

Welcome!

A Friendly Guide to Financial Institutions: Budget, Save with Confidence, and Build a Future You Own.



Today's Focus

- **Banking Foundations**

Understanding banking basics helps learners grasp where money is stored and how financial institutions operate.

- **Money Mechanics**

Learning how money works, including interest and growth, builds the foundation for saving and borrowing decisions.

- **Budgeting and Spending**

Developing budgeting and spending habits influences daily financial outcomes and controls expenses.

- **Saving and Automation**

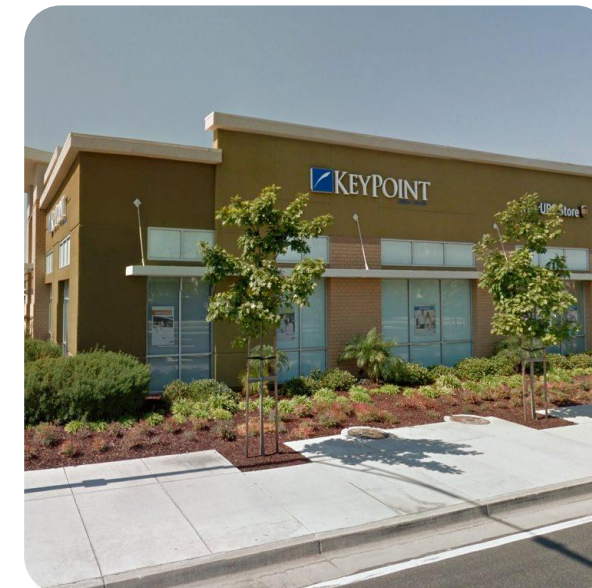
Using practical saving tools and automation helps make saving money easier and consistent over time.

- **Financial Stability Strategies**

Managing risks with emergency funds, credit health, and responsible debt supports financial stability.

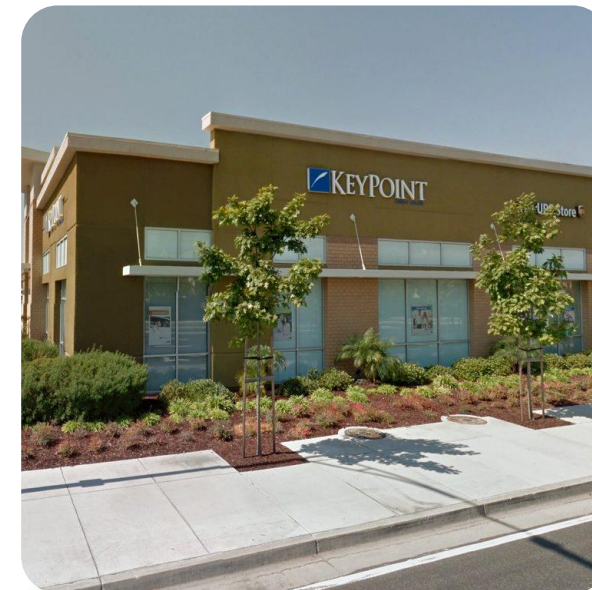
- **Building Long-Term Wealth**

Introducing investing, retirement accounts, and the power of time promotes sustainable financial growth.



Banking Foundations

Understanding banking basics helps learners grasp where money is stored and how financial institutions operate.



CREDIT UNIONS vs. BANKS

- We are owned by YOU the account holding members, making us not-for-profit
- We offer the same products and services as big banks but with lower loan rates, and higher deposit interest rates.
- Our goal is to improve the lives of our members and delivering more value and better service including educational programs on things like home buying and estate planning.
- We are also federally insured up to \$250,000 through the NCUA



KEYPOINT
CREDIT UNION

KeyPoint
Credit Union

NOW
OPEN

Open 7 Days
a week—
even
SUNDAY!

Digital Banking

- **Digital banks** are financial institutions that operate solely online and have no physical branch locations.
- Some examples of digital banks are:

chime®

axos
BANK

ally

Varo



Digital Banking: Pros & Cons

PROS

- Good rates on deposits and loans.
- Little to no service fees.
- Fast & convenient online service

CONS

- Less customer service & human contact.
- Not as many products & services.
- Cash is less accessible.
- Smaller ATM networks, may have more ATM fees.



KEYPOINT

Why It's Important



Building a relationship with your financial institution allows you to...



