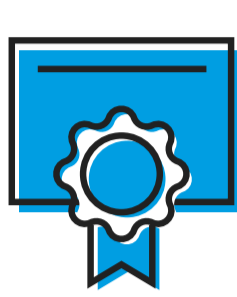




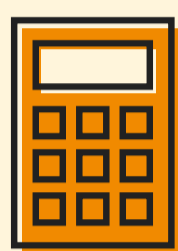
MONEY TALKS

When it comes to money, you need to talk the talk before you can walk the walk. Start learning the lingo with this list of fundamental financial terms that every high school student should know.



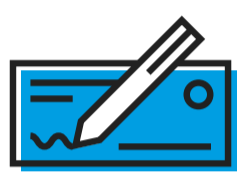
Bonds

More than just lasting friendships formed in high school, bonds allow you to make loans to companies, governments, and other organizations that can earn interest when the money is repaid. Bonds are usually considered safe investments, with lower returns than stocks.



Budget

The meat and potatoes of personal finance, budgeting can sometimes feel more like having to eat your vegetables. Whether you use an app, a spreadsheet, or pen and paper, a budget can help you account for every penny and keep your finances healthy.



Checking Account

Considering how many times you *check* your balances, this account is aptly named. It's also a great way to manage your spending by using a debit card or writing checks. Only keep the money you plan to spend soon in your checking account because, unlike a savings account, it may not be earning interest.



Credit Score

The phrase you should shout after your first credit card application is accepted (Credit Score!) and a three-digit summary of your borrowing history, usually ranging from 380 to 830. You can build credit, and increase your chances for future loan approvals, by making loan payments on time.



Compound Interest

Interest calculated on the initial (principal) amount of your deposit or loan, as well as previous interest amounts. When it comes to saving money, it's interest that earns interest, helping your money (and your passion for personal finance) grow faster.



Credit Card

A credit card is one of the most powerful financial tools you'll ever use. It's like an instant loan every time you make a purchase. Of course, with great purchasing power, comes great financial responsibility. Be smart about when you use your credit card and always pay your balances on time.



Debit Card

Cash may be king, but it's never really been all that convenient. A debit card gives you the convenience of a credit card with the practicalities of paying with cash. Your money will instantly transfer from your checking account to the seller. If you don't have the money, you can't make the purchase.



Income Tax

Once you start earning real money, you'll remember April 15 (Tax Day) like it's your own birthday. For every dollar you earn, Uncle Sam keeps his cut, which explains why your paycheck is always a little lower than your overall earnings.



Interest

Not just a measure of your attention span for all things financial, interest is the money you agree to pay your lender in order to borrow their money. You also earn interest from your bank when you keep money in a savings account.



Invest

When you hear invest, you probably think trendy sleeveless fashion, but it's actually the act of making a purchase with the expectation that your asset will grow in value. Many people invest in stocks, bonds, and real estate, hoping to sell their investments later on.



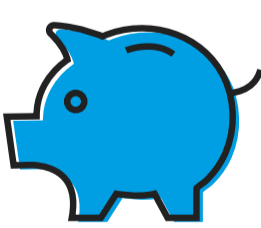
Mortgage

Listening to your parents, you might think mortgage is a curse word, but financial experts swear by these loans as the best way to buy a home with the help of a bank or credit union lender.



Salary

It's not part of most high-schoolers' financial vocabulary, but once you graduate from hourly-wage work, you can start earning a salary. In other words, you'll make the same amount each month, no matter how much or little you work.



Savings Account

Just like students need time and space to learn and grow, your money needs time and space to earn and grow. A savings account with a bank or credit union can help your money reach its true earning potential by paying you a little interest every month.



Stocks

Wealth advisors put plenty of stock in these investments, which are actually just small shares of ownership in individual companies.



Student Loans

Believe it or not, the day is fast approaching when you'll bid a fond farewell to free school and say hello to a life of pricey textbooks and tuition. It's a big expense and many students choose to take out student loans to help pay for their college education.



Rent

You probably already have experience renting things like tuxedos and limos for the fancy-pants high school dance. Soon, you may be renting your entire apartment, with a rent check due every month. Just don't spill pasta sauce on the carpet. That might cost extra.



Utilities

There's a good reason why your parents are always on your case to turn off the lights and close the refrigerator door. It costs money to keep you plugged in to a life of comfort and convenience. These utilities are useful, but often expensive.