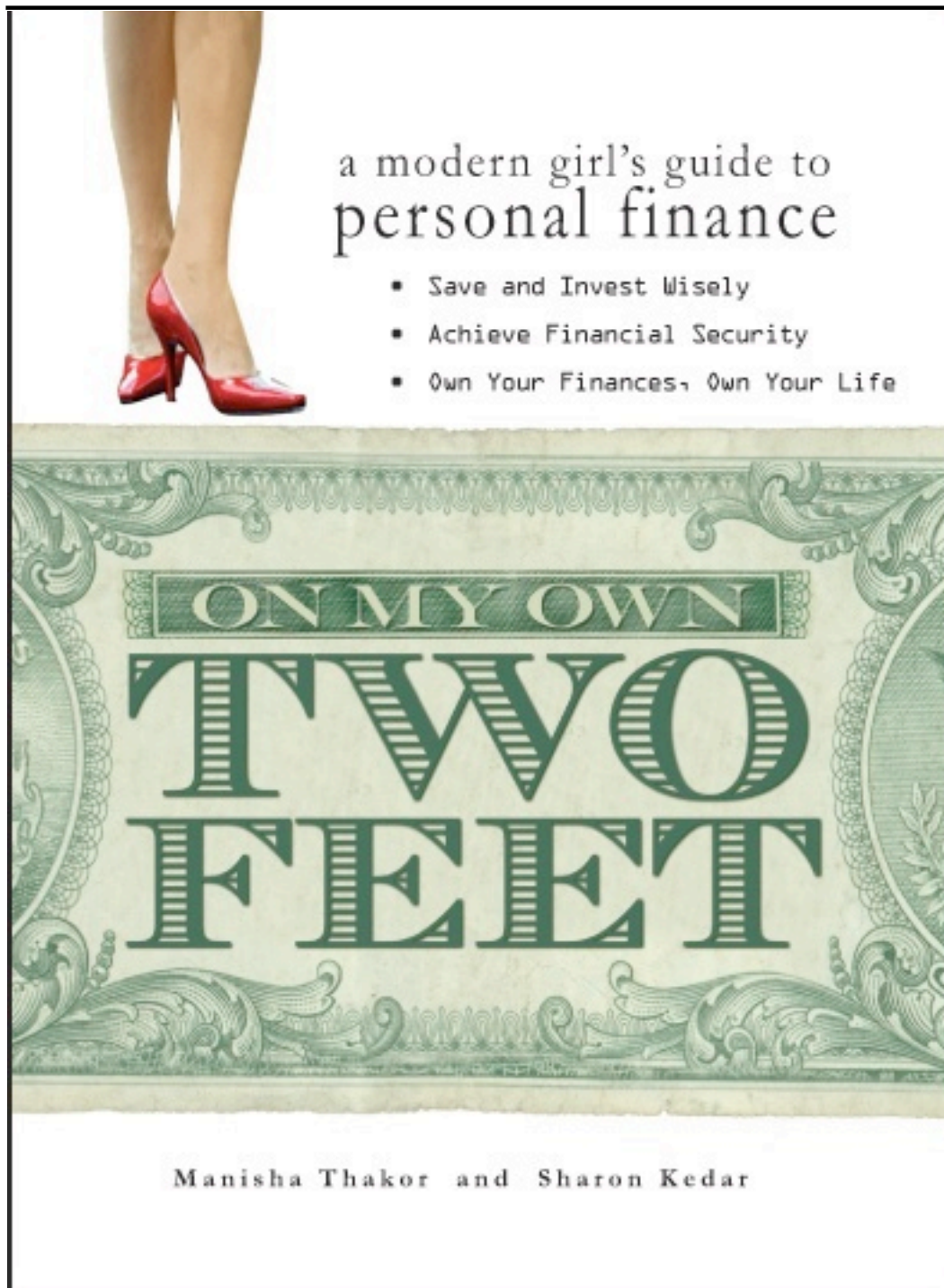


Create an ON MY OWN TWO FEET “Financial Empowerment” club with your girlfriends...



... and in 12 months, learn how to “Own Your Life!”

A Welcome Note from Manisha & Sharon

Hi Ladies!

We are absolutely thrilled that you are reading this note. If you're ready to create the financial life you've always dreamed of, congratulations – you're at the right place. Many women have told us that ON MY OWN TWO FEET is the first personal finance book they've ever read cover to cover. While we're thrilled to hear this, we don't want the energy to stop there. Thus was born the idea for a nationwide network of ON MY OWN TWO FEET "Financial Empowerment" clubs.

