

guidance booklet

amplitude

Your journey to
financial sovereignty.

Money Management made simple!

An easy approach of how you can master your money management on a daily basis – there will be more money at the end of the month without limiting your lifestyle!

How come that companies are able to pay their bills? Because they're able to manage their liquidity. Having liquidity is the opposite of being insolvent – you have money on your account.

In order to manifest this term we want to clarify, that managing your liquidity means making sure, that you always have enough money on your bank account to pay your bills.

Most of you have heard of the term Cash-Flow Management.



However, **Cash-Flow Management** doesn't appear to happen in a corporate context only, you can also integrate it in your personal life!
So ask yourself:

- How do you make decisions on whether to buy that pair of shoes or not?
- How do you decide to sign for that fitness contract or not?

Yes, you do have Cash-Flow Management in your life, however, a probably very bad one.

No Problem, we've got you covered with the **amplitude** money management approach.

One life,
two accounts,
infinite financial independence.

**Master your money management,
step by step!**

I. Different Cost Types

Generally said, you can separate every kind of transaction that is happening on your bank account in four different types:

- 1. Income**
- 2. Fixcost**
- 3. Variable Cost**
- 4. Financial Cost**

But why is it so important to actually separate these costs?

- It is the only how you find out more about your financial behaviour.

Money is running through your fingers?

- By separating your cost types and comparing them to benchmark percentages we can tell you why this is happening. You can see where all your money is actually going!



1. INCOME

Income is every kind of money that comes to your account.

Generally, one can say that having three different income streams is a solid foundation to a very healthy financial lifestyle.



INCOME

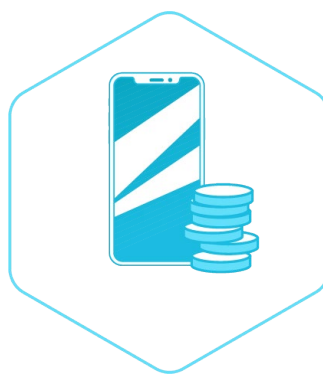
= 100%

2. FIXCOST

Fixcosts are those costs that occur on a regular, most likely monthly basis. Same amount, same period. e.g. paying your rent, your mobile phone contact or any kind of insurances,...



Rent



Mobile phone
contact



Insurances

A very common benchmark is, that your fixcosts should not exceed **40-55%** of your net income, whereas your rent itself should not be more than 30% of your net income.



30%

I. DIFFERENT COST TYPES

It doesn't really make a difference if you're earning 950€ or +5.000€ a month
- these benchmarks are generally valid.

