

This downloadable booklet is a companion to the *Financially Fearless* ebook, containing all of the book's worksheets, exercises, and activities to help you develop your own personal 50/20/30 game plan. To get the full *Financially Fearless* experience, print out this booklet and fill it out as you read!

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Your Money Mind-set

You read of how your early memories about money can shape your behavior throughout the course of your life. Write about your money memories here.

What's your earliest money memory?

↩ Write it down

Write about your parents' relationship to money.

↩ Write it down

Write your family's most memorable motto here.

↩ Write it down

At LearnVest, we see people every day with all kinds of self-defeating money habits. Here are twenty. Check the ones that apply to you. Then go back and star the ones that give you the most trouble. We're going to refer back to this list later in the book when we talk about how to protect ourselves from our own worst habits.

Twenty Typical Bad Money Habits

- Carrying a credit-card balance month to month.
- Assuming that you're too young or too old to start investing for the future.
- Keeping all of your money in a checking account.
- Being reckless with your personal information. Giving out your Social Security number without having confirmed that it is absolutely necessary.
- Impulse shopping.
- Not asking for a raise when you deserve one.
- Borrowing money from friends and family.
- Ignoring your student loans.
- Taking money out of a retirement account.
- Making late payments.
- Not budgeting.
- Not knowing your credit score.
- Dipping into an emergency fund for nonemergencies. (Having nothing to wear is not an emergency!)
- Avoiding writing a will.
- Not saving a set amount automatically out of every paycheck.
- Not having enough or the right insurance: health, life, renter's, homeowner's, car, etc.
- Trying to keep up with the Joneses when you can't afford to.
- Not taking advantage of employer benefits like 401(k) matching or a flexible spending account.
- Paying bills by snail mail.
- Living beyond your means (most commonly, spending too much on housing).

In the course of my research, three *good* habits have emerged that, more than any others, predict people's success with money: organization, thoughtfulness, and independent thinking. These are *the* most important things to understand about yourself. They help explain what's driving your behavior and what may be at the root of any problems you're having.

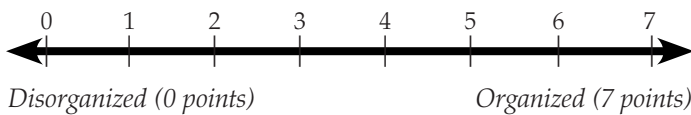
Where people fall on the spectrum in these three categories shows how secure they are with money and how likely they are to succeed in reaching their financial goals. So do the following mini exercises and think hard about where you fall.

Spectrum 1: Organization

Here's what organization looks like. Check those that apply to you.

- You know how much you have in your accounts. (1 point)
- You have your payments automated so they are never late. (1 point)
- You know your credit score. (1 point)
- You have a budget. (1 point)
- You have calendar alerts set up on your phone or e-mail. (1 point)
- You have your bills in one place, as in a dedicated Gmail account. (1 point)
- You have all the insurance you and your dependents need. (1 point)

Where do you fall on the spectrum between organized and disorganized? Add up all your points and mark your results here.

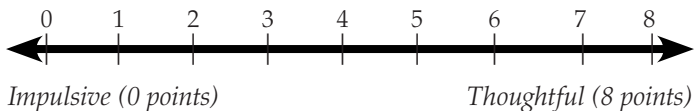


Spectrum 2: Thoughtfulness

Here's what being thoughtful looks like. Check those that apply to you.

- You always shop with a list. (1 point)
- You save money for retirement. (1 point)
- You and your partner never spend more than a set amount (like \$500) on anything except gifts for each other without talking it through first. (1 point)
- You take at least twenty-four hours to think through any significant purchases. (1 point)
- You know what your spending triggers are, and you avoid them. For example, if you always spend too much money at a store, you don't drive past it. (1 point)
- You have a financial plan. (1 point)
- You know exactly what your saving goals are. (1 point)
- You always read the fine print. (1 point)

Where do you fall on the spectrum between thoughtful and impulsive? Add up all your points and mark your results here.



