**DIRECTIONS TO THE INSTRUCTOR FOR GROUP ACTIVITY 1**

**Preparation:** No advance preparation is needed for this activity.

**Process:** Divide the class into groups of four students each. Ask each group to divide into pairs. Pair #1 is risk-averse, and Pair #2 is risk-tolerant. Ask the pairs to take turns playing the roles of investment advisers and investors. Pair #1 should explain investments to Pair #2 that are suitable for their risk tolerance. Then, Pair #2 should explain investments to Pair #1 that are suitable for their risk-averseness. If time permits, allow a class discussion of how the   
role-play exercise went.