



**Make the grade  
for personal finances**

# Finances

## It all starts with an account

Kick-start your personal finances by opening an account at a financial institution. With an account, you can:



**Deposit your money**

This is the safest way to keep your funds.



**Make transactions** (withdrawals, transfers, payments, etc.)

This makes it easier to save.



**Check your balance and transactions** (at an ATM or online)

This makes it easier for you to track your finances.

## How do you open an account?

Just make an appointment at the financial institution of your choice. Make sure to ask whether your parents need to sign, too!

## One statement, two choices

Every month, you'll receive an account statement with all of your transactions. **You have two options:**



### Online statements

Emailed to your inbox every month. You can view it online at any time (and even save a copy).



### Paper statements

Mailed to your home every month. You can file it in your folders in a secure spot.



**Psst!**

**Going paperless is the greener choice!**

Your statements are available for a period of 7 years.

# The financial cycle

## Get those wheels turning

Think of your personal finances as a Ferris wheel. Doing the right things and making wise choices will keep the ride running smoothly.



### 1 Make a budget

Spend money  
or keep saving  
toward your goal

Set your  
savings goal

### 3 Save what you'll need

### 2 Earn money

Spend money on  
your basic needs and  
personalized needs

**ENJOY!**

★ FREE ADMISSION ★

58612

You'll see—personal finances aren't so complicated. Especially with all the **info, advice, tips and tricks** in this brochure. Give it a whirl!



# Got a goal? Make a budget first!

Creating a budget is a great habit to get into. It gives you a clear picture of how much money you're getting and spending, so you know how much you've got to work with.

Want to buy some new clothes or a cellphone? Go on a trip? Get your driver's licence? With a budget, you can do it!



## The foundation for your budget

There are tons of examples online to help you create your budget, but the basics are always the same:



### What you receive

Pay cheques, allowance, gifts, etc.



### What you spend

Regular or special expenses (restaurants, movie tickets, shopping, etc.).



### What you save

Money you can put aside for your goals.



### Psst!

If the result is negative, be careful! You probably need to **rethink your priorities** and **spend less**.

### Remember

Your budget isn't set in stone! Make sure you update it when your income, expenses or goals change.

## 3 advantages of a budget



**Take charge of your finances** with a clear idea of how much money you're getting and spending.



**Make it easier to save money** for your goals, whether they're big or small.



**Treat yourself guilt-free** by setting aside some money for impulse buys.

### Tips and tricks

## How to reach your goals ASAP:

### > Try to spend less!

- Bring your lunch
- Find sales
- Shop at thrift stores
- Choose a no-fee transaction plan that fits your needs
- Use your student status to take advantage of free or discount services
- Prioritize public transit
- Etc.

### > Earn money by offering your services!

- Babysit
- Mow lawns
- Work as a grocery bagger, cashier or lifeguard
- Etc.

**Sarah**



**EASY-PEASY!**

You can also set automatic transfers to a savings account that earns interest. Just choose how often and how much to **make saving a breeze!**

# Use your savings to make your dreams a reality!

You don't need a miracle to make your dreams come true! Saving is the best way to reach that goal you're really excited about.

Plus, since your financial institution pays you interest<sup>1</sup> on the money you save, **your savings will add up more quickly. Now that's motivating!**



## The power of saving

Patience and determination pay off! See how much you can save when you set aside **\$10 a week for just 1 year**:



**Psst!**  
We suggest saving 5%–10% of your income. If you get paid \$125, that's between \$6.25 and \$12.50.



## Got a purchase in mind? Ask yourself these 3 questions!

### 1 Do I need it?

**Needs**  
are things you can't live without, like food, clothes, rent, transportation, etc.

### 2 Do I want it?

**Wants**  
are little treats, like brand name shoes, going out to eat, etc.

### 3 Can I afford it?

**Means**  
refers to the money you have to buy what you need first... and what you want after!



## OK... but what if I really want it?

Wanting things is normal and very healthy! But money can't buy happiness. **Think about that before spending all your savings!**



## Buying too much: 4 traps to avoid



### It's new

Cellphones, games, shoes, clothes... Do you really need to buy something as soon as it comes out? It's usually more expensive!



### It's on sale

Whether it's 50% off, 2 for 1, buy 2 get 1 free, or a monthly deal, take a deep breath, evaluate and resist the temptation!



### It's a brand name

Brand name items can cost an arm and a leg. But off-brand items can do the trick just as well!



### It's instant gratification

Don't be the "If I like it, I buy it!" type! Take some time to shop around, do your research and compare prices.

# Ways to pay<sup>2</sup>



## Debit cards

More secure and practical than cash

There must be money in your account to use this card

- Usually provided when you open an account
  - ↳ A parent's signature may be required

Use a debit card to:

- Pay for purchases at stores
- Deposit and withdraw money from ATMs
- Log in to your account for online banking

**AWESOME!**

### Pay with tap

It's quick, easy, and practical! You can now pay merchants by simply waving your card or phone over the terminal. **No PIN, no wait! Find out more.**

Psst!

