find this information on each card's monthly bill. If you don't have a bill for a given card, you can find out the APR by calling the customer service number printed on the back of the card.



## 1. FIRST

List each card or debt that you owe, followed by the APR.

This list should also include things being paid on an installment plan: furniture, electronics, etc.; these are fundamentally the same as credit cards. Student loans should be included on this list, but should be ranked at the absolute bottom, under all other cards and payments, because student-loan payments are tax-deductible.

APR %

1<u>S</u> <u>R</u>

**(** 

<u>1L</u>

## THE END

Figure out the ranks. Looking at the APRs above, write your debts in order, so that the highest APR is on top. Paying this is your first priority.

Rank	Credit Card or Debt Name	APR %

You are now armed with two crucial pieces of information:

- 1. Your remaining monthly income after absolute necessities have been paid;
- 2. The list of credit cards on which you owe money and their priority ranking by APR.

Each month, beginning now, you will pay off as much of your highest-priority card as possible. Other cards can be given the bare minimum—enough to avoid late or penalty fees—but the highestpriority card must be given your full financial attention. Every month. Without fail. Period.

This is as nonnegotiable as paying for electricity or rent. You will

<u>1S</u>

<u>R</u>

<u>1L</u>



