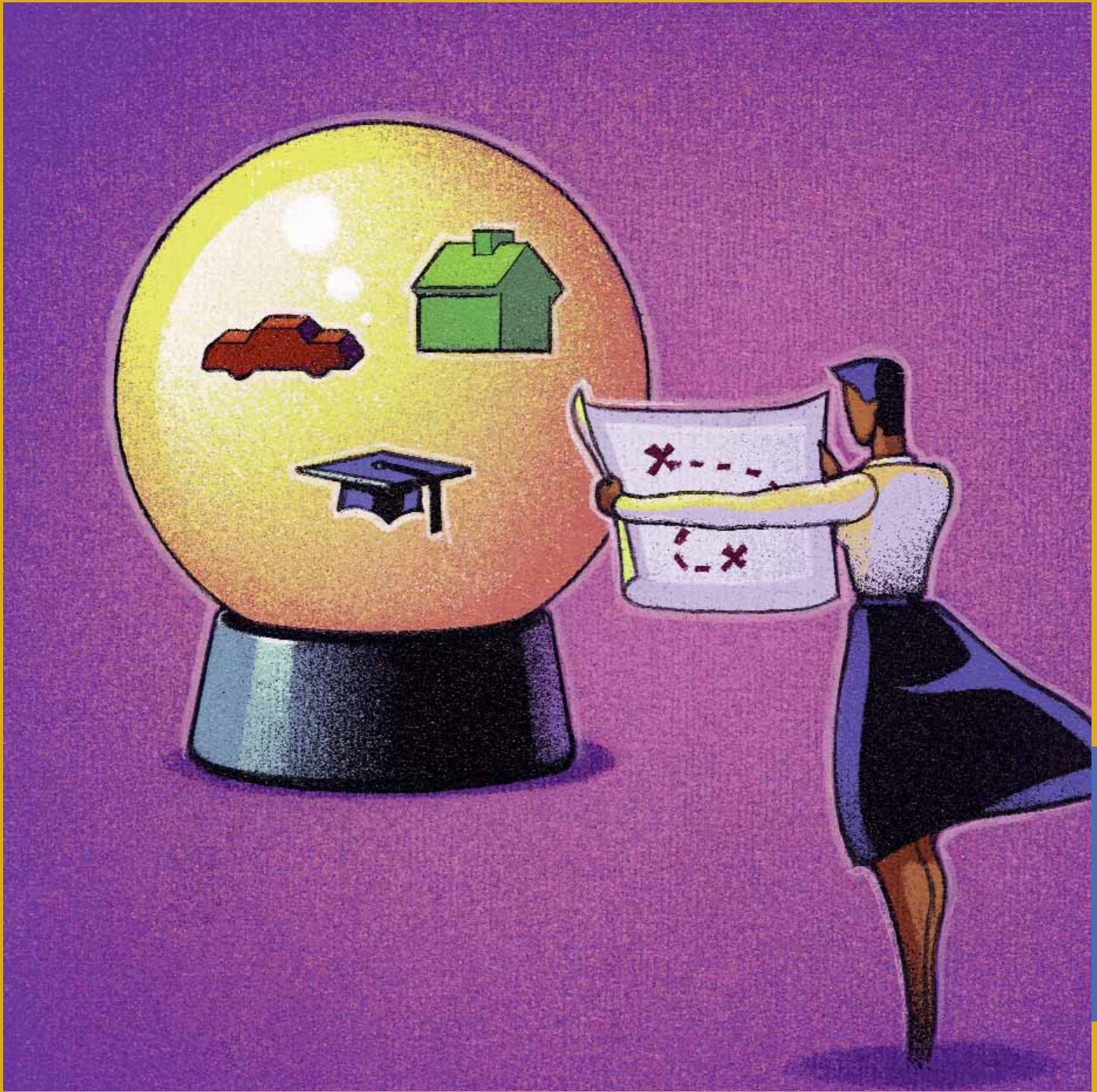
