

Why Use a Savings Account?



NAME _____

DATE _____

BELLWORK

Question:

Answer:

In your own words, describe the difference between a checking account and a savings account.

If you don't know, think about what the words "checking" and "savings" imply.

DISCUSSION NOTES

Account Type

Notes

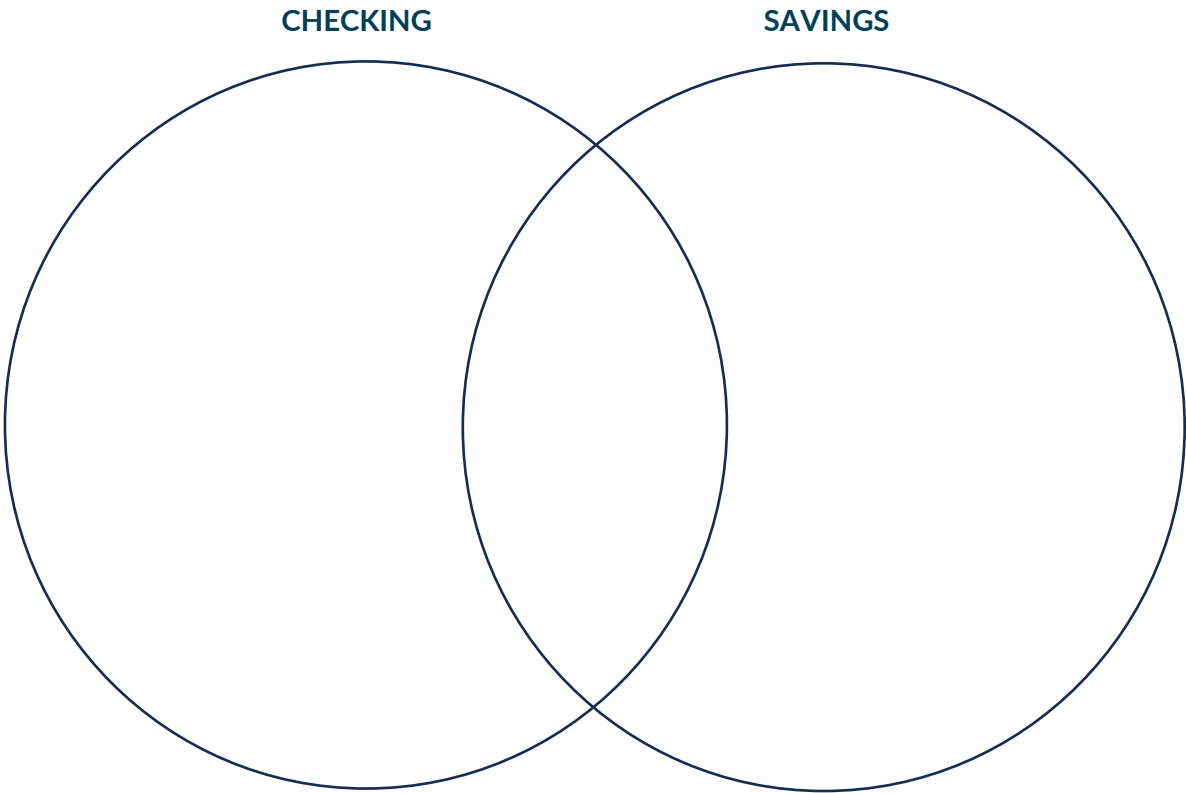
Checking

Savings

CHECKING OR SAVINGS ACTIVITY

ACCOUNT FEATURES – SORT IN VENN DIAGRAM

Unlimited withdrawals	Provides variable interest	Can include access to online banking and direct deposit
Best for spending money	May have a minimum balance and monthly fees	Little to no interest provided to help your money grow
Easily access your money via debit cards and checks	Limited withdrawals via ATM card or at the bank	Best for saving money long-term



EXTENSION

Give an example of a situation where it would be best to open a **savings** account.

Give an example of a situation where it would be best to open a **checking** account.

EXIT TICKET

Question:

Answer:

The following is an example of features offered by a bank account:

- 0.5% annual interest
- Five withdrawals per month with a \$10 fee for additional withdrawals
- Free ATM card with 10,00 ATM locations nationwide

Do you think this is a description of a savings account or a checking account? Give your reasons.