

Financial Literacy Glossary Part 2

APR

Short for Annual Percentage Rate, the rate of interest charged on a loan each year.

Canada Education Savings Grant (Basic)

Money given to you by the Government of Canada and put into your Registered Education Savings Plan (RESP) based upon your contributions to the plan.

Canada Education Savings Grant (Additional)

Extra money given to you by the Government of Canada and put into your Registered Education Savings Plan (RESP) based upon your contributions to the plan. Available to those with lower family incomes.

Canada Learning Bond

Money given to you by the Government of Canada for your RESP if you are a family with limited income.

Credit check

When a bank or someone else looks at your credit history to decide whether or not to loan you money.

Credit counseling

Help available to you when your debt is too big for you to manage.

Credit history

Information collected about how long it takes you to pay money you have borrowed.

Credit score

A score or rating given to you that predicts how likely you are to pay back a loan based on your credit history.

Direct deposit

When a payment is put straight into your bank account.

Debit transaction

When you take money out of your account, such as when writing cheques or withdrawing money at a bank machine.

Financial institution

A bank or another place (such as a credit union or trust company) that offers money services.

Government of Canada cheque

A cheque from the federal government, such as Employment Insurance or a Child Tax Credit cheque.

Identity theft

When someone steals your personal information and uses it to pretend to be you, such as buying things for themselves on your credit card.

Investing

A way to put your money to work for you in the expectation that it will grow over time.

Minimum payment

The minimum amount you're required to pay on a credit card bill.

Net personal income

The money you receive after taxes and other deductions are taken off your paycheque.

Percentages

Parts of 100, another way to say it is "out of" 100. Interest rates are percentages.

Photo I.D.

A piece of identification that has your photo and signature on it, such as a driver's license or current passport.

PIN

Short for Personal Identification Number – a secret number you pick to use with your credit card or debit card.

Registered savings plan

Savings accounts and plans registered with the Government of Canada to help you save money more quickly.

Tax-free

Money you don't pay taxes on.

Tele-banking

When you do your banking by phone.

TFSA

Short for Tax-Free Savings Account – a savings account registered with the Government of Canada.