Here's the vision: All across the country, groups of women will gather on a monthly basis to discuss chapters of ON MY OWN TWO FEET. Why? At these meetings, ON MY OWN TWO FEET becomes more than just a book. It becomes the tool that you and your girlfriends use to make sure you take the action necessary to manage your finances effectively. Remember, when you have your finances in order, you can "own your life." This means you can do things such as move from one job to another, stay with or leave a partner for the right reasons, and enjoy both today and tomorrow. We've found that in a supportive environment women are both eager to share tips about taking action on the concepts presented in ON MY OWN TWO FEET as well to talk openly about money in general. Given that money has historically been a "taboo subject" – these conversations can be incredibly empowering. As for the power of friendship, we know about it firsthand; we're best girlfriends ourselves. We share the good, the bad, and the funny of life and can't imagine not having each other to lean on. That's why our goal is to spark a nationwide movement where woman-to-woman the motivation to really take charge of our money gets passed along.

So how do you start a Financial Empowerment club? It's super easy! All you need are 5 – 10 gal pals and this short guidebook. We've found monthly meetings work best, enabling you to get through all of the ON MY OWN TWO FEET discussion sheets in this guidebook in one year. As an additional reference for you, we've created a "Financial Empowerment club" tab on our website, OnMyOwnTwoFeet.com. On this tab, you can exchange ideas, thoughts, as well as read our blog and submit questions to us. So go for it. Give yourself the gift that keeps on giving, Financial Empowerment. Together we can help each other take charge of our money and "own our lives." Here's to as many women as possible living from a position of financial strength!

*Wishing you all the best,
Manisha & Sharon*

Basic Financial Empowerment Club Housekeeping

- Ideal group size is 5-10 women. Make sure each member has a copy of this booklet.
- Plan on meeting for at least an hour once a month for a year - alternating "discussion leaders" at each session so everyone feels engaged and truly a part of the group.
- Make your club meeting fun: add some wine, ice cream, whatever you'd like...
- Remind everyone that what gets said at Financial Empowerment club stays at Financial Empowerment club.
- Use the Financial Empowerment Club tab of our website (www.OnMyOwnTwoFeet.com) to get connected to other like-minded women around the country.

MONTH #1: Guide to Introduction & Savings (Chapter 1)

Our “Savvy Seven” Suggested Discussion Questions

1. Was money discussed in your family as you were growing up? If not, how have you learned about money so far in your life?
2. When you hear the word “savings,” how does it make you feel?
3. When you spend money, do you think about the tradeoff you are making in terms of what that money could mean for your future?
4. Do you currently have an emergency fund? How many months of living expenses will it cover? If you don't have an emergency, what is your plan to get to a \$2,000 starter emergency fund built up as soon as possible?
5. Are you saving money for retirement? Do you know if you are saving enough so that you'll be able to retire in comfort?
6. Do you have your savings stored in a separate account(s) from your day-to-day cash needs? Have you looked around to make sure you are getting the best interest rate on your cash?
7. Do you have any personal tips to share on how to save money without sacrificing fun?

PARTING FINANCIAL POWER THOUGHT

Remember, saving is all about spending... it's just spending that you'll do down the road, not today. If you are wondering how on earth you'll find the money to save, don't worry. We'll address how to prioritize competing demands in future chapters. For now, just know that the ability to save is all about a mindset. If you commit to it, you WILL get there over time.

For Next Month's Meeting

- ⇒ Read Chapter 2 on Credit Cards.
- ⇒ Count how many credit cards you have. Write down on a piece of paper the balance and interest rate on each card & bring the sheet with you to the meeting (*you don't have to share it if you don't want to!*).

MONTH #2: Guide to Credit Cards (Chapter 2)

Our “Savvy Seven” Suggested Discussion Questions

1. When did you get your first credit card?
2. How many credit cards do you have today & did the number surprise you?
3. When you wrote out your credit card balances and interest rates, how did it feel?
4. Have you ever been “burned” by a credit card – for instance paying late and seeing your interest rate jump up?
5. Do you ever use cash advances or those convenience checks? Why?
6. If you have credit card debt, do you think you can find the money each month to accelerate your credit card debt pay down?
7. What tips can you share that have helped you manage your credit cards effectively?

PARTING FINANCIAL POWER THOUGHT

Credit cards can be your friends... or your foes. It all depends on how you choose to use them. If you charge something on an average credit card and make only the minimum monthly payment, you have effectively doubled the purchase price of that item. The empowered way to use credit cards is to only charge items on them which you can pay off – on time & in full – when the monthly bill comes.

