



Shopping Around for a Personal Bank Account

YOUR BANKING RIGHTS

Under Canadian law — subject to certain identification requirements — everyone has the right to open a personal deposit account with a bank. Other deposit-taking institutions, such as credit unions and *caisses populaires*, are regulated provincially and may have different requirements.

What is a personal bank account?

A personal bank account is an account held with a financial institution such as a bank, a trust and loan company, a credit union or a *caisse populaire*. A personal bank account is a safe place to put your money and help you save. It also enables you to do everyday financial transactions, such as paying your bills.

There are different types of personal bank accounts:

- Savings accounts — You can often earn a small amount of interest on the money you put into this type of account, but you are usually limited, with respect to the day-to-day banking transactions you can make with a savings account, to making deposits, making withdrawals and transferring money.
- Chequing accounts — This type of account usually gives you access to a wider range of services for your day-to-day banking transactions (such as paying bills and withdrawing cash) but you earn very little or no interest on the money you deposit in a chequing account.
- Combination account — This type of account is part savings and part chequing. You may take your money out at any time — in person, at a bank machine, by writing a cheque or by direct payment.

Tips about shopping around for a personal bank account

- Decide how you would like to do your banking. You can choose to do it in person at a branch, or to use self-serve transactions (such as at an automated banking machine (ABM), or through telephone or Internet banking).
 - Some in-branch transactions can be more expensive. If you want to do your banking in person or at an ABM, you might want to consider choosing a financial institution with branches and ABMs that are located close to where you want to do your banking (for example, close to your home, work or school).
- Find out about the fees for different types of accounts.
 - Certain basic accounts have a fee for each transaction you make.
 - Some financial institutions offer accounts with no monthly fees.
 - Others offer bank accounts that combine a certain number of transactions in a package for a flat, monthly fee (with extra fees charged for each transaction once you exceed that number).

- Some financial institutions don't charge a monthly fee if you maintain a certain amount of money in your account, at all times, during the month (this is called maintaining a "minimum monthly balance").
- Some banks also offer special service packages for youths, students or seniors. If you qualify for a special service package, you can save on your monthly costs.
- If you wish to use specialized services such as money orders, bank drafts or travellers' cheques, you may want to consider a banking package that includes these types of services, so you won't have to pay any extra service charges.
- Decide if a low-cost account would suit your needs. Low-cost accounts are offered by eight banks, at a cost of \$4.00 or less each month. They include a limited number of in-branch and self-serve transactions. A low-cost account may be a good option for you if you only make a small number of transactions per month.

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.

- To help you choose the banking package that is right for you, FCAC publishes ***The Cost of Banking Guide***, which is available both on line and in print. This interactive tool enables you to compare the features and costs of most banking packages in Canada.
- For more information about your rights when opening a bank account, and the identification requirements involved, see our publication ***Opening a Personal Bank Account***, which you can view on line or order by mail.
- For more information about the low-cost accounts offered by eight banks, see FCAC's booklet ***What You Should Know About Low-Cost Accounts***, which you can view on line or order by mail.