First, be sure to keep track of your budget and have money in your account.





## Electronic transfers

### Make payments from your online account

- ▶ Transfer money directly from your online account
  - ↳ Log in on your computer, tablet or smartphone
- ▶ Service charges may apply to each transfer you send

#### Use a transfer to:

- Pay individuals and stores
- Receive money from friends and family



## Cheques

### Pay for something in writing

- ▶ There must be money in your account for a cheque to be accepted
  - ↳ Administrative fees apply if the cheque bounces due to lack of funds
- ▶ Available upon request

#### Use a cheque to:

- Pay individuals and stores
- Have your employer deposit your pay directly into your account (void cheque)

Over age 18 only!

## Credit cards The big leagues

### It's a deferred payment method

- ▶ The financial institution fronts you the money and then you pay it back
  - ↳ Pay it back every month in full to avoid charges

#### Use a credit card to:

- Pay for purchases at stores
- Pay for purchases online
- Build a credit history

# Helpful hints for cards



## Keep an eye on your cards

If you lose one of your cards, let your financial institution know right away so they can block the card and prevent fraud.



## Shop online safely

If you make a purchase online, try to buy from official sellers' websites and make sure you're on a secure site.

- ▶ The address should start with **https://** and not **http://**
- ▶ There should be a closed lock in the address bar.



## Choose your ATMs wisely

Avoid withdrawing money at ATMs that belong to other financial institutions or private distributors (corner stores, restaurants, etc.) because you'll be charged fees.



## Manage your transactions

Keep an eye on the number of transactions you make. When you turn 18, service charges may apply, so keep that in mind and develop your reflexes now!



## PIN 101

### Are you a PIN guru?

- ▶ PIN = personal identification number
- ▶ Each PIN is paired with a card (debit or credit).
- ▶ It protects you against the fraudulent use of your card.
- ▶ It's strictly personal. No one has the right to ask you what it is (not even your financial institution).
- ▶ It should be simple to memorize, but not easy to guess.
- ▶ Don't re-try more than 2 times! If you enter your PIN incorrectly 3 times, the ATM or merchant's terminal will deactivate your card.
  - ↳ Then you'll have to visit your financial institution to reactivate it.



### Psst!

Don't use the same PIN for all your cards and avoid combinations that are too obvious, such as your birthday, address, phone number or sequences like **12345**.



# Let's talk credit

Someday, if you don't have enough money saved up, you might need to use credit to make a big purchase like buying a car or a house.



## How does credit work?

When you get a loan from a financial institution, you have to pay it back plus interest based on the set rate. This means that the amount you pay back will be higher than the amount you borrowed.

## What's a credit score?

It's like a grade that shows how good you are at paying what you owe. It lets a lender know the quality of your credit history: do you pay your debts and bills on time? How much have you borrowed? Are you borrowing more than you can afford? And more.

## And that's important?

**YES!** A good credit score will make a good impression on financial institutions. It could be the key to getting access to credit for a big purchase someday!



## Consider this!

**A credit score is for life!** A bad credit score will follow you everywhere and it can keep you from meeting your goals, like buying a car, motorcycle or condo. So keep on top of your credit score by paying your bills and spending responsibly!



## Quiz

# Me and my finances

Think you know everything there is to know about personal finances? Test your new knowledge!

- A debit card is more secure and practical than cash.**  
True                      False
- You're in debt if:**
  - What you earn is greater than what you spend
  - What you spend is greater than what you earn
- A budget can help you achieve your goals.**  
True                      False
- The most important things to consider before making a purchase are:**
  - Your needs, wants and financial means
  - The brand and the promotional deal
  - The popularity and availability of the product
- How many times can you enter your PIN incorrectly before your card is deactivated?**  
A. 1                      B. 2                      C. 3
- What's the best habit when it comes to working with a budget?**
  - Update it regularly
  - Share it with friends
  - Have your teacher check it
- How much of your income should you save?**
  - 0% to 5%
  - 5% to 10%
  - 10% to 15%
- What should you avoid when choosing a PIN?**
  - Your date of birth
  - Your phone number
  - Series like 12345
  - All of the above
- There are never any fees when you withdraw money from another financial institution's ATM.**  
True                      False
- You want to buy a cellphone. How can you make it happen?**
  - By sticking to a budget
  - By putting money in a savings account
  - By finding a part-time job
  - All of the above
- What can you get to kick-start your personal finances?**
  - A wallet
  - A calculator
  - An account
- Your financial institution can ask you for your PIN.**  
True                      False

ANSWERS  
1. True 2. B 3. True 4. A 5. C 6. A  
7. B 8. D 9. False 10. D 11. C 12. False

[desjardins.com/teens](https://desjardins.com/teens)

 **Desjardins**

1. Interest income is added to your taxable income.  
2. Subject to approval by the financial institution receiving an application.  
The financial institution may, at its discretion, require the engagement of a major guarantor or other conditions.