

**Due:** October 2, 2018

### Certificate of Deposit

You will receive a homework assignment every week, check the due date above. The goal of these assignments is to create an opportunity for you to **communicate** with your family about the current subjects in Economics and Personal Finance (EPF).

#### Critical Thinking:

There are many savings vehicles, such as Saving account (for goals and emergencies), Checking account, Money market account (requires a higher deposit and limited withdrawals), Certificates of Deposits or CD's (can earn a higher interest than an MMA, but they are not liquid or easily accessible). Some of these savings vehicles are more liquid (can be converted to cash quickly) than others such as your checking account.

Setting money aside to reach your financial goals is important. CD are one of those methods. The longer you leave the money with the bank (you are letting them borrow your money) the higher the interest rate you will receive (make more money on your investment). With CDs it is necessary to identify when you need the money (such as tuition payment, purchase a car, or buying a home) and investing your money in a CD that will mature about the time you need the funds.

Create questions that will allow you to identify your families saving method and identify if CD is one of the savings vehicle used.

#### Collaboration & Citizenship:

Work with a partner to come up with questions (they cannot just be yes or no answer questions), that demonstrate your knowledge of the subject and encourage a discussion with your family:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Summarize your discussion (you may write, must be legible or type and print/submit electronically):

Student Name (printed): \_\_\_\_\_

If I cannot read it, you will not get credit.

Parent/Guardian/other Adult: \_\_\_\_\_

*Please do not sign off until you have read what your student has written here, to ensure you are ok with the information they are providing*

Relationship to student: \_\_\_\_\_ Date: \_\_\_\_\_