Save for emergencies or big purchases



Practice responsible banking & budgeting



Build credit to “finance” large purchases



Rent a room or your own apartment



Buy your first car



Buy your first house

Your Financial Institution!

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CREDIT UNION

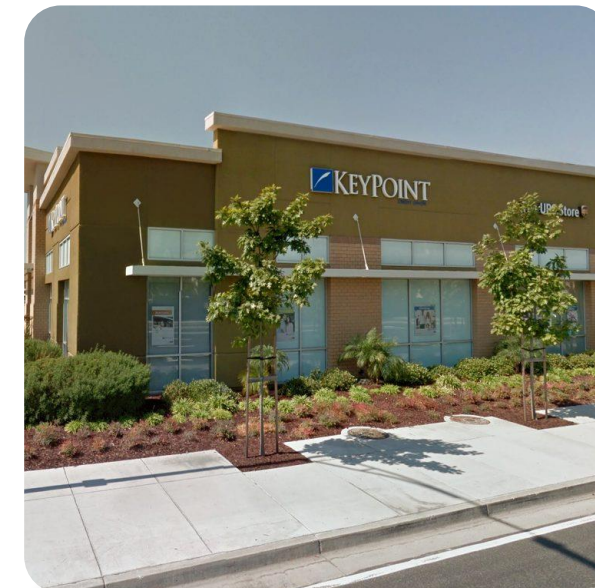
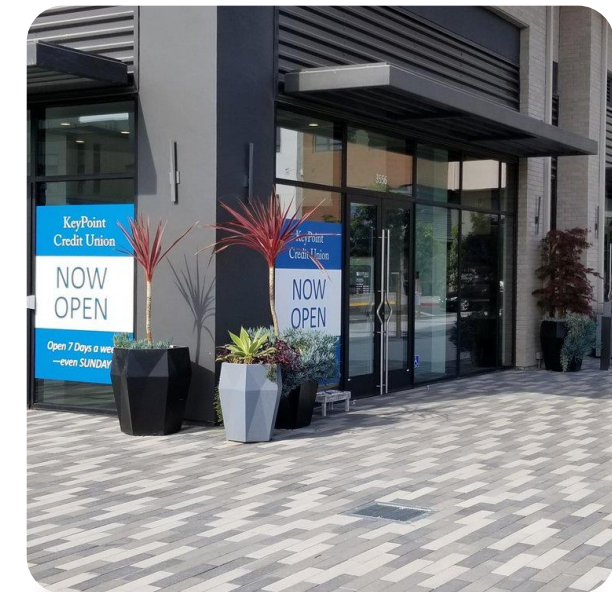
Things to Consider: What's Important to You?

- What are the fees?
- How are the interest rates?
- How accessible is the institution?
- Can I use a debit card/online banking?
- What types of products and services are offered?
- Is my money safe?

