



Fidelity Youth Account: Frequently Asked Questions

What is the Fidelity Youth Account?

- The Fidelity Youth Account is a teen-owned brokerage account that comes with a debit card. It is not a joint account or a custodial account.
- The Youth Account will allow a teen to save, spend, and invest in a single account.
- The Youth Account has no fees, minimum balances or debit card transaction fees.
- The teen is the owner of and has control over the account (i.e., they are the sole decision maker, not the teen's parent or guardian).

Is the Fidelity Youth Account a joint account or custodial account (i.e., is it a Uniform Gifts to Minors Act (UGMA) Account or a Uniform Transfers to Minors Act (UTMA) Account)?

No, the Youth Account is a teen-owned brokerage account. It is owned by the minor, who make all the investment decisions. This is unlike an UGMA or UTMA Account where the custodian makes the investment decisions.

What control over the account does the parent/guardian have?

A parent/guardian will:

- Initiate and approve of opening the account.
- Retain the ability to close the account and/or cancel the debit card at any time.
- Be an Interested Party and have Inquiry access, allowing for review of debit card statements and trade confirmations.
- Be designated the "trusted contact" and serve as a point of contact for Fidelity.

How will the parent/guardian be notified about activity in their teen's account?

As an Interested Party, the parent/guardian will receive copies of trade confirmations and monthly account statements. The parent/guardian will have access to view teen debit card transactions via "inquiry" access on the account (i.e., the Youth Account will be listed along with the parent's other accounts on Fidelity.com). Parents/Guardians can also set up alerts for their teen's trades, transactions, and cash management in the [Alerts Center](#) on Fidelity.com

Here's how parents can set up an alert:

- 1) Log into Fidelity.com
- 2) Go to the News & Research tab and select Alerts
- 3) On the left side, click on Cash Management
- 4) Select Alert Set-Up and check the box for Debit Card Usage
- 5) Select your teen's account and submit the required information

What are the responsibilities of the parent/guardian?

The parent/guardian is obligated to provide supervision/oversight and financial liability for their teen's actions. In any instances of expected fraudulent activity on the account, the parent/guardian will be the main point of contact. The parent/guardian should review the [Fidelity Youth Account Parent Agreement](#) for more information.

By opening the Fidelity Youth Account, will the teen also be able to view other Fidelity accounts they do not own?

Yes, in addition to their Youth Account, the teen will also be able to view the following:

- Accounts established under the Uniform Gifts to Minors Act (UGMA) or the Uniform Transfers to Minors Act (UTMA) where the teen is the named beneficiary
- UGMA or UTMA 529 custodial account where the teen is the named beneficiary. Note: non-custodial 529 Plans will not be visible.
- Any Roth Individual Retirement Account (IRA) for Minors established for the teen
- Any trust account where the teen is named as a trust beneficiary
- Any non-prototype retirement plan account where the teen is named as a plan participant
- Any IRA where the original account holder is deceased, and the assets have passed to the teen as the named beneficiary on the account

The teen will only be able to view information about these accounts. They will not be able to transact or make changes to these accounts.

Who is responsible for taxes or fees associated with the Youth Account?

The funds in the account belong to the teen. Both the parent/guardian and the teen should consider the tax consequences of funding the account. Earnings on the account may require the teen to file a tax return and pay taxes on those earnings, or, if the parent/guardian and teen meet certain requirements, the parent/guardian may elect to include such earnings on the parent's/guardian's tax return to pay the applicable taxes. Additionally, funds used to open the account may be subject to gift taxes if given by the parent/guardian or other third party. This is only a summary of some of the tax implications of opening a Youth Account. The parent/guardian should consult their tax advisor regarding the federal, state, and local tax consequences and/or potential impact to future student aid by opening an account with respect to their and the teen's personal situation.

Can a Fidelity Youth Account be opened if the parent/guardian does not have a retail brokerage relationship with Fidelity (e.g., parent/guardian is only a 401(k) participant)?

No, the parent/guardian must have some form of retail brokerage relationship with Fidelity (e.g., retail brokerage account or Fidelity Cash Management Account) in order to open a Youth Account.

If you don't have a Fidelity retail brokerage account for yourself, it just takes a few minutes [to open one](#). Just select the desired account type to get started.

If the parent/guardian closes their retail account with Fidelity, can the Youth Account remain open?

Should the parent/guardian choose to end their retail relationship with Fidelity, the Youth Account will remain open for the teen. Until the teen transitions the account (at age of majority), the parent/guardian remains associated with and will continue to have access to the account. While the parent/guardian is associated with the account, the parent/guardian Fidelity login credentials will remain active.

Can the parent/guardian associated with the Youth Account be changed after opening?

