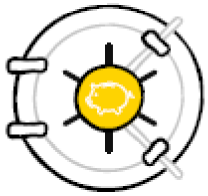
In this guide you'll learn:



Hidden Income

The secret to saving money painlessly – while still spending money on your "guilty" pleasures

Investing

Investing for beginners: get great returns without the confusion and overwhelm

Tap into "Hidden Income"

- money you are throwing away every month

Now that you have your money automatically going where you want it go, let's get some extra cash flowing into all of your accounts.

You can have more money to save and invest (we'll cover investing next) by spending less on the things you're already paying for.

Instead of strict budgets or extreme frugality, this section will show you how to free up your cash so you can jet off for the long weekend, buy that new jacket, or get to zero faster on your credit card balance.

This is how you can gain an unfair advantage when saving money. *(Hint: It starts with money you're sending out the door every month.)*

Fundamentally, there are two ways to have more money. You can either earn more money or cut costs. **Negotiation skills are the most powerful tools to have in your "hidden income" toolbox**, because if you know how to negotiate you can do both *(by negotiating a raise at your job or negotiating a lower rate on every bill you pay)*. Instead of cutting back on the things we love, we can save on the things we hate by paying lower prices using the negotiation strategies I've outlined below.

Bank & Credit Card Fees

Car Insurance

Cell Phone

A few onetime, 5minutephone calls can save you thousands every month. I'll teach you, in detail, some easy ways to save money on bank and credit cards fees, your car insurance and your cell phone bill – all potentially worth thousands of dollars each year – no willpower needed.

How to negotiate lower car insurance

Most of us pick a rate for our car insurance once, then never look at it again.

But if you do, you can save hundreds of dollar each year

Coverage options

First, you'll want to check to see if you have the right amount of coverage. Nobody teaches us about this stuff, so when you bought car insurance, you may not have known which coverage options to choose.

Your current plan

Second, figure out what kind of coverage you currently have and how much you're paying. **Don't be lazy — do this.** If you don't have your current info in front of you, how can you hope to save? Either call your car insurance company or use their website.

Shop around
Third, it's time to start shopping around. I prefer the phone because I can usually sweet talk the rep into telling me about other deals that the websites don't offer. Computers, however, seem to be immune to my charm.

Ask these questions:

Fourth, be an expert caller by asking these questions.

With each call, you should say, *"AAA (or whoever) is offering to insure me for $XXX less" (silence).*

See what they do. *(Note: Negotiating lowering insurance using this technique is much harder to do with car insurance companies than banks, so don't expect very much from this.)*

How much would I save if I insure my car and house with you?

What about renewal discounts?

How long have I been a member with you? What can you offer me as a discount for long-term membership?

Can I save money by pre-paying my entire year up front?

I know other firms offer discounts for features like anti-lock brakes. What about you?

What kind of low-mileage discounts do you offer?

If I enrolled in a defensive-driving course, what kind of discount would you offer? Oh, really? Which courses qualify?

What about discounts for my employer? *(Tell them the specific name of your employer?)*

Some insurance companies offer discounts for low-risk occupations (engineers). What kind of competitive rates do you offer?

Am I paying for roadside assistance?

What other additional "benefits" am I paying for?

Can you walk me through the deductible changes I could make to save money?

AAA, Costco, credit cards, large employers, associations *(AARP, teachers' union)*: Many of these offer discounts on car insurance. Log onto their website and browse to “perks.”

It seems like a lot of work, but the savings are substantial.

“Negotiating” lower car insurance is mostly about keeping up with the changing rates and making sure you're wringing every last benefit from your policy, so set a calendar reminder to do this once per year.

Cut your cell phone costs

Cell phone companies have this wildly curious business model of acquiring tons of customers through very expensive means (e.g., national advertising), then churning through them by treating them horribly. Yet even they know that it's cheaper to retain an existing customer than to acquire a new one. You can use this “customer acquisition cost” in your favor.

Here's how:

Find comparable plans for your usage on other cellphone networks.

For example, I'm with AT&T, so I'll investigate Verizon, T-Mobile, and Sprint by going to their websites. Write down how much they each cost, how many minutes you get, and any other benefits.

Call your current cellphone company.

To make it easy here are the phone numbers:

AT&T:	1-800-331-0500
Verizon:	1-800-922-0204
T-mobile:	1-800-T-MOBILE
Sprint:	1-866-866-7509

First, be nice. Ask them what better plans they have to offer you.

> ***You:*** *"Hi, I was looking at my plan and it's getting pretty expensive. Could you tell me what other plans you have that would save me money?"*

Them: *Blah blah same plans as on the website blah blah*

> ***You:*** *"What about any plans not listed on the website?"*

Them: *No, what we have is listed on the website. Plus, you're on a contract and have an early cancellation fee of $XXX*

> ***You:*** *"Well, I understand that, but I'd be saving $XXX even with that cancellation fee. Look, you know times are tough so I'm thinking of switching to [COMPETITOR COMPANY]. Unless there are any other plans you have...? No? Ok, can you switch me to your cancellation department, please?"*

Note: What you really want is to be switched to their "customer retention" department, which is the group that has the ability to retain you by giving you a bunch of free deals. You can either ask to be switched directly to the customer retention department, or play a game and hope that by asking for "cancellation," you're actually transferred to retention.

