Exhibit F

Kick-Off Event: Smart Investing@Your Library® Builds Nebraska Communities
(Provided to Trainer & Library Coordinator)

Objectives:

At the end of the "Kick-off" session participants will:

- Understand the background and purpose of the Smart Investing@Your Library Builds Nebraska Communities project—partners, funding, focus, evaluation plan
- Have completed the "Where are you Now" survey assuming they consent to doing so
- Understand that the three online courses target three different demographic groups/life stages (20-40 year olds, pre-retirees, and retiring/retirees)
- Receive a hard copy (binder) of the readings along with instructions for logging in, contacting trainer and JoAnn McManus
- Understand that they will be getting weekly emails from the trainer to help keep them on track
- Know date and purpose of wrap-up session and understand to be eligible for the iPod Shuffle they must have been 1) present at the kick-off event, 2) must have logged into the system within the training window, and 3) must be present at the Wrap-up event.

Session Agenda/Outline:

What	PowerPoint Slide(s)	Approximate Time Frame
Introductions & Agenda	1-2	5 minutes
Smart Investing@Your Library—partners, objectives	3-4	10 minutes
Get Acquainted Money Match Activity/Enter Drawing	5-6	15 minutes
Where are you Now? Pre-survey (distribute/collect)	7	10 minutes
Why Investor Education? Discussion	8	5 minutes
Rules of Thumb Discussion—distribute handout	9	10 minutes
3 Choices of Curriculum & Course Tutorial Video	10-13	10 minutes
JoAnn to review Curriculum Binder/Login information	14-18	10 minutes
Online Learning Tips	19	5 minutes
Final thoughts--Wrap-Up Event, Check out Library Resources & Thanks for Participating	20-22	5 minutes

Money Match Activity

Preparation:

Cut play money $100 bills into two parts using random scissors cuts. You will need half as many bills as you have participants so that each person will get ½ a bill. Each bill should be cut differently.

Activity:

- Let each participate draw a piece of a $100 bill from a basket.
- Everyone then finds the person who has the other piece of their bill.
- Once partnered together, have participants:
  - Introduce and tell a little about themselves (name, community, work experience, etc.)
  - Tell what they hope to learn/gain from participating in this program.
- Then have participants choose 2 of the following to share/discuss:
  - If this were a real $100 bill what would you do with it?
  - Act out one of your favorite things to do and see if the other person can guess what it is.
  - Name something you are saving money for.
  - If you could start a business, what would it be?
  - What is something you do for fun that is free?
- When everyone has completed the discussion, have the partners introduce each other to the entire group using information they learned during the discussion.
- Ask each person to clearly print their name on the back of their piece of a $100 bill and place it in the basket. At the wrap-up session, one name will be drawn to win an iPod. You <u>must</u> be present to win.

Adapted for use with the Smart Investing @your library Program by Mary Beth Kaufman, Family Finance Program Specialist, ISU Extension and Outreach, November 2012.

Financial Rules of Thumb

Personal finance books are full of "rules of thumb" that seemingly apply to all, but we know investors differ. Single or married; children or not; employed or retired; young, mid-life or older---these rules may or may not apply. Discuss each of the following rules. What types of investors might do well to heed this advice and for which types of investors might it not apply?

- *When it comes to investing, personal responsibility is necessary. If you choose to be financially illiterate or rely blindly on the advice of others, you have no one to blame but yourself should your investing life not work out as hoped.*

- *When setting up your budget, follow the 50-30-20 distribution. Spend 50 percent of your money on necessities. Save 20 percent and use only 30 percent to buy things you want.*

- *Pay yourself first.*

- *Keep an emergency savings account balance equal to 3 to 6 months' living expenses.*

- *Subtract your age from 100 to determine the portion of your investment portfolio that should be in equity (stock) investments.*

- *Regarding investment opportunities, if it sounds too good to be true—it probably is.*

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  Regardless of age and financial position, continued learning is important. The world continues to change and we all need to try to understand a moving target. Reading, attending lectures, and watching investing shows on television are all helpful tools.

