

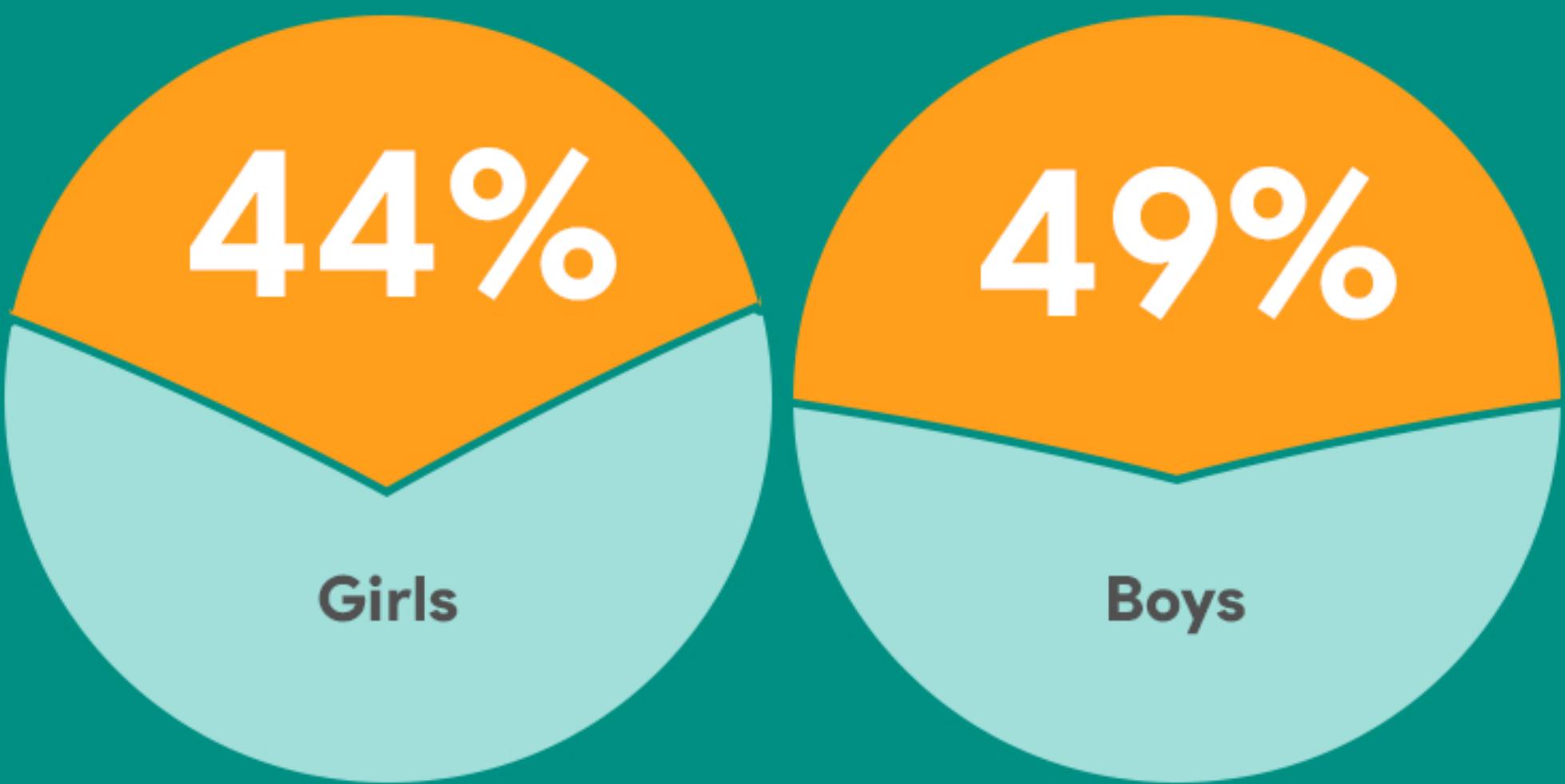
# HOW TO DISCUSS MONEY WITH YOUR TEEN

April is National Financial Literacy Month. Here are some ways to talk to your kids about financial topics.

## DID YOU KNOW?

A recent Fidelity study found teen girls are less likely to talk with their families about money than teen boys. Girls report needing to be “more confident” on financial topics.

Percentage of teens that have talked about investing with their parents:



## 2022 Fidelity survey shows MORE TEENS ARE MAKING MONEY MOVES SOONER



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## TIPS FOR PARENTS

Here are some easy ideas for parents to help teens become more financially literate.

### 1. HAVE THE MONEY TALK

It’s essential to get your teen involved with responsible saving and spending. The Consumer Financial Protection Bureau (CFPB) created some conversation starters to break the ice.

### 2. EXPLAIN CREDIT CARDS

Teens will be more likely to use credit cards responsibly when they understand the costs of a card. The CFPB suggests teaching teens these credit card topics:

#### Potential Drawbacks

- Annual fees
- Interest charges
- Penalties

#### Potential Benefits

- Convenience
- Ability to track spending
- Build credit

### 3. SUGGEST MONEY RULES

Learning to have control of credit cards and spending is vital. Help your teen establish money rules such as:

Pay cash for anything under \$20

Never pay bills using a credit card

Pay off your credit cards on time, every month

### 4. OPEN CHECKING AND SAVINGS ACCOUNTS

After talking to your teen about financial accounts, help them open their own bank accounts to learn money management skills in real life.

Some things to look for when opening new bank accounts:

- ✓ No minimum opening deposit
- ✓ No fees or balance requirements
- ✓ Mobile app
- ✓ FDIC Insured



### 5. BUILD THE SAVINGS HABIT

Once your teen has a job, and a checking account, encourage them to set aside at least 10% of all earnings to build their own rainy day fund.

### 6. REVIEW COLLEGE EXPENSES

Teens need to know how expensive college can be and understand the portion of their education they will be expected to cover. Start talking about college expenses early in high school years to avoid confusion later.

### BONUS TIP. TEACH TEENS ABOUT CREDIT

Your kids are never too young to learn about credit, what it is, how it works, and how they can be smart about building good credit as they get older.

#### Key Topics

- ★ Pay bills on time every month
- ★ Keep credit balances low
- ★ Review credit report regularly

