



ALLIANTSM
credit union

kidz klub news



September 2011

the newsletter for young members of Alliant Credit Union

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The ABCs of debt

What if you wanted to buy something, such as a toy that costs \$10 but you only have \$7?

OK, so you don't have enough money to pay for the toy now, but let's say you really want it. One thing you could do is wait until you save the extra \$3 and then buy it. Or you might ask your parents or a friend to lend you the \$3 now and promise to pay them back. When you borrow money and need to pay it back, this is called going into debt.

Debt is the money a person, business or even a government owes to another person, business or government. Usually, a person who borrows the money agrees to pay it back within a certain period of time and he or she is charged "interest" on the borrowed money. Interest is an extra amount of money you need to repay the lender so you can use money you borrowed. Sometimes you may repay the debt a bit at a time and when you do that, the amount of the debt is reduced by what you paid.

People go into debt when they need or want something, but don't have enough money right now to pay for it. Your parents may have borrowed a lot of money to buy your home or car or for an awesome family vacation.

Did you know that credit cards are also a kind of debt? If your mom bought that \$10 toy (or a \$100 pair of shoes) with a credit card, she would be in debt to the credit card company until she paid the money back.

Being in debt for a lot of money is a serious problem in the United States (and the world) these days. Many people have borrowed much more money than they can afford to pay back. These people get into financial trouble. Sometimes the problem is so bad that people may no longer be allowed to buy things with a credit card or they may even lose their house. But, if you are smart and careful about debt and smart about paying it back, then borrowing money can help you buy the things you want and help you enjoy your life.

Sources: treasurydirect.gov, about.com and ehow.com



Four fun facts about money

1. **Guess what was the first form of money? Cattle. People used cattle as money starting around 9000 BC. Some places in Africa still used cattle as money in the middle of the 20th century.**
2. **In the 1920s, you could buy a brand new car for less than \$300.**
3. **How many times do you need to fold a dollar bill back and forth before it will tear? About 4,000 times.**
4. **How many grooves do you think a quarter has? 119. And how many grooves are on a dime? 118.**

Source: childrensmuseum.org

DIVIDEND

October Savings Dividend

DECLARED SEPTEMBER 22, 2011

The **October 2011 Savings and IRA dividend**, declared 09/22/11, provides a Compounded Annual Percentage Yield of

1.15%^{APY}

Dividends are paid on the last day of the month to accountholders who have maintained an average daily balance of \$100 or more. Savings dividend is subject to change monthly.

October Checking Dividend

DECLARED SEPTEMBER 22, 2011

The **October 2011 High Rate Checking dividend**, declared 09/22/11, provides a Compounded Annual Percentage Yield of

1.10%^{APY}

Checking dividends are paid on the last day of each month to accountholders who meet the requirements of the account. Checking dividend is subject to change monthly.



The "Being in charge of your money" crossword puzzle

Kids who are smart about how they save and spend their money are called good managers of their money. Here's a crossword puzzle with words about managing money.



ACROSS

- To earn money when you grow up, you'll probably have to do this.
- Stuff you'd like to have, but maybe don't need are called ____.
- You can earn some extra money if you get a ____.
- Here's something you might be saving for: it has four wheels and you can ride it on sidewalks and parking lots.
- When you set aside and keep some of your money, you are ____ it.
- Things you want to buy soon (and not wait longterm) are called ____ items.
- Money you get from your parents, perhaps every week, for helping out is called an ____.
- Sometimes you expect these costs, sometimes they are a surprise. Either way, you need money for them.
- This is a smart thing to do. To keep a written ____ of what you spend and what you save.
- Sometimes you'll get money when relatives or friends give you ____.

DOWN

- When you put money into your Alliant kidz klub savings account, you earn extra money on it. It's called a dividend or ____.
- If you want to make a savings plan for yourself, you will need to set some saving ____.
- When you take money out of your savings account, you make what is called a ____.
- You create this when you want to keep track of how much money you need to spend or can spend on things.
- The total amount of money you have in your kidz klub account is called your ____.
- When you buy something, you are ____ your money.
- When you are smart and keep track of how you handle your money, you are ____ your money.
- Many of the things you want to do or need cost ____.
- When you put money into your kidz klub savings account, you make what's called a ____.
- These are things that you must have. They are things that are necessary for you.

Managing your money is something you do really well if you put your mind to it. Let's see how well you did with this crossword puzzle. Across: 3 work; 4 wants; 5 job; 7 skateboard; 9 saving; 10 shorter; 12 allowance; 16 expenses; 17 record; 18 gifts. Down: 1 interest; 2 goals; 4 withdrawal; 6 budget; 8 balance; 10 spending; 11 managing; 13 money; 14 deposit; 15 needs.

Source: pbskids.org

What do kids spend their money on?

People who work for a financial company asked kids what they like to buy or do with their money. Here is what they found out.

- One thing hasn't changed since your parents were children: kids aged six to 11 spend most of their money on toys and candy
- Today, boys are more likely than girls to spend their money on video games and collecting cards
- About four out of 10 kids say they spend money on toys and one out of three kids say they spend money on video games
- Girls are more likely to spend their money to buy clothing
- Younger kids like games and toys that help them learn or use their imagination
- 10- and 11-year-olds would rather have toys and games that test their skills or make them think through and solve problems

Source: Experian



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office closings

Columbus Day

– Monday, October 10, 2011

Veterans Day

– Friday, November 11, 2011

For your convenience, Alliant Online Banking, SST and ATMs will be available. Our 24/7 Member Contact Center at 800-328-1935 is also available.

Alliant Headquarters

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Deposits/Payments

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Credit Card Payments

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City of Industry, CA 91716

All other correspondence including IRA and HSA Deposits
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Chicago, IL 60666-0945

Alliant Member Contact Center

800-328-1935
24/7 personal assistance
TDD/TTY 773-462-2300

Self Service Telephone (SST)

800-482-5328
24/7 automated account access

Alliant Retirement and Investment Services

Financial Advisors are available to serve members in AZ, CA, CO, FL, HI, IL, NJ, NY, TX, VA, WA, WI.
Call 800-328-1935, option 9.

Alliant Website and Online Banking

www.alliantcreditunion.org

