



Tips About Low-Cost Bank Accounts

WHAT IS A LOW-COST BANK ACCOUNT?

A low-cost account is a bank account that costs a maximum of \$4.00 per month and includes the following features:

- no charge for deposits;
- the use of a debit card;
- cheque-writing privileges;
- a free periodic record of your account that shows you all of the money that came out of and went into your account during the month; and
- eight to 15 debit transactions per month — at least two of which can be made in the branch.

Where can you open a low-cost bank account?

The following eight banks offer low-cost accounts:

- BMO Bank of Montreal
- CIBC
- HSBC Bank Canada
- Laurentian Bank
- National Bank
- Royal Bank
- Scotiabank
- TD Canada Trust

Under Canadian federal law — subject to certain types of identification — anyone can open an account with a bank. However, other deposit-taking institutions, such as credit unions and *caisses populaires*, are regulated provincially and may have different requirements.

Some questions to ask when shopping around for a low-cost bank account:

- Are there branches of the financial institution close to where you go most often (for example, near your home, work or school)?
- How many transactions will you make on a monthly basis? Make sure you know how many transactions you are allowed to make each month with a low-cost account so you don't go over this limit and find you have to pay extra fees.
- What kind of identification (I.D.) will you need to open a low-cost account?

Where to go for more information

The Financial Consumer Agency of Canada (FCAC) provides timely, objective information to help consumers choose the best banking products and services for their needs. FCAC also informs Canadians of their rights and responsibilities when dealing with financial institutions and makes sure that banks and federally regulated trust, loan and insurance companies respect the laws and agreements that protect consumers.

You can reach us by phone through our toll-free Consumer Contact Centre at 1-866-461-3222 (our TTY number is 613-947-7771 or, toll-free, 1-866-914-6097), or by visiting our Web site at www.fcac.gc.ca.

- For more information about the details of the low-cost accounts offered by the eight banks, see FCAC's booklet ***What You Should Know About Low-Cost Accounts***, which is available on our Web site and by telephone.
- For more information about your rights when opening a bank account and the I.D. requirements, please see FCAC's booklet ***Opening a Personal Bank Account***, also available on line or by telephone.
- To help you choose the banking package that is right for you, FCAC has an interactive tool, ***The Cost of Banking Guide***, which is available both on line and in print and enables you to compare the characteristics and costs of most banking packages in Canada.