

RICH DAD'S GUIDE TO INVESTING

What The Rich Invest In That The
Poor And Middle Class Do Not!

ROBERT KIYOSAKI and SHARON LECHTER

ROBERT KIYOSAKI founded an international education company following a highly successful business career. He is the author or coauthor of *Rich Dad Poor Dad*, *The Cashflow Quadrant* and *If You Want To Be Rich and Happy, Don't Go To School*. Mr. Kiyosaki is also a highly acclaimed public speaker.

SHARON LECHTER is a CPA and business owner. She has been actively involved in building a company which publishes electronic books and other educational materials. Ms. Lechter also has broad business experience, having worked for a big eight accounting firm and as CFO of a turnaround company in the computer industry. She is the coauthor of *Rich Dad Poor Dad* and *The Cashflow Quadrant*.

More information is available at <http://www.richdad.com>.

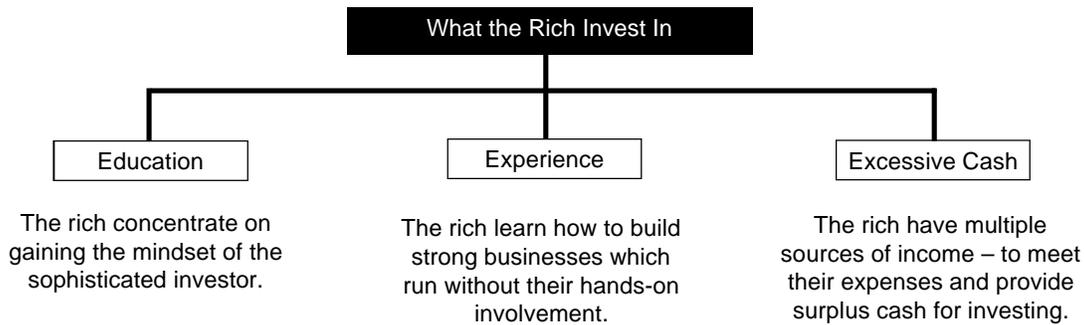
SUMMARIES.COM is a concentrated business information service. Every week, subscribers are e-mailed a concise summary of a different business book. Each summary is about 8 pages long and contains the stripped-down essential ideas from the entire book in a time-saving format. By investing less than one hour per week in these summaries, subscribers gain a working knowledge of the top business titles. Subscriptions are available on a monthly or yearly basis. Further information is available at <http://www.summaries.com>.

MAIN IDEA

The rich focus on positioning themselves advantageously as one of three general types of investors:

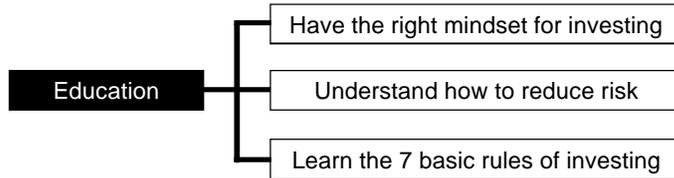
- Sophisticated investors – who understand tax, corporate and securities laws so as to be able to maximize earnings while simultaneously minimizing and reducing risks astutely.
- Inside investors – who, in addition to knowing everything the sophisticated investor knows, understand how to create and build assets by building and owning their own successful businesses.
- Ultimate investors – those inside investors who create and grow a successful business to the point at which they can sell an ownership interest to the public.

So what specifically do the rich invest in that the poor and middle class do not? The rich invest in three specific areas:



Section 1 – Education Pages 2 - 4

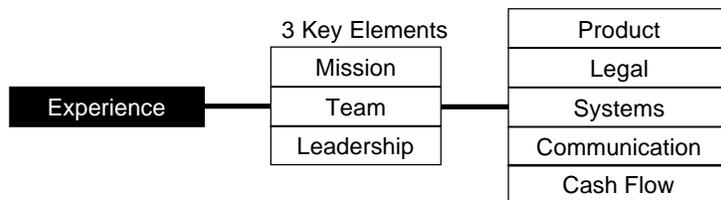
The rich educate themselves so that they will become financially literate – they learn to understand the vocabulary of investing and how to read and use financial numbers in meaningful ways.



Section 2 – Experience Pages 5 - 6

The rich understand how to start and build successful businesses which they can own rather than work in. They then use this know-how to assist them in identifying which other new businesses are likely to succeed – and thus worth investing in.

5 Business Building Blocks



Section 3 – Excessive Cash. Pages 7 - 8

The rich structure their business lives so they have at least three separate and distinct sources of income – passive (their return on hard assets), portfolio (their return on paper assets) and earned (their business income). The rich meet their expenses and generate excessive cash for investing that way.

