

NASD Young Employer Investor Education Teaching Plan

| Concepts | Objectives | Presentation Topics | Activities | Handouts | Take-home |
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| <p>Lesson 1: Practical Steps to Building Wealth (getting motivated)</p> <ul style="list-style-type: none"> • Practical steps to building wealth • Getting the employer match • Diverting debt repayment to investment • Starting early/time value of money | <ul style="list-style-type: none"> • Participants will be convinced of the importance of contributing at least as much as their employer will match to the retirement accounts available to them. • Participants will be convinced of the importance of diverting debt repayment to future investment. • Participants will become more confident that they can build wealth over their working lives. • Participants will understand the importance of starting to save and invest early in life. | <ul style="list-style-type: none"> • Game Plan for Building Wealth <ul style="list-style-type: none"> • Make sure income exceeds expenses. • Contribute to maximum of matched savings. • Build an emergency fund. • Pay off high cost credit. • Consider purchasing a home. • Balance retirement (tax-sheltered) and pre-retirement (after-tax) investments. • Net Worth • Starting early | <ul style="list-style-type: none"> • State of Financial Security (Introduction) • Expectations (What Do You Know; What Do You Want to Know) • T.N.'s net worth interactive | <ul style="list-style-type: none"> • Growth of \$20 Matched Savings • Small Saving Add Up • Your Game Plan for Building Wealth | <ul style="list-style-type: none"> • Net Worth Instructions and Worksheet hard copy or CD Interactive • How Much Debt is Too Much Worksheet • List of Creditors • Debt Repayment Plan |
| <p>Lesson 2: Finding Money to Invest</p> <ul style="list-style-type: none"> • Taking control of your finances • Assessing your personal situation • Identifying ways to find money to invest | <ul style="list-style-type: none"> • Participants will be motivated to plan their savings - spending • Participants will be motivated to keep track of their income and expenses on a regular basis. • Participants will identify ways they can increase income or decrease expenses to find money to invest. • Participants will become more confident that they can find money to save or invest. | <ul style="list-style-type: none"> • Making a savings/spending plan • Saving for emergencies and unexpected expenses • Finding money to save or invest • How matched savings can grow • Diverting debt repayment to investment | <ul style="list-style-type: none"> • T.N.'s spending plans • T.N.'s emergency • T.N.'s Emergency Fund Worksheet | | <ul style="list-style-type: none"> • Track Your Spending Worksheet with receipt bag • Savings Spending Plan Worksheet and Instructions • Emergency Fund Worksheet |

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| <p>Lesson 3: Basic Investment Options</p> <ul style="list-style-type: none"> • Short term goals • Long term goals • Short term savings options (emergency fund and major purchases) • Long term savings options • Selecting the best option | <ul style="list-style-type: none"> • Participants will distinguish between saving and investing • Participants will understand the difference between short term and long term financial goals. • Participants will become motivated to begin or increase contributions to savings and/or investment plans. • Participants will identify savings and/or investment goals that may include: <ul style="list-style-type: none"> • diverting debt repayment to investment • building an emergency fund • pre-retirement savings/investment • saving/investing for retirement • Participants will be able to identify appropriate places to keep emergency fund savings. • Participants will be able to identify options for pre-retirement and retirement savings offered through employers. • Participants will be able to identify options for pre-retirement and retirement savings outside their employer. | <ul style="list-style-type: none"> • Short term goals <ul style="list-style-type: none"> • Building an emergency fund • Covering seasonal and major expenses • Reducing debt to have more money to invest • Long term goals <ul style="list-style-type: none"> • Meeting pre-retirement goals • Meeting retirement goals • Short term savings options (emergency fund and major purchases) <ul style="list-style-type: none"> • Savings account • CDs • Money Market accounts • Long term <ul style="list-style-type: none"> • Options available through employer (tax sheltered) • Options available outside employer (after tax) • Company specific benefits OR • What to know about employee benefits | <ul style="list-style-type: none"> • Financial Tasks Over the Life-Cycle • Pencil example–mutual funds <ul style="list-style-type: none"> • (Review of employer benefit options by HR representative OR [for off-worksites groups] review of what they should know about employee benefits) | <ul style="list-style-type: none"> • Savings/Investing Flow Chart • Savings Options for Emergency Funds • How to Read the Financial Page | <ul style="list-style-type: none"> • Financial Task Over the Life Cycle Checksheet • Financial Goals Worksheet |
| <p>Lesson 4: Principles of Investing</p> <ul style="list-style-type: none"> • Balance between pre-retirement and retirement options • Balancing pre-tax and post-tax investment • Risk tolerance • Relationship between risk and return • Diversification • Asset allocation over the life cycle • Assessing the cost of investing • Active vs. passive investing | <ul style="list-style-type: none"> • Participants will understand the difference between pre-tax and after-tax investments. • Participants will understand the general relationship between investment risk and return. • Participants will evaluate their risk tolerance. • Participants will understand how to reduce risk by diversifying my assets. • Participants will understand what changes they need to make in asset allocation as they move through the life cycle. • Participants will identify costs that might be associated with different investment options. • Participants will understand the difference between active and passive investing. | <ul style="list-style-type: none"> • Balancing pre-tax and post-tax investment • Risk tolerance • Relationship between risk and return • Diversification • Asset allocation over the life cycle • Assessing the cost of investing • Active vs. passive investing | <ul style="list-style-type: none"> • Longevity Game | | <ul style="list-style-type: none"> • Ball Park Estimate • Risk Tolerance Quiz • Financial Calculator Sites |

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| <p>Lesson 5: Protecting Your Investments</p> <ul style="list-style-type: none"> Deciding on an active or passive strategy Selecting and working with financial professionals Avoiding investment fraud | <ul style="list-style-type: none"> Participants will be able to distinguish between active and passive investment strategies Participants will be able to identify different financial professionals with their preparation and qualifications. If participants need a financial professional, they will better know how to select the best one for their needs. Participants will be able to identify and avoid fraudulent investments. | <ul style="list-style-type: none"> Active vs. passive investing Qualifications, preparation and certification of financial professionals Selecting the best financial professional for your needs Protecting yourself against investment fraud: <ul style="list-style-type: none"> Is the representative properly licensed? Is the investment registered or exempt from registration? What is the firm or representative's history? | <ul style="list-style-type: none"> Investment Fraud Quiz Review (What Did You Learn?) KASA evaluation OR Pre-post Likert evaluation | <ul style="list-style-type: none"> Members of a Financial Professional Team What do the Letters Mean? Choosing Your Team of Financial Professionals How to Avoid Investment Fraud | <ul style="list-style-type: none"> Worksheet for Selecting a Broker Glossary of Terms |