

# Investing in Yourself

## When Debt is Worth It



Taking on debt can be wise if the projected income growth outweighs the loan costs



### Student Loans

Boost earning potential with education that pays off in the future



### Business Loans

Scale strategically by using loans to cover costs associated with business growth initiatives

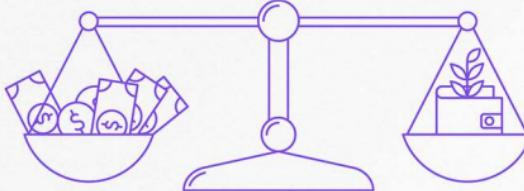


### Mortgage Loans

Build long-term wealth through homeownership

#### Weighing the Risks

Good debt should offer a clear return, through skill growth or increased value



# 5 Ways to Get Paid

## (Beyond Your Salary)

Maximize your total compensation with  
benefits offered by your employer



**401(k) Matching**  
Grow your retirement  
savings by maximizing  
employer contributions



**Tuition Assistance**  
or reimbursement for  
classes or certifications



**Health Insurance**  
Access essential  
healthcare at affordable  
premiums



**Discounted Services**  
Travel, entertainment, fitness,  
phone bills, and more



**Flexible Savings Account  
(FSA)**  
Use pre-tax earnings to cover  
health and childcare costs

### More Than Just Salary

When comparing offers, benefits can make  
a lower salary job more valuable than a higher paying one



# Rolling Over Your 401(k)

## Maximize Your Retirement Savings

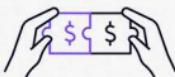
### What

Transfer your 401(k) to a new employer's plan or an Individual Retirement Account (IRA)



### Why

Consolidate accounts, lower fees, and access better investment options



### How



Choose a new plan or IRA

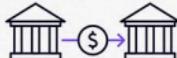


Contact both providers

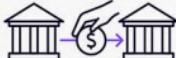


Initiate a direct transfer to avoid penalties

### Tax Impact



Direct rollovers are tax-free



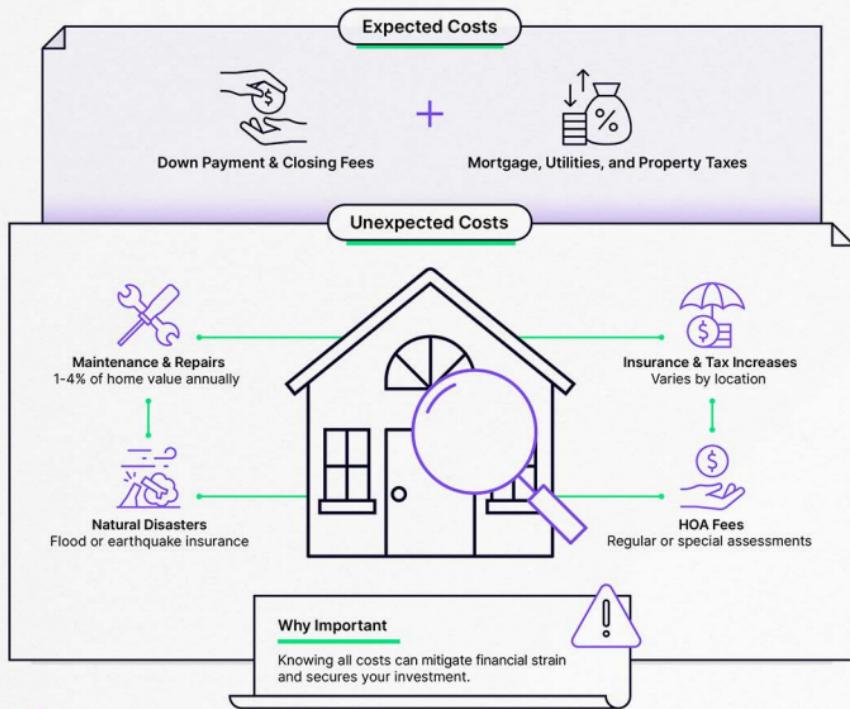
Indirect rollovers may trigger taxes and penalties



**Good to Know:** Leaving funds in an old 401(k) may mean less control and higher fees

# The Cost of Home Ownership

## Beyond the Purchase Price



# Welcoming a New Dependent



## Financial Planning for an Addition to the Family



Dependent	Immediate Expenses	Ongoing Costs	Long-Term Expenses
 New Baby	<ul style="list-style-type: none"><li>Birth/adoption/surrogacy fees</li><li>Crib</li><li>Car seat/stroller</li></ul>	<ul style="list-style-type: none"><li>Formula &amp; food</li><li>Diapers &amp; clothing</li><li>Toys</li></ul>	<ul style="list-style-type: none"><li>Childcare</li><li>Health insurance</li><li>Medical care</li></ul>
 New Child	<ul style="list-style-type: none"><li>Adoption fees</li><li>Bed</li><li>Car seat</li></ul>	<ul style="list-style-type: none"><li>Food</li><li>Clothing</li><li>Hygiene</li><li>Toys</li></ul>	<ul style="list-style-type: none"><li>Education</li><li>Extracurriculars</li><li>Health insurance</li><li>Medical care</li></ul>