Also keep in mind, your Fixcosts represent your **Standard of Living...**



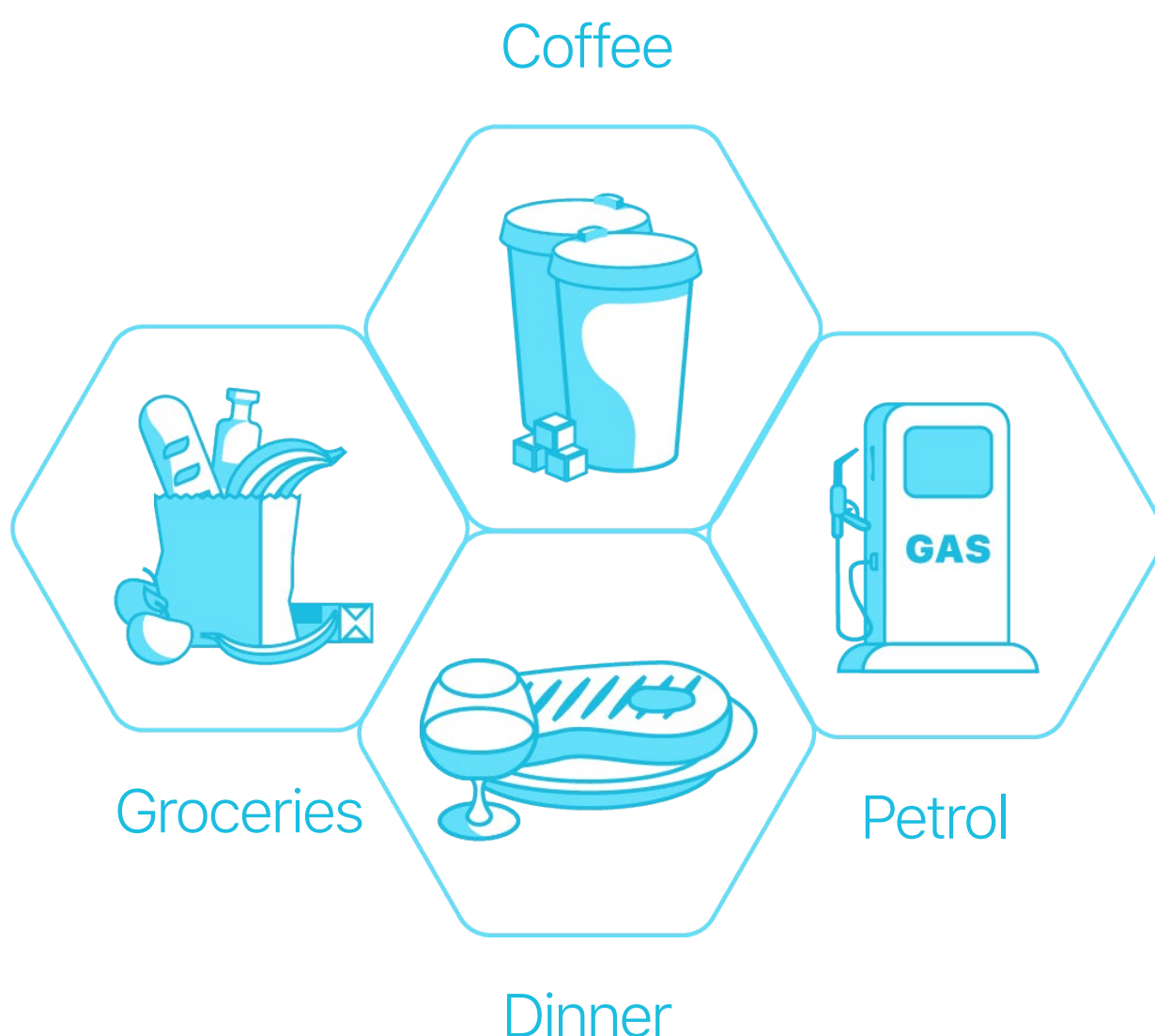
FIXCOST

40-55%

3. VARIABLE COSTS

... whereas your variable costs represent your **Lifestyle.**

Variable Costs are such that occur during your daily life. e.g. going out for a coffee, grocery shopping, filling up your car with gasoline and going out for dinner or lunch.



I. DIFFERENT COST TYPES

In order to not live above your means, your Lifestyle spendings should **not exceed 40%** of your net income.



