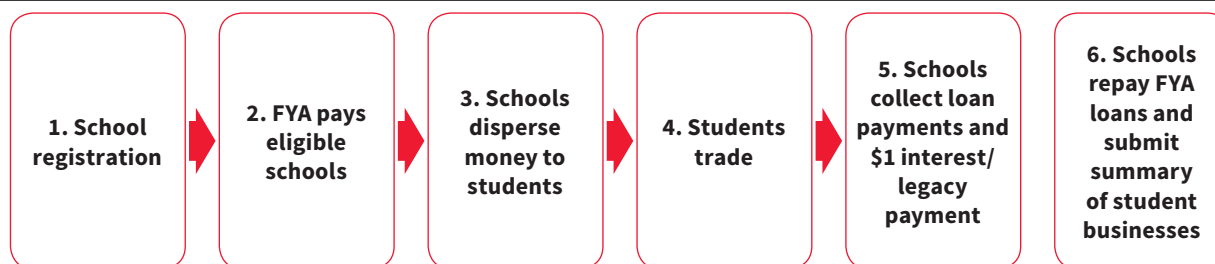


HOW 'THE BANK' WORKS

THE CHALLENGE BANK – WHAT IS IT?

\$20 Boss is designed to give every participating student \$20 to plan, budget for and create a business. The expectation is that all 'loans' will be repaid by students, with a \$1 interest/legacy payment to the program. This interest is charged for two reasons. Firstly, in order to give students a realistic view of loans and increase their financial literacy, they need to understand that loans incur interest. Secondly, the legacy payments support the growth of the program and its delivery to a greater number of students across Australia.

PAYMENTS: PROCESS AND RESPONSIBILITIES



Who	Schools	FYA	Schools	Students	Schools	Schools
Term 2	Feb - March	April	May	May - June	July	October
Term 3	Feb - March	June	July	August	September	October

- School registration:** Each school will be asked to complete a registration form, which we will provide. This will include:
 - General school information – name, contact details, year level of participating students, number of participating students
 - School bank account details
 - Terms and conditions of participation
- FYA pays schools:** FYA will deposit a lump sum amount of money into the school's bank account according to the number of students participating as per the registration form. For example, if there are 50 students participating FYA will deposit $(50 \times \$20)$ \$1,000 to the school.
- Schools disperse money to students:** It will be the responsibility of the school to withdraw the deposited funds and disperse these funds to students in the lead-up to trading.
- Students trade:** Students will have created a budget and spent their loan creating their businesses. Throughout the trading month, it will be the responsibility of the students to manage the money they make through their business venture.
- Schools collect loan payments and \$1 interest/legacy payment:** Schools will be responsible for recollecting the loans from students and the additional \$1 interest/legacy payment. We recognise that not all participating students will be able to repay this loan, as their business ventures may not have been profitable throughout the month. Research tells us, however, that 97% of students are able to repay the loans – an amazing repayment rate!
- Schools repay the loans to FYA and submit summary of student businesses:** Depending on the repayment option you select on your registration form, FYA will set up either a direct debit facility or an invoice. This will mean that in early November, FYA will send out an invoice or debit the loan money and interest/legacy payment from schools. For example, if you have 50 students participating, FYA will debit $(50 \times \$20) + (50 \times \$1) = \$1,050$. As mentioned in the terms and conditions, should there be any problems with this we are happy to discuss this on a school-by-school basis, as we understand that not all students may repay their loans.
 - The summary of student businesses should include:**
 - Number of teams (number of students)
 - Business names and a short summary of each business (the students will have prepared this)
 - How much profit/loss was made by each team
 - The video recording of the final presentations by students
 - Any additional feedback for FYA.