Play around with a few phone calls and see what works best.

When you get to the customer-retention department, ask for the same thing. This is when you pull out your competitive intel on the other services being offered. If Verizon is offering something for $10 less, tell them that. That's $120 savings / year right there. But you can do more.

> ***You:*** *"Listen, you know times are tough and I need to get a better deal to stick with you guys. You know and I know that your customer acquisition cost is hundreds of dollars. It just makes sense to keep me as a customer, so what can you do to offer me this plan for less money?"*

Use this technique on virtually any subscription you're paying. Businesses want to keep customers and are willing to negotiate – but since most people don't, they're leaving money on the table.

Notice that you didn't say, "Can you give me a cheaper plan?" because yes/no questions always get a "no" answer when speaking to wireless customer-service reps.

You also invoked the customer-acquisition cost, which is meaningful to retention reps.

Finally, it really helps if you're a valued customer who's stuck around for a long time and actually deserves to be treated well. If you jump around from carrier to carrier, you're not a worthwhile customer to carriers.

One final thing: People get scared that if they go to the cancellation department and try to negotiate, they'll get their account canceled without really wanting to do that.

There are two things to remember about negotiating your wireless bill:

(1) You have a MUCH stronger position if you're actually willing to walk away and switch to another plan, and

(2) your account will never get canceled until you say the final word. You can negotiate for 3 hours and walk away if you want.

Get yourself out of credit card debt by negotiating with your bank.

When it comes to paying off debt, one of the best ways to make a huge dent in it is to pay a lower rate. Even saving just a few percentage points on your credit card bills can be worth thousands over time.

The key? Most people don't do this, but it can make all the difference if you do. You'll not only be able to pay off your debt faster *(with the same size payments)* but also you won't be losing nearly as much money to interest.

Do this once and reap the rewards for years to come

A simple way to negotiate bank fees. Yes, you really can – and here's how

Lamar *“ Hi, I just saw this bank charge for over drafting and I'd like to have it waived.”*

Bank rep: *“I see that fee…hmm…let me just see here. Unfortunately, sir, we're not able to waive that fee. It was [some excuse about how it's not waivable].*

Bad things to say when negotiating bank fees:

- "Are you sure?" Don't make it easy for the rep to say no.
- "Is there anything else I can do?" Again, imagine if you were a customer service rep and someone said this. It would make your life easier to just say "NO". As a customer, don't make is easy for companies to say no.
- "Well this Indian blogger dude told me I could". Nobody cares... but it would be cool if 1,000 customers called their banks and said this.
- "Okay." Don't give up here. Despite what you learned in sex ed, "No" does not mean "No" when it comes from a bank.

Biggest mistake customers make when negotiating: making it easy for the company to say "No"

Try these techniques to negotiate bank fees instead

Lamar: "Well, I see the fee here and I'd really like to get it waived. What else can you do to help me?" (Repeat your complaint and ask them how to constructively fix it.)

Bank rep: "Hmm, one second, sir. I see that you're a really good customer… I'm going to check with my supervisor. Can you hold for a second?"

(I've been with the bank for many years, which you should always use to your advantage when calling to complain. Banks pay hundreds and sometimes even thousands of dollars in customer acquisition costs and don't want to lose you.)

Bank rep: *“Sir, I was able to check with my supervisor and waive the fee. Is there anything else I can help you with today?”*

Key Takeaways:

Mistakes happen, but don't be dumb and overdraft consistently.

When complaining, have a clear goal and don't make it easy for companies to say “no” to your complaint.

“No” is the beginning of the conversation.

START TO INVEST – SIMPLE AND EFFECTIVELY

I'm about to share the investing advice I wish I had when I first started learning about money. Back then, I tried to "beat the market," and lost half of my very first college scholarship check.

So if you've ignored your retirement account until "later" or thought about picking stocks based on how "hot" they are at the moment, this section is for you.

You'll learn how to invest your money for the long-term (without worrying about stock prices every day) – all clearly laid out and easy to understand.

Why most people don't invest

(and they'll never be rich)

A lot of us are simply scared to put our money in the market. And for the most part, we have every reason to feel that way.

On one hand, you have media moguls who scream financial crisis at even the slightest dips in the market to drive up their ratings.

On the other hand, we've just come out of one of the biggest stock market crashes in generations. Some of us have even watched our families and friends be forced to keep working instead of retire on time.

All that really is scary. But, if you believe the market will recover (which it has) and grow over the long term, you need to be investing consistently.

Other reasons people don't invest? "I don't have time" and "I don't want to lose money".

I get it. Nobody just LOVES spending time managing their money and, certainly, nobody likes losing it.

But I've taken the pains to research investment strategies that don't take lots of time to maintain and can still pay off in a major way.