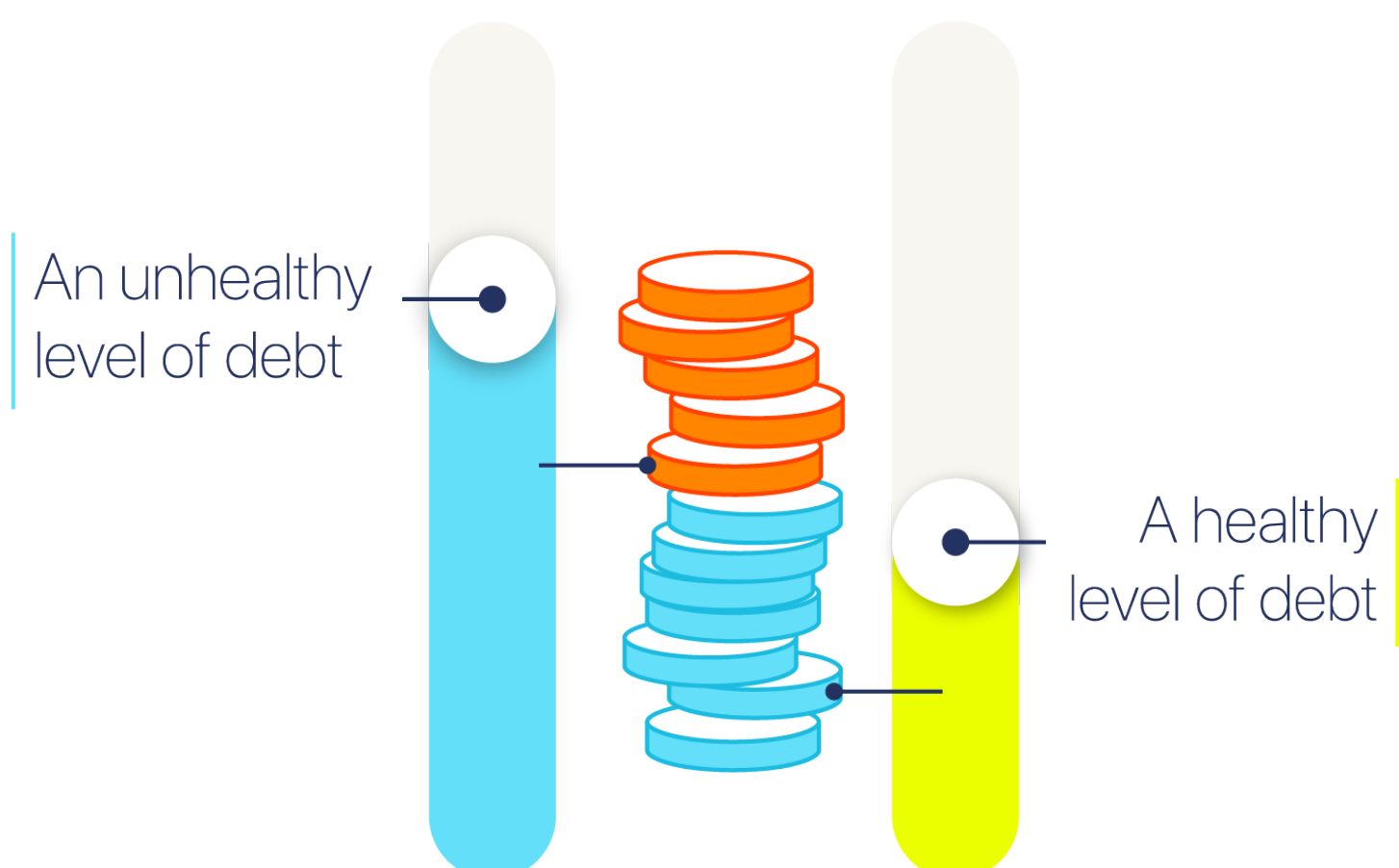
VARIABLE

< 40%

3. FINANCIAL COSTS

First of all, there is such thing as having a **healthy level of debt** according to your income - but, there is also an unhealthy level of debt.

Financial Costs are such costs like loans that are paid, leasing costs or other financial related costs.



I. DIFFERENT COST TYPES

At the same time, whenever you build up **financial reserves** e.g. for example putting some money aside, it will also be considered as financial 'costs'.

A healthy level of Financial Costs can be considered **between 8% and 20%** of your net income.



FINANCIAL

8-20%

I. DIFFERENT COST TYPES

Now let's make a ramp up:
Of your net income you shouldn't spend more than...

- 40%-55% for Fixcosts
- 40% for your Lifestyle
- 8-20% for Financial Costs



Fix Costs



Lifestyle Costs



Financial Costs

How can you keep track of these benchmarks?

Are you going to pull out your calculator anytime you want to make a decision?

... Surely not.

Excel?

Oh yes excel is a good solution.

But if you're really being honest with yourself, it's not gonna happen that you're going to carry your laptop with you when deciding to go for that pair of shoes and you won't think of it when coming home either. Are we right?