Spectrum 3: Independent Decision Making

Here's what being independent looks like. Check those that apply to you.

- You consult objective experts when making big decisions. (1 point)
- You don't do something just because everyone else is doing it. (1 point)
- If a salesman tries to talk you into something you don't *really* want, you say you'll need to think about it. (1 point)
- You recognize that your personal finances are unique. (1 point)
- You realize the grass is always greener—but you don't let it get to you. (1 point)
- You consider yourself to be pragmatic. (1 point)
- You set goals for yourself based on your current situation. (1 point)
- You feel confident in your ability to make decisions—once you've done your research. (1 point)

Where do you fall on the spectrum between dependent and independent? Add up all your points and mark your results here.



In Ten Years . . .

Now let's do a little exercise that reminds me of a game called MASH, which you may have played as a kid. What will you be doing in ten years? Remember that this is a visualization exercise, so write your answers in the present tense.

Share your vision for your FAMILY life.

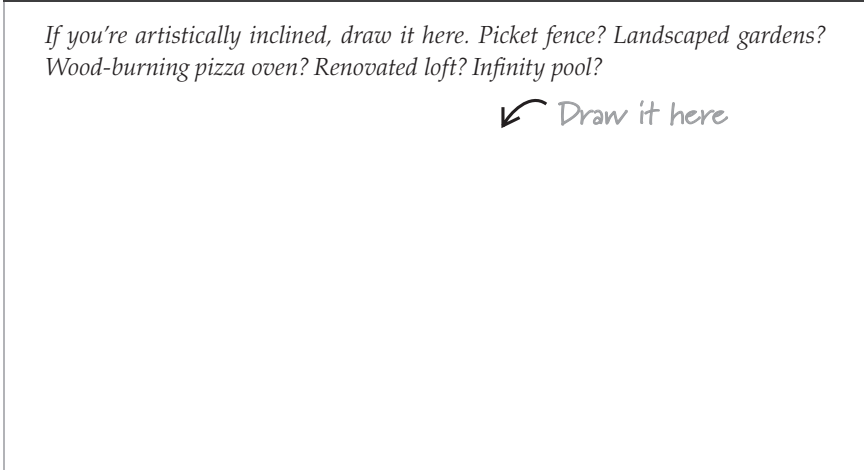
Are you happily married? Happily single? Do you have a herd of rambunctious children running around? Are you relishing the quiet of being an empty nester?

↙ Write it down

What does your future HOME look like?

If you're artistically inclined, draw it here. Picket fence? Landscaped gardens? Wood-burning pizza oven? Renovated loft? Infinity pool?

↙ Draw it here



Share your vision for your CAREER.

Do you work? What's your title? What's your favorite thing about what you do?

↪ Write it down

Share your vision for your MONEY.

↪ Write it down

How much is in your emergency savings fund?

Your retirement savings?

How much is your home worth, and what's your mortgage?

How much credit-card debt do you have?

How much student-loan debt do you have?

What's your salary?

What's your significant other's salary (if applicable)?

When you splurge, what's it on (clothes, meals, presents)?

Where do you go on vacation (Greece, Mount Rainier, Austin)?

How are you getting around (Prius, private jet, city bus)?

What Will Your Dream Life Cost?

Now that you've visualized the life of your dreams, this worksheet will help you estimate how much you'll need to live it.

This isn't a scientific, inflation-adjusted, down-to-the-decimal-place estimate of your expected expenses up until the time you retire (after all, I'm not a fortune-teller). But I have provided some ballpark numbers of common expenses below, so you can illustrate how much your big-ticket expenses in future years *might* cost you.