### Financial To-Dos



Add new dependent to health insurance within 30–60 days



Review life insurance to cover your family



Explore financial aid available to new parents

Adjust tax withholdings for new dependents

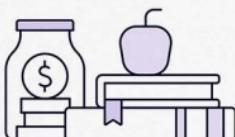
Open a 529 or savings account for education

# 529 Accounts

## Investing in Education

### What

529 accounts are savings plans for future education costs



Can be used for K-12, trade school, college, or graduate school



### Key Benefits



**Tax-free growth**  
on earnings for qualified education expenses



**No federal gift tax**  
on contributions up to \$18,000 per year



**Tax deductions**  
on contributions are available in some states



**Transferable**  
to eligible beneficiaries or into a Roth IRA

### Limitations



Plan rules vary by state;  
some have contribution limits



Must be for qualified education expenses to remain tax-free

### Good to Know

529 accounts can be used for student loan repayment, rent, groceries, internet, and more.

# Balancing Savings vs. Experiences

## Finding the Right Balance



When to Save or Spend?

### Key Considerations



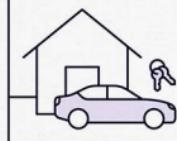
**Long-Term Priorities**  
Set savings goals and budget for trips or meaningful purchases



**Intentional Spending**  
Be thoughtful and deliberate when spending on costly goods or experiences



**Financial Mindfulness**  
Allow yourself little joys, but avoid overspending on unplanned purchases



### Good to Know

Managing your money wisely gives you more opportunities to enjoy meaningful experiences now while also saving for the future



# Saving vs. Investing

## Essentials for Financial Health



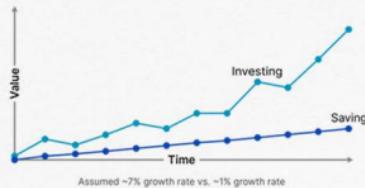
### The Power of Compound Growth

#### Saving Tools

- High-yield savings accounts
- Certificates of Deposit (CDs)
- Cash management accounts

#### Investing Tools

- 401(k)s
- IRAs
- Stocks and bonds
- 529 accounts
- 403(b)s



### Balancing Both



SAVE to build an emergency fund



INVEST the minimum to obtain your employer's 401(k) match



Gradually increase contributions to BOTH as your budget allows



Create new SAVINGS buckets for specific life goals as needed



Explore additional INVESTING products

# Behavioral Finance

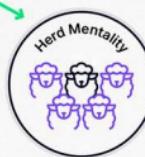
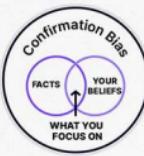
## How emotions and biases shape investment decisions

### Why Important

Understanding the psychology behind our financial choices can lead to better outcomes

### What to Watch For

Common bias can affect sound decision-making



You can't avoid all behavioral biases, but you can limit their impact on your trading.

### How to Manage



Identify  
your biases



Develop  
clear investment goals and a  
strategy that mitigates biases



Re-evaluate  
your goals and  
strategy quarterly



Adjust  
as needed

# Risk Tolerance

## Managing Risk to Reach Your Financial Goals

### Considerations

Your time horizon, financial situation, and emotional capacity for loss



### Levels of Risk Tolerance



### Rebalancing

Risk tolerance can change with age or shifting goals

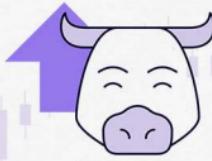


**Good to Know** Risk and reward are linked—taking calculated risks can help achieve long-term goals



# Bull vs. Bear Market

## Understanding Market Trends



### Bull Market

- Prices rising (>20% market gain)
- Optimism & economic growth
- Investors buy, expecting profits



### Bear Market

- Prices falling (>20% market decline)
- Pessimism & economic downturn
- Investors sell to avoid losses



### Growth Investments

Technology, consumer discretionary, momentum stocks, growth stocks, and higher-risk investments

### Assets Favored



### Defensive Investments

Industrial, utility and REIT stocks, bonds, gold, and other precious metals



Can be a good time to sell stocks and lock in profits

### Conventional Wisdom



Often a good opportunity to buy stocks at favorable valuations



### Good to Know:

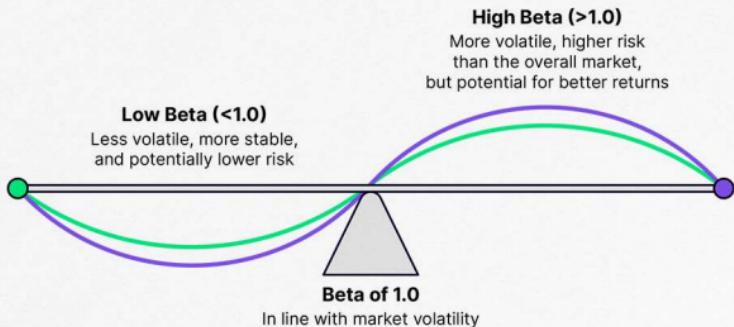
Maintaining a long-term perspective is key!