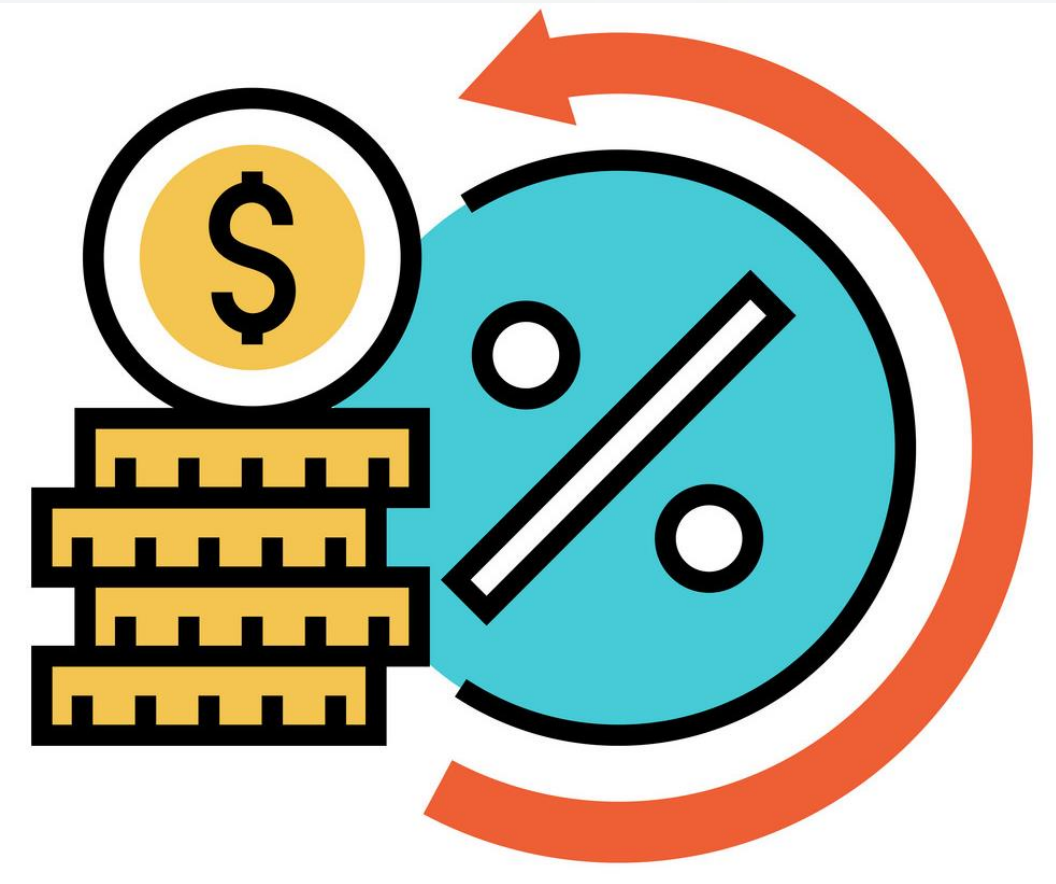


Understanding How Money Works

Learning how money works, including interest and growth, builds the foundation for saving and borrowing decisions.



Interest Explained

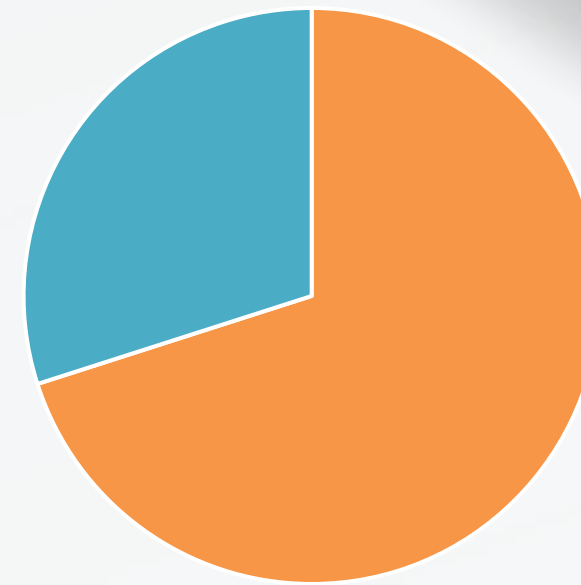


Interest is money that is added on to either a loan balance or a deposit balance, determined by an interest rate.

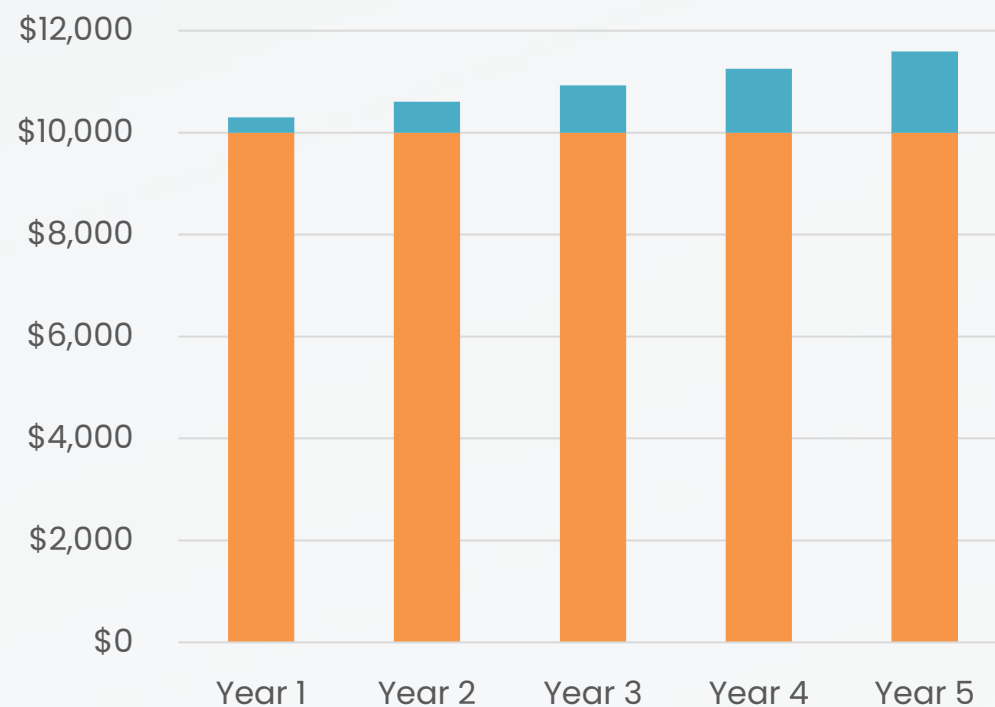
- Rate can be fixed or variable.
- Earn interest on deposits, pay interest on loans.
 - Look for high rates on savings accounts to earn more money, low rates on loans to spend less.
 - Typically, savings accounts earn more interest than checking accounts.

