



2.3 Beware of Banking Fees

Student Activity Packet

UNIT: BANKING

Name:

Students will be able to:

- Identify common checking and saving account fees and how to avoid them
- Explain how overdraft protection works and the impact of overdraft fees
- Compare overdraft policies at major US banks

NOTE: Vocabulary for this unit can be found in the [NGPF Personal Finance Dictionary](#)



QUESTION OF THE DAY: How much are the average overdraft, maintenance, and out-of-network ATM fees?

Answer the question on the first slide in the space below. Then, compare your answer to the answer on the second slide. Finally, follow your teacher's directions on how to answer the follow-up questions on the last slide.

1. How much are the average overdraft, maintenance, and out-of-network ATM fees?



ARTICLE: 7 Common Banking Fees and How to Avoid Them

One of the ways that banks make money is to charge its customers fees for various banking services or when specific requirements are not met. Read the article about common banking fees. Then, answer the questions.

1. How can you avoid a monthly maintenance fee?

2. What is the average fee charged by large banks for using an out-of-network ATM?

3. What is an excessive transactions fee?

4. Which fee on this list will be the most challenging for you to avoid?

VIDEO: [FinCap Friday: Protection or Deception?](#)

One of the fees that can show up on your checking account statement is the overdraft fee. Watch the video to learn more about this fee. Then, answer the questions.

1. What is an overdraft fee?

2. True or False: Overdraft protection is a required feature of most checking accounts with no ability to opt out.

3. Why do so many people still sign up for overdraft protection when it is not always beneficial for them to do so?



ACTIVITY: [ANALYZE: Overdraft Fees](#)

Now that you know what an overdraft fee is, let's look at how your account would be affected when you overdraw your account using different overdraft options offered by a bank. Follow the directions on the worksheet to complete this activity.



 LEARN IT

ARTICLE: [7 Mobile Banking Alerts That Help Protect Your Money](#)

One way that you can avoid fees is to turn on alerts that will let you know when there's an issue with your account that requires your attention. Skim this article to find out what kinds of alerts you can set up so you can avoid fees. Then, answer the questions.

- 1. Select 3 of the alerts mentioned in the article. In your own words, briefly describe their benefits.**

- 2. While all seven of the alerts are highly recommended, which one do you think is most helpful for you to avoid fees? Explain your reasoning.**

 EXIT TICKET

Follow your teacher's directions to complete the Exit Ticket.