For Next Month’s Meeting

- ⇒ Read Chapter 3 on Credit Scores.
- ⇒ Go to www.annualcreditreport.com and order your 3 credit reports. If you don’t know what your credit score is, go to MyFico.com and spend the \$15 to buy your score from at least one credit bureau.

MONTH #3: Guide to Credit Scores (Chapter 3)

Our “Savvy Seven” Suggested Discussion Questions

1. Has your credit score impacted your life so far – and if so, in what way?
2. Did you go get your free credit reports from annualcreditreport.com? Did you remain wary of pop up ads for other types of credit reporting services that will charge you a fee?
3. Did you find any mistakes on your credit reports, and correct those that we suggest fixing in Chapter 3?
4. Did you get your credit score from MyFico.com? If so, was it what you expected?
5. If you are unhappy with your credit score, what steps are you going to take to improve it?
6. If you are in a relationship, have you ever talked about credit scores together?
7. Do you have any tips you'd like to share about how you have managed your credit reports and score?

PARTING FINANCIAL POWER THOUGHT

Credit scores, like your weight, can be improved over time with a little care and diligence. The most important factors are (a) always paying your bills on time and (b) keeping any outstanding balances on revolving debt – like credit cards or home equity lines of credit – as low as possible relative to your total credit limits.

For Next Month's Meeting

- ⇒ Read Chapter 4 on Insurance.
- ⇒ Do an inventory of your current insurance policies. What kinds do you have? How much are you paying for each? What do they cover?

MONTH #4: Guide to Insurance (Chapter 4)

Our “Savvy Seven” Suggested Discussion Questions

1. Were you able to find all your insurance policies? Did anything on them confuse you?
2. Was there any type of insurance that you felt you should go out and get after reading Chapter 4? That you could get rid of?
3. Do you feel comfortable with your household’s health, car, and homeowners/renter’s insurance situation? What about life insurance?
4. When was the last time you “shopped” your insurance policies around to see if you could find a better rate?
5. Do you work with an insurance agent, and if so – how did you find the agent? What do you like and dislike about your relationship with your agent?
6. Has anyone had a particularly good (or particularly bad) experience with insurance that she’d be willing to share with the group?
7. Does anyone have tips they’d like to share on how to manage insurance effectively so it provides you peace of mind but doesn’t break the bank?

PARTING FINANCIAL POWER THOUGHT

Insurance can best be thought of as buying peace of mind. Yes, you are paying for something that you hope you never have to use, but the lift to your mental health and pocketbook that can come from being properly insured is not to be underestimated!

For Next Month’s Meeting

- ⇒ Read Chapter 5 on Budgeting.
- ⇒ Do two free associations. Write down the word “Budget” and then write down every single word or phrase that comes to mind when you think of budgets. On another piece of paper, write “My Perfect Life Looks Like...” and then go for it. Bullet out what you want your dream life to be. Bring both sheets to next month’s meeting (*You don’t have to share if you don’t want to!*).

MONTH #5: Guide to Budgeting (Chapter 5)

Our “Savvy Seven” Suggested Discussion Questions

1. Did your family discuss budgeting when you were growing up?
2. When you free-associate with the word “budgeting” – what kinds of thoughts & phrases come up?
3. Do you know how much money it costs you (or your household) to maintain your current lifestyle right now?
4. What kinds of ideas do you have about how to cut back on spending so that you can increase your savings in the area of foundation costs? In the area of fun costs?
5. When you get the “urge to splurge” – what tends to trigger that desire?
6. If you’ve already been tracking your spending, can you share with the group what methodology has worked best for you?
7. Does anyone want to share their free association on “My Perfect Life?” Any other tips on budgeting effectively so it’s empowering and it doesn’t feel like a financial straightjacket?

PARTING FINANCIAL POWER THOUGHT

The whole point of budgeting is to make sure that your hard earned money is going towards the areas of life that bring you the greatest amounts of joy. It’s also an essential tool to “find money” if you are not meeting your savings goals. Remember, budgeting is about INCREASING your happiness!

For Next Month’s Meeting

- ⇒ Read Chapters 6, 7, and 8 on Why Invest, How to Invest, and Common Questions.
- ⇒ If you own any investments, pull out your most recent statements and see what you own.

