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💡 Welcome to Protect Your Money!

How Smart Choices, Safe Habits & Protection Can Help You Keep Your Money Safe



Earning, spending, saving, and growing money are all important—but another skill connects them all: **protecting what you have.**

You can lose money in many different ways. Sometimes a person spends without noticing how quickly small costs add up. Sometimes borrowed money becomes more expensive because you miss a payment. A card can be lost. Someone else can access an online account. A subscription can renew unexpectedly. A convincing message can turn out to be a scam. An accident or unexpected event can also cause major expenses.

Protecting your money doesn't mean avoiding every risk or never using modern ways to pay. It means recognizing financial risks, making safer choices, and knowing what to do when something goes wrong.

A useful starting idea is: NOTICE THE RISK → USE THE PROTECTION → CHECK WHAT HAPPENED.

The goal isn't to worry about every transaction. The goal is to build habits that make money harder to lose and easier to manage.

💡 **Money protection begins before something goes wrong.**

🛡️ What Does It Mean to Protect Money?

Protecting money involves more than keeping cash somewhere safe.

Today, money may exist as: cash in a wallet; money in a bank account; available credit on a card; value stored on a prepaid card; a payment method connected to a phone; or purchases and subscriptions connected to online accounts.

Each one works differently. That means each one also has different risks.

💵 LEVEL 1 — PAY SAFELY: CASH, CARDS & DIGITAL WALLETS



Paying for something is more than handing over money or tapping a card. Every payment connects your money to a person, store, account, or device—and every payment method has something different to protect. People may pay with:

💵 **Cash** • 💳 **Debit Card** • 💳 **Credit Card** • 💳 **Prepaid Card** • 📱 **Digital Wallet**

These methods do not all work the same way.

Cash uses money you already have.
Debit usually takes money directly from a bank account.
Credit uses borrowed money that you must repay.
Prepaid cards use money loaded onto the card in advance.
Digital wallets allow a phone or other device to use a linked payment method.

A safe payment connects four actions: **CHECK** → **PAY** → **PROTECT** → **VERIFY**

CHECK — Make sure the seller, amount, and payment method are correct.
PAY — Authorize the payment only after checking it.
PROTECT — Keep the money, card, device, PIN, and account information secure.
VERIFY — Check that the correct transaction actually happened.

💡 **Future-Ready Tip:** A payment is not safe simply because it goes through. A safe payment is one you understand, protect, and verify.

💳 1.1 Different Ways to Pay — Different Things to Protect

You can pay for the same purchase in different ways—but each payment method moves money differently and creates different protection needs.

Method	Where the Money Comes From	What Needs Protection
💵 **Cash**	Money already in your hand	Cash itself
💳 **Debit Card**	Money in a bank account	Card, PIN, account
💳 **Credit Card**	Borrowed money	Card, account, borrowing
💳 **Prepaid Card**	Money loaded in advance	Card, code, remaining value
📱 **Digital Wallet**	Linked card or account	Device, login, authorization

🧠 MENTAL WORKOUT: Eldon's Self-Checkout Challenge

Eldon is shopping with his family and is allowed to choose several items. He decides to use the **self-checkout** while a family member waits nearby. He chooses:

Item	Price
🍕 Mini Pizza Kit	$8.50
🥤 Fruit Smoothie	$4.75
🍪 Chocolate Cookies	$5.25
🔬 Science Magazine	$6.50
🧩 Puzzle Cube	$7.00



Eldon has:

🎁 **Gift Card Balance: $12.00**
💳 **Debit Account Balance: $46.00**
💳 **Credit Card: Available if needed**

His goal isn't just to complete the purchase. He wants to CHECK → PAY → PROTECT → VERIFY.

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1. 🧮 **Calculate Before You Pay**: Before scanning, Eldon adds the prices so he has an idea of what the total should be. Complete the calculation:

Expected total **= $8.50 + $4.75 + $5.25 + $6.50 + $7.00 = $_____**

Why is knowing the expected total useful before Eldon approves the payment?

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2. 🔎 **Something Does Not Match**: Eldon scans all five items. The self-checkout shows: TOTAL: $37.25. But Eldon remembers that his expected total was lower. He checks the screen and discovers:

Chocolate Cookies — $5.25
Chocolate Cookies — $5.25

What should Eldon do?

☐ A. Pay first and try to fix it later
☐ B. Remove the item himself without checking
☐ C. Ask the self-checkout employee to correct the duplicate scan
☐ D. Switch to another payment method

LEVEL 2 — Smart Credit Card Use: Costs, Statements & Control

How can someone use credit without letting credit control their money?

