

To: All Wayne Teachers  
From: Bruce McNutt: Wayne Hills Math Teacher  
RE: Stop Throwing Away Your Money!

This is a 403(b) newsletter from fellow teacher who has conducted extensive research over the past two years about 403(b)'s and the companies that provide them. I am offering this newsletter because someone was nice enough to teach me, and my goal is to help all of us make better investing decisions. I have no association whatsoever with any financial institution nor do I particularly care which one you choose. The purpose of this newsletter is to serve as a catalyst for opening up discussion so we can all learn more. In the box below is a financial quiz I made up. If you know all the answers to the questions, you're probably in good shape. If you don't know the answers please read the rest of this newsletter because you don't know enough about investing and you need to learn more. If you don't know these answers, you are very likely throwing away money, and I'd like a chance to prove it.

My Story:

I started a 403(b) my first year of teaching because my father told me I should. It took me a number of years to really understand why they are such a great way to save money. Now in my 13th year of teaching, I have saved a decent amount of money, and with a family to worry about, I have taken more responsibility for my financial situation. Lucky for me, my father is a smart guy and made some good decisions for me, but what about those people not lucky enough to know someone who is knowledgeable in the field. I just want to share my experience with the people I call my friends. Too many of us don't know as much as we should, and if you haven't noticed, nobody is teaching us. We need to take responsibility for ourselves.

Simple Financial Quiz

1. What is an annuity? (This is the most important question for you to know the answer to by the way)
2. What is an expense ratio?
3. What is a "good" expense ratio?
4. What is the difference between a 401(k), a 403(b), and an IRA?
5. Define "tax deferred growth."
6. What is the "rule of 72?"
7. What is diversification?
8. What is dollar cost averaging?



"I am not offering investment advice. My advice is to learn more before you invest. Learn the questions you should ask to be sure you are getting the best for your family."

Take control of your future now!

If you don't know the answers to the questions above, ask yourself why? Maybe you are a new teacher and have never had to know about investing. Maybe you find it too confusing and have decided to let someone make those decisions for you. That's what I did. Luckily my "guy" was my Dad, and I knew he had my best interests in mind. How do you know your guy has your best interests in mind? The way to know is to be knowledgeable. That's my goal. Learn now and live well later!

E-mail me at [bmcnutt403b@yahoo.com](mailto:bmcnutt403b@yahoo.com) to learn more

## Selected Quiz Answers

1. What is an annuity? An annuity is when an insurance policy is sold with your 403(b). Basically, if you die and your investment has decreased in value, the money you originally invested will be given to your beneficiary. Sounds great right? Well for most people it's not. If you are invested in an annuity, I am very confident in saying that you are probably making a mistake. Don't take my word for it though, do the research, or let me show you.
2. What is an expense ratio? An expense ratio is the percentage of your investment that the company providing you with the investment charges you. They range from about .15% up to 3% or more. Do you know what you are paying? By the way, they take their percentage whether your investment goes up or down.
3. What is a good expense ratio? Personally I like .15%, but do the research and figure out for yourself what is good.
4. The difference between a 403(b) and a 401(k) is that the company that offers a 401(k) is a for-profit company and a 403(b) is a non-profit company like a school or hospital. The other big difference is that the company that offers its employees a 401(k) plan has a legal obligation to oversee the program. A 403(b) company like the Wayne BOE has no legal obligation to its employees to provide good choices. That's why the Wayne BOE does not do workshops on how to choose a 403(b), and I don't blame them. Why get involved? That's why we must become knowledgeable on our own!

**DO THE RESEARCH YOURSELF.**

**TO LEARN MORE ABOUT 403(b)'S GO TO [WWW.403BWISE.COM](http://WWW.403BWISE.COM)**

### Where do we go from here?

Again, my goal in writing this newsletter is to stimulate an interest and dialogue in investing, particularly in 403(b)'s. If you made it this far into this newsletter, you at least have some interest. If you are tired of thinking you may be getting ripped off, or you would like to learn more, I would like to set up some after school workshops. I am more than willing to donate my time because I know I don't have all the answers, and I want to learn more too. This is not a service of any financial institution, and I



We can't see into the future, but we can prepare for it.

will get nothing out of it except the satisfaction that I did

something nice for the people I work with, and maybe in 40 years people will be sitting on the beach saying, "boy that McNutt guy was a jerk, but I'm really glad he got me involved in my financial future."

If you would like to get on an e-mail list and gain more control of your financial future just e-mail me. I will send you e-mails about upcoming meetings and information I have found that I think is worthwhile. You do not need to come to any meetings, and I swear to you I am not selling anything. Just e-mail me, and I think I can convince you that as a membership we can do better.

**Who  
Am  
I**

My name is Bruce McNutt and I have been at Wayne Hills for 13 years. I am married with two kids and am trying my best to prepare for my financial future knowing that things like pensions and Social Security are not guaranteed.

### Attention: First Year Teachers

If you guys don't take the time to learn about 403(b)'s and your options you are making a big mistake. If you don't like the way it sounds from me that's fine, learn it from someone else, but please don't blindly trust the representatives that come to school. They are a good resource, but they are also salesmen. Please consult many sources before making a decision that will affect you and your family's future for decades.

If you are interested in being a part of this group, e-mail me and let's get the money rolling in

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