

# How to Save Money when Choosing a Bank

## **1) Many consumers pay high bank fees because they have chosen banks that provide unnecessary services.**

Consider our tips to avoid paying too much for your financial services.

## **2) There are more options than just the large, national banks.**

Many regional banks, credit unions, and Internet banks offer free checking accounts, savings accounts, and access to ATMs. These institutions may have fewer ATMs than large banks, but they usually do not charge depositors for using other banks' ATMs. Shop around for a bank online at [www.bankrate.com](http://www.bankrate.com), [www.moneyrates.com](http://www.moneyrates.com), [www.findabetterbank.com](http://www.findabetterbank.com), and [www.bankfox.com](http://www.bankfox.com). For help finding a credit union online, go to the National Credit Union Association (NCUA) and [www.findacreditunion.com](http://www.findacreditunion.com).

## **3) Avoid paying for a checking account.**

There are plenty of free options at banks and credit unions, but be sure to find out if the account has a minimum balance requirement. Ask about the fee for going below the minimum balance, and if there are any fees for writing checks and bouncing checks. Some institutions offer reduced-fee accounts if you have a consumer, mortgage, or auto loan with them. Setting up direct deposit may also eliminate checking account fees. Even some of the large, national banks offer no-fee, online checking accounts.

## **4) Make sure you get the most out of your savings account.**

Shop around for the best interest rate, and check to see if opening a saving account will reduce fees paid on a checking account. You also want to find out about minimum balance requirements, and limits on the number of withdrawals. Fees for going below the minimum balance and exceeding the withdrawal limit are common, and could potentially erase the benefit of earned interest.

## **5) Choose the right package for what you need and link a card to your account.**

Look over the packages and choose the services you use regularly. Don't pay extra for a service you'll rarely use. Don't get an interest-bearing account if your balance is so low that the interest will be less than the charge of having the account.

Many institutions offer lower interest credit rates and higher credit limits to consumers who have other accounts with them.

## **6) Get free, easy access to ATMs and avoid extra fees and charges.**

Find out about ATM withdrawal limits, the accessibility of ATMs, and charges for using other banks' ATMs. If you travel, you'll also want to know if there are additional fees for using ATMs in other states or countries.

Your institution may charge fees for opening and closing accounts, deposits and withdrawals, overdrafts, placing a stop payment, balance inquiries, branch services, and phone support. Find out if you will pay extra for the services you use most, and ask about ways to avoid paying fees. Check your monthly statement, and challenge fees you don't think you should be paying.

### **7) Don't pay extra for overdrafts.**

Consider that some institutions charge \$35 for an overdraft, while others charge \$10. Some make automatic loans to cover overdrafts, with interest rates of up to 36%. Some institutions can make an automatic withdrawal from your savings or charge to your credit card in the event of an overdraft, for no additional fee. Try to choose the least expensive option, given your spending habits.