

SmartSense financial literacy for kids – Age 14-18

Video for Canada – English transcript

[Upbeat music playing]

On screen the words **SmartSense The difference between debit and credit cards** appears with an image of a girl looking at her computer while holding a credit card.

The screen transitions and the image of the girl holding the credit card gets bigger and moves to the left-hand side of the screen. A thumbs up icon appears. The voiceover says, “You’re getting older! You’ve got a little more freedom every year, and that’s great.”

The screen transitions to show an icon of a car on the left-hand side with the icon of a key just above it. On the right-hand side is an image of a girl driving a car with her father. The voiceover says, “But it also comes with more responsibility.”

The screen transitions to an image of a boy with a headset on, holding his phone while looking at a credit card. On the right-hand side is an icon of a game controller and an icon of a cash register. The voiceover says, “And you probably need money to enjoy the things you need and want to do.”

The screen transitions and an icon of a dollar bill appears on the left-hand side. Above it are icons for coins and bills. On the right-hand side is the image of a girl looking at a credit card with a computer in her lap. The voiceover says, “Sometimes money means actual dollar bills.”

The screen transitions to show a debit card icon on the left-hand side and a credit card icon on the right-hand side. The voiceover continues to say, “But you might also want to get a debit or credit card.”

The screen transitions and the icons for the credit and debit card move to the side as an image of a girl holding a pencil while thinking comes between the two icons. The voiceover says, “Not sure what the difference is?”

The screen transitions and onscreen it says **Let’s take a look**. With an icon of an eye to the right of it. The voiceover says, “Let’s take a look. Let’s start with debit cards.”

The screen transitions to an icon of a debit card in a salmon-colored bubble in the middle of the screen. The voiceover says, “A debit card is...a small plastic card.” An icon of a bank appears in the upper left-hand side and is then replaced by an icon of a safe. The voiceover says, “... offered by your bank. ... tied to your bank account.” An icon of a dollar bill appears on screen in the lower right-hand side. The voiceover says, “A debit card lets you use the money you’ve saved in your account.”

The screen transitions to show an icon of a shirt on the left-hand side. There is an icon of a safe just above it. On the right-hand side is an image of a young woman tapping her phone on a payment screen at a store. The voiceover says, “When you’re ready to pay...”

and then the screen transitions to move the image of the young woman to the left-hand side while an icon for a cash register appears on the right-hand side. The voiceover says, “just tap. Or insert.”

The screen transitions to show the icon of the cash register moving to the left side of the screen while an icon of a bank appears on the right-hand side. In between them is a dotted line with a teal-colored bubble in between them with a \$10 in it. As the voiceover says, “The payment is automatically taken from your bank account.” The \$10 teal colored bubble moves from the icon of the bank over to the icon of the cash register. The voiceover continues to say, “You now have a new purchase... and a lower account balance.” As the image transitions to show the image of two young women looking at a bank statement on the left-hand side while on the right-hand side the icon of a bank statement appears with a salmon-colored bubble overlaying the corner of it showing a negative \$10.

The screen transitions to show an icon of a credit card in the middle. The voiceover says, “How about a credit card? A credit card looks and works a lot like a debit card... It’s a small plastic card.” Icons of a business appear in the upper left-hand side and an icon of a bank appears in the lower right-hand side while the voiceover says, “And it’s offered by banks and businesses.” As the voiceover continues and says, “But it works differently, because it’s a loan.” the icon of the bank is replaced by an icon showing a hand receiving money.

The screen transitions to show the icons of the business, the credit card and the hand receiving money moving the left-hand side while an image of a young woman paying for a package appears on the right-hand side. The voiceover says, “A credit card lets you borrow money. You use it the same way as a debit card to buy things, but” the image of the young woman moves to the left-hand side of the screen while an icon of a cash register appears on the right-hand side. The voiceover continues speaking saying, “you borrow the amount of the payment from your credit card company.”

The screen transitions to show the icon of the cash register moving to the left side of the screen and an icon of a business appears on the right-hand side. In between them is a dotted line with a teal-colored bubble in between them with a \$10 in it. The \$10 teal-colored bubble moves from the icon of the business over to the icon of the cash register. The voiceover continues to say, “You now have a new purchase... and you need to pay your credit card company for the purchase.” as the image transitions to show a young man sitting at his computer with his credit card in hand on the left side of the screen while on the right-hand side the icon of a statement appears with a salmon-colored bubble overlaying the corner of it showing a negative \$10.

The screen transitions to an icon of a dollar bill on the left-hand side connected by a dotted line to an icon of a calendar on the right-hand side. Between the two icons is a teal-colored bubble with \$10 in it. The voiceover says, “If you don’t pay the balance by a certain date you’ll be charged interest.” As the voiceover speaks a salmon-colored bubble with a positive 20% appears in the upper right-hand corner of the calendar icon.

The screen transitions and the words **What’s interest?** appear on the left-hand side with a question mark icon to the right. The voiceover says, “What’s interest? Interest is

the money you'll have to pay the credit card company for the ability to borrow money. Here's an example."

The screen transitions to an image of a young man looking at a tablet with a friend on the left-hand side. On the right-hand side an icon of a tablet appears. The voiceover says, "John uses his credit card to buy a tablet that costs \$500." as the voiceover is taking place a salmon-colored bubble with a negative \$500 overlays the upper right-hand corner of the tablet icon.

The screen transitions to show an image of the young man looking at his tablet on the left-hand side while an icon of a statement is shown on the right-hand side. The voiceover says, "When he receives his statement he owes \$500." A salmon-colored bubble showing a negative \$500 appears on the screen and overlays the upper right-hand corner of the statement.