Bull markets typically last longer than bear markets.

- Bear markets: ~ 9-18 months
- Bull markets: ~ 5-7 years

# What is $\beta$ ?

Measures a Stock's Volatility Compared to the Overall Market



## Why Important



The beta of individual holdings in your portfolio will provide insight into how each might respond to market events and highlights the importance of diversification



Understanding the overall beta of your portfolio helps align investments to your portfolio goals

## Good to Know



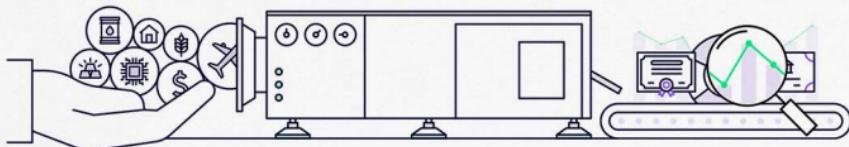
Beta is historical, not future-proof; combine it with other analysis tools for smarter investing



Stocks with betas uncorrelated to a wider portfolio can be helpful for hedging risk

# What is an Index?

Captures the performance of a wide array of stocks or securities representing various sectors and industries within different markets



## Examples

**Nasdaq Composite® Index**  
Tracks all 3,000+ Nasdaq-listed companies

**Nasdaq-100 Index®**  
Tracks the 100 largest non-financial companies listed on Nasdaq Stock Market®

**PHLX Semiconductor Sector Index™**  
Tracks semiconductor companies listed on Nasdaq

## Why Important



**Market Indicators**  
Indexes can provide a more detailed overview of market trends and overall market sentiment



**Benchmarking**  
Evaluate how your portfolio is performing relative to a broader market



**Transparency**  
Provide a clear view of underlying assets



**Index Tracking**  
Passive strategies tracking major indexes provide low-cost access to markets

## Good to Know

You cannot invest directly in indexes, but you can invest in exchange-traded products (ETPs) and mutual funds that track indexes



# What is an Exchange Traded Fund (ETF)?

An investment vehicle that provides access to a basket of assets, like stocks, bonds, or commodities



## Benefits



**Access**  
Can provide broad affordable access to assets with one transaction



**Diversification**  
Can mitigate risk by bundling multiple assets



**Flexibility**  
Provides exposure to specific sectors, regions, or themes



**Low Costs**  
Typically lower expense ratios than mutual funds



**Liquidity**  
ETFs trade throughout the day like stocks



**Tax Efficiency**  
Passive ETFs may be subject to fewer taxable events vs. mutual funds

## Good to Know

- ETFs that track the same index or offer similar exposure may have very different fees
- Actively managed ETFs offer investors increased choice; but it's important that they understand the strategy and fees before investing

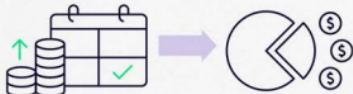


# What is a Dividend?

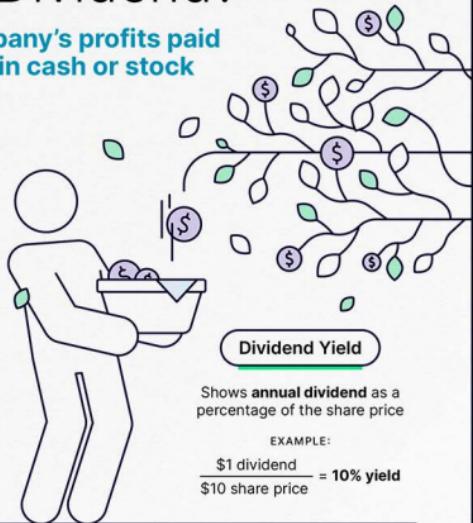
A portion of a company's profits paid to shareholders in cash or stock

## How It Works

Companies distribute dividends to shareholders on a set schedule (quarterly or annually)



Dividend paid depends on number of shares owned (e.g. 10 shares x \$1 dividend per share = \$10)



## Why It Matters



May provide steady cash flow



Can be an indicator of company's financial health



Reinvesting dividends can compound growth over time

## Good to Know

- Not all stocks pay dividends (growth companies often reinvest profits)
- Dividends are **taxable**
- Dividend-focused ETFs offer **diversified** dividend investing