How Interest Looks Like

- Let's say you borrow \$10,000 (the principal amount) with a 15% annual interest rate.
- If you pay the loan off in five years, the total amount you'll have paid is **\$14,273.96** – over **42%** of the principal amount!



Principal Interest



Principal Interest

-
- Let's say you put \$10,000 into a savings account with a 3% annual interest rate.
 - If the money sits in the account for five years, you'll have earned **\$1,592.74** of free money!

The Power of Compound Growth

- **Concept of Compound Growth**

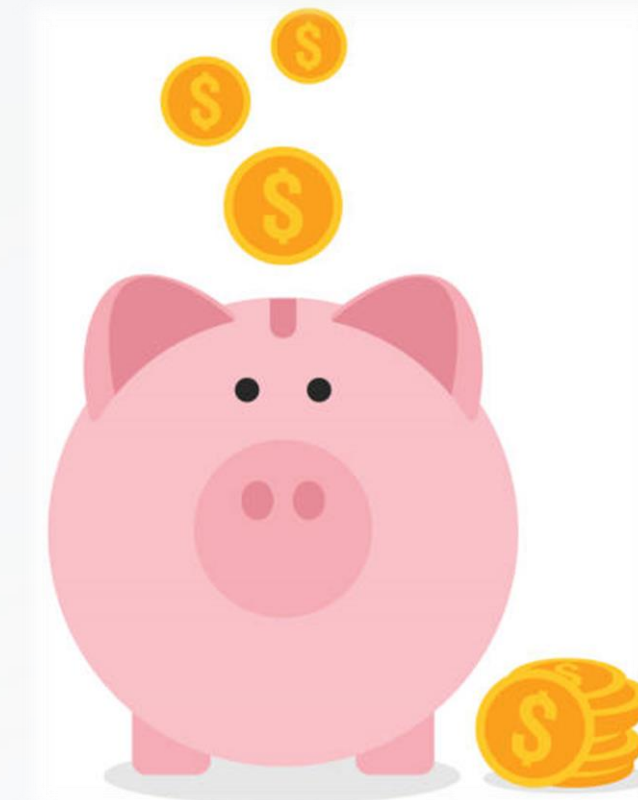
Compound growth means earning returns on both the original investment and previously earned interest.

- **Importance of Time**

Starting early allows investments to grow exponentially, making time the most critical factor in compounding.

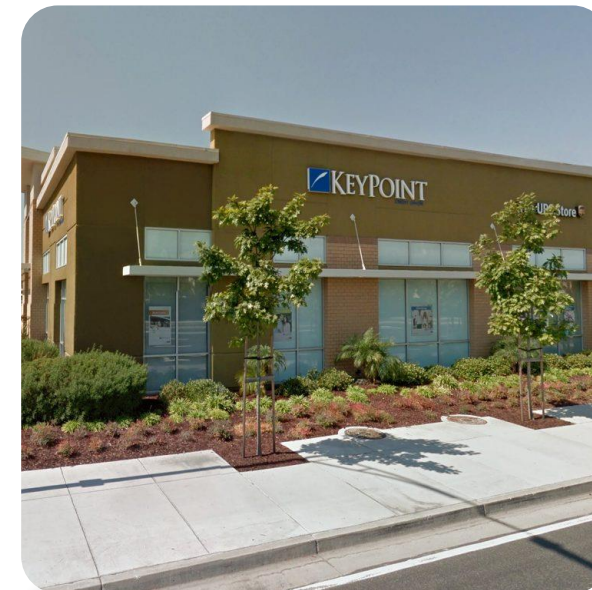
- **Consistency Over Perfection**

Regular, manageable saving is more impactful than waiting for perfect conditions to start investing.