Exactly ... there must be another solution.

May we introduce: **amplitude**

Your personal Cash-Flow management tool to gain financial sovereignty!



II. 2-Account-Model

Our 2-Account-Model empowers everyone to financial sovereignty without limiting lifestyle.

Please answer yourself this question:
How many accounts do you have?

1. If you've got **one** single bank account, don't worry - we'll come to that shortly.
2. You've got **two** bank accounts? Wow you're probably doing it right already.
3. You've got **three** bank accounts? Interesting, at least you put some thoughts into your account structure. Maybe you've found your own approach, but you should decide later what to go with.
4. Okay... in case you've got **four** bank accounts or more, you're definitely doing something odd here. Just go ahead reading... .

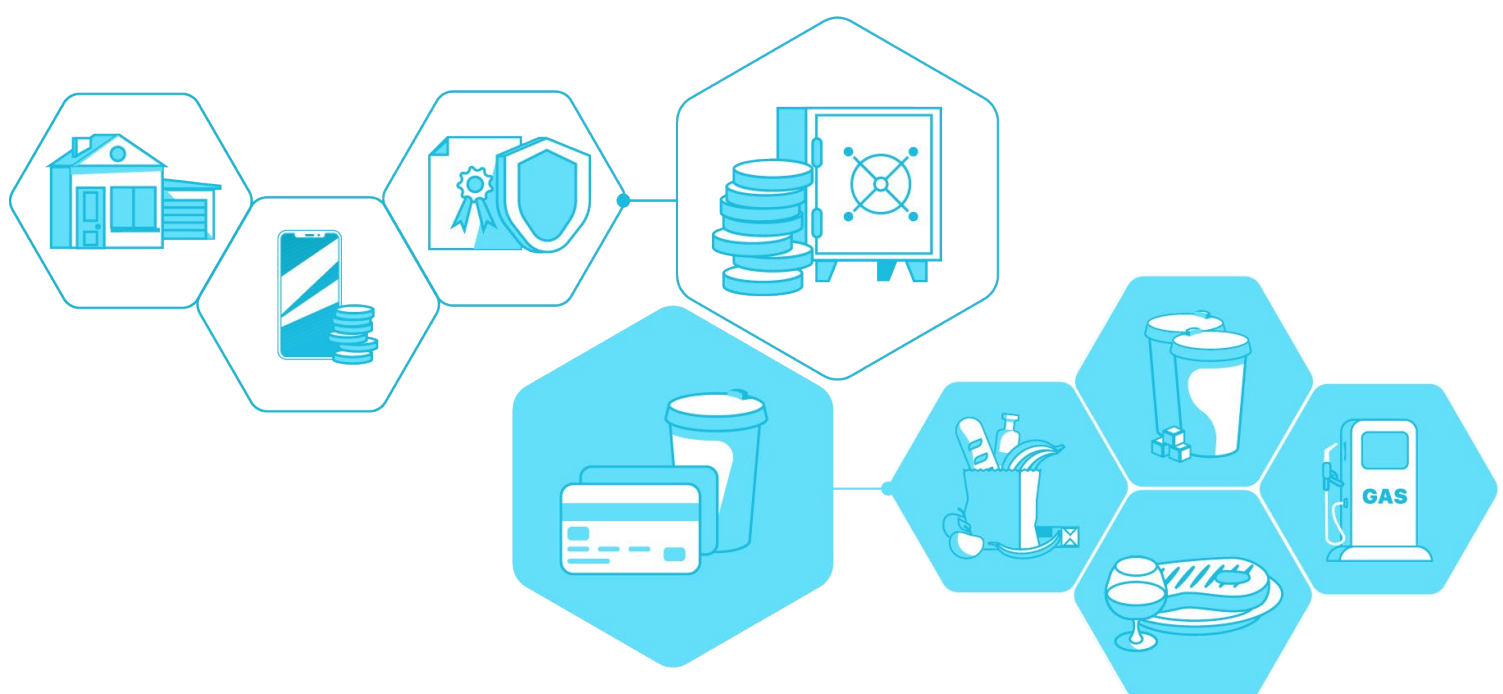
For your daily life, we highly advice you to have **two different bank accounts**.