One quick note: *when it comes to investing, nobody can guarantee returns, and if they do, you should probably run the other way.*

But if you believe that the market will – over the long-run – continue to recover and grow, you should keep investing.

(Or start by setting up your accounts today)

Consistency is the key and we'll talk about how you can do that with minimal effort using a complete investing system. And trust me there's no better time to start then today.

The biggest investing myth

(and best time to start)

One of the biggest myths about investing is that you have to be a super smart, stock picker to make money.

This drives me nuts because it's simply not true.

I want to hammer home the last bullet because starting early gives you a monster advantage.

Here's why:

If you're 25 years old and you save $100/month until you're 35 *(for only 10 years, then you never save money again)*, and your dumb friend starts later – saving $100/month from age 35 to 65 *(that's 30 years compared to your 10 years)* – you will have way more money *(over $50,000 more)* than him at age 65.

It's not hard to become rich. But it takes work and consistent saving, and so it's easier for a lot of people to shrug their shoulders and put it off for another day. Unfortunately, every extra year you wait to start investing makes it dramatically harder to make the same amount of money.

Start early and you will be rich.

The importance of investing now...

You're not getting any younger

What if you had started investing $10 per week five years ago, receiving an average 8 percent return? Guess how much you'd have?

It turns out that by now, you'd have thousands of dollars – all from investing a little more than $1 per day. Think about that $10 a week – where did it go, anyway?

If you're like most people, it probably slipped through your fingers on random things like cab rides and lunches. Despite wild rides in the stock market, with a long term perspective, the best thing you can do is start investing early.

If you invest this much per week...	After 1 year, you'll have...	After 5 years, you'll have...	After 10 years, you'll have...
$10	$562	$3,295	$8,136
$20	$1,123	$6,589	$16,271
$50	$2,808	$16,473	$40,678

And the number one money-related regret for older people is not investing early!

I'm not a old man yet, but when I see these numbers, it's tempting to run around with a cane and a vodka tonic in hand, screaming at young people. Not only do we fail to invest our money, but we don't even know why it's important!

Age of employee	Percentage who participate in a 401(k)	Percentage of pay they contribute	Median balance of their 401(k)	My comment
18 – 25	31.3%	5.6%	$1,280	Too busy watching The Hills.
26 – 41	63.1%	7.2%	$14,730	These people have realized that perhaps saving money is important
42 and up	72.0%	8.3%	$44,330	These older folks are wishing they could go back in time and beat themselves for not saving more, like Biff in Back to the Future II

Key takeaway

(even if you're not super young)

By doing just those two things you'll be on the way to getting rich.

And setting up your investment accounts is an excellent first step toward actually investing (we'll cover how you can below).

But, the first thing to note is that you don't have to be rich to open an investment account.

Most account providers actually waive the minimums if you set up automatic transfers (which is what we're all about).

Investing is NOT about stock picking

Really it's not. Nobody can reliably pick stocks that will outperform the market over the long term. Thinking you can beat the market is an easy way to make mistakes and become overconfident in your abilities.

Even “experts” cannot guess where a stock will go next. Just turn on CNBC and watch the dazzled looks on the pundit's faces when they make a wrong call on a stock.
Plus, having to pay attention to the latest hot stock or every micro change in the market is risky and involves a lot of guesswork.
I prefer investing in low cost, diversified funds consistently, rather than chasing stocks and relying on guesswork to get through.

That's the same strategy recommended by Nobel Laureates and billionaire investors, like Warren Buffett.

With this strategy, you can effectively trick yourself into investing because it requires no work on your end.

Setting up your accounts

The magical benefits of retirement accounts

Many people mistakenly think that retirement accounts are just places for you to save money until you're 65.Actually, they offer you humongous benefits if you agree to save for a long term horizon. Let's compare regular (taxable) investment accounts with retirement accounts.

Regular investing accounts

When you open up an account at ETrade, Scottrade or whatever, you're generally opening up a regular investing account, which is also called a taxable account.

This means that when you sell your stocks, you'll pay taxes on your gains – and if you sell your stocks in less than a year, you'll pay a huge amount (regular income-tax rates, like 15% or 30%).

Let's not get bogged down in the details, okay. As we talked about early, buy-and-hold investing wins over the long term. And because of the way taxes are structured, you pay a penalty for trading too frequently.

But there's an even stronger advantage to holding your money for longer – say, until retirement.

Retirement accounts

Retirement accounts, quite simply, give you huge tax/growth advantages in exchange for your promise to save and invest for the long term.

