



**Personal Finance Virtual Learning**

# **Read the Fine Print pt 1**

**April 29, 2020**



Lesson: April 29, 2020

## **Objective/Learning Target:**

- Learn tips for using their checking account effectively, including the use of mobile alerts
- Read a checking account agreement and identify the fees associated with a checking account
- Understand how overdraft protection works and how to avoid high fees attached to the service
- Read a bank statement to verify its accuracy and interpret how their money is being used

# Warm up (think out loud, or write your answer down)

1. What is the average fee to take money out of a non-network ATM?

# Lesson

Checking accounts are fundamental, as you saw in the last lesson, but it's important to know how to use your account properly. Watch this video, starting at 0:42, to answer the questions.

<https://youtu.be/Nd8ztl2uvzo?t=42s>

1. Why is it vitally important to understand the fees your bank may charge on your checking account?
2. Why do the women from the Financial Diet recommend using direct deposit, mobile banking, and financial apps?

## Lesson (continued)

Checking accounts are fundamental, as you saw in the last lesson, but it's important to know how to use your account properly. Watch this video, starting at 0:42, to answer the questions.

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3. Checking account transactions are NOT reported to the credit bureaus and do not affect your credit score. Why is it still important to manage your checking account well?
4. How much money do they recommend keeping in your checking account? How much do they recommend for your emergency fund (a savings account)?

# Lesson

As you saw in the previous video, it's extremely important to understand the fees your bank charges associated with your checking account. You learn this information by reading your account agreement. Follow the directions on the worksheet to complete this activity.

[https://docs.google.com/document/d/1bg9S3bvhhZfB17JZEVjyWMWK3\\_-WZWQYqbOLeV6FFBE/edit](https://docs.google.com/document/d/1bg9S3bvhhZfB17JZEVjyWMWK3_-WZWQYqbOLeV6FFBE/edit)

# Lesson

Overdraft fees, which average \$35 per transaction, can devastate your checking account balance. Let's dive a little deeper into these fees and how you can prevent them. Watch this video and then answer the questions.

<http://www.consumerreports.org/video/view/money/banking/1674383787001/bank-overdraft-fees/>

1. What is misleading about the term “overdraft protection”?
2. True or False: Once you are signed up for overdraft protection, you cannot opt out.
3. What else did Sharon do to avoid future overdraft fees?

# Exit Ticket

1. What is the largest frequently charged fee on checking accounts?