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Credit Education Week 2008: Teens talk about money

Survey finds teens are more interested in financial education than their parents think!

Toronto, ON (November 17th, 2008) – Today, Credit Canada and Capital One Canada launched the second annual Credit Education Week to more than 800 high school students from SATEC @ W.A. Porter Collegiate Institute. The SATEC students were the perfect audience for the money management message. According to a recent survey by Credit Canada, 97% of teens are interested in learning about money management, yet only 13% indicated that they know a lot about the subject. Credit Education Week 2008 seeks to address this knowledge gap by teaching teens to save properly and budget consistently to avoid a debt-filled future.

“I think it is very important to manage my money. I am only just learning the basics now but I know I have a long way to go,” says Jasheta Govindarajan, a Grade 12 student from SATEC @ W.A. Porter Collegiate Institute. “I’ve tried the new PiggyPal budget tracker and I think it is an awesome way to show me how much I spend every day and how to save for my future.”

Joined by the Honourable Harinder Takhar, Minister of Small Business and Consumer Services, Credit Canada and Capital One introduced innovative and interactive tools designed to help teens – and their parents and teachers –take control of their finances.

“Teenagers are eager to learn – all they need is some inspiration,” said Bill Cilluffo, President, Capital One Canada. “Our hope is that, using these tools, parents and teachers can work with teens to develop budgets and test their money management skills and financial judgment. Everything they learn now also better prepares them for financial decision-making as adults.”

The event introduced a new interactive budget tracker called **PiggyPal.ca** that can be downloaded onto a mobile phone to help keep spending under control. The students also played an **on-line trivia game** developed to help teenagers learn the basics of money management in a fun, competitive way – at home or in the classroom. The launch event concluded with an entertaining presentation by comedian James Cunningham of Funny Money Inc. who delivered a powerful message about the importance of understanding finances.

“Teens are telling us that they want to learn about money, but they want it to be fun and interactive,” said Laurie Campbell, Executive Director, Credit Canada. “Almost every teenager has a mobile device or access to the Internet. By putting the technology in their hands with the budget tracker and the online game, we are empowering teenagers to take responsibility for their own financial future.”

Financial education for teens is greatly needed. According to the Credit Canada survey:

- ‘How to save money’ is the most important topic for teens, but unfortunately, only 14% of parents are actually providing an in-depth explanation of ways to save money to their teenagers.
- 70% of parents are willing to top up their teenagers’ allowances on command, preventing their teens from learning the value of money.
- Teenagers indicate that the top three preferences to learning about money and finances are: taking a class in school (ranked #1); using an interactive tool with parents (ranked #2) and using an interactive tool with friends (ranked #3).

Credit Education Week runs until **November 20th**, concluding with a popular speaker series from renowned financial experts and a trade show event that will be free to the public.

For more detailed information and a schedule of activities, visit:

www.crediteducationweekcanada.com.

About the Survey

These are the complete findings from a Torque Customer Strategy conducted on behalf of Credit Canada. The on-line survey was completed with parents and their teens between August 27th and September 9th, 2008. In total, 407 survey responses were collected from parents and 407 survey responses were collected from teenagers, with equal distribution across the 4 major regions in Canada. The margin of error for the combined statistics (parents and teenagers) is +/- 3.43% 19 times out of 20. Individually, the margin of error is +/- 4.86% 19 times out of 20.

About Credit Canada

Credit Canada is a non-profit charitable service that has assisted thousands of people with credit counselling and debt management programs since 1966. Credit Canada is a member of the Ontario Association of Credit Counselling Services and a Charter Member of Credit Counselling Canada.

About Capital One

Located in Toronto, Ontario, Capital One has offered Canadian consumers a range of competitive MasterCard® credit cards since 1996, when the company first introduced the Platinum MasterCard® in Canada. Capital One Canada is a division of Capital One Bank, a subsidiary of Capital One Financial Corporation of McLean, Virginia (NYSE: COF)

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HIGHLIGHTS OF THE 2008 CREDIT CANADA SURVEY

Some teenagers have even worse money management habits than their parents

- Of the 33% of parents who consistently save money every month, only 41% of their teenagers followed the same behavior of their parents.
- Overall, only 20% of teenagers save money and do it consistently every month.
- While 56% of parents set a budget and try to stick to it, only one-quarter of teenagers (25%) set a budget and try to stick to it.

Many parents are not teaching their children the fundamentals of money management

- Only 14% of parents indicate that they have provided an in-depth explanation to their teenager about the importance of saving money, different saving vehicles, and the benefits of each.
- 70% of parents are willing to give their teenager money as they need it or top up their set allowances.

A significant gap exists between what parents think they are teaching their teens and what teenagers are actually learning.

- 88% of parents teach their teenagers about debit cards; however, only 45% of teenagers indicate they have a strong understanding of it.
- 89% of parents teach their teenagers about savings accounts; however only 39% of teenagers indicate that they had a strong understanding of how to use a savings account.
- 68% of parents teach their children how to use credit cards; however, only 18% of teenagers say they have a strong understanding of how to use one.

Parents may overestimate the impact of teachers when it comes to teaching money management to their teens.

- 61% of parents say that teachers have a strong or very strong impact on teenager's knowledge of money; however, only 40% of teenagers indicate that their teachers taught them something about money.

Teens prefer interactive learning for money matters.

- Teenagers indicate that the top three preferences to learning about money and finances are: taking a class in school (ranked #1); using an interactive tool with parents (ranked #2) and using an interactive tool with friends (ranked #3).