

Chapter 3 Be aware!

Financial Services



Keeping track of your own finances is very important. It lets you save money for important things like vacations, cars, paying your taxes, and buying your first home.

Choosing an Account 6.1

NEW SKILLS: REVIEWING YOUR BANKING OPTIONS

In this chapter you will look at different banking options and services in Canada. This may be useful for you even if you already have a bank account and are familiar with banking services.

There are many different types of accounts offered by banks. Each bank has its own particular names for the accounts, but most are some form of chequing account or savings account.

Different fees and interest are attached to each type of account, and each allows for different types of transactions. In order to earn interest, some accounts require a minimum balance.

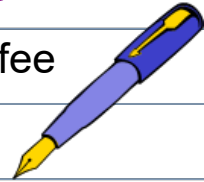
3.1

Choosing an Account



Add these to page 279

Interest: _____ on an investment or a fee
paid for borrowing money; usually expressed as a
percentage.



Self-service banking: _____

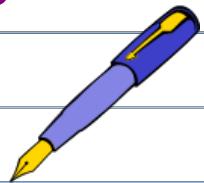
Full-service banking: using _____

Transaction: any activity such as a _____,
_____, _____, pre-authorized payment, or
_____ payment.

Feb 13-4:41 PM

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Interest: money earned on an investment or a fee
paid for borrowing money; usually expressed as a
percentage.



Self-service banking: internet, telephone or ATM

Full-service banking: using teller services

Transaction: any activity such as a cash withdrawal,
deposit, money transfer, pre-authorized payment, or bill
payment.

Feb 13-4:41 PM

In-class work:

3.1 Financial Services handout

Need Value Account information

Jan 29-7:49 PM

Transaction	Date	Description	Payment	Deposit	Balance
+ \$ 1.00	4/1/10				768.23
FS	4/2/10	Utilities	105.42		661.81
ATM	4/3/10	Cash	60.00		601.81
ATM	4/4/10	Cash	40.00		561.81
DC	4/4/10	Groceries	167.24		394.57
DC	4/5/10	Gas	45.00		349.57
DC	4/5/10	Coffee	3.55		346.02
ATM	4/6/10	Cash	60.00		286.02
ATM	4/8/10	Deposit		650.45	936.47
DC	4/9/10	Runners	125.45		811.02
DC	4/9/10	Groceries	145.67		665.35
ATM	4/9/10	Cash	20.00		645.35
ATM	4/12/10	Cash	100.00		545.35
ATM	4/14/10	Cash	60.00		485.35

Transaction made at another institution's ATM.

483.85

c) Service charge \$3.90 = \$479.95

Mar 13-4:15 PM

Review the Bank of Atlantic Canada fees found on p. 96 and answer the following questions.

- a) List the types and amounts of service charges for each transaction in the two-week period. What will Delphine pay in service charges?
- b) Why do you think Delphine recorded the last ATM withdrawal for \$60.00 with a star?
- c) What is her balance at the end of two weeks if she includes the service charges in her calculations?
- d) If Delphine has no further transactions for the month of April, will she have to pay the monthly fee? Explain.

Mar 13-4:16 PM

	Value Account
Monthly fee	\$3.90
Fee waived on minimum monthly balance	\$1000.00
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
Charge for additional transactions not covered by monthly fee	Self-service \$0.50 each Teller-assisted \$1.00 each
Non-Bank of Atlantic Canada ATM withdrawals	\$1.50 each

Mar 22-1:18 PM

Name _____ Date _____ Class _____

LESSON
6-7 **Practice A**
Simple Interest

Find each missing value.

1. $P = \$1,000, r = 5\%, t = 2$ years

$$I = \underline{1000} \cdot \underline{0.05} \cdot \underline{2}$$

$$I = \underline{\$100}$$

2. $P = \$600, r = 4\%, t = 3$ years

$$I = \underline{\hspace{2cm}} \cdot \underline{\hspace{2cm}} \cdot \underline{\hspace{2cm}}$$

$$I = \underline{\$72.00}$$

3. $I = \$330, r = \underline{3}\%, t = \underline{1}$ year

$$\underline{\hspace{2cm}} = P \cdot \underline{\hspace{2cm}} \cdot \underline{\hspace{2cm}}$$

$$P = \frac{I}{rt} = \underline{\$11,000.00}$$

4. $I = \$270, r = 5\%, t = 3$ years

$$\underline{\hspace{2cm}} = P \cdot \underline{\hspace{2cm}} \cdot \underline{\hspace{2cm}}$$

$$P = \underline{\$1,800.00}$$

Oct 15-11:55 AM