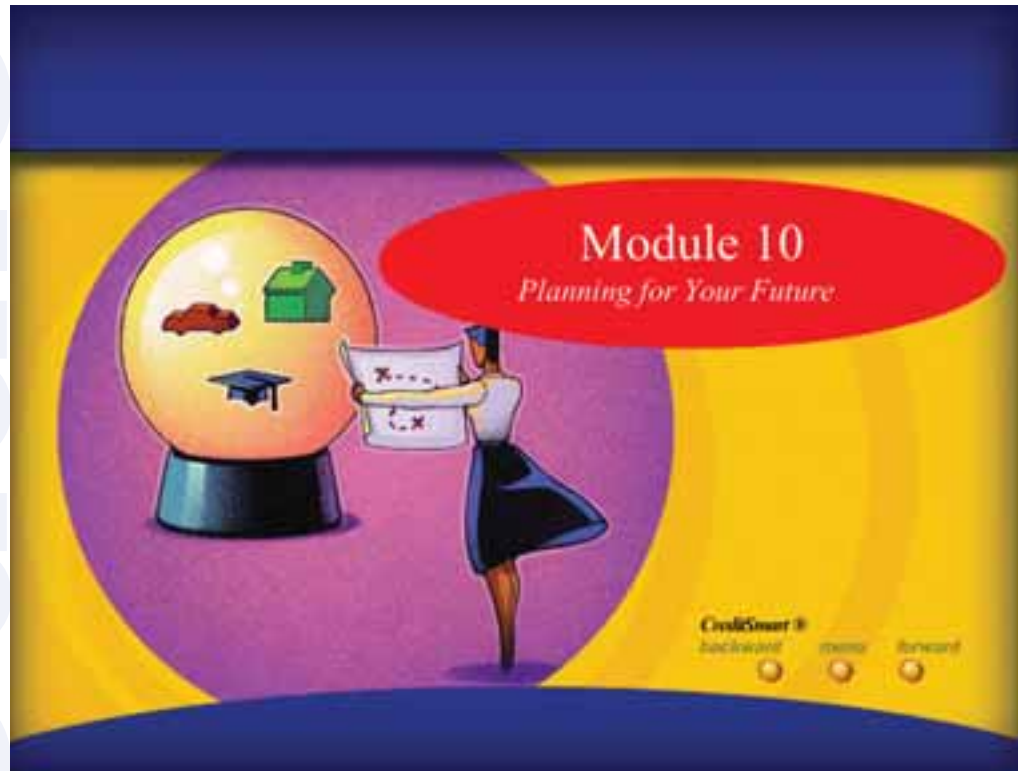