<i>Big-Ticket Expenses</i>	<i>Your numbers</i> ↘
1 Your primary residence:	\$ <input type="text"/>
<i>For example:</i>	
<ul style="list-style-type: none">• A condo in the city (\$300,000)• A modest single-family home in the burbs (\$250,000)• A luxury home in a gated community (\$600,000)• A house on the waterfront (\$1,200,000)• Other (\$_____)	
2 Your second/vacation home (if desired):	\$ <input type="text"/>
<i>For example:</i>	
<ul style="list-style-type: none">• No, one home base is enough for me (\$0)• A condo in the city (\$300,000)• A cabin in the mountains (\$100,000)• A condo in a beach town (\$250,000)• A beachfront house (\$1,200,000)• Other (\$_____)	
3 Your vehicle:	\$ <input type="text"/>
<i>For example:</i>	
<ul style="list-style-type: none">• Toyota Prius or similar (\$25,000)• Mini Cooper or similar (\$30,000)• Ford Expedition or similar (\$40,000)• BMW X6 or similar (\$60,000)• Range Rover or similar (\$90,000)• None; I'll ride my bike! (\$0)• Other (\$_____)	
Sum of big-ticket expenses:	\$ <input type="text"/>

4 Your children:

\$

Multiply the number of children you have/want by \$234,900—the average cost of raising a child to the age of eighteen.

5 Your child-care costs:

\$

For example (costs reflect the **first five years** of your child's life):

- My partner or I will stay at home to raise them. (\$0)
- My parents live nearby—free babysitting! (\$0)
- We both work and will need a nanny. (\$150,000)
- I'll work part-time and use day care on those days. (\$90,000)

Don't forget to multiply by the number of children!

6 Your child's college education:

\$

For example (costs reflect all years of school):

- State school (\$90,000)
- Private school (\$200,000)
- Community college (\$6,000)
- Will use 100 percent student loans/scholarships/financial aid (\$0)

Don't forget to multiply by the number of children!

Sum of family expenses:

\$

Ongoing Expenses

Your numbers ↘

7 Your activities (per year):

\$

For example:

- Reading books, walking, and enjoying hobbies (\$0)
- Pursuing hobbies (karate, photography, learning Italian) and going out for dinners and drinks (\$10,000)
- Hanging out at home: gardening, puttering, hosting casual dinners with friends (\$5,000)
- Eating out at the finest restaurants, sailing, and attending galas (\$25,000)

8 Your spending (per year):

\$

For example:

- I love shopping but always search for a deal. (\$8,000)
- I'm low maintenance . . . most of the time. (\$4,000)
- I'm all about high quality and high fashion. (\$20,000)
- I'm a minimalist. (\$2,000)

9 Your travel (per year):

\$

For example:

- Frequent trips to exotic places like Bali (\$15,000)
- Twice a year, abroad and domestically (\$5,000)
- Almost never, but always in a car when I do! (\$1,000)
- Twice a year, mostly domestically (\$2,000)

Annual sum of ongoing expenses:

\$

**Multiply this by the number of years
between now and retirement (normal
retirement age is sixty-seven):**

\$

What will your dream life roughly cost? Your number ↘

**Add up the sum boxes from the last
three pages:**

\$

The examples above are estimated costs based on 2013 general expenses nationwide.

Your Money Mind-set

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

My ideal career seems out of reach right now. What should I do to get on the fast track?

My parents passed on some pretty bad money habits, and I'm still not sure how to talk to them about money—even as an adult. Where do I start?

The estimated sum of my dream life is sky high. Is that number within reach or do I need to reconsider my priorities and reset my expectations?

Talk to an



Expert

Running Your Numbers

Ready to run your numbers? Good. Let's get started.

Your Income

To see what you'll be working with, let's start by figuring out what money is coming in. (If you're a freelancer, just estimate based on last year.)

What is your salary (pretax) this year?

\$

Will you get any additional income
(say, from a bonus or side job)?

\$

What is the posttax dollar amount that hits
your bank account as income each month?

\$

If applicable, what is your partner's salary?

\$

Will your partner get any additional income?

\$

What is the posttax dollar amount that your
partner receives as income each month?

\$

Add up your monthly take-home, your spouse's
monthly take-home (if applicable), plus any
additional monthly income and write it here.

\$

This is the number you'll be working with when you sit down to plan your 50/20/30 budget.

FEARLESS LESSON

What Is Your Hour Worth?

