

Things to Remember When Opening an Account

Bring Identification (ID) Cards.

The bank or credit union must check your name and address. You will be asked for your:

- **Name**
- **Address** (both where your mail is sent and the address where you live—for some people these are different addresses)
- **Birthdate**
- **Identification (ID) Number** (usually a Social Security Number, but Non-US citizens might be asked for another ID number provided by the government).

Remember to bring a card showing your photo, like a state drivers license or state ID card, a US passport, a green card or alien registration card, or military ID.

You might be asked for a second ID to double-check your address, like a recent telephone or electricity bill, or a bill from a cable TV company. This second ID could also be a student ID card, union membership card, employee badge, birth certificate, health insurance card or government aid card.

Bring Money to Open the Account.

Many banks and credit unions ask for a minimum deposit of up to \$25. Check with your bank or credit union to determine what is needed to open an account.

Understand and Avoid Overdraft Fees

An overdraft happens when you spend more money than is in your account. You must pay the money back and also pay an overdraft fee.

To avoid these fees, some people choose “checkless” accounts that come with a debit card. When you use a debit card, you usually can’t spend more money than you have in the account. The card generally won’t work if you try to buy something that costs more than the amount of money in your account. If you don’t spend more than you have, you won’t be charged overdraft fees.

If you want your bank or credit union to pay the amount you want to spend when it is more than you have in the account, you must ask for “overdraft protection.” Learn more about this by talking with someone at your bank or credit union. Make sure you know how much the overdraft protection will cost. It can be expensive.

Helpful Hints

- To avoid overdraft fees, keep a record of the amount of money in your account. Whenever you use the debit card or write a check, subtract the amount from your account. This will help you to know how much money you have in the account.
- Read the monthly paperwork (statement) sent to you from the bank or credit union. It will list the money going into your account and coming out. Make sure all checks, debits, payments and other withdrawals are ones you approved. If you see anything that doesn’t seem right, call your bank or credit union.
- Protect your debit card and ATM card. You will need a PIN (Personal Identification Number) to get your money using an ATM card or debit card. Remember your number (password). Do not write it down and don’t make it easy for other people to guess it.

Save and Protect Your Money With a Bank or Credit Union

Open a Low Cost Account Today

Stop Paying for
Check Cashing and Other
Expensive Services.
Learn How Banks and Credit
Unions Can Save You Money.



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Bank on ME Working Group

Do you use expensive check cashing services?

Are you charged a fee for money orders when paying bills?

Banks and Credit Unions can save you money and protect it. Here's how:

- **Check cashing stores charge large fees.** At some of these stores, if you cash a check for \$100, you might only get \$90 back. This is a 10% charge. When you deposit a check into your own account at a bank or credit union, you keep all the money and can easily get your cash when needed.
- **Free or low-cost ways to pay bills.** Many banks and credit unions offer ways to pay bills for free or a small cost. Some allow you to pay bills using a computer, and some banks and credit unions will give you a small number of free money orders each month.
- **Get Your Money When You Want It.** You can take money out of your account at a bank or credit union for little or no fee. Most accounts come with a debit card to use to buy things at stores and to take cash from your account using ATMs (Automated Teller Machines).
- **Keep your Money Safe.** Money deposited in a bank or credit union is safe. If something happens to the bank or credit union, all accounts with up to \$250,000 are protected. Don't risk keeping cash at home where it could be stolen or lost in a fire or flood.

What Is Best For You?

If you have never opened an account at a bank or credit union, a "check-less" checking account might be the best way to get started. This account is easy to keep open and it usually has few, if any, fees. It lets you take out your money using a plastic debit card.

If you need more than a basic "checkless" account, there are checking accounts that give you both paper checks and a debit card.

There are also savings accounts that pay you a small amount of money, called interest, on the amount of cash in your account.

Do You Need Other Services?

Many banks and credit unions offer other services that you might need:

- **Wire transfer.** This is a way to send money to people in other places.
- **Money Order.** This can be used to pay bills. Some banks and credit unions will allow you to get a small number of money orders free each month.
- **Financial education.** This is a way to learn more about how to protect your money and plan for the future.

**If you want more help, call or click
Maine's Bureau of Financial Institutions
1-800-965-5235
www.maine.gov/pfr/financialinstitutions**

**You may download a copy
of this brochure at
<http://www.maine.gov/pfr/financialinstitutions/consumer/lowcostaccounts.pdf>**

Getting Started!

Banks and credit unions will answer your questions and help you open an account. Bring this checklist to a bank or credit union near your home or work. Ask about "basic accounts." A "yes" to many of these questions means you found a free or low-cost account.



ASK THESE QUESTIONS

YES NO

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have a "checkless" account with debit card or ATM use only? |
| <input type="checkbox"/> | <input type="checkbox"/> | Can I use the debit card without fees at stores, businesses and branches of this bank or credit union? |
| <input type="checkbox"/> | <input type="checkbox"/> | Can I open an account with \$25 or less? |
| <input type="checkbox"/> | <input type="checkbox"/> | Will you keep my account open if the amount in it (the balance) is under \$1? |
| <input type="checkbox"/> | <input type="checkbox"/> | Is there a monthly fee to have this account, and is that fee \$3 or less? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you charge (overdraft) fees if the amount in the account goes below \$0.00? (Is there a way to avoid paying these fees?) |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you offer free check cashing if the check is from an insured bank or credit union? |
| <input type="checkbox"/> | <input type="checkbox"/> | Does the account offer online access and bill paying using a computer (electronic banking) at no cost? |
| <input type="checkbox"/> | <input type="checkbox"/> | Does the account come with two or more free money orders each month? |