



NEWS RELEASE

Fidelity Breaks New Ground With No-Fee Saving, Spending, and Investing Account for 13- to 17-Year Olds

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- New Account Strengthens Fidelity's Commitment to Financial Literacy Among America's Youth by Teaching Foundational Finance Practices
- Provides the Value and Simplicity Teens Expect, With Educational Content and Tools to Engage Them and Their Parents/Guardians During this Critical Teaching Moment
- Offers Teens Hands-On Learning Experiences with Parent/Guardian Monitoring

BOSTON--(BUSINESS WIRE)-- Building on **Fidelity Investments'** commitment to educate and support the next generation of investors, the firm today launches **Fidelity Youth Account**, the industry's first brokerage account designed exclusively for 13- to 17-year old teens to save, spend, and begin investing. Parents and guardians can monitor the teen's activity in the account, fostering new learning opportunities and topics for discussion.

The Fidelity Youth Account combines a new library of tailored educational content and tools, Fidelity's award-winning brokerage platform, mobile app with a simplified user experience, and customer-centric practices such as zero subscription fees, zero account fees, zero minimum balances, zero domestic ATM fees, and zero online commissions. Parents and guardians with a Fidelity account can work with their teen to establish the Youth Account and engage together in financial learning, giving the teen hands-on experiences and helping create better financial habits as the teens age.

"Fidelity is committed to responsibly supporting young investors," said Jennifer Samalis, senior vice president of acquisition and loyalty at Fidelity Investments. "Importantly, our goal for the Fidelity Youth Account is to encourage young Americans to learn through action and foster meaningful family conversations around financial topics. Designed alongside teens and parents, the account is charting a new course by providing the ability for teens to build healthy money habits through learning by doing."

Once an account is established and the teen sets up their unique username and password (which, importantly, does not give them access to the parent's/guardian's account), they can:

- **Save and Spend:** With no minimum investment at account opening, teens can gain hands-on experience with saving and spending activities, including managing a debit card with all domestic ATM fees reimbursed, and having a choice among cash sweep options for any uninvested cash.
- **Learn:** To help parents and guardians introduce the concepts of saving, spending, and investing with their teens, and then engage the teens with plain English investing education concepts, Fidelity introduced in-app education modules, and new **articles** on the Youth Account overview page. Article titles include **Investing basics for teens** (5 tips to introduce your teens to investing) and **Be a great money role model** (6 tips to help parents avoid common money mistakes with kids and teens). The teens also gain access to Fidelity's myriad online research tools that can help them generate and confirm investing ideas before they begin investing.
- **Plan and Invest:** Teens can research and plan how to use their next dollar with Fidelity's educational tools and resources, including the option to buy and sell domestic stocks, most ETFs, and Fidelity mutual funds (such as **Fidelity ZERO** expense ratio mutual funds). And, with **Fidelity's Stocks by the SliceSM**, teens can learn the basics of investing with fractional shares for as little as \$1.

The Fidelity Youth Account is designed to grow with the teen as their age, learning, and financial needs change overtime. When the customer reaches the age of 18 the account will transition to a standard brokerage account that comes with more choice and flexibility, and this can be completed without the need to transfer assets to a different account or generate a new account number or login credentials.

Learnings from Fidelity Youth Account Pilot Participants

Fidelity surveyed the parents/guardians and their teens about their experiences with the Youth Account pilot. While teen responses to the survey were limited, the select highlights can suggest the following:

- Nine out of 10 parents/guardians sat down with their teen and used the account as a teaching moment, and new relationship dynamics surfaced now that they have a shared investing language. Teens say "dinner conversations" now include:
 - Importance of saving
 - Smart spending/budgeting tips
 - Why investing is important
 - Sharing investing ideas
 - Long-term vs. short-term investing
- Nearly three in four teens (73%) are now more confident in achieving financial success, and the account has increased their knowledge level for trading stocks as well as for researching investments by more than

double.

- Teens report supplying nearly half of the money used to fund the account (44% on average), with the other half funded by family members.

Fidelity's Commitment to Financial Literacy

The educational tools available with the Fidelity Youth Account are an extension of Fidelity's commitment to bringing financial literacy to the communities in which we work and live. **Fidelity Financial ForwardSM** offers educators, parents, and anyone with a vested interest in a child's education with the tools to teach the nuances of financial management. With an understanding of how finances work, young investors can make better personal finance and investing decisions for their lives. Fidelity partners with national non-profit organizations like Council for Economic Education and Junior Achievement, and schools and teachers to provide them with the necessary tools to teach children about healthy money habits from an early age. These efforts have reached 3,500 teachers, who in turn have shared these financial concepts with more than 400,000 students nationwide since 2015.

In addition, Fidelity offers the free online game **Five Money Musts** for individuals who want to learn about how to manage their money to prepare for the "real world." Open to everyone, Five Money Musts allows users to explore the basics of budgeting, credit cards, debt, investing, and retirement. The game tracks progress and grants points based on the decisions users choose for different financial choices.

About Fidelity Investments

Fidelity's mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of \$10.3 trillion, including discretionary assets of \$3.9 trillion as of March 31, 2021, we focus on meeting the unique needs of a diverse set of customers: helping more than 35 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as providing more than 13,500 institutions with investment and technology solutions to invest their own clients' money. Privately held for 75 years, Fidelity employs more than 47,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about-fidelity/our-company>.

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Fidelity now offers the Fidelity ZERO Total Market Index Fund (FZROX), Fidelity ZERO International Index Fund (FZILX), Fidelity ZERO Large Cap Index Fund (FNILX), and Fidelity ZERO Extended Market Index Fund (FZIPX) available to individual retail investors who purchase their shares through a Fidelity brokerage account.

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Before investing, consider the funds' investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus or, if available, a summary prospectus containing this information. Read it carefully.

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i Kiplinger's magazine, August 2020 Online Broker Survey. Fidelity was ranked No. 1 overall out of eleven online brokers. Results based on ratings in the following categories: Commissions and fees, Investment choices, Mobile app, Tools, Research, Advisory Services, and User experience. Also named Best for Investment choices, Tools and Advisory services in the 2020 survey.

ii The Youth Account will automatically be reimbursed for all ATM fees charged by other institutions while using the Fidelity® Debit Card at any ATM displaying the Visa®, Plus®, or Star® logos. The reimbursement will be credited to the account the same day the ATM fee is debited. Please note, for foreign transactions, there may be a 1% fee included in the amount charged to your account.

iii Fidelity Youth Account pilot began in mid-2020 with Fidelity employees who volunteered and had teen children aged 13 to 17. The pilot included 759 total accounts by the end April 2021.

iv Teen survey response rate was 8% and may not be representative of all teens who participated in the pilot.

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