

Savings Accounts Strategies

Instructions: These strategies are presented and explained in the “Savings Accounts” lesson of eSeminar. Use these individual strategies as a guide when designing your own overall savings strategy.

Checking Account Strategies

1. Know all fees and restrictions
2. Estimate the amount of interest
3. Get overdraft protection
4. Link your accounts
5. Buy inexpensive checks
6. Review terms regularly (for discounts)

Savings Account Strategies

1. Know all fees and restrictions and their impact
2. Use savings account to accumulate funds
3. Transfer the accumulated funds into other savings options that offer higher interest

Money Market Deposit Account (MMDA) Strategies

1. Use MMDAs for short-term savings (90 days average)

Certificate of Deposit (CD) Strategies

1. Compare annual percentage yields (APY)
2. be sure you can leave the money alone for the full period of time
3. spread out CD purchases/renewals over time to avoid withdrawal penalties

Online Banking Strategies

1. Use your bank’s online services
2. Discuss “online only” bank service offers with your bank; negotiate for similar rates
3. Get advice from others who have used online services
4. Read the fine print

“Alternative Bank” Strategies

1. Research these options online
2. Get advice from financial advisor and from others who have used these services
3. Research a number of potential offerings before selecting one

General Banking Strategies

1. Know your bank manager
2. Watch for unexpected fees
3. Ask to have fees/penalties waived
4. Know your interest rates
5. Review your account terms regularly (and ask to be offered better terms if they apply)
6. Use the internet for research and comparison shopping
7. “Interview” other banks