One account is called the **Main Account** – you probably have one account at a traditional bank, which is good.

The other, second account is the so called **Lifestyle Account**.

MAIN ACCOUNT

for Fixcosts



LIFESTYLE ACCOUNT

for Lifestyle costs

By separating your **Lifestyle** and your **Standard of Living** on two separate bank accounts, you won't mix up transactions – you will not start to mentally account numbers and you're going to be able to make rational finance decisions.

Within amplitude, you're able to connect these two bank accounts and be in full control of them at one glance in one app



MAIN ACCOUNT

On your Main Account every kind of regular **Income** will be transferred. It will also be used to pay all your **Fixcosts**.

In a perfect world, this Main Account should not be used at all for other transactions except your transfer of your **Lifestyle Budget** (ca. 35% of your net income) to your second account, your Lifestyle Account.

Your Main Account is there for **paying Fixcosts** and savings.

LIFESTYLE ACCOUNT

Your Lifestyle Account is there for **spending** - without bad emotions.

From your Lifestyle Account, every kind of **Variable Costs** are paid. This ensures, that you are living life to the fullest by maintaining your healthy financial lifestyle at the same time.

We recommend you to have a second Lifestyle Account with a Debit MasterCard/Visa included.

In the Lifestyle section of the app you'll see immediately what you can afford for the rest of the month - at any time to the cent precisely.

Whatever it is you spend your money on with your Lifestyle Account, it will never give you a bad feeling, because you know your financial situation is in place.

Do not limit your Lifestyle - but rather master your money management skills!

You're on the way of getting your easygoingness in your life.

III. plitude app

1. DOWNLOAD THE APP

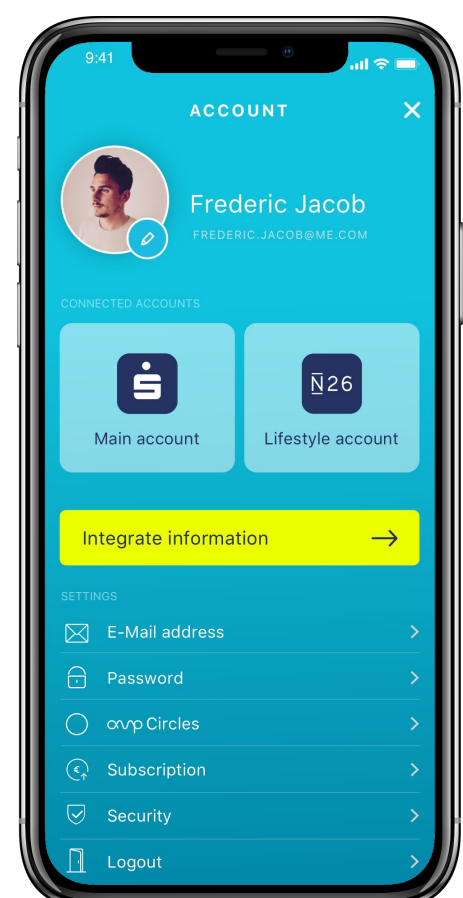
- Go to the App Store and Download the amplitude App.
- You'll find the Link on our Homepage www.amplitude-app.com.
- Look for '**amplitude**' in the AppStore itself.

2. GET THROUGH THE ONBOARDING

- Within the onboarding process you'll get set up.
- Enter your current status.
- Tell us with what email you want to stay in touch.
- Choose your password.
- Make it personal by entering your name and a picture of you.
- Agree to the push-notifications to give you important insights.
- Watch the introduction video.
- Start your **free** trial!