The screen transitions to show a large teal-colored bubble with \$500 inside of it and a hazard icon overlaying the upper right-hand side. To the right is the image of the young man looking at his tablet. The voiceover says, "Let's say John can't afford to pay the whole thing when he gets his statement."

The screen transitions to show icons of six calendars. In the first calendar it shows the purchase amount of \$500. In each of the following calendars it shows \$100 payments. The voiceover says, "So, he decides to pay \$100 every month. Because he's not paying off the full amount every month, he'll end up owing more than \$500 over 6 months." A hazard icon appears in the upper right-hand corner of the last calendar icon.

The screen transitions as the calendar icons move off the screen. A large, teal-colored bubble with \$500 in it appears on the left-hand side of the screen. Underneath the bubble are two smaller circles. A teal-colored one with the word **Principal** next to it and a yellow-colored one with the word **Interest** next to it. On the right-hand side the same image of the young man looking at his tablet appears. The voiceover says, "If his credit card's interest rate is 20%, he'll owe an additional \$26.57." As the voiceover is taking place the teal-colored bubble with the \$500 in it expands to show a yellow slice representing the \$26.57 of interest.

The \$500 bubble disappears to be replaced by a larger checklist icon along with smaller money and credit card icons. The voiceover says, "Make sure you can pay off your purchases right away, so you don't owe extra money."

The screen transitions and the icons of the credit card and the debit card reappear on the screen. The voiceover says, "So, debit card, or credit card" an image of a young man looking at his credit card while holding a phone appears in between the two icons. The voiceover says, "how do you choose which one to use?"

The screen transitions to show a grid on the left-hand side. Across the top of the grid, it says **Benefits - credit card - debit card**. Along the side it says **Carry less cash** and **Purchase items electronically**. There is a check mark in the **Carry less cash** box for the credit card and the debit card. As the voiceover progresses a check mark appears for each in the **Purchase items electronically** columns as well. On the right-hand side is an image of a young woman holding a pencil to her mouth as she considers her options. The voiceover says, "Both allow you to: Carry less cash, and Purchase items electronically."

The screen transitions and the icons of the credit card and debit card are back on screen. In the upper left-hand corner is an icon of a thumbs up and in the upper right-hand corner is an icon of a hazard warning. In between the icons is says **Pros and Cons**. The voiceover says, "And both offer other pros and cons..."

The screen transitions and the words **Here are just a few...** appear on the left-hand side of the screen. On the right-hand side of the screen is an information icon. The voiceover says, "Here are just a few..."

The screen transitions and the words **Debit card pros** appears on screen. Underneath is an icon of a debit card with a thumbs up icon overlaid onto it. On the right-hand side is an image of a young woman using her debit card to purchase an item. The voiceover says, "Some positives of a debit card include: You can't spend more than you have. And there's no interest charges." The word **pros** leaves the screen to be replaced by the word **cons** and the thumbs up icon is replaced by a hazard icon. The voiceover says, "But there may be... Spending limits or ATM transaction fees."

The screen transitions and the words **Credit card pros** appears on the right-hand side of the screen. Underneath is an icon of a credit card with a thumbs up icon overlaid onto it. On the left-hand side is an image of a young man looking at his credit card while wearing headphones. The voiceover says, "Credit cards also have positive features, including that: You can buy an expensive item even if you don't have the cash in your account. It can help you build a credit score, which tells banks if you're good about paying your bills." The word **pros** leaves the screen to be replaced by the word **cons** and the thumbs up icon is replaced by a hazard icon. The voiceover says, "But, with a credit card you may have to pay: Annual fees, and Interest charges when you don't pay the full amount back right away."

The screen transitions to show an image of the young man looking at his tablet on the left-hand side while an icon of a statement is shown on the right-hand side. A salmon-colored bubble with a positive 20% is overlaid on the statement icon. The voiceover says, "And if you miss your payments, you'll probably have to pay a late fee, and it can hurt your credit score too."

The screen transitions to an image of a young woman looking into the distance while resting her head on her hand on the left-hand side. An icon of a car appears on the right side followed by an icon of a house. The voiceover says, "Having a bad credit score can make it hard for you to get a loan for a car or a house when you're older."

The screen transitions and the image of a young man with his father appears in the middle of the screen. The icon of a credit card appears in the upper left-hand corner followed by the icon of a debit card in the lower right-hand corner. The voiceover says, "Getting a debit or credit card is a big decision. When you're ready, talk to your parents about what the best option is for you. And use it responsibly."

The screen transitions to show an image of friends paying for coffee at a coffee shop on the right-hand side. On the left-hand side the icon for a cup of coffee appears. A yellow-colored bubble appears in the upper corner of the coffee icon showing 20% while a teal-colored bubble appears on the lower side of the coffee icon showing \$7. The voiceover says, "No one wants to pay 20% interest on a \$7 coffee, or a \$12 cheeseburger!"

The screen transitions and the image of a young woman looking at her computer while holding her credit card appears in the upper right-hand corner while the left-hand side displays a QR code along with the text **Want to learn more about money? Scan the code for access to more resources** The voiceover says, "Want to learn more about money? Scan the QR code to visit the SmartSense website for more resources."

Footnotes are shown at the bottom of the screen:

The commentary in this video is for general information only and should not be considered legal, financial, or tax advice to any party. Individuals should seek the advice of professionals to ensure that any action taken with respect to this information is appropriate to their specific situation.

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