- *When setting up your budget, follow the 50-30-20 distribution. Spend 50 percent of your money on necessities. Save 20 percent and use only 30 percent to buy things you want.*

  This budgeting rule, created by former Harvard professor and newly-elected Senator Elizabeth Warren, defines necessities as things you can not delay for a few months without serious consequences (basic needs and contractual obliga ons). 20% is for savings and debt repayment—emergency and retirement savings and loan payments for items beyond necessities. <u>A useful rule</u> for most moderate and middle income families. <u>Not so useful</u> for very low-income who spend most income on necessities, retirees who have no debt and are spending down savings.

- *Pay yourself first.*

  This is a good rule for most individuals to follow. An exception would be retired people who are probably spending down their assets. A way for young and middle-age investors to pay themselves first is to take advantage of employer match to 401(k) plans.

- *Keep an emergency savings account balance equal to 3 to 6 months' living expenses.*

  Three to six months is a good goal but not all individuals are able to achieve this—especially younger and lower income families. This should not keep individuals from setting aside something for emergencies. Little amounts can grow over time.

- *Subtract your age from 100 to determine the portion of your investment portfolio that should be in equity (stock) investments.*

  This rule of thumb for asset allocation (how to divide one's investment portfolio into stocks, bonds, and cash investments) is based on the idea that one can take more risk the longer the time until retirement so as to capitalize on the higher return of stocks over the long haul. As one gets closer to retirement one should move more assets into fixed income investments (bonds) as there is not time to recover from a downturn in the economy and decrease in stock prices. As individuals live longer, some financial advisors have revised this rule of thumb to subtract age from 120. Regardless of what number is used, this rule does not fit all investors. While it is important to have funds in equity investments for the growth opportunity, not all individuals have the same risk tolerance. Save and invest as much as you can as soon as you can and for as long as you can.

- *Regarding investment opportunities, if it sounds too good to be true—it probably is.*

  This is good advice for all investors—young and old, lower- and higher-income. Words like "guarantee," "high return," "limited offer," or "as safe as a C.D." may be a red flag. No financial investment is "risk free" and a high rate of return means greater risk.

Wrap-Up Celebration: Smart Investing@Your Library® Builds Nebraska Communities
(Provided to Trainer & Library Coordinator)

Objectives:

During the "wrap-up" celebration participants will:

- Provide feedback on the Smart Investing Online Class
- Apply Smart Investing concepts to discussion of three case scenarios
- Complete the "Where are you Now? post survey
- Pick up additional brochures and booklets the Nebraska Library Commission will bring to the event
- Participate in a prize drawing (only those eligible)
    - Must have been present at the kick-off event
    - Must have logged into the on-line curriculum
    - Must be present at the wrap-up event
    (these three are the eligibility for the iPod Shuffle, if there are other prizes, the librarian or extension educator may stipulate if this is the same criteria for the other prizes.)

Session Agenda/Outline:

What	PowerPoint Slide(s)	Approximate Time Frame
Introductions & Agenda	1-2	5 minutes
Family Scenarios Exercise	3	20 minutes
Where are you Now? post survey (distribute/collect)	4-5	10 minutes
Post-it® Feedback Exercise & Discussion	6	15 minutes
Review of 6 Questions in Post Survey	7-20	15 minutes
More resources (Extension, Dept. of Banking & Finance, NebraskAccess, FINRA Investor Education Foundation, Public Library)	21	10 minutes
Mention the Library's Resources	22	5 minutes
Thank them for participating & remind them that they can still access online curriculum	23	5 minutes
Draw for prizes—iPod shuffle, large canvas bag, and any other prizes collected.	24	5 minutes

Meet Joe Paulson

Joe Paulson, age 32, joined the Army right out of high school. He has returned to his hometown and is working as a self-employed mechanic. He earns $40,000 annually. He has paid off credit card balances and a car loan and wants to shift those payments to saving for (1) a down payment on a home within the next two years, (2) his 2-year old's college fund, and (3) his own retirement.

- What are appropriate options for accumulating the house down payment? Why?
- What are appropriate options for saving for education expenses? Why?
- What would be the advantage of a Roth IRA for Joe's retirement fund?