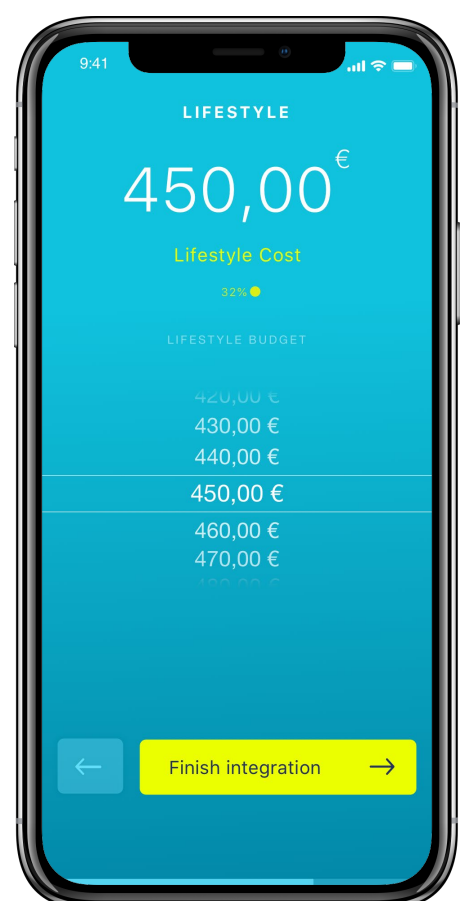
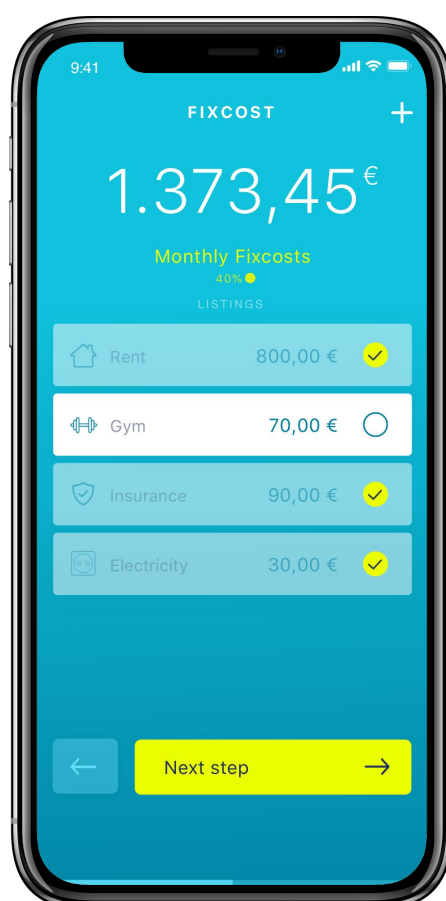
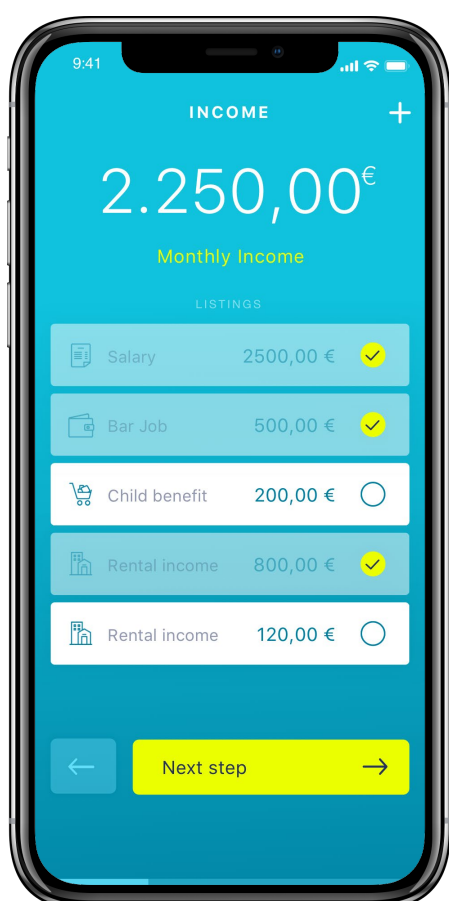
3. CONNECT YOUR BANK ACCOUNTS

- By connecting your bank accounts you secure an automated work-flow of the app. No more manual and annoying entry of spendings.
- You'll get connected to our **BaFin licenced** connection in order to connect your accounts.
- It's as easy as login in to your Online Banking.
- This connection is approved by the Deutsche Bankenaufsicht and therefore PSD-2 licensed.
- The state of the art data security systems are in place for you.