At this time, changes to the parent/guardian identified as the Interested Party cannot be made except in cases of death or disability. If a parent/guardian becomes unable to fulfill their obligations for any reason (e.g., disability, death), the teen must notify Fidelity. We will close the Youth Account and open a new Youth Account, with a new account number, debit card, and a new Interested Party parent/guardian. The new parent/guardian will need to have a Fidelity retail brokerage relationship.

Financial Industry Professionals

If the parent/guardian is employed in the financial services industry, would they need to report this account to their employer?

You need to make that determination yourself based on your particular situation.

Documentation/account opening

How does the parent/guardian submit documentation for opening the account?

During the online account opening process, you will need to upload pictures of your teen's identification documents (e.g., Social Security card, passport) to Fidelity. You are also able to submit these documents afterward in the Your Transactions page on Fidelity.com.

Why does Fidelity need multiple forms of identification from the teen? Usually only a Social Security number is required to open a standard Fidelity brokerage account.

Fidelity is required to comply with the anti-money laundering regulations. Our approach is to first attempt to verify the required information via non-documentary means. The teen's age may prevent Fidelity from verifying the required information electronically, we may require additional documentation to verify the teenager's identity.

Why does Fidelity need the teen's contact information?

The teen is our customer and we need this information in order to communicate with them like we would any other customer, including sending them certain account information, such as statements and trade confirmations, and notifying them of any issues with their debit card.

Does Fidelity require consent to electronic delivery of account information?

Yes, as a condition of opening the Youth Account, both parent/guardian and teen must consent to electronic delivery (in the case of the parent/guardian, this consent applies only to the Youth Account).

Will Fidelity use the teen's contact information to sell them other financial service products?

We use email as the primary communications method to notify account holders of features and updates regarding the Fidelity Youth Account. Fidelity will not use the teen's information to directly market other financial service products to them. Though it is possible, through the normal course of the customer relationship, the teen will see general Fidelity marketing (e.g., banner ads, social media posts).

What ways can the account be funded?

The Youth Account can be funded by the parent/guardian by transferring money from the parent's Fidelity account(s) to the teen's Fidelity account. The account can also be funded by electronic funds transfer (e.g., ACH), wire transfer, mobile check deposit, or US Mail check deposit. Transfers or deposits of securities are not permitted. Teens can also transfer funds from digital payment apps (e.g., Venmo, PayPal, CashApp) to their Youth Account. For ACH transfers, the teen must also be an owner or joint owner of the originating bank account.

Closing the Youth Account

How can I close a Fidelity Youth Account?

Either the parent/guardian or the teen can close the Youth Account at any time. When the account is closed, any securities in the account must be sold and the proceeds disbursed by check in the name of the teen. Securities cannot be transferred in kind. Please contact a Fidelity representative at 800-343-2428 to process your request.

Account Transition

What happens when the teen reaches age of majority/turns 18?

Once the teen reaches the age of majority (currently 18) the account is eligible to transition to a standard brokerage account without the need to transfer assets to a different account or generate a new account number / login credentials. The teen, as the account owner, will need to agree to a new set of governing documents, including a new account agreement. The teen will be prompted to transition their account starting on their 18th birthday. Once the teen's account transitions, they will also be upgraded to a new Brokerage debit card, which will be reflected on the [debit card page](#).

What happens if the teen does not transition the account at age 18?

On the teen's 18th birthday, the account will be restricted from making any purchases of additional securities (including execution of open orders). Sixty days after the teen's 18th birthday, Fidelity will prohibit deposits and deactivate the debit card. The teen will always be able to sell their holdings. Until the teen transitions the account, the parent/guardian remains associated with and will continue to have access to the account.

Securities, trades, limits

Is there a minimum balance on the Youth Account? Is there an account limit?

There is no minimum balance requirement. We suggest that deposits be limited to no more than \$30,000 per calendar year. We will monitor account deposits and reserve the right to restrict additional deposits and trading capabilities if annual activity exceeds this limit.

Are there any limits on the amount that can be directly deposited from an employer into a Fidelity Youth Account?

There are no limits on the amount that can be directly deposited into the Youth Account from an employer. We suggest that deposits be limited to no more than \$30,000 per calendar year. We will monitor account deposits and reserve the right to restrict additional deposits and trading capabilities if annual activity exceeds this limit.

Are there withdrawal limits on the Youth Account?

Yes, there are daily transaction limits (both individual and gross daily) on debit card withdrawals. There are no limits on withdrawals by other means (e.g., check, EFT, wire, etc.), but only cash withdrawals are permitted. Transfer of securities in kind out of the Youth Account are prohibited.

In what securities is the teen able to invest?