A credit card can be useful, but it is different from cash or debit. With cash or debit, you usually spend money you already have. When you use a credit card, you borrow money from the card provider and agree to repay it later. That creates an important responsibility: USING CREDIT CREATES A DEBT.

A credit card can make payments convenient, provide a transaction record, and sometimes include rewards or other benefits. But if you don't manage the balance carefully, **interest and fees can make purchases cost more than they did originally**.



Smart credit-card use follows four actions: USE → TRACK → REVIEW → REPAY

USE — Charge only what fits your spending and repayment plan.
TRACK — Know what you owe and how much credit remains.
REVIEW — Read the statement, transactions, costs, and due date.
REPAY — Make the required payment on time and understand what remains.

2.1 PURCHASE — Credit Is Borrowed Money

A credit card lets someone **buy now and repay later**. When a credit-card purchase is approved, the card provider pays the seller, and the cardholder now owes the provider that money.

Suppose a family buys a tablet for **$600**. The card is approved. That does **not** mean the family gained $600. It means:

Purchase = $600
New debt = $600

CREDIT IS BORROWED MONEY: A credit card can be useful for: **Convenience • Online Purchases • Transaction Records • Security Features • Rewards**

But it can also lead to: **Interest • Fees • Overspending • Growing Debt • Late-Payment Problems**

Cash Advances — Expensive Borrowed Cash



A **cash advance** means using a credit card to obtain cash. Suppose someone withdraws **$200**. The fictional card charges:

Cash Advance Fee = $5
Cash Advance APR = 26.99%

The account already owes: **$200 + $5 = $205**
Then suppose the statement adds **$4.50 in interest**
Amount owed: **$205 + $4.50 = $209.50**
The person received **$200 cash** but now owes **$209.50.**

Cash advances often have no purchase-style grace period, may charge interest immediately, and may carry a higher interest rate and fees.

CASH FROM A CREDIT CARD IS HIGH-COST BORROWED CASH.

Future-Ready Tip: Avoid cash advances when a safer, lower-cost option is available.

📊 2.5 BALANCE — Keep Debt From Taking Control

The balance tells only part of the story. Also compare the balance with the **credit limit**. Suppose two cards each have a **Credit Limit of $1,000**

Card A: Balance: **$150** and Available credit: **$850**
Card B: Balance: **$850** and Available credit: **$150**

Both accounts are technically under the credit limit. But Card B is much closer to its borrowing limit. That creates several problems:

More Debt to Repay • Less Available Credit • Greater Risk of Interest Costs • Less Flexibility for Unexpected Needs

Credit-scoring systems may also consider how much of a person's available credit is being used.

Future-Ready Tip: BEING UNDER THE LIMIT DOES NOT AUTOMATICALLY MEAN THE DEBT IS UNDER CONTROL.

🧠 MENTAL WORKOUT: Same Laptop — Different Credit Decisions

Eldon and Kayla each have the same fictional credit card:

Credit Limit: $1,000
Purchase APR: 21.99%
Minimum Payment: $25
Payment Due Date: 24th of each month

They each buy the **same laptop for $600**. After the purchase, both accounts begin in exactly the same position:

Laptop Purchase: $600
Balance: $600
Available Credit: $400

But Eldon and Kayla handle the debt differently.



🟦 Eldon

Eldon planned for the purchase and has enough money available to repay it. When his first statement arrives, he pays the entire **$600 Statement Balance by the Due Date**

Interest Charged: $0
Balance Remaining: $0

🟪 Kayla

Kayla makes only the **$25 minimum payment** each month. She makes every required payment **on time**, so she doesn't make late payments. However, because she carries most of the balance forward, the card begins adding interest.

The card provider calculates the interest using its own billing method. The actual interest charges are shown below.

Month	Starting Balance	Interest Added	Payment	Ending Balance
1	$600	$0	−$25	$575
2	$575	+$11	−$25	$561
3	$561	+$10	−$25	$546
4	$546	+$10	−$25	$531
5	$531	+$10	−$25	$516
6	$516	+$9	−$25	$500

🔐 LEVEL 3 — DIGITAL MONEY, SCAMS & ACCOUNT SECURITY

How can you use digital money without losing track of your spending—or giving someone else access to it?

Digital payments can happen in seconds. A tap, game purchase, subscription, payment app, or saved card may feel less noticeable than handing over cash, but the money is just as real.

Digital money also creates new responsibilities. A payment may repeat automatically. A free trial may become a paid subscription. A scam message may look convincing. Someone may try to obtain a password or verification code.