Budgeting and Spending Habits

Developing budgeting and spending habits influences daily financial outcomes and controls expenses.



Intro to Budgeting

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A **budget** is a spending plan for your income and expenses. Creating and sticking with a budget allows you to:



Be conscious of spending



Avoid debt



Build wealth



Be prepared for emergencies

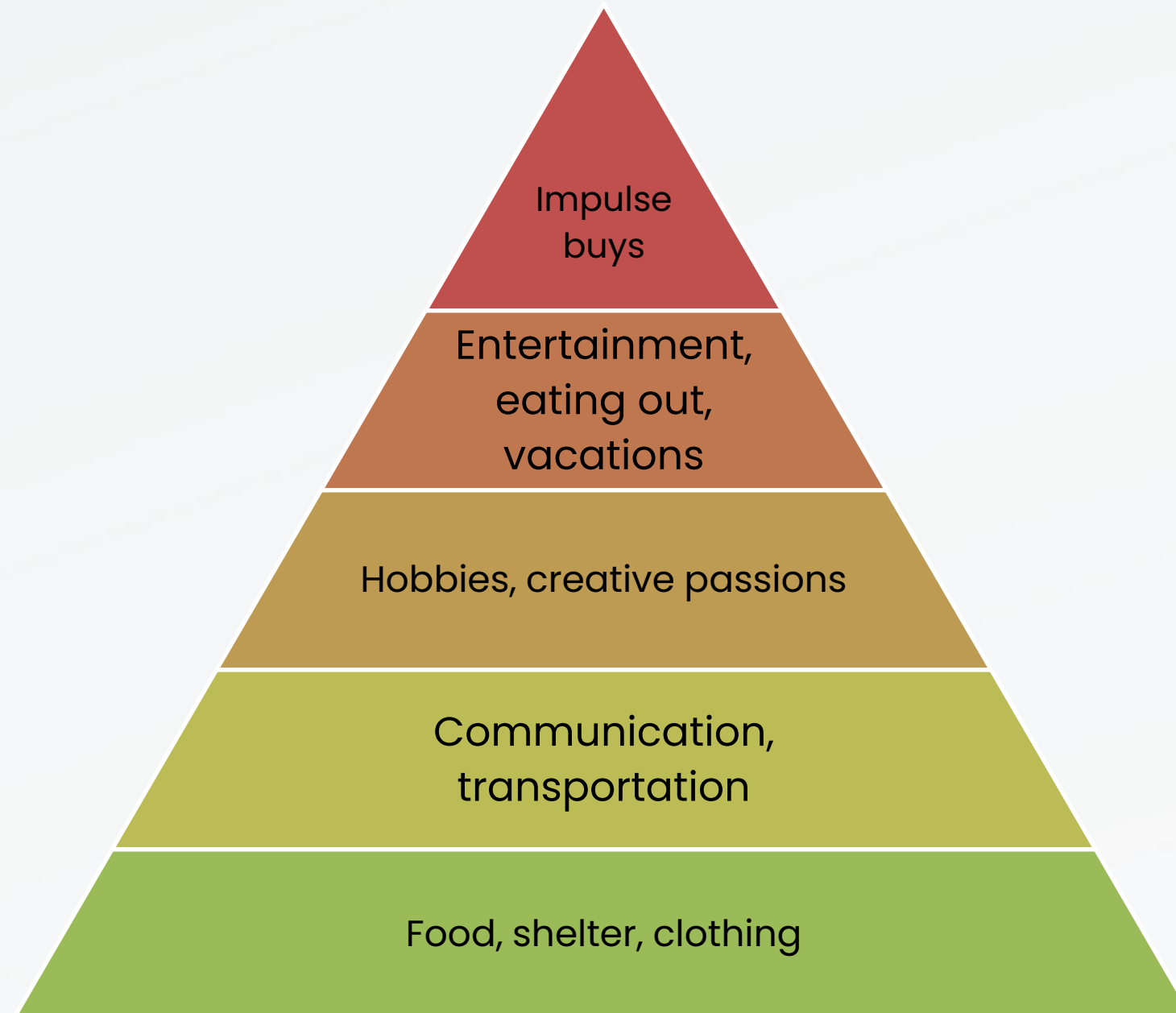


Plan for future goals



Spend money on wants!