You know what they say. Time is money. But do you know what your time is *really* worth? Say you've been asked to pick up some extra work at \$30 per hour. You *could* do it, but you aren't sure it's worth your time. If you are making \$100,000 a year, it's probably not, but if you're making \$15,000, jump on that freelance! To figure out the price of your hour, just use this simple equation.

Your monthly take-home pay: \$ _____

Number of days worked in a month: _____ x hours worked per day: _____ = _____ hours worked in a month

Take-home pay/hours worked in a month = \$ _____ hourly rate

This number sheds light on a common financial mistake that many of us are guilty of—myself included. We spend valuable time to save a few bucks (like traveling forty-five minutes to return a \$10 T-shirt), when we could instead put that time toward things that would earn us significantly more in the long run. Other examples: You drive an extra twenty minutes each way to the grocery store to save \$5 on dinner. Or you spend an hour on the phone to dispute an \$8 credit-card charge. Sure, you saved a few bucks, but the time you spent doing it was worth significantly more. Your time net worth, so to speak, just plummeted.

You have much smarter ways to invest your time. Spend it working toward a raise or bigger bonus. Or toward making sure you're properly insured, so you are never, ever, bankrupted by financial catastrophe. Or researching your investments and reallocating your portfolio. Are these uses of time more challenging? Absolutely. But living your richest life is about big wins. **Make the time, and spend it wisely.**

What is your credit score? (Example: 760)

If applicable, what is your partner's credit score? (Example: 740)

DEBT					
TYPE (credit card, personal loan, car loan, student loan, unpaid medical bills)	BALANCE (what you owe)	MINIMUM MONTHLY PAYMENT DUE (what you're supposed to pay)	ACTUAL MONTHLY PAYMENT (what you pay)	INTEREST RATE	PRIMARY HOLDER (whose name the debt is in)
<i>MasterCard</i>	<i>\$5,000</i>	<i>\$100</i>	<i>\$300</i>	<i>13.99%</i>	<i>Me</i>

Now take a deep breath and add up all your balances. It's okay, don't be scared to look. What is your total debt?

\$

If this number looks high, don't panic. We're going to get you back on track!

Now let's move on to the more fun topic of what you have. Record your assets here. Don't forget: your noncash assets (real estate, jewelry, art, etc.) count, too!

ASSETS				
TYPE	BANK	BALANCE	CURRENT MONTHLY CONTRIBUTION	IS THIS FOR A SPECIFIC GOAL?
<i>Savings</i>	<i>HSBC</i>	<i>\$2,450</i>	<i>\$50</i>	<i>Yes, an emergency fund</i>

RETIREMENT					
TYPE (401[k], Roth 401[k], Roth IRA, Traditional IRA, 403[b], Defined Benefit Plan, Money Purchase Plan, SEP-IRA, TSP, 457 Plan, Pension, Simple IRA)	PRIMARY HOLDER	DOES YOUR EMPLOYER MATCH?	WHAT PERCENT IS MATCHED?	CURRENT BALANCE	HOW OFTEN DO YOU CONTRIBUTE?
<i>IRA</i>	<i>Chase</i>	<i>No</i>	<i>0%</i>	<i>\$24,543</i>	<i>\$100 monthly, automated</i>

ASSETS - LIABILITIES = NET WORTH

YOUR NET WORTH: \$

Running Your Numbers

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

I still don't understand how much my employer matches in my 401(k).

There's an outstanding payment on my credit report that I'm not 100 percent sure is accurate. How do I figure this out?

Talk to an

Ly

Expert

Summary

Annual salary (before any deductions):

\$

Monthly take-home income (your salary minus taxes and other deductions):

\$

Your hour's worth:

\$

Credit score:

Good debt (student loans, investment in your business, mortgage):

\$

Bad debt (car loans, credit-card debt):

\$

Total assets (including checking, savings, retirement funds):

\$

Net worth:

\$

The 50: Your Essentials

Now that you know where you currently stand, it's time to start calculating your 50 for all the essentials of your budget.

Monthly take-home pay:

\$

Divided by 2 =

\$

That's your essentials budget.

