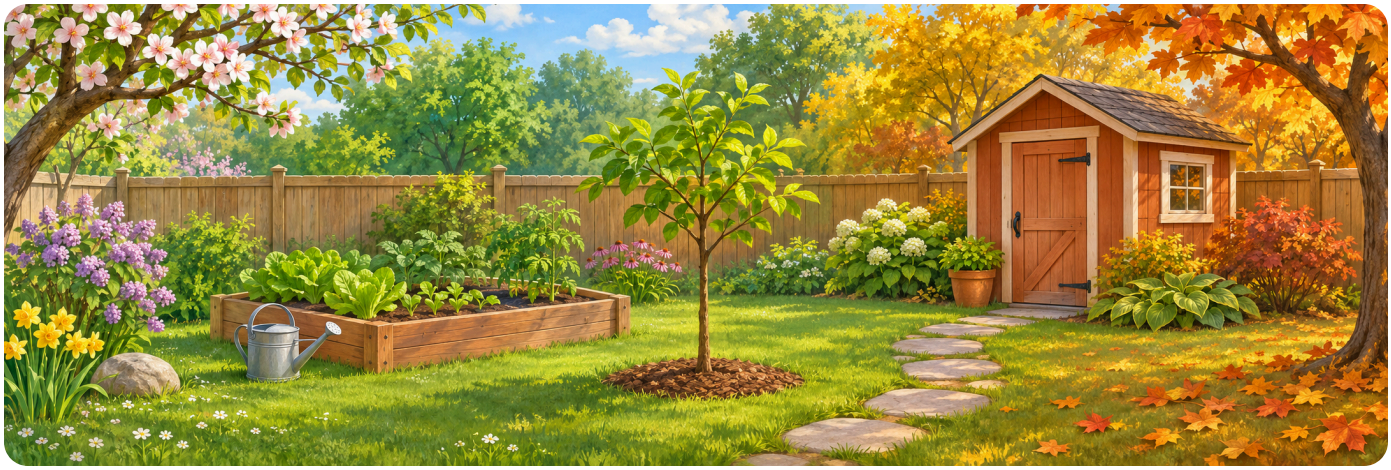
Money Sense - Volume 9 - Version 3
CARDINAL COMPASS - NO. 9

Growing and Protecting Money

VOL. 9

Three different jobs: a cushion for surprises, seeds for growth, and cover when things go wrong.



HANDS-ON LEARNING | WITH CARL THE CARDINAL

Money can do more than sit in a jar. Some money waits close by, ready for a surprise. Some money is planted like a seed and given time to grow, knowing it may grow slowly, fall in value, or even be lost for good. And some money works with other families, pooling together so help is there when something goes wrong. Three jobs, three different tools. In this book you will learn to tell them apart, practice each one with pretend tokens, and make a plan of your own.



Meet Carl

Carl is holding three tools, one for each job. The strongbox keeps a cushion ready. The sprouting plant stands for growth over time. The umbrella stands for cover when trouble rains down. Keep an eye on which tool Carl reaches for, and ask yourself: is he reaching for the right one?

Color your own Carl on the last page.

READ TOGETHER

Three Different Jobs

Imagine three handfuls of pretend tokens on the table. Each handful has a different job to do. Mixing the jobs up causes trouble, so wise families name the job first and choose the tool second.

Emergency saving is money kept ready for surprises. It sits somewhere safe and close, so a family can reach it quickly when something unexpected happens, like a car repair or a broken appliance.

Investing is putting money to work for the future. The money helps build something, like a business or a farm, and its value can go up or down along the way. Investing is for goals that are far away, never for money needed next week.

Insurance is a shared promise of help when something goes wrong. Many families each pay an amount called a premium into the promise, and when a covered trouble comes to one of them, the shared money helps them recover.

The Big Idea: Three Honest Warnings

Investing never guarantees gains. Anyone who promises that invested money will surely grow is not telling the truth.

Insurance is not a savings account. In the plain cover this book teaches, you do not get the premium back at the end. You were buying cover, and cover itself is the thing you received. Some real insurance products work differently, which is why grown-ups always read the actual policy.

A plan is not only for wealthy people. A cushion of a few tokens, a small seed planted patiently, and cover shared with others are tools any family can think about, whatever the size of the handful.

Planned saving is different from emergency saving: money saved on purpose for a cost the family can see coming, like a class trip or a birthday gift. Like the basket, it is kept safe and reachable.

Talk it over: Which job is which?

A bicycle tire pops the day before it is needed. A family hopes to help pay for a class trip three years from now. A storm breaks a window. Say which job fits each one, and why.

Talking it through: The tire is emergency saving: a surprise, needed right away. The storm window fits insurance if the family holds cover for it; anything the cover does not pay comes from the basket. The class trip is planned saving, not investing: three years is soon, and the money must be whole when the trip comes. Grown-ups: the SEC warns that risky investments are a poor fit for goals five years away or less.