MONTH #6: Guide to Investing – Part I (Chapters 6, 7, 8)

Our “Savvy Seven” Suggested Discussion Questions

1. Did anyone ever teach you about investing?
2. How do you feel about investing? Does it intimidate you and why?
3. What kind of things do you know you need to spend money on in the next 1-5 years? Have you had a chance to look around for the places where you can earn the most interest on that cash?
4. Do you feel you understand the difference between stocks and bonds?
5. Do you feel you understand the difference between buying individual stocks and buying mutual funds – and specifically index funds & target date retirement funds?
6. Were you surprised to learn that after including the costs of owning a home, that real estate investment returns over the long-run aren't much more than inflation?
7. Have you ever felt pressured to make investments that you feel uncomfortable about? Do you have anything you've learned about investing that you'd like to share with the group?

PARTING FINANCIAL POWER THOUGHT

You invest to make your money work as hard for you as you did for it! The best investment plans are typically the keep it simple ones. Remember that for money you know you have to spend in the next 1 to 5 years your primary goal is to protect your money from inflation. Investing, which inherently involved some risk, is something you only want to do with money you can afford not to touch for at least 5 years.

For Next Month's Meeting

- ⇒ Read Chapters 9 & 10.
- ⇒ If you participate in an employer sponsored retirement plan, that is a 401(k), 403(b), 457 or Thrift Savings Plan, talk to your benefits department and get the full list of your investment options. See if after reading chapter 6, 7, and 8 you still like your current mix of investments.

MONTH #7: Guide to Investing – Part II (Chapters 9 & 10)

Our “Savvy Seven” Suggested Discussion Questions

1. Do you have an employer-sponsored retirement plan at work? If so, does your employer match? Do you participate at least to the match?
2. Have you ever left a job & if so, what did you do with your retirement money? Did you roll it over or cash it out?
3. Do you have an IRA account? Is it a traditional or a Roth IRA?
4. Were you surprised to find out you could contribute money to both an employer-sponsored retirement plan AND to an IRA?
5. Have you ever met with a financial planner or someone at your financial institution to discuss your retirement? If so, how did the conversation go – anything to share with the group?
6. Did the game plan on pages 102 & 103 of *ON MY OWN TWO FEET* (the order of priority list) lead you to make any changes in how you are going to allocate your money?
7. Do you have any tips on retirement planning that you'd like to share with the group?

PARTING FINANCIAL POWER THOUGHT

The key to financial success is balancing pleasure today with the need to prepare for tomorrow... Understanding how best to prioritize the competing demands on your money can be hugely liberating. Pages 102 & 103 are some of the most frequently referred to pages of the book. Remember to tailor those pages to meet your personal needs.

For Next Month's Meeting

- ⇒ Read Chapter 11 on housing.
- ⇒ Estimate how much it cost to maintain your household a month (mortgage, property tax, insurance, maintenance/upkeep expenses).

MONTH #8: Guide to Your Home (Chapter 11)

Our “Savvy Seven” Suggested Discussion Questions

1. Did anyone ever sit down with you and talk about when to buy a home & how much you can afford?
2. In preparing for this club meeting, were you surprised at how much your all in total housing costs currently are?
3. Have you ever felt social pressure to get a bigger home? If you are married, do you and your spouse have similar feelings about what is the right amount of house for you?
4. What are the dangers of buying a home with less than 20% down?
5. Were you surprised to learn that there can be a difference between how much house you “qualify” to buy and how much house you comfortably can “afford” to buy?
6. Do you understand the difference between a “fixed rate” and an “adjustable rate” mortgage?
7. Are there any other home buying tips you’d like to share with the group?

PARTING FINANCIAL POWER THOUGHT

A house can be an incredibly rewarding investment financially and emotionally if done in the right way. When you venture out to buy your home, remember these rules of thumb: aim to put 20% down and keep your all-in housing costs to 25% or less of your gross income (30% in metropolitan areas). That said, how much you ultimately decide to spend on your house will of course be your choice as with all financial decisions. Just understand that if you spend more here, you may need to spend less elsewhere.

For Next Month’s Meeting

- ⇒ Read Chapter 12 on Cars
- ⇒ Estimate how much it costs to maintain your car each month (car payment, insurance, gas, parking/tolls, maintenance/upkeep) or what your total transportation costs are if you take public transportation.

MONTH #9: Guide to Your Car (Chapter 12)

Our “Savvy Seven” Suggested Discussion Questions

1. Have you ever felt pressure to drive a certain type of car?
2. How long do you usually keep your car? What prompts you to get a new one? Have you ever considered buying a certified pre-owned car?
3. In preparing for this club meeting, were you surprised at how much you spend per month on transportation?
4. If you have a car right now, what process did you go through to buy or lease it?
5. After having read Chapter 12, how do you feel about buying vs. leasing?
6. What process did you go through to get your car loan & auto insurance? Did you shop around and if so, did you see a range of rates?
7. Does anyone have any car buying tips they'd like to share?