For example: You make \$75,000 per year. After taxes you make approximately \$4,000 per month. Cut that in half, and you get \$2,000 to put toward your essentials.

Write your monthly rent or mortgage expenses (PITI) here:

\$

$$\frac{\text{monthly rent/mortgage}}{\text{monthly take-home pay}} \times 100 = \% \text{ of your budget dedicated to your home}$$

If you're a renter, tally the following costs using your best estimates.

Cost of breaking a lease:

\$

Example: One month's rent—\$2,000

Up-front costs to move in:

\$

Example: Security deposit—\$1,700

Cost of movers:

\$

Example: \$750

Savings from roommate or renter:

\$

Example: N/A

Additional transportation costs (if transportation is going to get cheaper, this will be a negative number):

\$

*Example: Shorter drive to work so you can save on gas—
-\$1,200 per year*

Total:

\$

Example: \$3,250

If you moved, how much would you save on rent payments in a year?

\$

Example: Old rent = \$2,000. New rent = \$1,700. Savings = \$3,600

Now just for fun, calculate how much you'll save in five years:

\$

Example: \$300 per month for five years = \$18,000

Write your average monthly utilities expense here:

\$

Now figure out what percentage of your budget for essentials this consumes:

$$\frac{\text{monthly utilities bill}}{\text{monthly take-home pay}} \times 100 = \% \text{ of your budget dedicated to utilities}$$

Write your monthly grocery expenses here:

\$

Now figure out what percentage of your budget for essentials this consumes:

$$\frac{\text{monthly groceries bill}}{\text{monthly take-home pay}} \times 100 = \% \text{ of your budget dedicated to groceries}$$

The 50: Your Essentials

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

Where do I find my utility company's payment options?

My commute is an hour each way, but I own my home and the market is down. How do I prioritize?

Talk to an

Ly

Expert

Summary

Your monthly income (after taxes):

\$

Half of that (your essentials budget):

\$

Rent or mortgage:

\$

Groceries: \$

Noncar transportation: \$

Car payment: \$

Car insurance: \$

Gas: \$

Maintenance (if you own): \$

Renter's/homeowner's insurance: \$

Property taxes: \$

Electricity: \$

Heat: \$

Water: \$

Total Essentials: \$ _____, _____ % of overall budget

The 20: Your Future

Now it's time to start calculating your 20 and planning for the future.

What is 20 percent of your monthly take-home pay?

\$

Commit this number to memory. It's what you'll be setting aside *each and every month* for your future priorities.

Retirement

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

I have a 401(k) from my old job. Do I need to roll it over?

How do I know what kind of retirement accounts I have?

I plan to increase my salary dramatically over the next few years. Do I use my anticipated salary to calculate my retirement needs?

Does my employer match?

Should I roll over my IRA?

Talk to an



Expert

If you've been reading along in the book, you know the importance of an emergency fund, or what I like to call a freedom fund. Calculate yours here.

<i>Calculating Your Emergency Fund</i>	
At the minimum, what is your monthly take-home pay x 6?	\$ <input type="text"/>
Is your job insecure? What is your monthly take-home pay x 9?	\$ <input type="text"/>
Do you have dependents to support? What is your monthly take-home pay x 12?	\$ <input type="text"/>
This is how much to aim for in your freedom fund:	\$ <input type="text"/>

Freedom Fund

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

How do I calculate how much my freedom fund should be if I'm a freelancer and have an inconsistent monthly income to begin with?

How do I know if my bank offers the best savings account for this goal?



OTHER DEBT			
TYPE OF DEBT	BALANCE OWED	MINIMUM PAYMENT	INTEREST RATE
	<i>Total</i>	<i>Total</i>	
	_____	_____	

Total "other" debt balance: \$

Total minimum monthly "other" payments: \$

What is your bad-debt balance overall (add your total credit-card debt balance and total "other" debt balance)?: \$

What is the total of your minimum monthly payments due (add your total minimum monthly credit-card payments and "other" payments)?: \$

Keep this number in mind so you can avoid any delinquent payments.