Module 10
Planning for Your Future



Module



Module 10: Planning for Your Future

Relative to credit and money management, your future is really yesterday, today, and tomorrow.

Everything that you have already done and the financial decisions that you have made in the past are actually all a part of your future.

10

Module 10 Introduction

This module is designed to provide you with a summary of the information and tools that have been discussed during this workshop. Armed with this knowledge, you can begin to take the steps to achieve your goals and to attain financial security.

Module 10-2
Planning for Your Future

Backward Home Forward

Module 10 Introduction

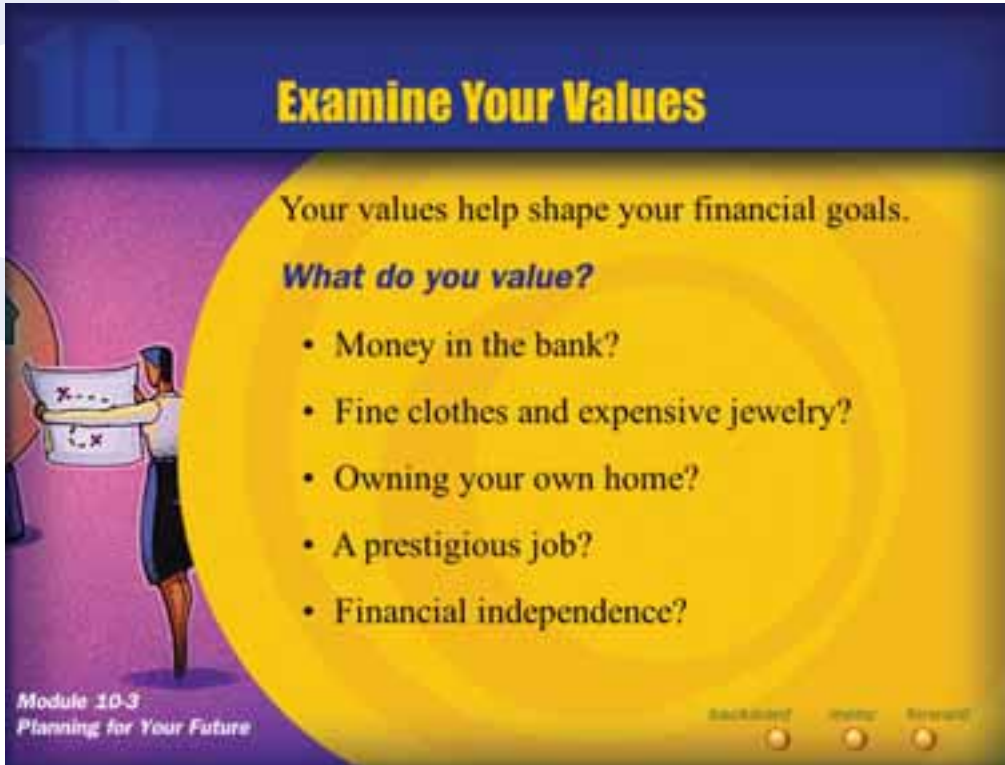
So, let's begin by taking a look at the next slide.

Consumer Workbook Materials for Module 10: Planning for Your Future

- *Examine Your Values* (page 163)
- *Make a List of Your Values (Worksheet)* (page 163)
- *Steps to Financial Success* (page 164)
- *Personal Financial Task Checklist* (page 165)

These materials are also available in *Your Credit, Your Home, and Your Future* for Module 10: Planning for Your Future

- *Steps to Financial Success* (page 53)



Examine Your Values

Your values help shape your financial goals.

What do you value?

- Money in the bank?
- Fine clothes and expensive jewelry?
- Owning your own home?
- A prestigious job?
- Financial independence?

Module 10-3
Planning for Your Future

Backward Home Forward

Examine Your Values

Throughout this entire workshop, we have been talking about needs versus wants, spending plans, savings tips, credit reports, credit scoring, credit cards, credit pitfalls, and the like. But when it really comes down to it, everything that each of us does in life is based upon our values.

It is safe to say that all of us would find value in the list of items on the slide. But how we obtain them is another story. Each of us will hit potholes in the road which may hurt us and cost us money. Yet, we must continue down the road because it is a one-way street. There is no going back.

Refer to the Consumer Workbook:

- *Examine Your Values* (page 163)
- *Make a List of Your Values* (page 163)

