3 Rules that Guarantee Financial Success
Rule 1 – Set Goals

In writing
SMART
Rule 2 – Spend according to goals

Spending plan
For each pay day
Rule 3 - Cut Expenses

- Keep goals visible
- Examine expenditures
- Ask tough questions
- Separate needs and wants
- Use cash
- Pay off credit cards
- Improve credit score
- Lower auto insurance premium
Pay off Credit Cards

Stop using
Lower APR
Drop annual fee
Pay on time
Make multiple payments
Pay more than minimum
Credit Score – Why be concerned

- Insurance rates
- Cell phone
- Rental/leases
- Job
- Interest rates
On a $300,000 30-year fixed rate mortgage

<table>
<thead>
<tr>
<th>Credit Score</th>
<th>APR</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>760-850</td>
<td>5.94%</td>
<td>$1,789</td>
</tr>
<tr>
<td>700-759</td>
<td>6.17%</td>
<td>$1,832</td>
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<tr>
<td>660-699</td>
<td>6.45%</td>
<td>$1,887</td>
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<tr>
<td>620-659</td>
<td>7.26%</td>
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<tr>
<td>580-619</td>
<td>9.37%</td>
<td>$2,494</td>
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<tr>
<td>500-579</td>
<td>10.30%</td>
<td>$2,701</td>
</tr>
</tbody>
</table>
Improving Credit Score

Get copy of credit report from each agency
Review report for errors
Pay bills on time
Pay down balances
Limit number of accounts
Group inquiries
Lower Auto Insurance Premium

Maintain high credit score
Consider insurance cost before buying
Raise deductible
Drive less
Drive a low-profile car
Drop coverage on older cars
Ask for discounts
Shop around
Vernon Williams

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