Credit-Card Debt

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

How do I start to build up my credit again after getting out of debt?

If I have a credit card with a good rewards program, should I still freeze it?

Which card should I close?

How can I fix my credit score?



Student Loans

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

I still can't decide whether or not to consolidate. I have three different loan payments every month—is it worth it?

If I already have a repayment plan in place, where do I go to change it?



Mortgages

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

In today's market, what's better: a fixed or ARM mortgage?

I still don't understand what goes into all of these closing costs. How do I estimate them?



Saving for Kids

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

My company has really limited parental leave options. What do I need to do to make up for this?

Child-care costs in my area are extremely high. What options do I have to fit quality child care into my budget?



College Savings

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

I really want my child to go to a state school (my alma mater), but who knows what she'll want when the time comes! Is a prepaid plan still a good idea?

How much of my children's college educations can I afford to cover?



Helping Our Beloved Aging Parents

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

My parents don't know where to find all of their financial info. How can I help them locate and access everything?

Caregiver costs are extremely high, and my parents don't have long-term-care insurance. What are our other options?



Major Purchases

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

I have a lot of different major purchases I'm saving for. How do I prioritize these against my other goals?

How do I find out if my bank offers subaccounts?

I want to start a company. What do I do to save?



Thinking about investing with a brokerage firm? Read the section “Other Investments” and track your questions here.

BROKERAGE NAME	MINIMUM TO OPEN	ACCOUNT MINIMUM	COMMISSIONS	MAINTENANCE FEES	MANAGEMENT FEES	OTHER FEES	SERVICES	GOOD WEBSITE?

Other Investments

Questions for Your Expert

If you still have questions about anything we’ve covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

If I'm retiring in ten years, how should I allocate my portfolio?

I'm comfortable taking on a lot of risk but may need the funds in less than five years. Can I still invest?



The 30: Your Lifestyle

Calculating Your Cost per Happy

Your wallet is being pulled in a thousand different directions by just about everyone in your life—your significant other, your children, your friends. But the whole point of a financial plan is getting to use *your* money to follow *your* dreams. If your 30—your spare money, so to speak—is being eaten up by unused Netflix subscriptions and dusty gym membership cards, you’re squandering an opportunity for joy.

What are we going to do about it? I want you to put *every single expense* through the cost-per-happy test. As you zero in on a balanced budget, know that small changes go a long way. If you traded one daily \$5 expense that doesn’t bring any happy to your life and instead invested it, in twenty years it could be worth over \$69,000!

Let’s do a test run.

Step 1

Think of an expense you’ve had in the past month.

Name your expense:

How much did it cost?

\$

Step 2

Ask yourself how happy it made you (on a scale of one to ten, one being “I could live without it” and ten being “It made me the happiest person in the world”).

Write your happiness number here:

LESS THAN FIVE? It's time to say good-bye to this expense for good. It's simply not worth your money or time (after all, time is money). Check out tips for cutting this expense later on.

MORE THAN FIVE? This is clearly something you value, so move along to step 3 and see just how much.

Step 3

Ask yourself how long it made you happy for. Length of time can include the excitement of anticipation, like the giddiness you feel before a big trip, as well as the high of having done something great, like the satisfaction you feel after seeing your team win the big game from right behind home plate. Ultimately, we want to discover your cost per happy hour, so whatever the time, write it as an expression of an hour!

How many hours of happiness
did you get from the expense?

Step 4

Take the cost of this expense (from step 1) and divide it by the number from step 3 to find your cost per happy for this expense!

how much it cost
how many hours of
happiness it brought you $\frac{\quad}{\quad}$ = **cost per happy**

Your Spending Priorities

The calculation you've just learned will help you make the smartest decisions with every extra dollar that comes your way (which is the promise of a good financial plan). Now that you've mastered it, let's think more broadly about your spending priorities and how to maximize your cost per happy. Below are fifteen lifestyle categories that require money. Categorize them as high, medium, or low priorities (and no, they cannot all be high). Cross off the ones you don't care about, then rank those that remain. Be brutally honest! Remember, this is just for you.

