



Lifetime Income System™

Action Plan

By Chuck Hughes

Tier One...

Every Lifetime Income System trade must first pass the Tier One selection process

PowerTrend

If price on the last day of the month closes above The **10-month simple moving average (SMA)**
BUY: Stocks, ETFs, Call Options

If price on the last day of the month closes below the **10-month simple moving average (SMA)**
BUY: Inverse ETFs or Put Options



Prime Trade Select

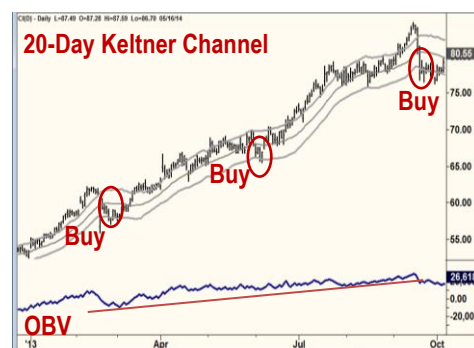
Once a stock or ETF has passed the PowerTrend test, Prime Trade Select determines potential to win and finds a low-risk entry point

Daily **On Balance Volume (OBV)** indicates the degree of buying or selling pressure – OBV should be in an uptrend to buy, in a downtrend to sell

Use 20-day **Keltner Channels** to identify low risk entry points...

Buy at the middle or lower band in an uptrend
Sell at the middle or upper band in a downtrend

Hint: A list of stocks making new 52-week highs is an excellent place to start looking for potential trades



Tier Two...

Take full advantage of the wealth-building power of options...

If you've never traded options before, you'll be delighted to see how easy it is. They're traded on an exchange, just like stocks... You enter the same types of "Market", "Limit", and "Stop" orders as you would with stocks... And price is determined by a bidding war between buyers and sellers, the same as with stocks.

CALL Options give you the "right", but not the "obligation" to BUY an equity at the "Strike" price

PUT Options give you the "right", but not the "obligation" to SELL an equity at the "Strike" price

You'll find everything you ever wanted to know about trading options, laid out in the simplest of terms, in the "Option Basics" section of your Lifetime Income System manual.

PowerTrend Option Strategy

Buy In-The-Money Call options for **Prime Trade Select** bullish stocks and ETFs

Buy In-The-Money Put options for **Prime Trade Select** bearish stocks and ETFs

1% Rule: Buy options that require no more than 1% increase (1% decrease for Puts) in the price of the underlying equity in order to breakeven

30% Rule: If an option's price drops by 20%, start looking to get out before it hits 30%... This should give you a better than 3-to-1 profit/loss ratio

Let it Roll: At option expiration you must either exit all together or rollover to a new option... "sell to close" expiring option and "buy to open" a new option.

Rolling over your option positions will reduce the cost basis & risk; and will allow you to compound your returns to triple and quadruple-digit levels.

Using spread orders to rollover options will reduce commissions. And, if you place limit orders mid-way between the 'bid/ask' you can reduce slippage.

Stress Less Stock & Option Strategy

Eat Well & Sleep Well when you buy **Near-the-Money Put** options to lock in profits... protect your Stocks, ETFs, and Deep-In-the-Money Calls from downside risk... and at the same time, leave unlimited upside potential.

Collect a Weekly Paycheck

Collect immediate cash income from SELLING one At-The-Money or Near-The-Money Call Option for every 100 shares of Stock or ETF in your portfolio.

To generate income in a bear market, buy shares of an Inverse ETF and sell a related Call Options against it.

When you short (sell) an option, the time value of that option becomes profit at expiration regardless of the price movement of the underlying stock or ETF.

And Weekly options can give you up to 6 times more premium compared to monthly options over the same period of time. These rich premiums make selling weekly options a very lucrative strategy that can deliver a 100% cash-on-cash return over the course of a year.

Double Dipping: If the underlying stock/ETF goes down in price and the value of the option you sold declines by 75%-85%, buy the option back close the trade with a profit. Then you can sell another Call Option and collect two premiums in one week.

Please realize this Action Plan is ultra-condensed for your convenience.

The **Lifetime Income System** manual contains easy-to-follow explanations, step-by-step instruction, and loads of illustrations with circles, arrows, and annotations... simple enough for a kid to follow.

But, you don't really need to know any of this stuff to profit. Because Lifetime Income System emails contain word-for-word instructions you can just read to your broker or enter online.

**Nothing to it but to do it...
So let's go make you some money!**