

Lesson Two – Types of Bank Accounts

Circle the following services that are important to you:

- online banking
- monthly interest
- unlimited ATM use
- line of credit
- cheque writing
- safety deposit box

Banks offer these types of accounts:

Account Type	Features
Chequing:	<hr/> <hr/> <hr/> <hr/> <hr/>
Savings:	<hr/> <hr/> <hr/> <hr/> <hr/>
Tax-Free Savings:	<hr/> <hr/> <hr/> <hr/> <hr/>

So... which type of account would you need?

What are some record keeping options?

The most commonly used account is the **chequing account**. Below is a chart of the most common fees/service charges associated with this type of account:

Account Information	Low-Fee Account	Value Account	Unlimited Account	Student Account
monthly fee				
no fee with minimum balance of...				
number of transactions included per month				
additional transaction fee				

Example

1. Edna Mode is a set designer. In a typical month, she makes 26 transactions. She keeps a minimum balance of \$1650. How much will she spend with a Low-Fee account? Value Account?

Practice Questions

1. What are some ways to keep a record of your bank accounts? Which do you prefer and why?
2. Joanne manages an all-terrain vehicle and snowmobile shop. Joanne keeps a balance of at least \$1000. She usually makes 12 debit transactions, two teller transactions, and four ATM transactions in one month.
 - a) How many transactions is she making in one month?
 - b) How much will the Low-Fee Account cost?
 - c) How much will the Value Account cost?
3. Tatiana is a student at the University of Winnipeg. She does not have a constant balance.
 - a) Which type of account should she choose?
 - b) Why is this always the best choice?
4. Jeremy makes 20 transactions per month. He maintains a balance of \$3500 per month.
 - a) How much would a Value Account cost?
 - b) How much will the Unlimited Account cost?
 - c) Which should he choose, and why?