Needs vs. Wants



WANTS



NEEDS



Creating a Budget



1. Figure out how much money you make.
2. Track your expenses & identify what is spent on needs vs wants.
3. Calculate the total spent on needs and subtract it from your earnings.
4. With the remaining amount, set savings goals.
5. After you've deducted your needs and your savings contributions, you'll know how much you can spend on wants without overspending!

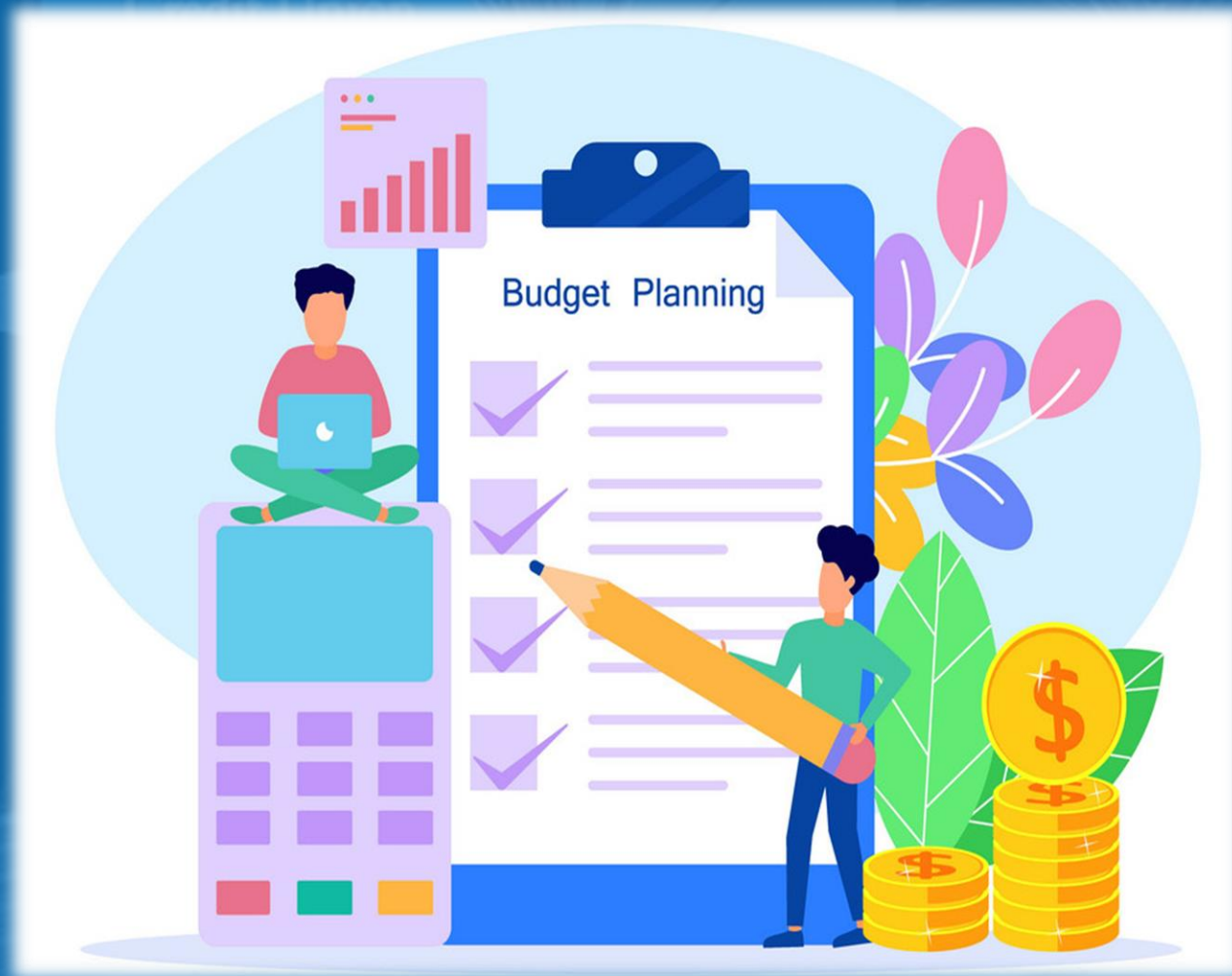
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Open 7 Days
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Popular Budgeting Methods



