It is financially dangerous.

You should work to have two, three, five or more sources of income flowing into your savings / investments accounts each month. If something happens to one source of income, it may cause you a little frustration, but you can get over it quickly and move on to replace it because you have four other income streams providing your income.

Income Stream #1. Your job / employment \$\$\$

Income Stream #2. Your favorite HOME BUSINESS business \$\$\$

And now it's time for a little shameless plug for ABM!

An excellent way for building ONE of your multiple income streams is to join the ABM HOME BUSINESS LEAD PROGRAM and refer other HOME BUSINESS gold miners, network marketers, and other business-minded people to ABM to enjoy the same benefits you will enjoy.

You could potentially be out of debt and getting started on the road to building true financial freedom in very little time.

The more money you have accumulated in your savings and investments, the faster you will be able to enjoy a debt-free life living an abundant lifestyle on just SOME of your interest that is accruing year after year.

I have been on the corporate side of HOME BUSINESS companies and have seen behind the scenes that some of the most successful HOME BUSINESS distributors turn around a SPEND IT ALL on buying more expensive cars, buying all the fine things that money can buy, and more expensive homes, living a very rich and famous lifestyle.

Then they come to corporate and ask for loans of commission draws on future income earnings.

That is crazy!

Little do they know that they had such great potential to create a lifestyle of great wealth by becoming and staying debt-free, living simply, and rolling most of the money into their savings and investments, and live royally on interest earnings.

So, it was truly sad for me to see some of these success stories end up "hard-up" on cash while living with constant pressure to recruit, recruit, recruit just to stay afloat after having had so much money flowing through their hands.

REDUCE WHAT YOU SPEND ON TAXES

"More than half of all the money you make in your lifetime will go towards taxes, debt payments, and fees."

– Personal Financial Mastery

The majority of the tax laws are set up to favor businesses, since the government wants to encourage people to go into business help build the U.S. economy.

That's why employees are at a disadvantage when it comes to paying taxes.

If you are an employee, the government will take out taxes first and let you spend the rest.

If you are a business owner, the government will let you spend money on your business first and tax you on what's left.

If you want to take advantage of the many tax deductions available for business owners, you **MUST** start a business.

If you don't have a business, you are overpaying your taxes!

THE LIST OF TAX DEDUCTIONS AVAILABLE TO BUSINESS OWNERS INCLUDE:

Advertising expenses

Postage

Printing

Leads

Mailing lists

Mortgage interest or Rent

Gas, electric, water and sewer

Cleaning crews to dust, vacuum and empty the trash

Computers, copiers, fax machine and telephones

Paper, pens, ink cartridges and even postage

Desks, sofas, coffee tables and other furniture

Painting, wallpaper, carpeting and other repairs/remodeling

Phones bills, cell phones, pagers and PDA's (Personal Digital Assistants)

Newspapers, magazines, books and on-line media

Airfare, hotel costs, meals and rental cars

Lunches, dinners, ball games and theater tickets

Security alarms and hidden cameras

Health, life, dental, vision, disability and unemployment insurance

Company cars (and even boats)

Contributions to Employee Retirement Plans

Holiday cards, gifts and postage.

And just about any other expense that qualifies as "ordinary and necessary" to operate their business

Mileage on your car

Hiring and paying your kids.

OTHER WAYS TO SAVE MONEY TO ACCELERATE YOUR DEBT-ELIMINATION AND WEALTH-BUILDING PROCESS

HOUSEHOLD/FAMILY

Create a budget to help you to plan and evaluate your spending.

Pay bills promptly to eliminate any extra late charges.

Limit shopping to once a week.

Don't shop when you're hungry.

Substitute more generic equivalents for brand name items.

Limit eating at fast food restaurants.

Rent movies.

Read magazines and check out books at the library.

Wash/starch your own shirts.

Don't throw things away. Sell them.

Cash in refund or rebate offers.

Work toward home ownership.

Make sure your home is insulated well and weather stripped.

Use a ceiling fan all year round.

Wear a sweater inside your home if it's cold.

Start your own garden.

Water your lawn and garden at night.

Sell your home; move to an area of the country where the cost of living is less; pay off your debts with the profits.

Exercise to stay healthier. You'll keep medical bills down.

Live within your means. Live on less than you earn.

AUTOMOBILE:

Buy a slightly used car.

Avoid auto dealer's loans.

Buy regular gasoline for your car instead of high-priced high octane gas.

Wash your car at home.

INSURANCE:

Buy the highest deductible you can on your insurance policies.

Eliminate any unnecessary options on your car insurance.

Avoid credit insurance.

Turn down car rental insurance if you're covered on your personal auto insurance.

Don't purchase extended warranties.

BUSINESS:

Start a home-based business for extra money and tax breaks.

Take all the income tax deductions you are legally entitled to.

Put your kids on your payroll.

Prepare your own tax returns.

SHOPPING:

Remember, if you can't pay CASH for something, you really can't afford it.

Become conscious of and eliminate impulse buying habits.

Try to find discount merchandise you can purchase by mail order.

Buy holiday gifts well before time.

Shop at department store clearance centers.

Shop at factory outlets.

Buy on sale.