- Beauty (hair, makeup, nails)
- Books and magazines
- Car
- Charity
- Eating out (Starbucks counts!)
- Entertainment (cable, concerts, movies)
- Exercise and sports (gym membership)
- Fashion (shopping for clothes)
- Gifts for others
- Hobbies (photography, scrapbooking, music, etc.)
- Home improvement (including decor and landscaping)
- Parenting (babysitters, allowance, kids' activities)
- Pets
- Technology (the latest iPad, other gadgets)
- Travel

HIGH	
MEDIUM	
LOW	

Now fill out the following chart. On the left, list your top five priorities in order. On the right, list the last purchase you've made in that priority category:

TOP FIVE PRIORITIES	LAST PURCHASE YOU MADE	PRICE YOU PAID
1.		
2.		
3.		
4.		
5.		

Now let's do the same for the opposite end of the spectrum:

BOTTOM FIVE PRIORITIES	LAST PURCHASE YOU MADE	PRICE YOU PAID
1.		
2.		
3.		
4.		
5.		

The 30: Your Lifestyle

Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

It looks like my priorities don't match up with how I'm spending, but a lot of my expenses here don't feel optional. How do I follow through with tough cuts?

I haven't tracked my spending before. What's the best way to figure out my spending history?



Protect Yourself from Life

Questions for Your Expert

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I still don't understand . . .

Where do I find . . .

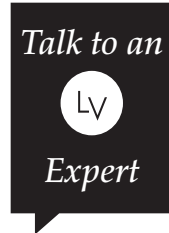
What should I do about my . . .

Examples:

In addition to health insurance, I need three other insurance policies I don't currently have, but I definitely do not have enough money to purchase all of them right now. How do I prioritize?

My spouse just started a new job—how do we evaluate which health-care plan is best for our family?

My insurance broker recommended “whole” life insurance over “term.” Which is right for me?



Protect Yourself from Others

Questions for Your Expert

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I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

My partner avoids the money talk at all costs. How do I start the conversation?

How often should I try to negotiate my salary? Is there a recommended time interval?

I was a victim of identity theft a while back. How do I make sure there aren't any lingering consequences I'm just not aware of?



In the section “Protect Yourself from You” I talk about bad money habits. Write yours here.

What’s your bad money habit?

↩ Write it down

1. Problem: _____

2. Difficulty level: _____

Rate the difficulty level of fixing this problem on a scale of 1 to 5. An example of a 1 might be taking a new route home from work that doesn’t take you past a shop where you frequently overspend. A 3 might be going to HR and asking them to put an extra 1 percent of your paycheck into your retirement account. A 5 could be getting on the same page with your partner about a bucket that’s a perennial problem for your budget. Given how much my husband loves restaurants, in my case a 5 would be sorting out a plan with him for how we can avoid breaking our budget by eating out.

3. Trigger: _____

Figure out why you’re doing it. What’s the cue/trigger for this habit (time of day, place, emotion, presence of specific people, preceding behavior that has become ritualized)? For me it’s overspending whenever I’m in certain stores.

4. Plan: _____

Give yourself a challenge. What’s your plan for an alternative routine?

5. Reward: _____

Create a system that will make you want to follow through. What reward will you give yourself for achieving the new routine?

Bad Money Habit

1. Problem: _____
2. Difficulty level: _____
3. Trigger: _____
4. Plan: _____
5. Reward: _____

1. Problem: _____
2. Difficulty level: _____
3. Trigger: _____
4. Plan: _____
5. Reward: _____

Protect Yourself from You Questions for Your Expert

If you still have questions about anything we've covered in this section, write them here and then go to www.learnvest.com/financiallyfearless for answers.

I still don't understand . . .

Where do I find . . .

What should I do about my . . .

Examples:

How do I decide if the habit is "bad" enough for me to get rid of it?

I've tried to break bad money habits in the past, but it just doesn't stick. How do I truly hold myself accountable?

Talk to an

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Expert