

PAIGER'S RULES FOR A SUCCESSFUL FINANCIAL FUTURE

"Paiger" is a nickname I had in high school. These rules were developed for a women's finance seminar that I originally did in March 2008. –Paige J Roth

- **P**AY YOURSELF FIRST (aka SYF – Save yourself first):
 - Spend less than you earn! This is particularly hard for some women who often don't put their own needs first or claim they are not financially savvy.
 - Sounds simple and straightforward, but it is not easy to do in this consumer/information age.
 - Separate wants from needs, and use a budgeting/tracking tool such as Quicken or Mint.com.
 - Figure out your "latte" factor (\$20 a week x 50 weeks = \$1,000 a year; \$5,000 after 5 years).
 - Save for your retirement before saving for your kids college (you can borrow for college). A Roth IRA will let you do both!

- **A**UTOMATE SAVINGS: Maximize savings by making it **Automatic**
 - 401K – put maximum in (not maximum to get match). If that is not possible initially, then make a plan to increase the % each year.
 - Have \$xx dollars automatically taken out of your paycheck or checking account each month for your:
 - Roth IRA's/Regular IRA or SEP IRA if you are not eligible for a 401K/Employer Plan
 - Taxable Savings/Emergency Funds

- **I**NVESTING
 - Make domestic stocks the core (many people should use index funds).
 - Most people preretirement should be 70% in stocks and after retirement at least 50%.
 - Diversify with bonds and international stocks.
 - Don't watch it every day.
 - Don't panic and pull your money out when the market is in a disruption phase.
 - Consider using a retirement date fund for simplicity (i.e. Retirement 2040).

- **G**ET KNOWLEDGABLE ABOUT THE BASICS
 - Personal Investing and Finance is NOT rocket science.
 - There are lots of resources out there (books and web sites).
 - Create a budget and/or plan to get yourself on track.

- **E**ARLY START: Start **Early** to take advantage of compounding
 - \$1,000 invested at age 30 will get you the same as \$3,000 invested at age 45.
 - As soon as your kids have 'earned' income consider opening a Roth IRA for them

- **R**ISK MANAGEMENT
 - Don't forget about Estate Planning and Insurance to protect those you love into the future.
 - ESTATE PLANNING: Wills & Trusts
 - BENEFICIARIES: Check the beneficiaries on your IRA's, Insurance, 401K as they are NOT covered by a will or trust.
 - INSURANCE
 - Disability & Life Insurance