THE NICHE CLINIC

Sunday Niche Newsletter

Sunday, October 8, 2023

Issue 4

Many students who are interested in our yearlong program have already filled out our early-selection job survey. For those who have not, please do so below:

www.nicheclinic.org/yearsurvey

Now, let's talk a little about these jobs and contracts.

Please keep in mind that the purpose of these newsletters is not just to update you about program developments, but it is also to continuously teach you about money!

When you get a job – either as a teenager or as an adult – you will either have a **wage** or a **salary**.

A **wage** is a fixed payment you receive, usually daily or weekly. If you make $10 an hour and work for 10 hours, then you will receie $100. Simple as that.

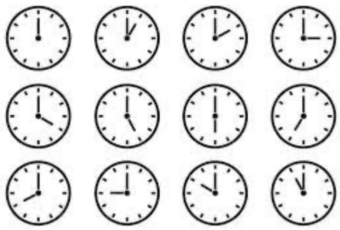
A **salary** is a contracted yearly payment that is spread out across many pay periods. If you make $120,000 a year – a tremendous and impressive salary – and you receive a pycheck twice a month, then you can expect $5,000 every two weeks (before taxes.)

A wage and salary may seem like the same thing, but the benefits of a salary mean that if your job cancels work because of weather or national holidays, then you still get your $120,000 over the year.

If you work for a wage, and the boss does not need work for the day, then you do not get paid. A wage implies that could have your job taken away from you – and perhaps given back – at unpredictable times. This is **not** ideal for those focused on wealth creation!

View your contract as a salary – it will go over what you can expect to make over the year.

Everyone's first payment of their contract will be $75. In other words, while you may end up earning much more than $75 over the course of this school year, your first paycheck will be for $75.

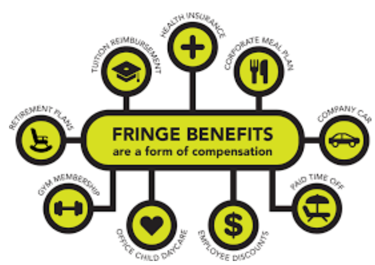


The $75 comes at different times depending on what city and school you are in.

For example, students at Camden Prep will be getting their first $75 mid-October (before Opening Ceremonies) while students at Olney will get it near the beginning of December.

Another benefit from salaries – aside from the secure yearly pay rate – are the **fringe benefits**.

Fringe means “border” or “edge.” A salary offers you a yearly payrate, but it often comes with extra monetary benefits that come very close to (or “border”) being just extra money.



Health insurance, retirement plans, and paid vacations are examples of fringe benefits.

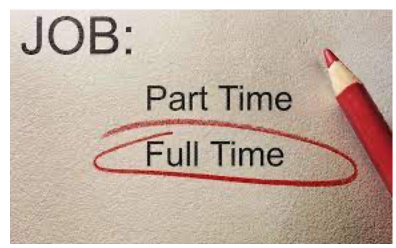
How is this relevant to your contract?

Your contract will award you a share of a "Niche Stock" in addition to your $75.

The nature and mechanics of the Niche Stock will be explained in next week's issue, and it will lead to an additional $25 for the first paycheck.

In summary: Expect a contract, a paycheck of $75, and a $25 Niche Stock. All of which can result in $100 in the next two months. The Niche Stock is a fringe benefit.

By law, when you work **full-time** (40 hours a week) after a period of time your employer is required to offer you a retirement plan, which is a very important fringe benefit.



A **retirement plan** is when the company gives you extra money in the form of stocks or other investments for you to use when you retire and will no longer have a job.

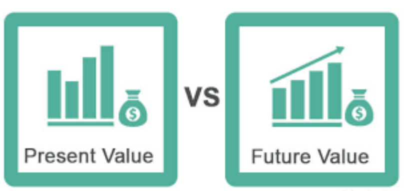
A well-structured and generous retirement plan can be a very persuasive reason to pick one job over another.

For example, teachers in the School District of Philadelphia receive their retirement plan in the form of a "**pension**," which is a guaranteed monthly paycheck AFTER a person has stopped working.

Amazon offers **401k plans** to employees, a retirement plan for those who work in for-profit organizations or companies. 401k plans purchase extra stock and investments for you that you can access into retirement.

Some businesses, like Wawa, offer a "**employee stock ownership plan**" or ESOP which awards shares of the employment company stock (here it's Wawa) as an extra fringe benefit.

Your Niche Stock is kind of like a 401K plan, ESOP and retirement plan combined.



The Niche Stock has a *present value* and *dividend*, thereby creating a higher *future value.*

"Present value," "future value" and "dividend" will be explained in next Sunday's issue. Mastering those terms means you will be in a much better position to take advantage of other UnSecurities that award more than $25 this year.