- **50/30/20 Budgeting Method**

This method divides income into needs, wants, and savings, providing an easy-to-follow budgeting framework.

- **Zero-Based Budgeting**

Every dollar is assigned a specific purpose, offering tight control over finances for detailed budgeters.

- **Envelope Budgeting Method**

This method manages variable spending by allocating cash or digital envelopes to different categories.

- **Personalization and Flexibility**

No single method fits all; the best budgeting style is one that can be maintained consistently.

50/30/20 Budget

50%
Needs

- Rent/mortgage
- Utilities/groceries
- Transportation
- Insurance

20%
Saving

- Savings goals
- Investments
- Retirement saving
- Debt repayment

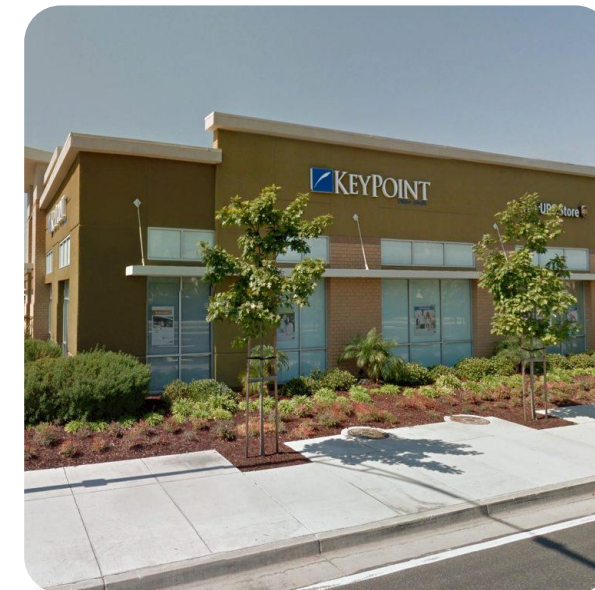
30%
Wants

- Streaming services
- Dining out/travel
- Hobbies/interests
- Misc. shopping



Saving and Financial Stability

Using practical saving tools and automation helps make saving money easier and consistent over time.



Budgeting Tips & Tricks



- Check account history regularly to stay on top of your spending.
- Use different accounts for different purposes, such as savings, bills, and fun.
- Don't compare your financial situation to anyone else's. Do what's right for *your* goals and *your* life!
- Choosing accounts based on short-term goals, emergency funds, or longer-term savings improves financial planning.
- Choosing the right savings tools increases progress without extra effort by maximizing returns and minimizing risks.
- *Remember that if you're not budgeting, you're losing money!*

Resisting Impulse Purchases

What The Average American
Spends on Impulse Buys:

\$314
a month

\$3,768
a year

\$226,080 *a lifetime*

Two out of 3 impulse buys
happen in bed on a phone.



Top Impulse Buys



Food &
Groceries



Clothing



Household
Goods

Sources: PR Newswire, 2021; Statista, 2023

Question
yourself

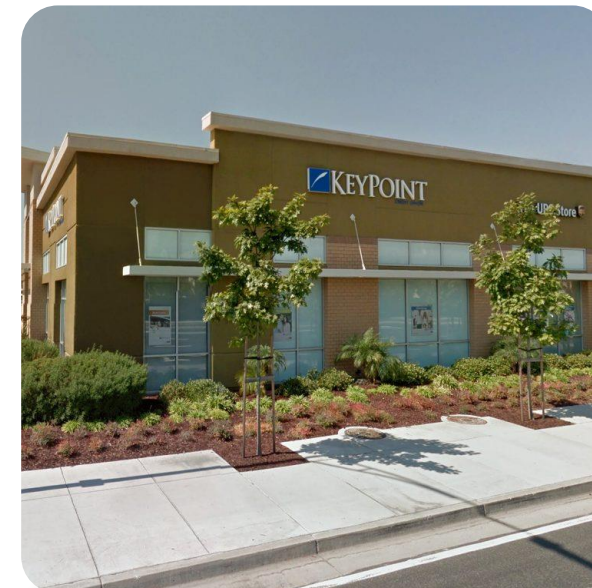
Beware of
scrolling

Stop the
comparis
ons

Practice
the 30-
Day Rule

Wealth Building and Support

Managing risks with emergency funds, credit health, and responsible debt supports financial stability.



