

Trends in Banking

Trends in banking are changing the way many of us utilize personal banking services. The growing availability of online services and the increasing functionality of smartphone apps are transforming banking into an anytime, anywhere experience.

Regardless of whether you prefer paper statements and going to your local bank/credit union branch over online banking and live chats through your smartphone, there are common terms and services associated with banking. To be a more informed and aware consumer, you need to be familiar with these terms and services and whether there are fees or other charges that apply to them.

What to Know

Monthly Maintenance Fees

Know the monthly fee your bank/credit union charges to maintain your account and if they waive the monthly fee if your account meets certain requirements, such as maintaining a minimum balance or using direct deposit for your paycheck.

Online Banking Services

Know what banking services are available to you online. While online services differ between institutions, typical online services include:

- Account balance
- Account activity
- Account statements
- Bill payment
- Message center
- Fund transfers

Note: Most banks/credit unions do not charge a fee for fund transfers between your accounts or transfers to other customers of the bank/credit union. Most charge a fee for fund transfers to and from outside financial institutions.

Mobile Banking

Most banks/credit unions are building out their mobile banking services with new apps that offer greater functionality and ease of use. While this form of banking offers tremendous conveniences, it also presents security challenges for banks/credit unions in authenticating the identity of users logging into their accounts. Be aware of this.

Not all mobile services are created equal. If you are interested in using mobile banking, you may want to compare the mobile services of several banks/credit unions. Reputable third-party reviews are a good starting point.



ATM Usage

While your bank/credit union may not charge a fee when you use their ATMs, using the ATM of another bank/credit union can result in a fee from both banks/credit unions: a fee from your bank/credit union for using another bank's/credit union's ATM, and a fee from the bank/credit union that operates the ATM you used. It's important to know what these fees are. They could be higher than you think.



Overdraft Fees

Banks/credit unions generally charge a fee if you write checks that total more than the balance in your account. You need to know what the charge is, and if there are conditions under which the bank/credit union may reverse the charge. You generally can avoid overdraft charges with optional overdraft protection. Typically, this protection is linked to a savings account or credit card, usually for a fee. Find out what your bank/credit union charges for this protection and what the terms are. Note: if you use a debit card tied to your account, most banks/credit unions won't let you overdraw your account at the point of sale. This helps you avoid overdraft charges. You should contact your bank/credit union if you're interested in this option. You may have to set it up.

Checks and Replacement Cards

If you use traditional paper checks, find out if there are fees associated with check-writing. Some banks/credit unions do not charge for check-writing, while others allow free check-writing up to a certain number of checks per month. Most banks/credit unions charge a fee for ordering new checks. If you use a debit card, some banks/credit unions charge a fee to replace a lost or destroyed debit card.

Interest-bearing Checking

Interest-bearing checking accounts are offered through most banks/credit unions. Many even offer tiered rates if your account meets certain requirements. In most cases, the interest paid on checking accounts is very low. Depending on your needs and preferences, your bank/credit union may offer a higher interest-paying alternative to your checking account.

Where to Turn

If you have questions about your checking account or other type of bank/credit union account, contact the financial institution directly. Should you have a complaint against your financial institution, send your complaint to:

Department of Insurance and Financial Services (DIFS) for state chartered banks and credit unions, 877-999-6442, or online at www.michigan.gov/difs

If your complaint is against a *federal credit union*, send your complaint to:

National Credit Union Administration (NCUA), 800-755-1030, or online at www.ncua.gov

If you have a complaint against a *national bank*, send your complaint to:

Consumer Financial Protection Bureau (CFPB), 855-411-2372, or online at www.consumerfinance.gov