



10 Money facts your kids need to know

Financial IQ for kids
beyond the basics

1.

Question: What is Money?

Answer: Something to buy and sell things with. Money doesn't have to be dollar bills and coins.

2.

Question: What is a bank?

Answer: A place to keep money safe and place where money grows.

3.

Question: What is an ATM machine?

Answer: Like a bank teller, but automatic.

4.

Question: What is a deposit?

Answer: Money that you put in a bank.

5.

Question: What is a check?

Answer: A written order to a bank to pay a certain sum of money to yourself or somebody else.

6.

Question: What is principal?

Answer: The money deposited in a bank.

7.

Question: What is interest?

Answer: The returns a lender gets for lending money.

9.

Question: What is compound interest?

Answer: Earning interest on the principle and interest as well.

8.

Question: What is simple interest?

Answer: When only the principle earns interest.

10.

Question: What is a fixed rate bond?

Answer: A bond which pays the same amount of interest for its entire term.



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