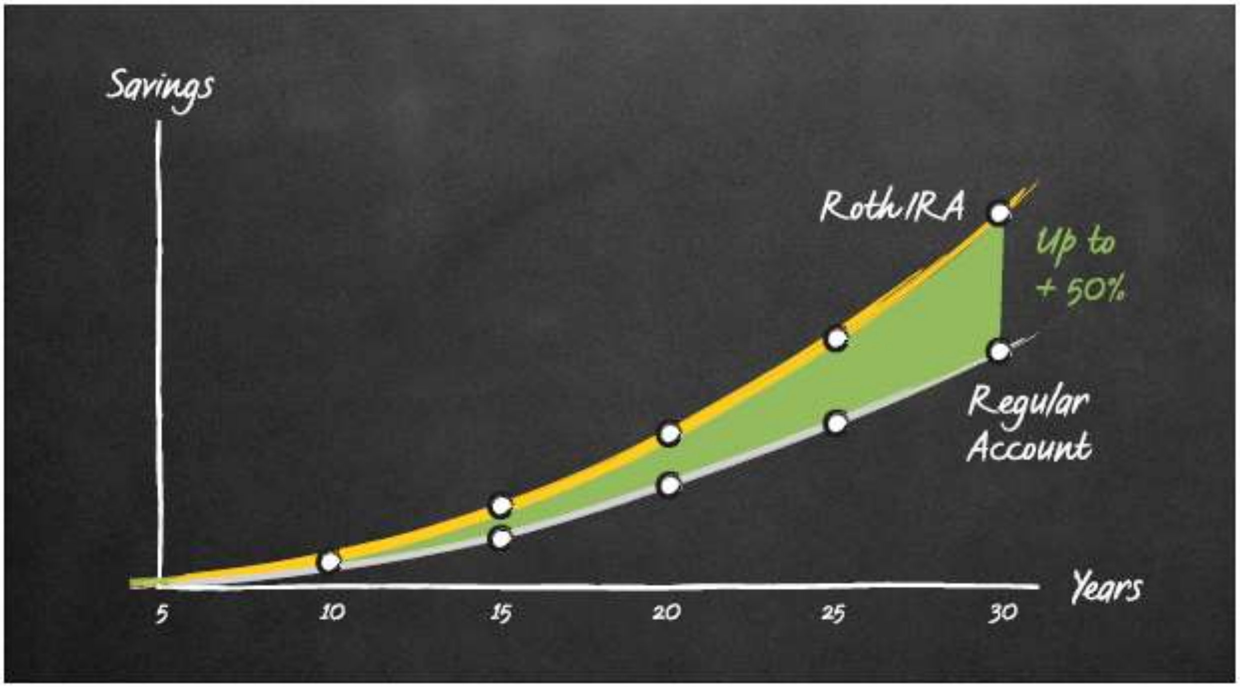
Now, this doesn't mean that you have to hold the same portfolio for 30 years. You can buy and sell shares of almost anything as often as you want. But with a few exceptions, you have to leave the money in your account until you get near retirement age.

Here's how the magical benefits work:

In a retirement account, you get big tax benefits. While 10% or 20% may not seem like much in 1 year, when you compound that over 30 years, it becomes a gigantic amount.

In fact, if you were to start a retirement account next week, two things will happen: (1) You will be more financially prepared than 99% of your peers, and (2) you will be rich.

Yeah, I said it: If you start a retirement account in your early 20s or 30s and fund it regularly, you will be rich.
Let's look at a simple comparison of investing in a retirement account vs. just investing in a regular, taxable account:



Don't worry about the exact amounts. Just notice the difference in how much you earn - especially at the end.

A retirement account - whether it's a Roth IRA, 401(k) or something else - lets your money grow at an accelerated rate with hardly any extra work from your end.

Now let's get into the details.

Mastering your 401(k)

(How to get free money and get rich)

A 401(k) is a type of retirement account. If you work for a company, chances are you already have a 401(k) offered to you.

Here's how a 401(k) works: You put pre-tax money into the account, meaning you haven't paid taxes on it yet.

Let's look at why that's important. In regular, taxable investment accounts, you pay taxes on your income and then invest it.

So for every $100 you make, you might actually only be able to invest $85 of it. 15% (or whatever, depending on your tax rate) goes to the tax man.

A 401(k) is different. You can invest the entire $100 and let it grow for about 30 years. That extra ~15% turns out to make a huge difference as it gets compounded more and more.

401(k) matches

There's an extra benefit, too: Your company might offer a 401(k) match.

For example, a 1:1 match up to $2,000 means that your company will match every dollar you invest up to $2,000; therefore, investing $2,000/year really means you're investing $4,000/year. Woah.

Real numbers: Why you should always invest in your 401(k)

Age	Your contributions	Employer match	Balance without employer match	Balance with employer match
25	$5,000	$5,000	$5,214	$10,428
30	$5000	$5000	$38,251	$76,501
35	$5000	$5000	$86,792	$173,585
40	$5000	$5000	$158,116	$316,231
45	$5000	$5000	$262,913	$525,826
50	$5000	$5000	$416,895	$833,790
55	$5000	$5000	$643,145	$1,286,290
60	$5000	$5000	$975,581	$1,951,161
65	$5000	$5000	$1,350,762	$2,701,525

I Will Teach You To Be Rich

This is free money and you absolutely, positively need to participate if your employer offers a 401(k) match. It doesn't matter what kind of debt or expenses or whatever you have – if your company offers a match, do it.

