



**SIX FIGURE**  
PORTFOLIO COACHING  
— With Michael Shulman

# Perpetual Income Engine Trade

## CHEAT SHEET

### What is a Perpetual Income Engine Trade?

The **Perpetual Income Engine trade** is an ongoing sequence of trades around a single stock position starting by selling In-the-Money (or At-the-Money) put options expecting to get put the stock and collect a rich premium.

Once you are assigned the stock shares, you turn around and sell a covered call option on that position above your cost basis and wait to collect another rich premium.

### First Part of Trade: Selling a Put Option

**Step One:** Select a stock for this income trade

**Step Two:** Select a Put Strike Weekly (or Monthly)

**Step Three:** Select an In-The-Money Strike Price to SELL

**Step Four:** Execute the Trade

### Second Part of Trade: Assignment and Selling a Covered Call

**Step One:** On or after the expiration date, stock from the option put you sold was assigned to you (you have to buy the stock at the put option price)

**Step Two:** Select a Strike Price

**Step Three:** Sell the Call Contract

**Step Four:** Execute the Trade

### **Why Trade the Perpetual Income Engine?**