Examine Your Values

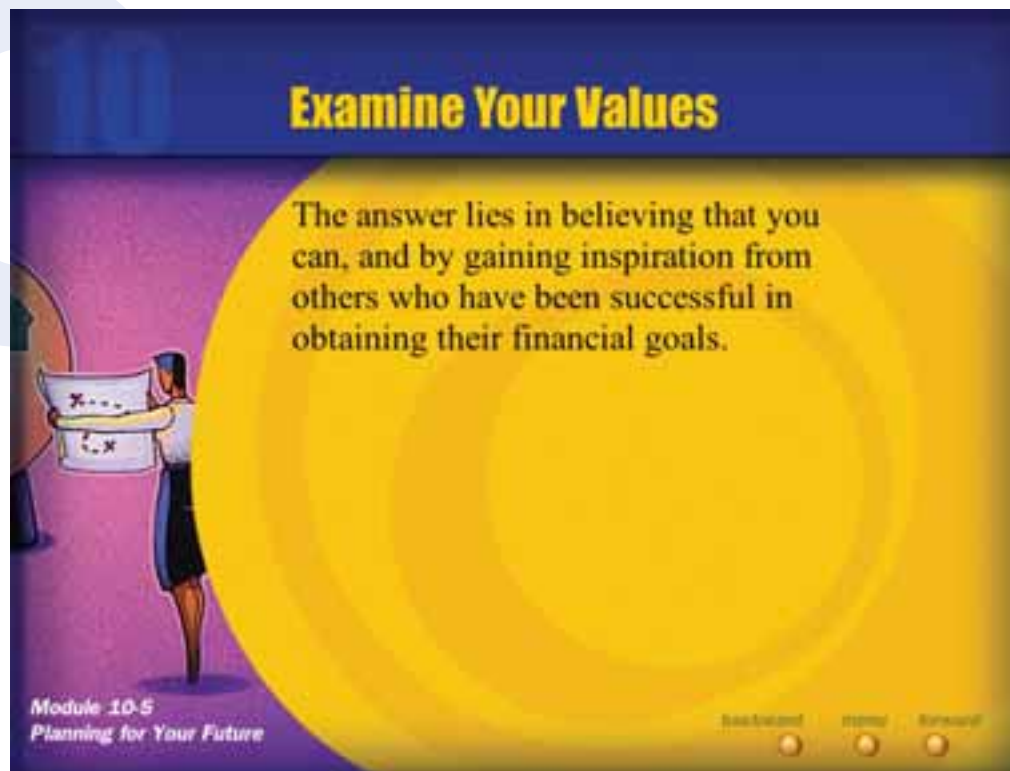
By now you might be asking “But how can I reach my financial goals, or even **think** about wealth accumulation with my current income and financial obligations?”

Module 10-4
Planning for Your Future

Backward Home Forward

Examine Your Values

10



Examine Your Values

Just remember to take one step at a time and take it day by day.

It takes time for a tree seedling to tower into the sky. And yet, the mighty oak can crash to the ground in seconds. Similarly, it takes most of us years to build up a sense of financial security, and without proper planning and knowledge, it can disappear overnight.

But don't despair, you know people who have done it, and more importantly, YOU can do it too!

Examine Your Values

With the right attitude and focus, you can achieve the financial goals that you set for yourself through good money management, smart spending and establishing and maintaining a good credit history.

Module 10-6
Planning for Your Future

Backward Home Forward

Examine Your Values

In all cases, you need to let yourself be your guide. No one can tell you what you can and cannot do. If something doesn't feel right, if someone is pressuring you, or if an offer is available today and not tomorrow, don't do it. It's not worth it. It's your money, it's your life, and you are the one in charge.

Steps to Financial Success

Secure Your Future

- Track your expenses and create a spending plan.
- Pay yourself first: Open savings and checking accounts.
- Set up an emergency fund.
- Be systematic: Use payroll savings.
- Educate yourself about personal finance.

Module 10-7
Planning for Your Future

Backward Home Forward

Steps to Financial Success

OK, now that each of us has decided to take charge of our own destiny, and given the fact that we are all headed down the same road, what's the best way to get into the express lane? In other words, how do we get there from here?

Let's begin by taking a look at the tips offered on these last slides.

By now, none of these concepts should be new to you. Nevertheless, they are appearing again as a reminder of their importance in helping you establish and maintain good credit, and thereby achieve your goals and aspirations.

Refer to the Consumer Workbook:

Steps to Financial Success (page 164)

Your Credit, Your Home, and Your Future page 53)



Steps to Financial Success

Keep Your Credit in Good Shape

- Make all payments on time.
- Cut your debt.
- Limit the number and use of credit cards.
- Review your credit report.

Module 10-B
Planning for Your Future

Backward Home Forward

Steps to Financial Success

As you have seen throughout this workshop, it's all about credit. Many people believe that income is the solution to everything. Well, in the real world, it's really income in combination with credit and credit ratings. Even people with large incomes can have impaired credit ratings and therefore will pay excessive amounts for credit.