A strong digital-money user follows this journey: **SPEND → REPEAT → SECURE → DETECT → VERIFY → RESPOND**

And when something suspicious happens: **STOP → CHECK → VERIFY → TELL**

📱 3.1 SPEND — Digital Money Is Still Real Money

Digital payments include: **Digital Wallet • Online Checkout • Payment App • Saved Payment Method • In-App Purchase.**

They make paying easier, but easier payment does not make the cost disappear. Suppose Eldon is allowed to spend **$25** in a game.

He buys:

Game Add-On: **$4.99**
Avatar Item: **$2.99**
Extra Level: **$5.99**
Total = **$4.99 + $2.99 + $5.99 = $13.97**
Amount remaining from his $25 plan = **$25.00 − $13.97 = $11.03**

No cash physically left his hand, but he still spent $13.97 of real money.

Future-Ready Tip: **DIGITAL MONEY IS STILL REAL MONEY.**

🚀 FUTURE-READY CHALLENGE — Is That Really Kayla?

Later, Eldon receives a message that **appears to come from Kayla**. It shows her correct name and profile photo. The message says: **"I need $35 quickly. My payment app isn't working normally. Click this link and send it here. Don't call—I can't answer right now."**

Eldon knows Kayla, but he did **not expect this request**. What should he do?

☐ A. Send the $35 because the profile photo is correct
☐ B. Click the link to see whether it looks real
☐ C. Verify with Kayla through another trusted method before sending anything
☐ D. Send a smaller amount first to test the link

Explain: Why are the correct name and photo **not enough** to prove that Kayla sent the message?

How could Eldon verify the request safely?

If Kayla really does need money and Eldon is allowed to help, what should he do instead of using the unexpected link?

📋 REFLECT & EXPLAIN

1. **Why should a digital purchase be treated like real spending**?

☐ A. Digital purchases do not affect account balances
☐ B. Real money can leave an account even when no cash is handed over
☐ C. Digital purchases are always free to cancel
☐ D. Online money is different from real money

2**. A game pass costs** $5.99/month**. What does "/month" mean**?

☐ A. It is a one-time payment
☐ B. The charge may repeat every month
☐ C. It becomes free after the first month
☐ D. The price is only shown for comparison

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3. **What should someone check before starting a** free trial?

☐ A. Only whether the app looks interesting
☐ B. The trial end date, renewal price, auto-renewal, and cancellation method
☐ C. Whether friends already use it
☐ D. Whether the logo looks professional

LEVEL 4: Financial Risk, Insurance & Emergency Funds

Unexpected events can create costs even when someone has made responsible choices. A storm can damage a home. A car can need repairs after an accident. A pet can need emergency care. Luggage can disappear during a trip.



A **financial risk** is the possibility that an event could create a financial loss. Strong financial protection does not mean buying insurance for everything. Instead, people can use several tools:

AVOID — avoid a risk when reasonable.
REDUCE — lower the chance or size of a loss.
RETAIN — accept a manageable risk and prepare to pay for it yourself.
TRANSFER — use insurance to shift part of a large financial risk to an insurer.

A strong risk-management plan follows: IDENTIFY → REDUCE → PREPARE → INSURE → CHECK → RESPOND

💡 **Future-Ready Tip:** Insurance does not stop bad things from happening. It helps limit the **financial loss** when a covered event happens.

⚠️ 4.1 IDENTIFY — What Is Financial Risk?

A **financial risk** is the possibility that something may happen and cost money. Think about the difference between the **event** and the **financial loss**:

Event	Possible Financial Loss
Tablet falls	$280 repair
Bicycle is stolen	$500 replacement
Dog becomes ill	$1,250 veterinary bill
Car is damaged	$4,200 repair
Storm damages a home	Thousands of dollars
Trip is interrupted	Extra travel or medical costs

4.5 CHECK — Know What the Insurance Actually Covers

Having insurance doesn't mean it will cover every loss. Important insurance terms include:

Policy: The agreement explaining the insurance protection.

Coverage: The losses or costs the policy can help pay.

Premium: What is paid for the protection.

Deductible: An amount the policyholder may need to pay before or as part of the insurer paying a covered claim.

Claim: A request for payment under the policy after a covered event.



Exclusion: An event, loss, or cost that the policy does **not** cover.

Reimbursement: The portion of an eligible covered cost the insurer pays back according to the policy

Out-of-Pocket Cost: Money the person or family pays out of pocket.

