

# Automatic Money Part 1: The 5 Stage Flow



**Stage 1**: Gather an initial cash and emergency fund balance (1 month of minimum monthly outflows)



**Stage 2**: Maximize employer matching contributions



**Stage 3**: Pay off toxic debts



**Stage 4**: Fully stock a cash and emergency fund balance (3-6 months of minimum monthly outflows)



**Stage 5**: Self-contribute 20% of gross income to retirement