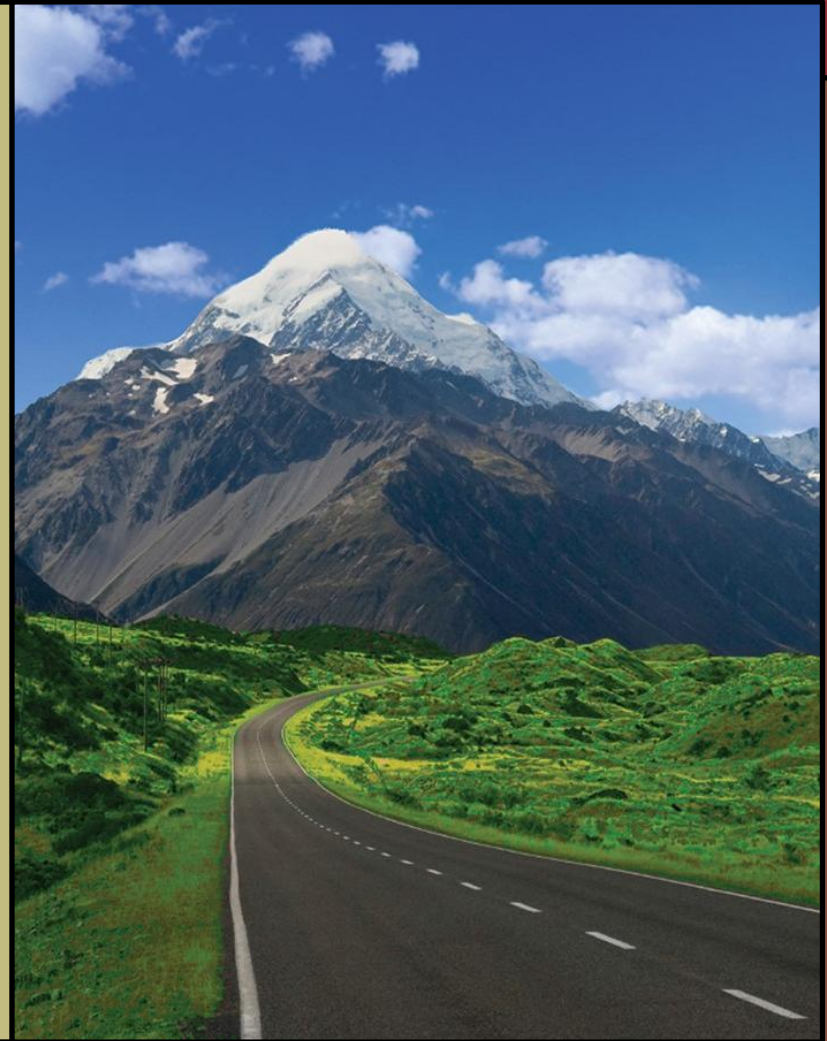




Initial Plan Presentation

Learning the Basics



Credit (Cards & Scores)

Building Credit

- Establishes Credit History
- Improves Credit Score
- Facilitates Large Purchases