🚙 Example — Car Insurance + Emergency Fund

Suppose a family has this **fictional auto-insurance plan**:

Premium: $100/month
Deductible: $500

Assume this fictional policy pays 100% of this eligible repair cost after the $500 deductible.

Their car is damaged in a covered accident. The **Repair Cost = $4,200**
Without insurance, the family pays: **$4,200**
Their emergency fund contains only: **$1,400**
Shortfall: **$4,200 – $1,400 = $2,800**

With Insurance, the family pays the deductible: **$500**
Insurance pays the remaining covered repair cost: **$4,200 – $500 = $3,700**
Emergency fund: **$1,400 – $500 = $900 remaining**

The family used **two protection tools together**: insurance and emergency savings.

🧠 MENTAL WORKOUT — Kayla Protects Her Family's Dog

Kayla's family has a dog named **Milo**. They want to protect themselves from a large unexpected veterinary bill. They choose this **fictional pet-insurance plan**:

Monthly Premium: $60
Annual Deductible: $250
Reimbursement: 80% of covered costs after the deductible

The family also keeps **an emergency fund: $900**

After paying premiums for six months, Milo suddenly becomes sick and needs emergency treatment. **Emergency Vet Bill: $1,250**

Assume this is Milo's first covered claim of the policy year, so the $250 annual deductible has not yet been met.



🎯 **Your Mission:** Help Kayla calculate how the **insurance and emergency fund work together**.

MW 4.1 — What Does the Premium Cost?

Monthly premium: **$60**

Premiums paid during six months: **$60 × 6 = $_____**

What did these payments buy?

☐ A. Guaranteed money back
☐ B. Insurance protection during those months
☐ C. Money added to the emergency fund
☐ D. Free veterinary care

MW 4.2 — What If There Were No Insurance?

Emergency vet bill: **$1,250**

Without insurance, the family would be responsible for: **$_____**

Emergency fund: **$900**

Shortfall: **$1,250 − $900 = $_____**

LEVEL 5 — Build a Complete Money Protection Plan

As people grow, they may manage more than cash in a wallet. They may have **money in bank accounts, credit cards, automatic payments, digital financial accounts, emergency savings, and valuable things they depend on**.

They may also need to protect: **Home • Car • Phones • Computers • Pets • Business Equipment •**

A complete protection plan asks:

How is money moving?
What could be lost or damaged?
Which costs could I handle myself?
Which losses could be too large to handle alone?



The goal is not to insure everything or avoid every risk. The goal is to match each financial risk with the **right protection**.

PROTECT THE MONEY → PROTECT THE ASSETS → PREPARE FOR THE LOSS

💡 **Future-Ready Tip:** A strong Money Protection Plan protects the **whole financial picture**, not just one purchase or one account.

🧭 5.1 What Needs Protection? — Money, Assets & Responsibilities

Before choosing protection, identify **what you have, what you manage, and what could create a financial loss**.

💰 MONEY & FINANCIAL ACCESS

Money protection includes **Bank Accounts • Debit Cards • Credit Cards • Digital Wallets • Automatic Payments • Online Financial Accounts.**

The main risks may include **Wrong Payments • Overspending • Interest • Missed Due Dates • Unauthorized Access • Forgotten Recurring Charges.**

These risks are often managed through **Payment Checking • Credit Repayment • Transaction Review • Strong Passwords • MFA • Account Security.**

🧠 MENTAL WORKOUT — Build Your Complete Money Protection Plan

You are the **Money Protection Planner**. Use one of the future-life scenarios below to build a complete protection plan. Your goal is to protect **money, accounts, payments, assets, and emergency reserves.**

🏠 **Scenario A — Kayla's Future Household**: Kayla is managing a household with several financial commitments and assets.

Money / Asset / Payment	Amount / Value	Protection Information
🏦 Checking Account	**$8,000 available**	Online banking • MFA
💰 Emergency Fund	**$6,000**	Kept separate for unexpected costs
🏠 Home	**$350,000**	Home insurance • $1,000 deductible
🚗 Car	**$25,000**	Auto insurance • $500 deductible
🐕 Pet	—	Pet insurance • $60/month
📱 Phones + Computers	**$2,500 total**	Cases • backups • emergency fund
🏠 Home Insurance	**$120/month**	Direct bank withdrawal
💡 Utilities	**$250/month**	Direct bank withdrawal
🚗 Auto Insurance	**$150/month**	Credit card
🐕 Pet Insurance	**$60/month**	Credit card
☁️ Mobile / Cloud Services	**$40/month**	Credit card

Risk Reduction: Smoke alarms • secure locks • car maintenance • device protection • preventive pet care.