So what exactly happens when you contribute money to your 401(k)?

Basically, it goes into an investing account where a professional investing company manages it. You can choose from a bunch of different investing options, like aggressive, mixed, international, etc. Honestly, it's like McDonald's for investors: anyone can do it. The hardest part is making the first phone call to HR to get it set up.

Summary of the 401(k) advantages:

There are a lot

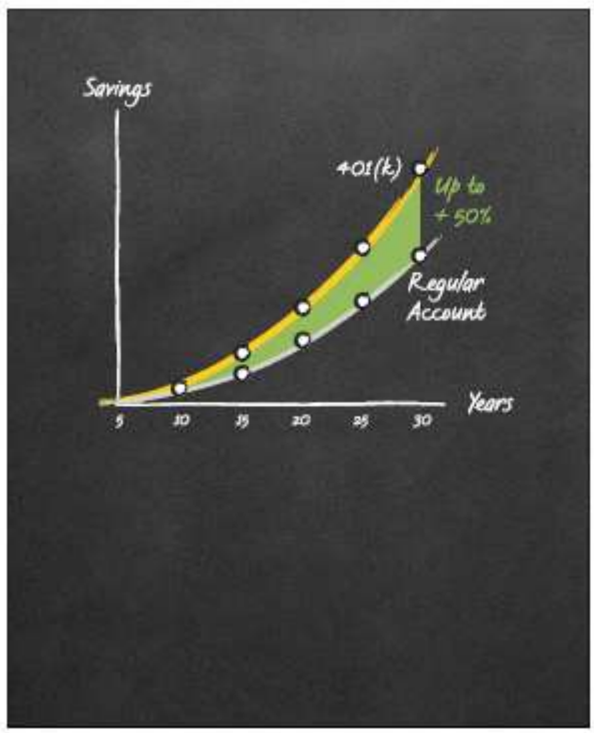
You get to put pre-tax money to work *(i.e., money you haven't paid taxes on yet, so there's more of it to grow).*

Your company might offer an insanely lucrative 401(k) match, which you must take.

And it's not that hard to set up – your company does most of the work. In fact you can instruct them to automatically withdraw a certain amount from every paycheck.

Don't worry about switching jobs: if you leave your company later, you can take your 401(k) with you.

And be aggressive with how much you contribute to your 401(k) because every dollar you invest now is worth many more times that in the future.



401(k) restrictions

The 401(k) isn't tax-free, though. There are a few restrictions.

- First, the government has to get its tax revenue sometime, so you'll pay ordinary income tax on the money you withdraw around retirement age. *(Remember, though, that all that money has been growing "tax-deferred" for ~30 years.)*

- Second, you're currently (in 2015) limited to putting $18,000/year in your 401(k). Third, and this is important, you'll be charged a big penalty of 10% if you withdraw your money before you're 59.5 years old.

This is intentional: This money is for your retirement, not to go out drinking on Saturday.

You can call up your HR representative on Monday and get enrolled in your 401(k). Start an automatic-payment plan so money is taken directly from your paycheck.

Mastering your Roth IRA

If you want real wealth in your retirement, you absolutely need a Roth IRA. It's another type of retirement account. And every person should have a Roth IRA. It's simply the best deal out there for long term investing.

Remember how your 401(k) uses pretax dollars and you pay income tax when you take the money out at retirement? Well, a Roth IRA is different than a 401(k). A Roth uses after tax dollars to give you an even better deal. With a Roth, you put in already taxed income into stocks, bonds, index funds – whatever – and you don't pay when you withdraw it.

Here's how it works:

When you make money every year, you have to pay taxes on it. With a Roth, you take this after-tax money, invest it, and pay no taxes when you withdraw it.

If Roth IRAs had been around in 1970 and you'd invested $10,000 in Southwest Airlines, you'd only have had to pay taxes on the initial $10,000 income.

When you withdrew the money 30 years later, you wouldn't have had to pay any taxes on it. Oh, and by the way, your $10,000 would have turned into $10 million.

Think about it.

You pay taxes on the initial amount, but not the earnings. And over 30 years, that is a stunningly good deal.

Roth IRA Restrictions

Again, you're expected to treat this as a long-term investment vehicle.

You are penalized if you withdraw your earnings before you're 59.5 years old. *(Exception: You can withdraw your principal, or the amount you actually invested from your pocket, at any time, penalty-free. Most people don't know this.)*

There are also exceptions for down payments on a home, funding education for you/partner/children/grandchildren, and some other emergency reasons.

And there's a maximum income of $181,000 to make full contributions to a Roth. But you can read about those later.

What's the big takeaway from all those restrictions and exceptions? I see 2 things:

First, you can only get some of those exceptions if your Roth IRA has been open for 5 years. This reason alone is enough for you to open your Roth IRA on Monday.

I want you to research it this weekend, and I want your Roth IRA opened by next week.

Second, starting early is crucial. I'm not going to belabor the point, but every dollar you invest now is worth much, much more later. Even waiting two years can cost you tens of thousands of dollars.