The Youth Account allows the teen to buy and sell only certain securities that are publicly traded in the United States. This includes:

- Most exchange-listed National Market System (NMS) securities. These include shares issued by large and small public companies listed on an exchange for purchase by the public. The teen can also purchase a fraction of a share of most NMS securities.
- Shares of Fidelity mutual funds, including Fidelity ZERO expense ratio index mutual funds, Fidelity municipal bond funds, and Fidelity money market mutual funds (including the money market fund used as the account's core position).

The teen cannot purchase securities other than those described above (e.g., third-party mutual funds, corporate bonds, municipal fixed income securities, certificates of deposit, and treasuries cannot be purchased). Also, there are certain types of NMS securities that can't be traded or held in the Youth Account. These include shares of real estate investment trusts, convertibles, and leveraged and inverse exchange-traded funds. There are also certain trading features that are unavailable, including options and margin trading. After-hours trading is prohibited. Other exclusions include:

- FILL insurance products
- Short selling
- Penny stocks
- International stocks
- Foreign currencies
- Participating in a company's initial public offering (IPO)
- Other securities that present unique risks or complexities that make them unsuitable for inexperienced investors

Are there any other trade limits on the Fidelity Youth Account?

Currently, there are no limits on the number or total dollar amount of any one trade or in the aggregate. All funds in the account are available to invest, subject to normal uncollected funds process and unsettled cash trading rules (e.g., free riding and good faith violations). Parents/guardians can view all trades in the Youth Account by looking at their Account Summary page while logged into Fidelity.com or the Fidelity Mobile(R) App. Just click the Youth Account and select History.

What is the teen's role in proxy voting or corporate actions?

The teen should work with their parent/guardian to decide whether to participate in corporate actions or proxy voting.

Notifications, statements, and confirms

What notifications, statements, and confirms will be sent to the teen?

All standard account-related correspondence will be provided to the teen (e.g., brokerage account statements, tax report notifications, trade notifications). Debit card usage alerts (for debit transaction notifications) are also available but must be set up by the teen in the [Alert Center](#)

Debit card

Can the debit card be managed online by the teen?

Yes, [online card management](#) is available for card activation, viewing card limits, managing PINs, locking and unlocking the card, replacing the card if lost, stolen, or damaged, and managing travel preferences. Debit card usage alerts (for debit transaction notifications) are also available but must be set up in the [Alert Center](#) on Fidelity.com.

Are there any features or limits on the debit card specific to the Youth Account?

Yes, the debit card is subject to daily transaction limits (both individual and gross daily). The teen can view the daily limits and remaining balance associated with the debit card on the Fidelity debit card page. Daily limits reset each day at 12:00 midnight ET. Daily limits are subject to the Available to Withdraw balance in the account. ATM fees charged by other institutions will be reimbursed.

Who do we contact if there is an issue with the debit card?

For debit card issues, the teen can contact Fidelity Debit Card Services using the number located on the back of their card or 800-323-5353. The teen should have their card number, last 4 digits of their SSN, and Fidelity account number when placing the call. If the teen needs assistance, they can consent to allow their parent/guardian to join the call to provide instructions or act as the primary point of contact if follow-up is needed.

What if I do not want my teen to have a debit card? Can they still open a Fidelity Youth Account?

A debit card will automatically be created and sent to the teen when a Fidelity Youth Account is opened. The parent/guardian or the teen can choose to deactivate the debit card at any time without closing the Youth Account, by calling a Fidelity representative at 800-343-2428.

Financial education

Are there any financial education resources available for teens?

We've created a dedicated resource to help teens learn good financial habits called the Youth Learning Center. It can be found in the More tab when a teen is logged into their account on the Fidelity Mobile® App.

The Fidelity Youth Account is a brokerage account for teens between the ages of 13 and 17. The account belongs to the teen and teens can use it to buy and sell securities. Investing in securities is risky, the value of the investments in the account will fluctuate and teens can lose some or all of the money they invest. The account also comes with a debit card that teens can use to make purchases and ATM withdrawals. A parent or guardian is associated with the account. That person is permitted to see what the teen is doing in the account, but they have no direct control over a teen's activity. The parent or guardian is also financially responsible for the teen's activity if the teen fails to satisfy those responsibilities themselves. A parent or guardian who has questions or concerns about a teen's account activity should immediately contact Fidelity.

Fidelity 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.

Venmo is a service of PayPal, Inc. Cash App is a trademark of Square, Inc. Fidelity Investments, PayPal and Square are independent entities and are not legally affiliated.

Investing involves risk, including risk of loss.

Fidelity Brokerage Services LLC, Member NYSE, [SIPC](#), 900 Salem Street, Smithfield, RI 02917

940985.3.0