Points

- Rewards & Cash Back
- Travel Benefits
- Discounts & Offers

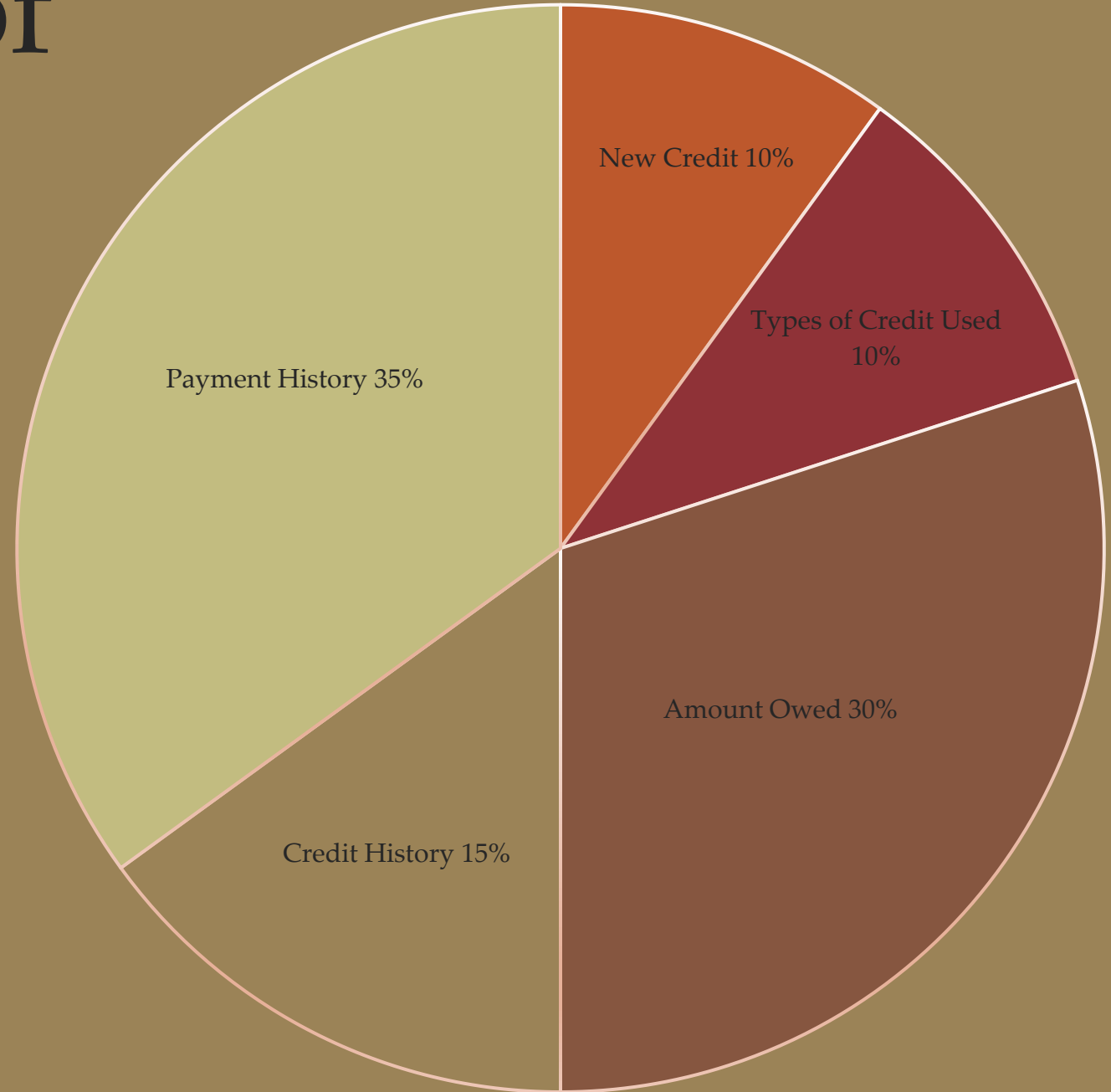
Credit Score

- This score affects loan approvals, interest rates, and credit terms
- Used by lenders to assess your risk



Components of Credit Scores

Each portion represents how much each category affects your credit score



Debt Management

Snowball Method

Small Debt First

Avalanche Method

High Interest Debt First
Most credit cards charge 20%+ APR

Debt Consolidation

Take on a low interest loan
to pay off high interest

Debt to Income Ratio

DTI<35%

Monitor Credit Score

Aim for 700+ Score

Automate Bill Payments

Take away the thought
behind bill paying

Organize Debts

List and Prioritize all Debts

Cut Expenses

Use the extra \$ to pay off
debt

Student Loan Repayment Plans

Pay as You Earn (PAYE)

- Direct Loans Only
 - 10% of discretionary income = payment
- Loan forgiven after 20 years of qualifying payments
- Best for:
 - High DTI and future income increases

Income-Based Repayment (IBR)

- Direct & FFEL Loans
 - 10% of discretionary income = payment
- Loan forgiven after 20 years of qualifying payments
- Best for:
 - Moderate income & High Debt

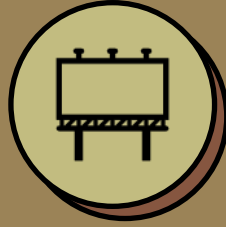
Saving on a Valuable Education (SAVE)

- Direct Loans Only
 - Payments based on monthly income and family size
- Loan forgiven after 20-25 years of qualifying payments
- Best for:
 - Individuals with dependents & low income

Emergency Fund



Number of Months of Income to Replace
3-6 Months of Expenses



% of Income Contributed Each Month
Cash Flow Policies



Where to Invest Contributions
Money Market Funds or Cash Equivalents



When to Use
Job Loss, Health Emergency, Family Needs, Emergency Expenses



Next Steps
Once Emergency Fund is maxed out, other investments can be researched

Smart Spending Practices



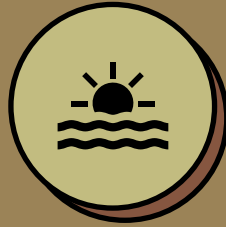
Spend Less Than You Earn

Don't let an increase in wages influence new spending habits



Use Debt Wisely

Living Debt free allows you to focus on what's important



Live Big

Spend money on things that serve you



Stick to Your Budget

Following your planned expenses allows you to take total control of your finances



Automate Financial Decisions

Take the thought away from investing and you won't worry about calculating if you can afford it