Currently, the maximum you're allowed to invest in your Roth IRA is $4,000/year $5,000 a year (updated in 2008). I don't care where you get the money, but get it. Put it in your Roth and max it out this year.

Open your Roth IRA

It's easy. You can go through your current discount brokerage, like E*Trade or Scottrade.

I recommend an independent service like Vanguard.

Next steps, call them up, tell them you want to open a Roth IRA, and they'll walk you through it.

Special note: *These places have minimum amounts for opening a Roth IRA, usually $3,000. Sometimes they'll waive the minimums if you set up an automatic payment plan depositing, say, $100/month.*

Shop around though.

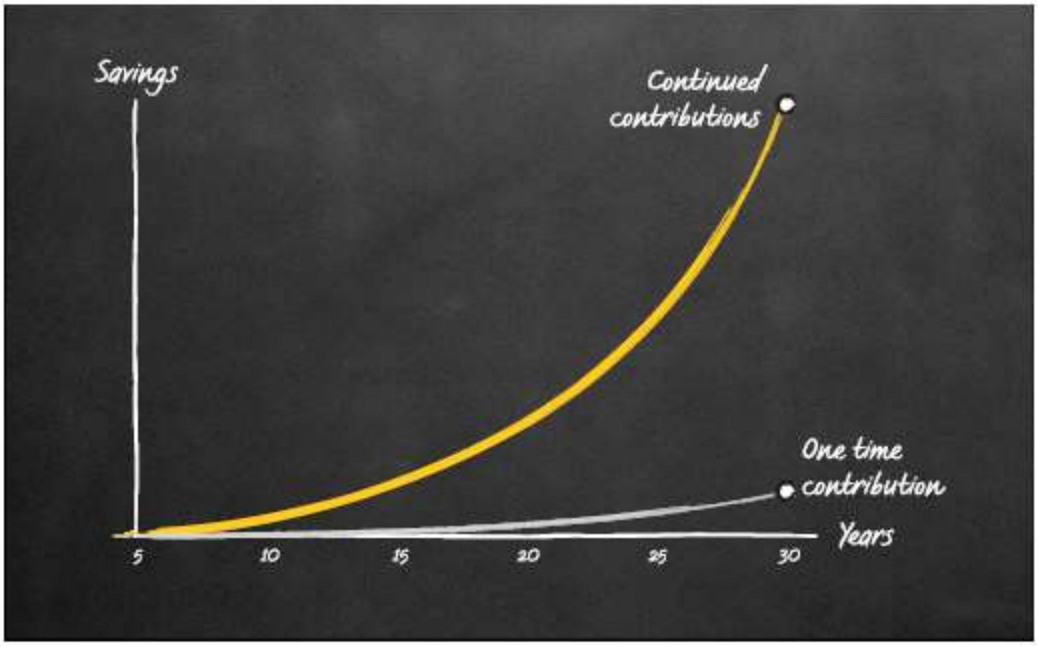
Once your account is set up, your money will just be sitting there. You need to do things then:

First, set up an automatic payment plan so you're automatically depositing money into your Roth. How much?

Try doing as much as you're comfortable with, plus 10%.

Second, decide where to invest your Roth money. I recommend low-cost, diversified index funds as the best option or target date funds.

Here's a quick illustration of the power of continually adding money to your investment account:



401(k) or Roth IRA

The simple answer is both: These accounts, while conceptually different, work together pretty well. Here's how I think about it.

First, I would max out any 401(k) match that my company provides. Second, I'd max out the $5,500 for my Roth IRA. Third, I'd max out the rest of my 401(k), up to $15,000. Finally–if your employer doesn't offer a 401(k), you're not employed yet, or you still have money left over–I'd open a regular, taxable investment account and put money there in stocks, index funds, etc.