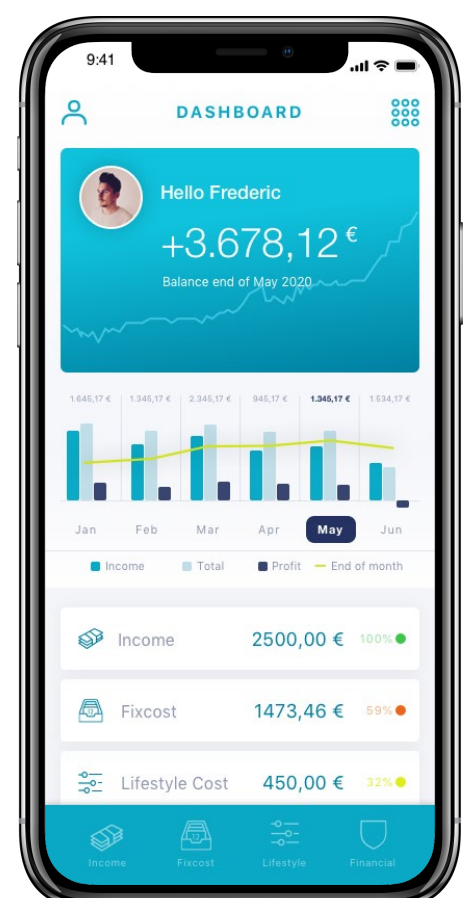
4. CONNECT YOUR BANK ACCOUNTS

- The **amplitude AIA** is going to magically integrate your information within seconds.
- Confirm your list of regular Income.
- Edit or confirm your Fixcosts which are listed to you.
- We're proposing a Lifestyle Budget for you, adjust it according to the colour scale.
- Have a look at your Financial Costs.
- Finish integration.



5. INTERPRET YOUR PERSONAL DASHBOARD

- The first thing you'll probably notice is that big number on your **Dashboard**. This number is showing the Account Balance on your Main Account of the chosen month in the diagram.
- The small number above the diagram is showing how much money is left at the end of the respective month.
- The yellow curve, the amplitude Cash-Flow Curve is showing visually your Liquidity over the next months.
- In the Table View you'll notice some percentages and color dots. This is the
- **amplitude ColorCoach** which
- is telling you at a glance, if
- you've got a healthy situation.



