



MAKING CENTS

FOR KIDS

Follow that Check!

Have you ever received a check in a birthday or holiday card, or watched as Mom or Dad wrote one at the grocery store? You may have wondered how that little piece of paper magically turned into money. We have the answer.

How It Works

When you write a check, you give your bank a written order to transfer money from your account to the account of the person or business. For example, let's say you pay for a few CDs with a check. Over the next day or two, here's what happens.

- First, the music store deposits the check in its own bank. Let's call it Friendly Bank of Your Town.
- Friendly Bank sends the check to a Federal Reserve Bank, which contacts your bank to make sure you have the money in your account.
- The Federal Reserve Bank then takes the money out of your account and deposits it in the music store's account.

A Safe Substitute for Cash

Sometimes, using a check is a smarter way to pay for things. For instance, it's easier to carry a check in your wallet than a wad of bills and it's safer to pay by check than mailing cash.

You can bring checks you receive to North Shore Bank and deposit them in your savings account. In a few days, you'll notice that your balance is bigger and you are closer to reaching your savings goal.



Where's Honest Abe?

You see Abe Lincoln's head every time you look at a penny. Now, try and find that same image in this newsletter. It's hidden in several places.

How many Abe Lincoln images did you find? _____

Answer: 7



Can you help me count my change?

Count the coins and match them to the right amount!

1.

2.

3.

4.

A. \$0.75

B. \$0.18

C. \$0.36

D. \$1.00

Don't forget to **save** your change!



Answers: 1.D, 2.C, 3.A, 4.B



MAKING CENTS

FOR TEENS

Make \$50 Count

What can you get for \$50? A nice sweater. A few DVDs. A month's supply of soda and candy. But before you know it, the sweater is out of style, the DVDs are boring and the sugar rush has worn off. If you're ready to try some wildly different and worthwhile ways to spend \$50, read on.

Invest in Your Future

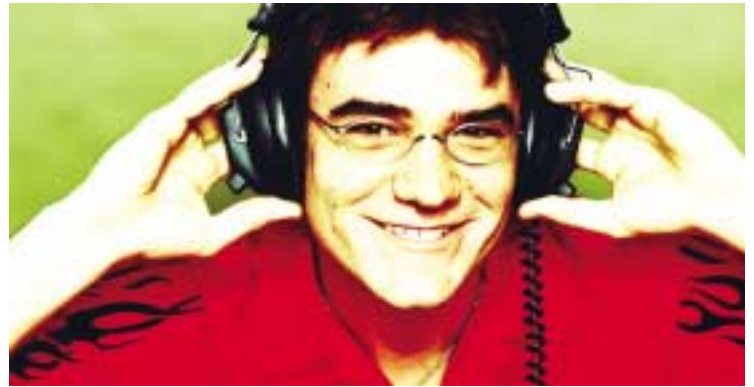
Are you thinking of attending college? Most colleges require applicants to submit SAT or ACT test scores. Enrolling in a test preparation course or purchasing a book for \$50 could pay off by helping you earn scores that get noticed. Thousands of dollars in academic scholarships are awarded to students every year, but it doesn't happen magically – hard work and preparation are part of the formula.

Look for Sales

You can stretch your \$50 a lot further by watching out for sales. To find out where the deals are, look for ads in the newspaper and pay attention to television and radio commercials. In stores, keep an eye out for sales signs for things you need, but avoid impulse shopping.

Make Your Money Multiply

Get serious about buying CDs – not the kind stacked up next to your stereo, but certificates of deposit. You can buy these from North Shore Bank and earn a higher interest rate than you would in an average savings account. If you save \$50 a month for two years, you would have a whopping \$1,200 to put into a CD. When the term is up, you can use the money you saved for something really important.



Five Steps to Financial Independence

Financial independence is one of the keys to a successful adult life. By starting to take these steps now, you'll be on the right path to financial freedom as an adult.

1. Save money regularly.

If you deposit a portion of every paycheck to your savings account, it'll become a habit by the time you're on your own. With a substantial savings balance, you'll be able to handle financial emergencies and pay for large-ticket items upfront.

2. Open a checking account.

It's a safe place to hold your spending money and a convenient way to make purchases and pay bills. Use the check register and monthly statement to track spending and develop a budget.

3. Manage a debit card.

Use it to access funds through ATMs and to make purchases. Because the amount is directly deducted from your checking account, you're limited to the money available in it. Once you've mastered managing a debit card, you'll be better able to handle a credit card wisely.

4. Build a good credit history.

It helps determine whether you're approved for a loan, can rent an apartment and even land a job. Once you get a credit card, pay on time, keep balances low and limit how often you apply for more credit. The longer you show that you're responsible with credit, the better your credit rating becomes.

5. Pay off loans.

You don't want to be saddled with high debt levels, which limits your spending money. Minimize the number of loans you have outstanding at any given time. Make sure you stay on track to pay them off as scheduled or early.

A North Shore Bank debit card can gain you financial freedom.