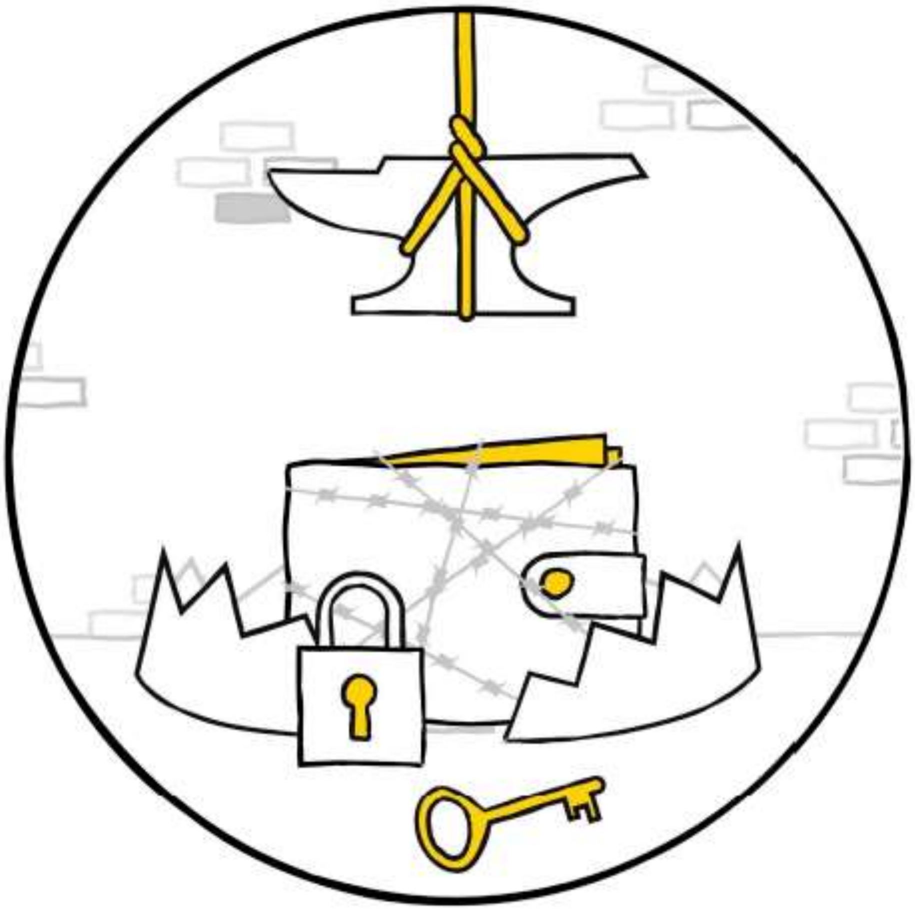
Why max out your Roth IRA before your 401(k)?

Well, there's a lot of dorky debate in the personal finance world, but the basic reasons are taxes and tax policy: Assuming your career goes well, you'll be in a higher tax bracket when you retire, meaning that you'd have to pay more taxes with a 401(k). Another common reason for the Roth is that tax rates are considered likely to increase.

What to do today.

When it comes to money, it's very easy to end up like most people – just doing nothing.

So let the fools debate.
For you, just get your accounts open.



ELIMINATE YOUR DEBT

If your net worth is in the red, it makes it hard to even conceive investing or saving your cash.

So let's eliminate your debt, once and for all.

Debt sucks.
We know that credit card debt is one of the biggest barriers to living a rich life.

Debt prevents us from enjoying ourselves and investing in ourselves. And worst of all, it buries us in guilt and fear.

We can help. We did some research with our top students to see what works *(and what doesn't)* when it comes to paying off your debt. We also built a calculator to help you build a straightforward plan for getting rid of your debt once and for all.


5 Steps to getting out of Debt Fast
1.
Found out how much debt you have
(Scroll down for a free tool I developed for this)
2.
Decide what you should pay off first
(We'll tackle this based on interest rates)
3.
Negotiate a lower APR
And how your credit score affects what you pay.
(Note: I have a full script you can use to do this.)
4.
Decide where the money to pay off your Debt will come from
(This can be from extra cash you freed up in Part 3 or from your Conscious Spending Plan)
5.
Start making a dent.
As with most areas of money, getting started is the most important part. We'll get you on the path to zero-debt in this guide.

Two most important steps to getting out of debt fast: 1. find out how much debt you have and 2. start making a dent

How much do things cost if you finance with a credit card?

To show you how costly not paying down your debt can be, I wanted to give you a quick example of simple items that could be costing you thousands more because you haven't tackled your debt strategically.

Take a quick look at this table with a few examples of how much more expensive things get one you finance them with credit cards and minimum payments.

Guess how much an iPod costs if you finance it with a credit card?

One of the biggest problems with credit cards is the hidden cost of using them. It may be incredibly convenient to swipe your card at every retailer, but if you don't pay your bill the same month, you'll end up owing way more than you realize.

Take, for instance, an iPod. It looks like it costs $250, but if you buy it using a credit card with the average 14% APR and a 4% minimum payment, and then only pay the minimum each month, you'll be out almost 20 percent more in total.

Lets say you buy this...	Paying minimum payments, it will take this long to pay it off...	You'll pay this much in interest...
$250 iPod	2 years 6 months	$47
$1,500 computer	7 years 9 months	$562
$10,000 furniture	13 years 3 months	$4,062

If you paid only the minimum monthly balance on your $10,000 purchase, it would take you more than 13 years and cost you more than $4,000 in interest alone. Remember, this doesn't even factor in your "opportunity cost": Instead of paying off a $10,000 sofa in 13 years, if you'd invested the same amount and earned 8%, it would've turned into about $27,000!

How you can pay off debt with less pain

Because loans are usually large amounts spread out over many years, the savings can be significant by paying a little extra off your loan each month. The longer the loan, the more you save.

