

Chp. 3: Financial Services...Choosing an Account

BUILD YOUR SKILLS

Use information from the Bank of Atlantic Canada table on p. 96 to complete questions 1 to 4.

- Marc is an administrative assistant for the provincial francophone development council in Charlottetown, PEI. The council supports the economic development of the local Acadian and francophone community. Marc plans to save \$300.00 a month towards buying a house. What type of account should he choose? Explain your answer.
- Jannik does most of his banking online or at an ATM. Every month he has a minimum balance of \$1200.00 and does about 15 transactions. Suggest the account most suitable for his needs and explain your choice.
- Kyra has a Self-service Account at the Bank of Atlantic Canada with an opening balance of \$2150.23 for October. She made the following transactions in the month:
 - full-service payment of \$250.42 for her utility bill
 - payment by cheque of \$650.00 for her rent
 - purchase of \$100.00 worth of traveller's cheques
 - cash withdrawals of \$60.00 and \$20.00 at her local Bank of Atlantic Canada ATM
 - cash withdrawal of \$100.00 at an ATM which was not a Bank of Atlantic Canada ATM; there was an additional \$1.50 charge on top of the Bank of Atlantic Canada service charge
 - payments of \$102.24 and \$43.20 for groceries, \$50.00 for gas, and \$7.35 for lunch using her bank card
 - payment for a new cycling jacket purchased online for \$99.95
 - online payment of her phone bill of \$36.35
 - What are the service charges for Kyra's transactions?
 - What will Kyra's balance be at the end of the month?
 - If Kyra makes a single deposit of \$800.00 this month, will she have to pay a monthly fee?
- Explain why it is important to keep your bank card PIN secure.
 - List three ways that you can protect your personal banking information.
- Describe two situations in which you might use each of the following: a bank card, online banking, telephone banking, a bank teller, an ATM, a cheque.
- Jim withdraws \$20.00 every week from an ATM that charges a \$1.50 service fee in addition to the \$1.50 his bank charges him.
 - How much money would he spend on ATM fees every year?
 - Suggest two things Jim could do to reduce his ATM fees.

Extend Your Thinking

- Timothy is travelling in the United States and he uses his bank card to obtain \$60.00 USD cash. In addition to the \$60.00 USD, he is charged a \$1.00 USD service charge from the US bank he is using and a \$1.50 CAD charge from his own bank. The day he withdraws his money, \$1.00 USD is worth \$1.05 CAD. How many Canadian dollars will be deducted from his account?



Many people convert currency before crossing the border to take a trip to another country. This is the border crossing between St. Stephen, NB, and Calais, Maine.

CHAPTER 3

FINANCIAL SERVICES

3.1 CHOOSING AN ACCOUNT

BUILD YOUR SKILLS, PAGE 102

- Marc should choose a bonus savings account. He will get interest on his savings, and can keep his day-to-day transactions separate.
- Jannik should choose a value account.
- \$5.00
 - \$625.72
 - She will have to pay the monthly fee.
- Answers will vary.
 - Answers will vary.
- Answers will vary.
- \$156.00
 - Answers will vary.

Extend your thinking

- \$65.55 CAD

BANK OF ATLANTIC CANADA SERVICE PACKAGES

	Value Account	Self-service Account	Full-service Account	Bonus Savings Account
Monthly fee	\$3.90	\$10.90 Students and Youth (under 18) save 50% on the monthly fee	\$24.50	No fee
Fee waived on minimum monthly balance	\$1000.00	\$1500.00	\$2000.00	
Transactions covered by monthly fee: <ul style="list-style-type: none"> • cheques • withdrawals • bill payments • debit purchases • transfers to other Bank of Atlantic Canada accounts 	10 self-service	25 self-service	40 self-service or teller-assisted No annual fee for a credit card	2 debit transactions
Charge for additional transactions not covered by monthly fee	Self-service \$0.50 each Teller-assisted \$1.00 each	Self-service \$0.50 each Teller-assisted \$1.00 each	Self-service \$0.25 each	Self-service or teller-assisted \$1.25 each
Non-Bank of Atlantic Canada ATM withdrawals	\$1.50 each	\$1.50 each		
Interest				Daily interest that grows with your balance

Transaction Types

Self-service: Any transaction that does not require a bank teller. This includes withdrawals, deposits, cheques, money transfers, direct payment purchases, and transactions made at an ATM, by telephone, or online.

Teller-assisted: Includes all transactions that require a teller, such as in-branch withdrawals, transfers, in-branch bill payments, and traveller's cheque and foreign currency purchases.