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Name of Host Bank: Burke & Herbert

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Title of Essay: Find a Good Bank and You'll Find a Helper

Dear Grammy,

I'm so sorry I had to cut our conversation short last week. Burke & Herbert's Bank Day event was starting and I didn't want to be late. I couldn't invite you to join me, because it was only for high school seniors, but the presentation was excellent. I want to share with you some of the things I learned.

I've always known that saving was important, but there is actually more to it than that. Consistent saving is the key. Committing to saving a specific percentage of every paycheck is an excellent way to accomplish this. That's how nest eggs are built. Good financial decisions become good financial habits. There are also a several different types of savings accounts, such as one just for kids or a certificate of deposit. Another way to save is through retirement investments. At Bank Day I learned that I'm able to start a retirement account now even though I only work part time. Before that, I was planning on opening a retirement account after college graduation when I began working full time. Of course, it's great to start retirement savings at any time, but this would have caused me to miss out on years of interest and growth. Armed with this knowledge, I opened a Roth IRA for myself two days ago! A Roth IRA is an individual retirement account that is funded with after tax dollars. Don't worry - I know I can't withdraw the money until I'm at retirement age otherwise I'll be assessed taxes and a penalty.

Bank Day also taught me a lot about credit cards. I bet I've seen cards being used thousands of times, yet I never really understood how to obtain a credit card and how to use it responsibly. I had no idea what a credit score was or that my credit card usage could impact it. A credit score is a number that represents whether I reliably pay what I owe. Having a high credit score is a good thing and it is important, but since I'm just starting out as an adult, I may need some help with that. Since my parents pay off their credit cards every month, I can ask them to add me as an authorized user on their account, which will allow me to begin to build my credit history. Alternatively, I can ask my mom about helping me set up a secured credit card. I had never heard of this before, but it's a low balance credit card that's tied to funds which are set aside to guarantee that the credit card balance will be paid.

But building credit is only a part of understanding credit cards. These cards should mostly be thought of as a convenience. They are helpful because they eliminate the need to bring cash everywhere, but should be used when I already have the money set aside to pay for the item. If at

all possible, balances should be paid off each month. Otherwise, every time I pay interest, it's like grabbing money from my own pocket and throwing it away. I definitely don't want to do that! This is easy to do if I refuse to buy anything that will be gone before I've even paid it off. That's so easy to remember; meals, movies, Uber rides, manicures, and a million other things are fleeting and should only be purchased if I already have the money to buy them. Of course, sometimes paying off the full balance of a credit card may be impossible, and in that case it's vital that I make at least the minimum payments owed. If I don't, the delinquency will appear on my credit report for seven years and my credit score will go down. This could result in less favorable interest rates for me when I apply for a mortgage or car loan. At Bank Day they suggested that to prevent this from happening, it is a good idea to schedule automatic payments because once you get behind, it becomes very difficult to fix. Forgive me if you know all this already, because I didn't!

Before I wrap up this letter, there was one last topic that I learned about from Burke & Herbert that reminded me of something you once told me. I know you'll remember how we used to love watching Mr. Rogers, but you may not recall that we watched an interview with him on YouTube. He said something that will always stick with me: always look for the helpers. Throughout my life I've done that, relying on people who are typically seen as helpers, like teachers, doctors, and coaches. But guess what? Banks are helpers, too! They loan money to small businesses in a non-discriminatory manner, which improves the lives of everyone in the community. The ice cream shop that is able to open its doors because it secured a small business loan ends up being the place that the whole orchestra goes to for a treat after the last concert each year. They work to improve lives in other ways, too, such as donating to organizations in their communities and participating in enriching programs like the Bank Day one I attended and the Virginia Reads One Book event for younger children. As helpers, they educate adults on various topics such as powers of attorney, the use of credit, and how to recognize fake bank messages. Banks wants communities and neighborhoods to succeed, and they work to help them do so.

Grammy, thank you for letting me explain some of what I learned at Bank Day. You would have enjoyed it and I know you would have also learned a great deal from. I miss you tremendously and look forward to seeing you soon!

Love, Your Grandchild