Let's say you have a $10,000 student loan, at a 6.8% interest rate and a 10-year repayment period. If you go with the standard monthly payment you'll pay around $115 a month. But look at how much you'll save in interest if you just pay $100 more each month:

Monthly payments	Total interest paid	You save
$115	$3,810	$0
$215	$1,640	$2,169
$315	$1,056	$2,754
$415	$728	$3,027

How to get your credit score and credit report

(This information is worth it's weight in gold)

What your credit score is based on	What your credit report includes
35% payment history *(How reliable you are. Late payments hurt you.)*	Basic identification information
30% amounts owed *(Howmuch you owe and how much credit you have available, or your credit utilization rate.)*	A list of all your credit accounts
15% length of history *(How long you've had credit.)*	Your credit history, or whom you've paid, how consistently, and any late payments
10% new credit *(Older accounts are better because they show you're reliable.)*	Amount of loans
10% type of credit *(For example, credit cards, student loans. Varied is better.)*	Credit inquiries, or who else has requested your credit *(Like other Lenders)*

I Will Teach You To Be Rich

Use a Rewards Card

The vast majority of people should use a rewards card. If you're already spending money, you should be rewarded for it. Exceptions are people who can't qualify, who should instead use a secured credit card.

Travel Cards

I prefer travel cards over cash back. Most people would benefit more from travel rewards than from cash-back. I describe the details of why in my book. For some reason, people get really mad when I make this recommendation, but I don't care.

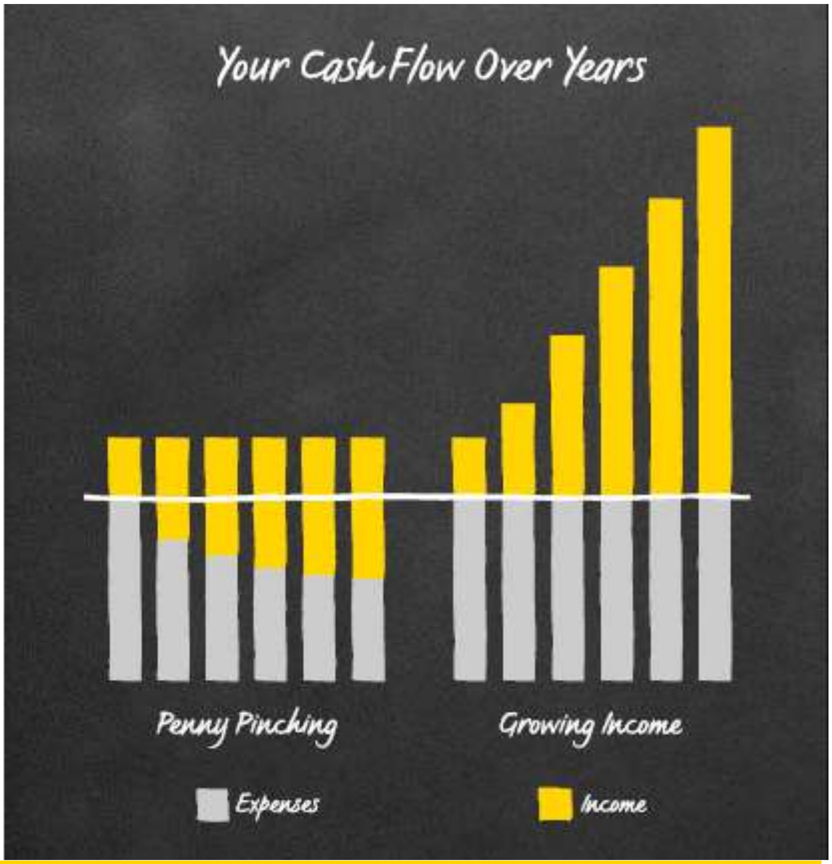
General Reward Cards

I prefer general rewards cards, not airline-specific cards. Unless you fly a majority of flights on the SAME airline, I prefer a general travel card instead of an airline-specific card (like a United card). For example, I fly Jetblue and Virgin a lot, so I want a travel card that I can redeem on multiple airlines, not just one.

Annual Fees

Annual fees are not Satan's spawn. I know it may be blasphemy to personal-finance "experts," but I'm willing to pay an annual fee! OMG! This is why you can call me RTR: Ramit The Rebel. In some cases, there are no-fee versions of the card, so you should always calculate if you spend enough to justify it. Still, $65/year is just not that significant to my financial situation any more.

EARNING MORE: THE NEXT STEP TO LIVING RICH A RICH LIFE



Now that you've learned how to build a bulletproof financial system and put thousands of dollars back into your pocket, you're well on your way to living a Rich Life – filled with more money, more success and more FUN.

The steps in this guide are essential to making your money work for you, not the other way around. But this is just the beginning.

Let me give you a life-changing fact: there's a limit to how much you can save but no limit to how much you can earn.

Earning more money is the fastest and biggest way to improve your financial power.

And the rewards can be huge — from an extra $1,000 a month in side income, to a 5-figure raise multiplied over your lifetime, or the freedom of earning money from an online business.

Want to know how to earn more money and start putting even more money into all of your accounts? I'll give you some of my best material to help you succeed.

Which way do you want to make more money?

Get a Raise

I want to get paid what I deserve, and have money to do the things I love.

Make More Money

I want to earn extra money on the side using skills I already have.

Start A Business

I want a successful online business that pays me even when I'm not working.