The simple tips listed above will help ensure that your credit stays in good shape.

Steps to Financial Success

Think Long-Term

- Estimate your pension or retirement fund.
- Know your Social Security benefits.
- Contribute to a 401(k) and/or an IRA.
- Invest in stocks and mutual funds.
- Refinance your mortgage, if rates go down.

Module 10-9
Planning for Your Future

Backward Home Forward

Steps to Financial Success

Remember before you were 18 years old and you thought that 18 would never come? How about the uncles or aunts in their thirties who seemed like old people when you were growing up? Well, time passes, and eventually retirement will come. We need to make certain that we can “afford” to retire.

Do you want to work until you are 76 years old? Maybe, but probably not. Either way, the tips above suggest that each of us prepare for the future by establishing retirement and investment accounts early in life. Retirement accounts were created to ensure having money after retirement. Many retirement plans allow you to directly transfer contributions from your salary before taxes. Some companies match your contributions to this plan. The rates of return depend on how you choose to invest (i.e. stocks, bonds, CDs, etc.) The main retirement account options are: IRA, 401(k), 403(b), Keogh, and SEP (Simplified Employee Pension). Ask your financial advisor to help you choose the best plan for you.

Investment accounts include stocks, shares in mutual funds, bonds, etc. Interest and dividends from these investments are taxable and can fluctuate significantly. Furthermore, since they are not insured by the FDIC, there is the risk of losing both the principal invested and the accumulated profit. **If you are new to investing, seek a financial advisor to assist you.** It is important to make consistent contributions and to diversify your investments. Over the years, it can make a huge difference.

In addition, if you are a homeowner, keep your eye on mortgage rates. If interest rates go down, consider refinancing your mortgage. Remember, however, to take a close look at all of the costs associated with refinancing and make sure refinancing will benefit your financial situation. Review refinancing fees, prepayment penalties if they apply, and closing costs and measure these costs against the benefits of a lower monthly payment. When you are considering buying a home, shop around for mortgage rates.

Steps to Financial Success

*Hope for the Best;
Prepare for the Worst*

- Check your insurance coverage.
- Consider disability insurance.
- Update beneficiary designations and prepare a will.
- Organize financial records.
- Don't abdicate responsibility.

Module 10-10
Planning for Your Future

Backward Home Forward

Steps to Financial Success

A will is an extremely important and valuable tool that everyone should have.

Can you ever be too prepared for the unexpected?

No. Therefore, it is wise to make sure that you are prepared for as many unknowns as possible. However, just like anything else, moderation may be best. To avoid becoming overly insured—that is, purchasing more than is needed—you should always thoroughly check out various types of policies, coverage, terms, and cost.

► Steps to Financial Success

Secure Your Future

- Track your expenses and create a spending plan.
- Pay yourself first: open a savings and checking account.
- Set up an emergency fund.
- Be systematic: use payroll savings.
- Educate yourself about personal finance.

Keep Your Credit in Good Shape

- Make all payments on time.
- Reduce your debt.
- Limit the number of and use of credit cards.
- Review your credit report.

