

## 14 Questions to Ask Before Opening a Savings or Checking Account

### SAVINGS ACCOUNT

Yes No N/A

**Does this account fit my banking habits?**

Do you prefer meeting face-to-face with a teller or quick transactions online? How often do you tap into your savings, if at all? Your personal preference(s) play a major part in selecting a bank.

**How accessible are my funds?**

How easy is it for you to access your money? The particular account you desire, such as that high yielding savings account, may only be accessible online.

**Does interest matter?**

If you're going to be pulling money out frequently, the interest rate may become a non-factor. But if you're truly saving for a rainy day it's best to make that money work for you by shopping around for the best interest rate.

**Are there free transfers?**

Some institutions charge a fee for transferring funds from another institution.

**Can I afford the minimum?**

Some high-yielding savings accounts require a minimum initial deposit or a minimum balance in order to maintain the account. The idea of saving is to tuck money away for major investments and unexpected catastrophes. Setting those funds aside should never put you in the red because the required minimum is too high.

**Are my transactions limited?**

Consider the number of transactions you make each month and if the bank's cap is under your normal transaction average you don't want to wind up penalized for what's essentially your day-to-day financial dealings.

**Does my local credit union offer a better rate or better services?**

While banks may be the first place many consumers look when it comes to stashing their cash, credit unions often offer competitive rates. Also, depending on the account, your local credit union may offer fewer fees.

## CHECKING ACCOUNT

### **Does this checking account fit with my current banking habits?**

Do you mostly write checks, use your debit card or use online banking? Make sure that your bank or credit union offers an account tailored to your needs without any added fees.

Yes No N/A

### **Can I maintain the balance?**

Some banks require customers to maintain a minimum balance or monthly average balance in order to forgo a monthly charge.

### **Is this a place I'd like to conduct *all* my banking?**

Chances are, no. But understand there are customer advantages and disadvantages to opening up combo bank accounts (checking and savings). But is this right for the financial goals you're trying to achieve?

### **Are the ATM fees exorbitant?**

While most consumers are accustomed to a \$2 to \$3 fee when using an ATM outside of their bank's network, some financial institutions are now adding fees to debit card purchases and upping ATM fees. Although the fees may seem small, a couple dollars here and there can add up quickly.

### **Are my fees reimbursable?**

As an incentive to get customers to open accounts, some institutions, such as HSBC and TD Bank, had done away with ATM fees, but this is no more. Other banks also promised at least one overdraft-fee-reimbursement per year, but given the introduction of new regulations these may soon be a distant memory as well. Still, it doesn't hurt to ask.

### **Is the fee structure clear and understandable?**

Know the policies if you overdraw your account. "Some banks can charge interest on the overdrawn amount, on top of the fee, if the account is not repaid immediately," warns Conner.

### **Can I negotiate?**

Be sure to actually talk to a banking representative. "Make the bank answers your questions," say Conner. "Challenge their offerings. You can negotiate the best offer for your banking needs."