Meet the Garcias

Maria and Tony Garcia, both 48, have three children ages 7, 10 and 15. Maria is a surgical nurse and Tony works at the local bank. Their combined annual income is $95,000. The Garcias have an adequate emergency fund, have paid off their mortgage and own several stock mutual funds.

- The Garcias want to invest $500 monthly in an indexed stock mutual fund. What are the advantages/disadvantages of buying through the bank vs. directly from the fund? What online source could help them identify a fund? This investment purchase strategy is called "dollar cost averaging." What does that mean?
- Why should the Garcias consider adding bonds to their investment portfolio? What will happen to the value of existing bonds if interest rates rise?
- Why do you think the Garcias have purchased stock mutual funds rather than individual stocks?

Meet Nadine Kirkwood

Nadine, age 73, worked for the Post Office until she retired at age 65. She received a sizable divorce settlement when her former spouse left town with the preacher's wife some 20 years ago. Nadine relied on her daughter for financial advice, but the daughter died recently and Nadine feels very vulnerable. She is a conservative investor. A very nice saleswoman for an out-of-state firm appeared at her door last week and advises major changes in her investments:

1. Move 90% of the $100,000 in bank cd's to Solar Cell Corporation bonds yielding 7.5%
2. Buy Monsoon High Performance Equity Mutual Fund (up 23% since January, 5.75% front load)
3. Rebalance her portfolio to "balance" it with 50% stocks and 50% bonds.

- What red flags do you see?

Suggested Responses for Family Scenarios

(Preliminary disclaimer comments: Because we do not know everything about their financial and nonfinancial situations, our responses will be general in nature based on the limited information we have.)

Joe Paulson

- ***What are appropriate options for accumulating the house down payment? Why?***

Because this is a short-term investment goal, safety and liquidity are the primary considerations. So consider insured cd's, treasury bills, money market accounts/funds, and other low-risk investments that pay interest. Investments for long-term growth would have higher risk and would not be good choices for a goal 2 years off.

- ***What are appropriate options for saving for education expenses? Why?***

Since the child is 2 years old, this is considered a long-term goal. Growth investments such as individual stock, stock mutual funds and stock exchange traded funds (EFTs) would be appropriate investment options. Of even more benefit might be investing through a tax-free education account such as a 529 college savings plan such as NEST or a Coverdell education savings account.

NEST is a tax-advantaged 529 college savings plan and provides four plans to help make saving for college simple and affordable: NEST Direct College Savings Plan, the NEST Advisor College Savings Plan, the TD Ameritrade 529 College Savings Plan, and the State Farm College Savings Plan. The Nebraska State Treasurer serves as the Program Trustee. First National Bank of Omaha serves as the Program Manager, and all investments are approved by the Nebraska Investment Council. Currently, more than 220,000 families nationwide, including 63,000 families in Nebraska, are saving for their children's higher education through NEST. For more information, visit www.NEST529.com. Others states also have 529 college savings plans.

As for a Coverdell education Savings Account, this is a trust or custodial account created or organized in the United States only for the purpose of paying the qualified education expenses of the designated beneficiary of the account. You may get more information about Coverdell ESAs on the IRS's website.

- ***What would be the advantage of a Roth IRA for Joe's retirement funds?***

The biggest advantage of a Roth IRA comes when Joe withdraws money from his ROTH. He will owe no income tax on any withdrawal (even before retirement) if he withdraws only his contributions. Once he is 59½ and his account has been open for at least 5 years, he may withdraw all money from his ROTH, including earnings, tax-free. Plus you are not required to withdraw funds in retirement.

The Garcias

- ***The Garcias want to invest $500 monthly in an indexed stock mutual fund. What are the advantages/disadvantages of buying through the bank vs. directly from the fund?***

Advantages of buying directly from the fund include lower fees (probably) since one bought from a third-party such as a bank will include an additional fee for the bank, and flexibility including the ability to easily and quickly transfer money from one fund to another.
An advantage of buying through a bank or other financial institution would be to have a readily-available person to work with for financial advice.

- *What online source could help them identify a fund?*

www.finra.org There are also other mutual funds screeners such as Morningstar that could help them identify a fund.