Employee Benefits

Retirement & Financial

Helps employees save for their future and secure financial stability

- Some encourage long term saving
- Some incentivize performance and wealth building

Health & Wellness

Provides employees with access to healthcare services

- Insurance offers financial protection against medical expenses
- Health services help maintain employees physical and mental health

Retirement Accounts

Traditional IRA

- Tax-Deferred Growth
- Tax Deductible Contributions

Defined Contribution Plans (401(k)s)

- Employer & Employee Contributions
- Salary/Income Deferral

Profit Sharing Plans (RSUs)

- Discretionary Employer Contributions
- Based on Profits of Firm

Roth IRA

- Tax Free Growth
- After Tax Contributions

Defined Benefit Plans (Pensions)

- Fixed Monthly Payments at Retirement
- Employer Contributions

Employee Benefit Packages

Health Insurance

- Medical, Dental, and Vision care coverage

Life Insurance

- Financial protection for employees' families

RSUs/ESPPs

- Employees receive a stake in the company to incentivize performance

Disability Insurance

- Income replacement for employees who can't work

HSA/FSA

- Tax advantaged savings accounts for healthcare expenses

Health Insurance Options

<ul style="list-style-type: none">• Tax Deductible Contributions• Tax Free Withdrawals<ul style="list-style-type: none">• Under 65, tax free for medical expenses• Over 65, tax free for any purpose• Tax Free Growth	<ul style="list-style-type: none">• Pre-Tax Contributions<ul style="list-style-type: none">• Reduces taxable income• Tax Free withdrawals for medical expenses• Use it or Lose it<ul style="list-style-type: none">• Unused funds do not roll over to the next year• Cannot Invest Funds	<ul style="list-style-type: none">• Flexibility of Healthcare Provider<ul style="list-style-type: none">• Can see any healthcare provider without referral• High Costs• Out of Network Coverage<ul style="list-style-type: none">• Partial coverage for out of network services	<ul style="list-style-type: none">• Lower Costs• Network Restrictions<ul style="list-style-type: none">• Required to use healthcare providers within their network• Preventative Care Focus
HSA	FSA	PPO	HMO

Personal Insurance

Health

- Coverage
 - Protects against medical expenses
- Plan Types
 - High deductible option to contribute to HSA
- Access
 - Ensures you receive the health care you desire

P&C

- Auto Insurance
 - Accidents, Theft, Liability
- Renters/Homeowners
 - Protects personal belongings and offers liability coverage
- Umbrella Insurance
 - Shields legal claims and financial loss

Life/Disability

- Life Insurance
 - Replaces your income for people who rely on it
- Disability Insurance
 - Replaces income if unable to work due to injury or illness
- Risk Protection
 - Offers financial security & piece of mind

Taxes

Income Tax

Tax paid on money earned from working and other income sources

Sales Tax

A tax added to the price of most things you buy (clothes, electronics, groceries)

Tax Brackets

The more you earn, the higher percentage of your income you pay in taxes

Capital Gains Tax

Tax on the profit you make when you sell something of value for more than you paid for it

Property Tax

A tax paid annually based on the percentage of a properties total value

Tax Forms Needed

IRS form sent by your employer in January

- Annual Earnings
- Retirement Contributions
- Withholdings

Form W-2

All other income earned from a source other than your employer

- Dividends
- Interest
- Freelance Money
- Etc.

Form 1099

The standard federal income tax form used for:

- Reporting income
- Claiming deductions and credits
- Calculating tax refund

Form 1040

Reports contributions & tax-deductible expenses to IRS

- Mortgage Interest
- Student Loan Interest
- Tuition/Scholarship Info

Form 1098

Estate Documents

Will

Specifies how your assets will be distributed and names guardians for minor children after your death

Healthcare Power of Attorney

Designates someone to make medical decisions for you if you can't communicate your wishes

Living Will

States your preferences for medical treatment and end-of-life care if you are unable to express them yourself

Durable Power of Attorney

Allows someone other than you to make financial and legal decisions on your behalf

HIPPA

Permits individuals you designate to access your medical records and health information

Passwords & Digital Security

Components of a Good Password

- Use at least 12 characters with a combination of uppercase, lowercase, numbers, and symbols
- Avoid common words
- Create a unique password for each account
- Add beneficiaries to Apple ID

Importance of Digital Estate

- Account Management
 - Ensures online account and digital assets are managed/closed according to your wishes
- Access & Control
 - Allows designated individuals access to important digital information
- Prevent Identity Theft

Why Care?

- Protect Your Private Information
- Ensure wishes are followed
- Simplify Estate Administration
- Useful Resources
 - LastPass
 - Identity Force

Key Drivers



The Power of Investing

Yeske Buie 100/0 portfolio

- \$100 monthly contributions starting at 25 years old versus 35 years old

Portfolio Value – Investing at Different Ages

