

the Early Bird Savings Club



Quarterly Newsletter for Kids

Save Money—and Earn More Money!



Saving money in an envelope or piggy bank at home is a good idea. A **better** idea is to save some (or all) of your money in your credit union savings account. Do you know **why** you should save money in your credit union account? Because when you do, you'll earn even more money!

How can you earn money?

How? Well, there's something called **interest**. Interest is a certain amount of money (called a percentage of money) that your credit union adds to the money that you put in your account.

Why do you earn money?

Why does your credit union do this? When you put your money in your credit union, it's as though you're loaning the credit union money. So the credit union says, "Thanks!" by adding some money (interest) to your account. This is called **earning interest**.

How much money can you earn?

How much interest you earn depends on how much money you have in your account.

Check out this example!

You have **\$50.00** in your credit union account. Your credit union has interest an interest rate of **5%** (five percent) per year.

- After a month, you will have \$50.21 in your account.
- After 6 months, you will have \$51.26.
- In a year, you will \$52.56!

See how easy it is for a little bit of savings to turn into a lot of money!



Start saving more at your credit union—and watch your money grow!

What is a Check?

You might have gotten a check as a gift. Or maybe you've watched your parents pay bills by filling out checks.

What exactly **is** a check? To find out:

1. Go to the kids' section of our Web site.
2. Click **Smart Spending**.
3. Click **Using Checks**. You'll see the picture shown to the right.
4. Click on the picture and learn about checks!



Tips for Learning about Money

If you want to learn a little more about money and how much things cost, there are a few things you can do!

To help you save

1. Every time you get any money, save some of it.
2. If you get an allowance:
 - a. Ask your parents if they will match whatever is left from your allowance each week and deposit that into a special savings account at your credit union.
 - b. Ask your parents to pay you with \$1 bills; this will make it easy for you to put some money aside for saving and a little aside for spending.

To help you learn how much things cost

1. Guess how much money it costs to keep your family pet—and write that number down. Now add up how much it **really** costs! If you need to, ask your parents how much they spend on pet food, pet dishes, visits to the veterinarian, and other items for your pet. Was your guess close?
2. Ask your parents if you may plan a party for a few friends with a certain amount of money to work with. This will help you learn how to spend wisely and not go over your budget (the amount you have to spend).



Credit Union Information