- *This investment strategy is called "dollar cost averaging." What does that mean?*

Dollar cost investing means you invest the same amount of money on a regular basis such as monthly, regardless of the current price.

- *Why should the Garcias consider adding bonds to their investment portfolio?*

Bonds should be added for diversification which means they have more than one category of investment. Usually the three general investment categories are stocks, bonds and cash. Nearly everyone should have some investment in each of the three categories.

- *What will happen to the value of existing bonds if interest rates rise?*

When interest rates rise, the value of bonds drop because they are paying an older, lower rate of return and so provide a smaller yield.

- *Why do you think the Garcias have purchased stock mutual funds rather than individual stocks?*

Investing in mutual funds instead of individual stocks offers built-in diversification. An indexed stock mutual fund is a good way to achieve diversity of stock for small investors who cannot invest in a sufficient number of stocks that are purchased individually.

Nadine Kirkwood

- *What red flags do you see?*

1. She does not know the saleswoman. What are her credentials? What firm does she represent and what is its reputation?
2. How often will she see the saleswoman or another representative of the company? Can Nadine get answers to questions easily?
3. About Rebalancing: Whether a rebalanced portfolio with 50% stock and 50% bonds is appropriate depends on what other financial assets she has, her tolerance for risk, and her desire to leave money for heirs or other estate planning goals. Since she is identified as a conservative investor and her age is 73, 50% in stock may be too much. An asset allocation plan that reflects her conservative goals is probably closer to 20 or 25% in stocks and the rest in cash and bonds. Additionally the seller's use of the term "balance" is deceptive and confusing to Nadine. Balance doesn't mean 50% stocks and 50% bonds but the proportion of each type of investment that fits the person's tolerance for risk and their goals that could be based on their age, financial situation and other personal factors.
4. About the Corporate Bonds: Moving 90% of her cd's to uninsured higher risk corporate bonds issued by one corporation is not wise because such a move will lead to a non-diversified portfolio even when the potential return looks so impressive.
5. About buying this specific mutual fund looks to be risky for Nadine because of the front load and possibly for diversification reasons. Comparable no or low-load funds are likely available.
6. Nadine should use the BrokerCheck feature at www.finra.org/brokercheck before she signs anything or makes any changes in her financial situation.
7. Nadine should consider finding a local financial/investment adviser.

Post-It Feedback Activity as described in PowerPoint Presentation:

Slide shows:

Give us some Feedback

- **What did you enjoy most about the course? What was most useful? (PINK)**
- **What could we improve? (BLUE)**
- **Who else? How many others did you talk to and who were they? (YELLOW)**
- **What resources did you use at the library? What do you *intend* to do? (GREEN)**

Notes field:

We are very interested in hearing a little bit more specifically about what you liked, how we can improve the curriculum or the process, and some other information about where you gathered information related to this subject and course. We have four questions for you. Please take a Post-It note and write a response to as many of these questions as you like, then post your note or notes on the corresponding flipchart sheet that I have put on the walls around the room. I've also posted a Key to remind you which color corresponds with each question. Here are the questions:

*What did you enjoy most about the class? What was most useful in helping you gain new knowledge, skills or take action?

*What could we improve in the course? What was difficult or confusing? We welcome your suggestions.

*We are interested in the outreach beyond those enrolled in the class. Surveys show that the most frequent source of information about personal finance is "family and friends." Did you talk to anyone about this course in the past few weeks? Can you estimate how many? Who did you talk to—tell us in generic terms (rather than actual names)—for example, spouse, children, a co-worker?

*Finally, we hope the course has introduced you to some resources at the library or on the Internet. If you have had time to check out a personal finance book or magazine from the library, tell us about that. We know the course may have taken your spare time, so tell us if you have plans to use the library to learn more about investing and other personal finance topics in the future.

Let's take a few minutes for you to write responses on Post-Its. Then post your responses and take time to read others' feedback. If you have comments you prefer to submit individually, please hand those to me directly.

We will collect and use these post-its in order to evaluate and improve the course and our processes. Thanks for helping us by sharing.