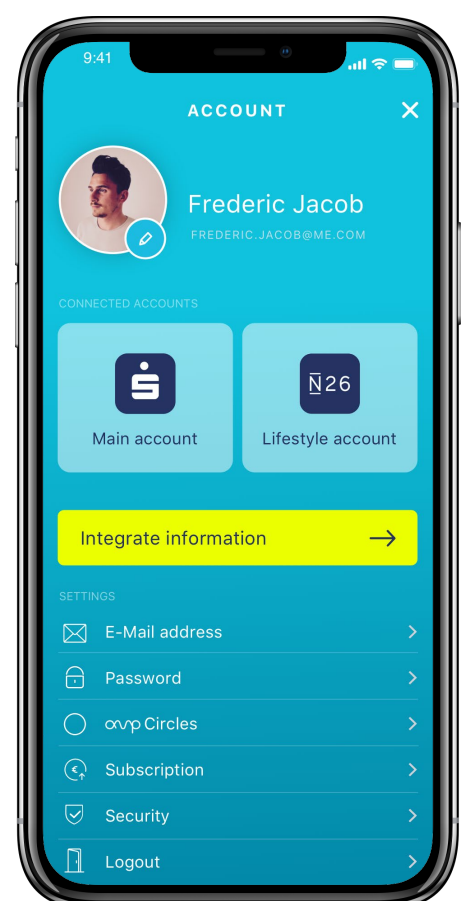
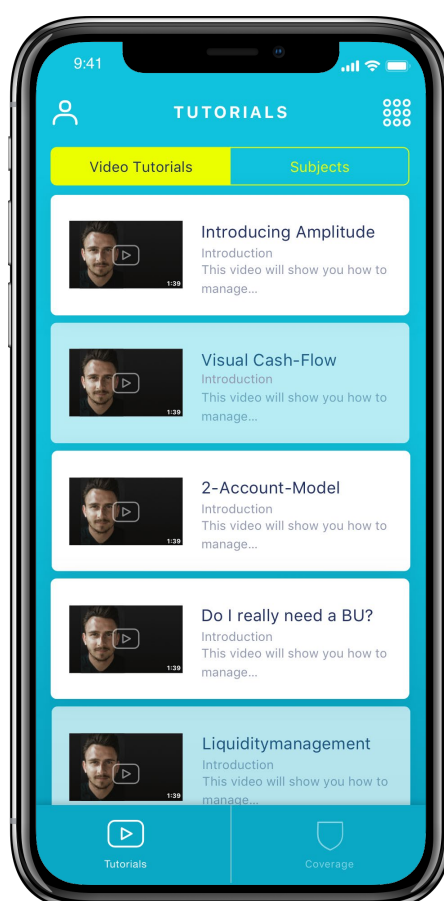
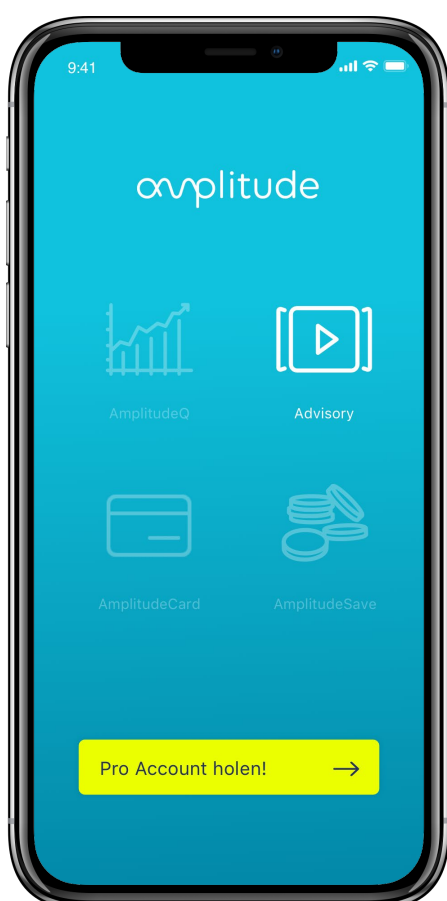
6. HAVE A LOOK AT THE LIFESTYLE SECTION

- If you check out the Lifestyle section you'll see a diagram which is showing you all your categorised Lifestyle spendings during the respective month.
- Swipe the Diagram to the left and you'll see your **Restbudget** diagram.
- This diagram is telling you how much money you're able to spend for the rest of the month, at any time and on the cent precisely.
- You now can tell at any time if you can afford that pair of jeans or if you should postpone that to the upcoming month.



7. DID YOU HEAR ABOUT THE AMP ADVISORY?

- Click on the top right on the Dashboard and have a look at our prolonged services such as the amplitude Advisory.
- Watch the Video Tutorials and gain additional **money management knowledge**.
- Have a look at the Coverage screen to insure that you do not leave a majority of financial risk on the table.



OUR MESSAGE

**Live bold.
Behave humble.**

We want you to challenge your financial status quo and show you the **royal road** to **financial independence**.

Get on top of your money and start seeing beyond tomorrow!

Now it's your turn:

amplitude

Financial sovereignty for everyone.

www.amplitude-app.com