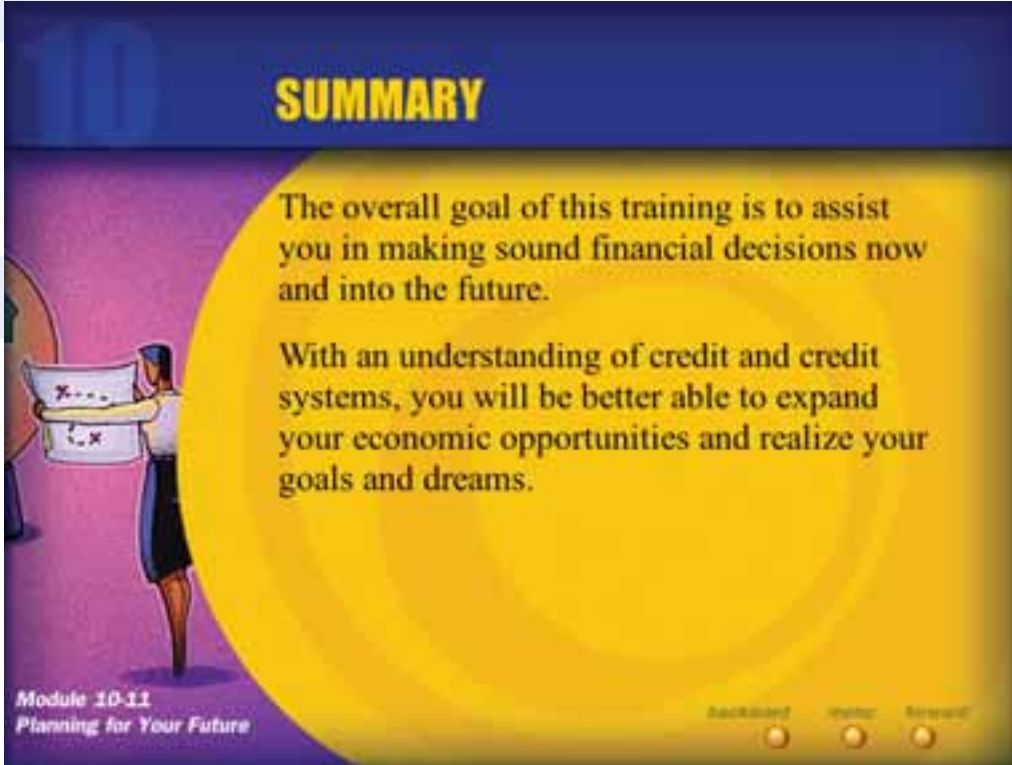
Think Long-Term

- Estimate your pension or retirement fund.
- Know your Social Security benefits.
- Contribute to a 401(k) and/or an IRA.
- Invest in stocks and mutual funds.
- If interest rates go down, consider refinancing your mortgage.

Hope for the Best; Prepare for the Worst

- Check your insurance coverage.
- Consider disability insurance.
- Update beneficiary designations and prepare a will.
- Organize financial records.
- Don't abdicate responsibility.





SUMMARY

The overall goal of this training is to assist you in making sound financial decisions now and into the future.

With an understanding of credit and credit systems, you will be better able to expand your economic opportunities and realize your goals and dreams.

Module 10-11
Planning for Your Future

Backward Home Forward

SUMMARY

The last few slides provided you with an overview of some of the most critical steps toward achieving financial success. As you will find, they are only the beginning.

Don't let the length of the list discourage you. It's merely a list, and hopefully you have identified which particular items to focus on to help you to shape your future.

***Go ahead—take a chance. It's up to you to take charge of your life.
Challenge yourself to start on a new financial path today.***

It's your life . . . It's your money . . . Make the most of it!

Refer to the Consumer Workbook:

Personal Financial Task Checklist (page 165)

► Personal Financial Task Checklist

Use this checklist to help you begin to shape a new financial future. Set target dates and check off the items as you accomplish the tasks. Revisit the checklist periodically and monitor your progress. Add additional tasks that are important to you and your financial well being.

Done	To Do	Task	Target Date
		Develop a spending plan	
		Open a checking account	
		Open a savings account	
		Sign up for automatic payroll savings	
		Establish an emergency fund	
		Obtain and review a copy of your credit report	
		Reduce your debt by paying extra	
		Limit the use of and number of credit cards	
		Educate yourself on retirement accounts	
		Explore investing in stocks and mutual funds	
		Check your insurance coverage	
		Update beneficiary designations and create a will	
Ongoing Tasks			
<input checked="" type="checkbox"/>	Make all payments on time.		
<input checked="" type="checkbox"/>	Organize your financial records.		
<input checked="" type="checkbox"/>	Maintain control of and understand your personal finances.		