PARTING FINANCIAL POWER THOUGHT

A car can give you immense freedom, but if you buy too much car that freedom can quickly turn into a financial noose around your neck. If you want to avoid financial tension, aim to keep your total transportation costs (car payment, insurance, gas, tolls / parking, upkeep, etc.) to 10% or less of your gross income.

For Next Month's Meeting

- ⇒ Read Chapter 13 on Taxes.
- ⇒ Pull out last year's tax return and calculate your “effective tax rate.” This is the total amount of taxes you paid (federal, state, local, social security & Medicare) divided by your total gross income. For the “average” person this figure is around 25%. (This figure can, of course, be higher if you make an above average salary or live in a part of the country with above average taxes).

MONTH #10: Guide to Your Income Taxes (Chapter 13)

Our “Savvy Seven” Suggested Discussion Questions

1. Free associate with the phrase “doing your taxes.” What comes up?
2. How have you historically gotten your taxes done? If you have them done professionally, how did you find your tax preparer? If you do them yourself, what software do you like to use?
3. Do you understand the difference between a tax “deduction” and a tax “credit”?
4. Do you understand the significance of taking the “standard” versus doing an “itemized” deduction?
5. Do you know what documentation you have to keep for charitable contributions that you wish to deduct?
6. After reading the chapter do you have plans to handle your tax preparation any differently?
7. Do you have any tips to share with the group about how you handle your taxes?

PARTING FINANCIAL POWER THOUGHT

You can't avoid paying them, but with a little effort you can at least make sure you don't have to pay more than you need to! Remember to always talk to your tax preparer (or review on your software program) whether you are eligible for itemized deductions or outright tax credits.

For Next Month's Meeting

- ⇒ Read Chapter 14 on Your Heart & Your Money.
- ⇒ Mull over this question: In your ideal relationship, what role would money play?

MONTH #11: Guide to Your Heart & Your Money (Chapter 14)

Our “Savvy Seven” Suggested Discussion Questions

1. What memories do you have of money in your family when you were growing up?
2. Why do you think money is so often cited as the #1 cause of fights in relationships and the #1 cause of divorce?
3. If you are in a relationship right now, have you gotten financially naked? If so, how did it feel? If not, why not?
4. Do you prefer joint or separate accounts? Do you have any suggested tips to share with the group to minimize fights around spending money and how to best communicate with your partner?
5. If you are in a committed long-term relationship right now, how do you divide up the financial chores? Do you like the current arrangement?
6. When you are unhappy with how your honey is dealing with money, how do you typically address it?
7. How do you feel about pre-nups or post-nups?

PARTING FINANCIAL POWER THOUGHT

Communication is key! *Once you think your relationship is moving to a serious level, we strongly urge you to get financially naked. Talking about money can be awkward at first. However, if done with care, over the long run it can actually serve to bring the two of you closer and ensure that each of your personal goals are met.*

For Next Month’s Meeting

- ⇒ Read Chapter 15 on Time for Action.
- ⇒ Think about your financial life and write down any additional steps you need to take to get your money in order.

MONTH #12: Time for Action (Chapter 15)

Our “Savvy Seven” Suggested Discussion Questions

1. Do you feel more confident about your financial knowledge after participating in this Financial Empowerment club?
2. Why do you think the basics of personal finance are not more widely taught?
3. When you look at your friends, co-workers, neighbors, etc. do you see any signs now of people living beyond their means?
4. What financial advice did you find the most empowering?
5. What financial advice did you find most challenging to implement?
6. Is there anyone in your life you'd like to see get smarter about their money?
7. What else would you like to learn? By the way, we'd LOVE for you to email us at ms@onmyowntwofeet.com with any thoughts about this guidebook, your experience with the Financial Empowerment club, great tips, stories, and anything else you'd like to share!

PARTING FINANCIAL POWER THOUGHT

Personal finance does not have to be complex. Implementing a few basic strategies while you are in your 20s, 30s, and 40s can literally put you on the path to financial nirvana. Finally, don't forget to refer back to ON MY OWN TWO FEET from time to time to make sure you are staying on financial track!

Congratulations!! You've made it to... the beginning of the rest of your financially fabulous life. Please don't forget to stay in touch with women around the country on the OMOTF club tab of OnMyOwnTwoFeet.com. We ask just one last thing of you – today, tell one other woman you care about how important it is to take charge of your money. Together we can inspire each other to live our lives from a position of financial strength. Wishing you all the best!

With Gratitude, Manisha & Sharon