Staying Financially Healthy!

- **Good vs Bad Debt**

Distinguish between good debt like education and housing, and bad debt like high-interest consumer balances.

- **Credit Score Importance**

Credit scores impact borrowing costs, insurance rates, and housing opportunities significantly.

- **Credit Management Behaviors**

Key credit behaviors include timely payments, low balances, and limiting credit applications.

- **Wealth Building Strategies**

Investing, retirement accounts, diversification, and employer benefits help grow wealth consistently over time.



About KeyPoint CU

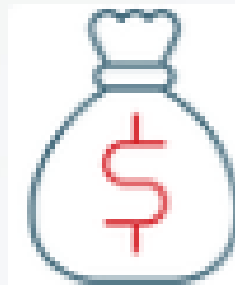
Born from Silicon Valley innovation, KeyPoint is one of the largest credit unions in California with over 40 years of serving Members. As a 100% Member-owned, not-for-profit financial cooperative, KeyPoint exists to help Members thrive financially throughout all stages of life.



Started 40+ years ago serving people in the technology industry.



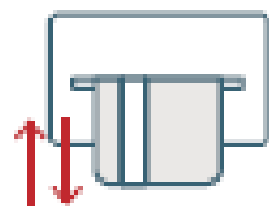
50k+ members strong



4.8 Star Rating Overall in service, based on customer reviews.



7 branches in The Bay Area



30k+ fee-free ATMs nationwide



Secure & easy way to bank with top-rated Mobile App²



Current Promotions

Let's 
GROW
Together



 **GROW**
Your Space
Home & ADU Loans
*Buy or expand your space
with flexible financing and
local support*

 **GROW**
Sustainably
GoGreen Loans
*As low as **3.99% APR**¹
for sustainable, energy-efficient
upgrades*

 **GROW**
Flexibility
Home Equity Line of
Credit (HELOC)
*Access your home's equity for
upgrades, debt payoff and more*

 **GROW** Your Money

3.35%
APY²
5 & 12-Month
Certificates

\$75
YOUTH BONUS³
Open a new
Youth Account

GET UP TO
\$300⁴
Open new
FREE Checking
+ direct deposits

Leo Rosales

Branch Manager

Lrosales@kpcu.com

JOIN TODAY!




Next Generation Neighborhood Banking

¹Rates accurate as of 3/1/2026 and subject to change. All loans and terms are subject to credit approval. Rate is based on creditworthiness and other factors and may be higher than the rate shown. ²APY=Annual Percentage Yield. Available as of 3/20/2026 and subject to change. \$500 minimum opening balance. New money only—this certificate cannot be funded with money already in a KeyPoint account. Early withdrawal penalties apply. ³Available as of 1/1/2026-6/30/2026. To qualify, individual must be 17 or younger and open a KeyPoint Student Checking, Kids Checking or Kids Savings account with \$10 minimum opening deposit. Annual percentage yields as of 3/1/2026 on Kids Savings: balances under \$50,000 0.05%; balances \$50,000 and up 0.10%. Bonus paid the first business day after account opening; cannot be used for opening deposit. May not be combined with other promotions. KeyPoint Membership required. Not available for Members who have had a KeyPoint account in previous 24 months. Taxes on bonuses, if any, are recipient's responsibility. KeyPoint complies with tax reporting laws. Other restrictions may apply. ⁴Bonus offer available 1/1/2026 to 6/30/2026; subject to change or discontinuation thereafter. Promo code "NM26" required at account opening. Recurring monthly direct deposit of at least \$1,000 of qualifying income required. Ask for details. Taxes on bonuses, if any, are recipient's responsibility. No dividends. Checking account eligibility required. Restrictions and conditions apply.

Federally Insured by NCUA • Equal Housing Lender • NMLS #417395

REV0426



Thank You!



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