Unexpected Events: **Smaller Loss:** Phone repair = **$300** • **Larger Covered Loss:** Car repair = **$4,500** • Auto deductible = **$500** • Assume insurance covers the remaining eligible cost.

🏢 **Scenario B — Eldon's Future Business**: Eldon owns a small technology service business.

Money / Asset / Payment	Amount / Value	Protection Information
🏦 Business Checking	**$15,000 available**	Online banking • MFA
💰 Business Reserve	**$10,000**	Kept for unexpected business costs
🏢 Workshop + Equipment	**$60,000**	Business property insurance • $1,500 deductible
🚐 Service Van	**$30,000**	Vehicle insurance • $1,000 deductible
💻 Computers + Tools	**$6,000**	Backups • secure storage • business reserve
🏢 Property Insurance	**$140/month**	Direct bank withdrawal
⚡ Utilities	**$350/month**	Direct bank withdrawal
🚐 Vehicle Insurance	**$180/month**	Business credit card
💻 Software / Cloud	**$95/month**	Business credit card
📱 Business Phone	**$45/month**	Business credit card

ANSWER KEY

LEVEL 1 — Pay Safely: Cash, Cards & Digital Wallets

Mental Workout:
1. $32.00. Knowing the expected total helps identify scanning/price errors before payment.
2. C — Ask the employee to correct the duplicate scan.
3. Any two reasonable: **items • amount • seller**.
4. $32 − $12 = **$20**. **Debit or credit** could cover it.
5. $46 − $20 = **$26** • Enough? **Yes** • Uses existing money? **Debit**.
6. C — Insert the card or ask for help. Failed tap can be a contactless/terminal issue; it does not prove insufficient funds. **7. C** — Shield the keypad • Protect the **PIN / access information**.
8. Check that **$20** is correct before authorizing • Gift Card **$12** • Debit **$20** • Total **$32**.
9. Gift card **$0** • Debit balance **$26** • Process = **VERIFY**. **10. No**. Compare account activity with the **receipt/records**. Tell a trusted adult; if still incorrect, the adult may contact the **bank, merchant or card/payment provider** through a trusted route. Final chain: **CHECK → PAY → PROTECT → VERIFY**. It checks the transaction before, during and after payment—not merely whether it was approved.

Challenge — The PIN Won't Work: C. Stop guessing; repeated failed attempts may trigger security restrictions. A store employee cannot retrieve/reset a bank PIN. After using credit, verify the $20 charge and keep **$20 available to repay the credit-card purchase when due**.

Reflect & Explain: 1 B • 2 C • 3 D • 4 C • 5 B. 6. CHECK receipt/account → confirm the duplicate → TELL trusted adult → ACT through the bank/merchant if incorrect. **7.** Cash requires protecting the physical money/change; a digital wallet requires protecting the **device, login/passcode and linked debit account**, then reviewing the electronic transaction.

LEVEL 2 — Smart Credit Card Use: Costs, Statements & Control

Mental Workout:
1. Available credit **$400** • Limit used **60%** • Earned another $400? **No**—available credit is borrowing capacity, not income.
2. Balance **$0** • Interest **$0** under the fictional terms • Laptop cost **$600**.
3. $600 − $25 = **$575** • Minimum paid? **Yes** • Paid off? **No** • MINIMUM ≠ **BALANCE**.
4. $575 + $11 − $25 = **$561** • Paid **$25** • Debt fell **$14** because **$11 interest** offset part of the payment. **5.** Payments **$150** • Interest **$50** • Balance remaining **$500**.
6. Kayla total **$650** • Eldon **$600** • Difference **$50**. Kayla carried debt and paid interest.
7. Debt reduction **$100** • Other **$50 = interest** • Interest makes debt **harder/slower** to repay.
8. B. If she missed the required payment, consequences could include **late-payment status, fees, additional interest and credit-history damage**. **9.** Available credit **$500** • Used **50%**. Problems: more debt/interest, less available credit, high credit use may affect credit record/score. **10. D — All of the above.** Stronger history may improve borrowing approval and/or terms for a car loan or mortgage.

Challenge — Birthday Payoff: Balance **$0** • Birthday money **$50** • **Yes**, paying off the $500 now can prevent additional future interest on that carried balance.

Reflect & Explain: 1 B • 2 B • 3 A • 4 C • 5 B. 6. Eldon paid $600; Kayla paid $650 because carrying the balance added **$50 interest**. **7.** A high balance paid on time is not necessarily late,