

banking basics imprints

- 💡 The money you deposit at a bank is co-mingled with all other deposits but tracked and accounted for each individual customer separately.
- 💡 Banks make money from lending, investing deposits, and charging fees.
- 💡 The FDIC and NCUA insure deposits in savings accounts, checking accounts, CDs, and money market accounts.
- 💡 The FDIC and NCUA insure up to a maximum of \$250,000 for each depositor at a bank.
- 💡 You should check to be sure your bank or credit union is FDIC or NCUA insured.
- 💡 You can earn interest when you keep your money at a bank or credit union.
- 💡 There are four main types of banks for consumers: retail banks (savings and loans, community banks, etc.), credit unions, online banks, and what we like to call the “bankish other”.
- 💡 Online banks in the past have generally offered the highest interest rates on deposits.
- 💡 Credit Unions are not for profit and generally give you more interest on deposits and charge less interest on loans than retail banks.
- 💡 Online banks may not offer the full array of traditional banking services.
- 💡 Interest is money that either the bank pays on deposits or you pay them on credit and borrowings.
- 💡 APY is the most accurate representation of interest because it includes compounding that occurs more frequently than annual.
- 💡 APR does not include compounding that occurs more frequently than annual, APY does.
- 💡 Banks prefer marketing the APY to attract deposits.
- 💡 Banks prefer marketing the APR to attract borrowers.
- 💡 Deposit accounts include savings, checking, money market, and Certificates of Deposit (CDs)
- 💡 Savings and checking accounts are the “basic” tools of banking.
- 💡 Money market accounts and certificate of deposits typically offer higher interest rates than savings and checking.

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- 💡 Checking accounts are used for heavy transaction activity like paying bills and buying things.
- 💡 ATMs, debit cards, checks, and transfers are the most common ways to move around your money with checking account.
- 💡 Checking accounts usually don't earn as much interest as other deposit accounts.
- 💡 If your debit card is lost or stolen, report it immediately or you could incur additional fees.
- 💡 Savings accounts might have minimum balance requirements.
- 💡 Savings accounts usually offer higher interest rates than checking.
- 💡 You can only make six transfers a month in a savings account.
- 💡 A high-yield savings account can get you more interest if you are willing to maintain a high balance.
- 💡 Money market accounts generally have high minimums.
- 💡 You can make six withdrawals monthly without penalties, and only three can be with checks in a money market account.
- 💡 Money market accounts typically provide higher interest rates than savings accounts.
- 💡 Generally, the longer term the CD is, the higher the interest rate.
- 💡 CDs can have durations ranging from seven days to 10 years.
- 💡 There are penalties for withdrawing your money early from a CD.
- 💡 CDs generally have high minimums account values.
- 💡 Liquid CDs are more flexible with your money allowing for withdrawals.
- 💡 You must pay taxes on interest made from zero coupon CDs even though you may not have received it yet.
- 💡 Determine which type of bank is right for you by listing the benefits you are looking for.
- 💡 If your debit card or debit card number is stolen, report it immediately.
- 💡 If you wait more than two days to report a stolen debit card, you might be responsible for up to \$500!

- 💡 E-alerts can be helpful when keeping track of the daily activity in your checking account.
- 💡 Your debit card can rack up fees.
- 💡 You will get fees for bouncing checks, so avoid writing checks for amounts of money you don't have.
- 💡 It is easy to rack up fees by using ATMs that aren't associated with your bank.