

Checking Accounts

Login to **Banzai**, click **High School Personal Finance**, scroll down to the library section, and read the article “**Check it Out.**” Answer the following questions based on what you read.

1. What are typical fees associated with checking accounts?

- a. A monthly fee
- b. A fee for each check or ATM withdrawal
- ☒ c. A fee for each time you use your debit card
- d. Both A and B
- e. All of the above

2. A no-frills account often has no fees.

- a. True
- ☒ b. False

3. Describe the difference between transaction accounts and non-transaction accounts.

A transaction account means you can authorize the bank to transfer money from your account to another person or organization. A non-transaction account means you can only withdraw from it or transfer money to another account in your name.

4. What is NOT a good reason to put your emergency fund in a CD or money market account?

- ☒ a. You know you'll need the money soon.
- b. The money will be safe.
- c. The potential lost interest or fees will be the least of your worries in a financial emergency.
- d. None of the above

5. What is the biggest benefit to using an interest-bearing checking account as opposed to a regular checking account?

An interest-bearing checking account lets you earn interest on money in the account, so your money is growing!

6. Do you think an interest-bearing checking account is worth it? Why or why not?

Answers will vary, but may include, because the fees are high and may outweigh the interest you make in the account. OR Yes, because if you're very careful and make sure the balance always stays above the minimum, you'll earn free money.